

PROCUREMENT MANUAL OF BIRAC

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CHAPTER 1

INTRODUCTION

About BIRAC

1.1 BIRAC is a Section 8, “Not-for-profit Company” established under the Companies Act, 2013 by Department of Biotechnology, Ministry of Science & Technology, Government of India. BIRAC is intended to be an interface agency to serve emerging biotech industries. BIRAC, a Schedule ‘B’ Public Sector Undertakings guided by an independent Board of Directors comprising of senior professionals, academicians, policy makers and industrialists. To serve various dimensions of its mandate, BIRAC operates mainly in three verticals. Investment schemes provide funding support to entrepreneurs, start-ups, SMEs and Biotech Companies for all stages of the product development value chain from discovery to proof of concept and from early and late stage development to validation and scale up, right up to pre-commercialization. There are also special product development missions. The second vertical is Entrepreneurship Development which focuses not only on funding support but also on making available the right infrastructure, mentoring and link up with other networks for technology transfer and licensing, IP and business development including regulatory guidance. Lastly, BIRAC’s strategic partnership group works closely with all partners – national and international – including both Central and State Government departments and ministries, industry organisations, international bilateral agencies, philanthropic organisations and corporate sector to leverage its strength and expertise to mobilize resources and extend the outreach of its activities.

1.2 BIRAC Functions

BIRAC’s endeavour is to provide value to the crucial and critical steps in converting discoveries to product. One of the primary mandates of BIRAC is to “trigger, transform and tend biotech start-ups to convert innovative research in public and private sector into viable and competitive products and enterprises”. It is a unique organization, the first of its kind in the country, set up to match global standards. The stated functions of BIRAC are:

- i) Supporting early and late stage of innovation research i.e. at stage of idea, proof of concept, prototype, validation, pilot, scaling up (not for marketing).
- ii) Product innovation and commercialization for addressing grand challenges of national relevance i.e. strategic partnerships for social welfare schemes like SPARSH (for maternal & child health) funding them for product development and delivery implementation.
- iii) Enabling services for promoting the innovation ecosystem – includes IP support, Legal advisory support, Policy and analysis cell, Evidence based strategic policy formulation (providing market info for informed decision making).
- iv) Any other services that may be permitted as per the Article of Association (AoA) and Memorandum of Association (MoA) of the organization.

1.3 Objective of the Manual

Objective of this Manual is to ensure that procurement procedures of BIRAC will be so organized as to be:

- Systematic
- Transparent
- Equitable
- Uniform
- Efficient
- Cost-effective
- In accord with rules and regulations prescribed by government from time to time; keeping the specific requirements of BIRAC in view

The Chairman of Board of Directors of the Company has been delegated powers by the Board of Directors to approve matters related to procurement of goods by the Company. BIRAC has to comply with the provisions of the Delegation of Financial Power Rules and other Circulars and Notifications issued by the Govt. from time to time, covering financial, vigilance, security, safety, countertrade and other regulatory aspects. Without purporting to be a comprehensive compendium of all statutory provisions, rules, regulations, orders and guidelines on the subject of procurement, this Manual is intended to serve as a self-contained reference document covering the norms and practices governing public procurement by BIRAC.

1.4 Powers to Relax

Chairperson, BIRAC may relax any of the provisions of this manual in special circumstances warranting such relaxation. In all such cases, adequate justification shall be recorded.

1.5 Amendments/updating of procedures:

The procurement procedures as described in this Manual may require some amendments from time to time keeping in view the orders/ instructions etc. issued by the government or any other relevant authority. Accordingly, amendments/explanation / clarifications to this Manual shall be read in conjunction with such orders/instructions. Any amendments issued by Government from time to time relating to various provisions of this Manual will automatically be applied and followed by BIRAC.

Chapter 2

TERMINOLOGY AND ABBREVIATIONS

2.1 Terminology Used

Standard terminology has been adopted in this Manual. In certain areas, there may be two or more widely used terminologies bearing the same meaning as mentioned below:

- (i) Tender, Bid, Quotation. (Meaning: offer received from a supplier/service provider)
- (ii) Tenderer, Bidder. (Meaning: an entity that seeks to supply goods/services by submitting tender/bid)

- (iii) Tender Enquiry Document, Tender Document, Bidding Document.(Meaning: a detailed document issued by the Company specifying its needs and the requirements that a potential tenderer/bidder must meet and calling for submission of bids by interested parties by a specified time and specified date).
- (iv) Notice Inviting Tenders, Invitation for Bids (Meaning: advertisement containing brief details of the procurement requirement).
- (v) Earnest Money Deposit, Bid Security. (Meaning: monetary guarantee furnished by a tenderer along with the tender)
- (vi) Security Deposit, Performance Security. (Meaning: monetary guarantee furnished by the successful tenderer for due performance of the contract).
- (vii) Vendor, supplier (Meaning an entity that provides Goods and /or Services for consideration, against an order).

2.2 Abbreviations:

Standard abbreviations have been used in this Manual. Some of the abbreviations are listed below for ready reference:

- ATE – Advertised Tender Enquiry
- BEC - Bid Evaluation Criteria
- BG – Bank Guarantee
- CPO – Central Procurement Organisations
- CPPP – Central Public Procurement Portal
- DOP – Delegation of Powers
- EOI – Expression of Interest
- EMD – Earnest Money Deposit
- GCC – General Conditions of Contract
- GeM – Government E-Marketplace
- GFR – General Financial Rules
- LTE – Limited Tender Enquiry
- OEM – Original Equipment Manufacturers
- PAC – Proprietary Article Certificate
- PAN – Permanent Account Number
- PNC – Price Negotiation Committee
- PO – Purchase Order
- PR – Purchase Requisition
- PSU – Public Sector Undertaking
- SCC-Special Conditions of Contract
- SME – Small and Medium Enterprise
- SoW – Scope of Work
- TC –Tender Committee
- TEC – Technical Evaluation Committee
- TIN –Tax Identification Number
- WO – Work Order

2.3 Definitions

- i. “Bidder or Supplier” means any potential party or any party to procurement

- proceedings with the procuring entity (BIRAC for purposes of this Manual), as the context requires;
- ii. “Bid Security” means a monetary security provided to the procuring entity by bidders in terms of provisions of the Bidding Documents;
 - iii. “CPPP” means the Central Public Procurement Portal of Government of India for procuring organizations to upload all tender enquiries and details of bid awards.
 - iv. “Central Purchase Organisation” means an organisation whose major function is to make procurement for other procuring entities or to enter into Rate Contracts/ Framework Agreements for procurement by other procuring entities.
 - v. “Company” means Biotechnology Industry Research Assistance Council
 - vi. “Competent Authority”, in individual cases, shall mean an authority having powers, to approve procurement of goods/services as the context requires.
 - vii. “Eligible Bidder” means a bidder qualified to bid in terms of conditions specified in the Tender Document.
 - viii. “GeM” means Government E-Market Place wherein multiple buyers can select products and services from pre-sourced catalogues and perform commercial transactions with multiple sellers through a Web Platform
 - ix. “Goods” has the meaning as defined in Rule 143 of General Financial Rules, 2017 and includes intangible products like software, technology transfer licenses, patents or other intellectual properties purchased or otherwise acquired for the use of BIRAC but excludes books, publications, periodicals etc. procured by BIRAC.
 - x. “Invitation to Bid” means a document published by the Company inviting bids relating to procurement.
 - xi. “Pre-qualification” means the procedure adopted for identifying bidders qualified to bid prior to solicitation of bids.
 - xii. “Procurement” or “Public Procurement”, means acquisition of goods or services, including execution of works, and includes all stages of the process of acquisition, by purchase, lease, license or otherwise, of goods, or services or works.
 - xiii. “Procurement Contract”, means a contract entered into between the Company and a successful bidder in regard to any procurement
 - xiv. “Procurement Process”, means the process of procurement extending from the determination of need for procurement upto the award of the Procurement Contract and ending with completion of the Procurement Contract, but does not include any acquisition without consideration.
 - xv. “Rate Contract” means an agreement between the Company and bidders for supply of goods of specified description / types wherein the agreement (contract) specifies in advance the terms, including the price, under which suppliers will be made to the Company during the period of validity of the agreement;
 - xvi. “Registered Supplier” means any supplier who is on a list of Registered Suppliers of the Company or of a Central Purchase Organisation.
 - xvii. “Restricted Bidding” is a procurement method in which only those bidders previously registered with the Company may submit a bid.
 - xviii. “Service” means any non-physical form of procurement other than goods or works and includes any services classified or declared as such by the Company.
 - xix. “Single Source Procurement” means a procurement method in which the Company solicits a proposal or quotation from a single supplier;
 - xx. “Vendor” means an entity that provides goods and / or services against consideration.
 - xxi. “Works” has the meaning specified under rule 131 of General Financial Rules, 2017

and includes, Original works, Minor works and Repair works as described therein. .

Terms not defined here shall have the same meaning as applicable in usage of those terms in GFR, 2017.

The above definitions will hold good irrespective of the words appearing in upper or lower case, as the context requires.

Chapter 3.

PRINCIPLES OF PUBLIC PROCUREMENT

3.1 Principles of Public Procurement

Public procurement by BIRAC should also conform to the principles laid down under rule 173 of GFR, 2017 which emphasizes the need for transparency, competition, fairness and elimination of arbitrariness in the procurement process.

3.2 Authorities vested with purchase powers

- (i) An authority which is competent to incur expenditure in terms of current Delegation of Powers (DOP) in BIRAC may sanction procurement of goods, services or works required for use in the Company, in accordance with the financial limits specified in the DOP, following the procedures laid down in this Manual.
- (ii) A demand for procurement should not be split into small quantities for the sole purpose of avoiding the necessity of obtaining approval from a higher authority vested with power to approve purchase of the total consolidated demand with reference to its estimated value.

3.3 Transparency, Competition and Elimination of Arbitrariness

Public procurement by BIRAC should also conform to the principles laid down under rule 173 of GFR, 2017 which states the need for transparency, competition fairness and elimination of arbitrariness in the procurement process.

3.4 Efficiency, Economy and Accountability

Procurement procedures must conform to exemplary norms of best practices to ensure efficiency, economy and accountability in the system. To achieve this objective, the following key areas should be taken care of:

- (i) To reduce delays, BIRAC should prescribe appropriate time frame for each stage of procurement; delineate the responsibility of different officials and agencies involved in the purchase process and delegate, wherever necessary, appropriate purchase powers to lower functionaries with due approval of the competent authority. Procurement through Government E-Marketplace (GeM) should be resorted to for direct online purchase of goods/services (as detailed in under rule 149 of GFR, 2017). The Central Public Procurement Portal (CPPP) should be used, to the extent possible for E-publishing of tender documents as detailed under rule 159 of GFR, 2017. Wherever feasible, E-procurement, as provided for under rule 160 of GFR, 2017, should be resorted to.
- (ii) To ensure conclusion of contract within the original validity of the tenders, extension of tender validity must normally be discouraged and resorted to only in unavoidable,

exceptional circumstances with the approval of the competent authority after duly recording the reasons for such extension.

3.5 Code of Integrity

BIRAC shall be bound by a Code of Integrity as elaborated under rule 175(1) of GFR, 2017. No official of BIRAC or a bidder shall act in contravention of the Code of Integrity. BIRAC shall take appropriate measures, against a bidder/prospective bidder/officer of BIRAC if it is established, after giving a reasonable opportunity to be heard to the concerned persons, that there has been an infringement of the Code of Integrity. The procedures for inquiry and action to be taken in this regard shall be decided by MD, BIRAC.

3.6 Rules governing Public Procurement by BIRAC

The procurement policy of BIRAC will be generally governed by relevant provisions of the following rules and regulations:

- i) General Financial Rules (GFR),2017,
- ii) Delegation of Financial Powers Rules (DFPR)1978;
- iii) Government orders regarding price or purchase preference or other facilities to sellers in the Handloom Sector, Cottage and Small Scale Industries, start up s and Central Public Sector Undertakings etc.
- iv) Guidelines issued by the Central Vigilance Commission to increase transparency and objectivity in public procurement.
- v) Micro, Small and Medium Enterprises Development Act, 2006 (Section 11)
- vi) Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012
- vii) Manual for Procurement of Goods, 2017
- viii) Manual for Procurement of Consultancy & other services, 2017.
- ix) Guidelines issued by the Directorate General of Supplies and Disposal(DGS&D).
- x) Any other instructions issued by GOI, from time to time, in regard to procurement by CPSEs.

The officials dealing with procurement in BIRAC will familiarize themselves with the extant provisions of above rules, regulations, orders and guidelines and continually update their knowledge in this regard.

3.7 Seven ‘W’s of Purchase Management:

The following seven ‘W’s of purchase process must be considered before appropriate purchase decisions are taken:

- Why to purchase
- What to purchase
- When to purchase
- What terms and conditions to adopt
- Who are the prospective suppliers

- What is the reasonable price
- What are the key areas of the resultant contract for special watch.

3.8 The ‘Dos’ of Purchase Management

- Be clear about the required end users of the items to be purchased and the utility of the items to be purchased for the end users
- Prescribe standard, well-defined, straight forward and broad-based technical specifications for the item to be purchased
- Ensure that commercial conditions of the tender enquiry are attainable within the framework of the laws of the land
- Aim for competitive tenders and avoid, to the extent possible, Single Tender purchases
- Get availability of required funds confirmed from Accounts Division
- Verify to ensure that suppliers in view are competent and eligible
- Allow sufficient time to tenders to prepare and send their tenders
- Follow standard transparent norms for receipt and opening of tenders
- Compare tenders on equitable basis on common criteria with reference to the terms and conditions of the tender enquiry.
- Segregate responsive tenders from unresponsive ones
- Check reasonableness of quoted price(s)
- While processing the case for placement of order, be clear about the purchase decision taken and the recommendations made therein
- While drafting the contract ensure that all required terms and conditions are incorporated
- Provide for reasonable lead time for arranging supply
- Ensure that the concerned tenderer has already agreed to all the terms and conditions being incorporated in the contract
- After issuing the contract wait for its unconditional acceptance by the supplier
- Keep a watch to ensure that all the parties named in the contract fulfill their obligations in terms of the contract
- Be equitable and transparent and be seen to be so

3.9 The ‘Don’ts’ of Purchase Management

- Generally speaking the don’ts, in every case, are the opposite of the do
- Do not prepare the tender with ambiguous specifications and vague end use for the items to be purchased
- Do not project specifications and other terms and conditions which are beyond the current capabilities of the Industry
- Do not give undue preference to a tenderer at the cost of other prospective tenderers
- Do not resort to “distress purchase’ except in very few exceptional circumstances
- Do not place a contract without ensuring availability of required funds
- Do not place a contract incorporating new and unsettled terms
- Do not proceed with any verbal agreement
- Do not delay payment to the supplier when due
- Do not create a situation where the ordered item arrives but the site is not ready for installation, commissioning and operation
- Do not place unnecessary hurdles in the purchase process since delay cases time overruns and consequent create cost overruns.

Do not make a dead contract alive by negotiating with the supplier unless the same is explicitly decided by the Competent authority as it could have repercussions in pending arbitration or court cases.

Chapter 4

PREPARATORY PROCUREMENT ACTIVITIES

4.1 Indent

‘Indent’ is differently defined as “To make an official request for goods” and “Make a requisition upon a person for a thing” It is essential to prepare the indent with utmost care to avoid delays arising from inherent deficiencies.

4.2 Assessment of requirement and indenting

Assessment of requirement will be made by persons (indentors) authorized to submit indents by the Head of each Division. Assessment of requirement will be made with due care taking into account the availability of stock from previous purchase, requirement for an appropriate period of succeeding months, shelf life of goods and other relevant factors.

4.3 Indent Document

All indents shall be prepared in the prescribed format. The indent form (purchase requisition template) is at **Annex-I**. The Indenter/user Division shall send an indent document, duly signed by the Head of Division to Head HR& Admin for procurement of the indented goods. .

4.4 Indentor will indicate the technical specifications and SOW. Wherever technically complex items are to be Procured. Specifications must be industry friendly and not framed to favour any particular manufacturer.

4.5 Indent prepared by an indentor will be got approved from the Head of indenting Division after ascertaining availability of sufficient funds under the relevant budget head from the Finance Division. The indent approving authority will also obtain sanction for procurement of goods and incurring expenditure on the proposed procurement from the competent authority as per DoP, as specified in clause 3.2 (i) above. The indent approved by the Head of indenting Division will be forwarded by the indenting Division to Head, HR& Admin Department, after availability of funds is got confirmed from Finance Division and expenditure sanction of the competent authority has been obtained.

4.6 Deciding mode of Procurement

After satisfying that the indent is complete in all respects, even though mode of purchase may be indicated by the indentor, procurement strategy will be decided by Head HR & Admin based on the monetary value of goods/services to be procured as detailed under paragraph 4.8 below. In respect of imported items, the Free On Board (FOB) value shall be the criteria for applying the prescribed financial limit. Selection of suppliers for items frequently required by the Company, could be from a panel of Registered Suppliers [vide definition of Registered supplier in paragraph 2.3(xvi)] who may be contacted to ensure timely supplies. The Registered Suppliers may be of

BIRAC or a CPO. The process for registration of supplies is elaborated under rule 150 of GFR, 2017. The Company may register, for this purpose, as many suppliers of proven capacity, as possible who will be in a position to meet the requirements of the Company and the list of registered suppliers for the goods/services to be procured must be exhibited on CPPP and website of BIRAC.

4.7 Procurement Process and Authorities responsible

The key objectives will be:

- (i) Minimize the time taken for procurement
- (ii) Clarity on goods / works / services to be procured
- (iii) Consolidation of requirements in order to reduce the administrative effort and cost

Table 4.7 below details the procurement process and the authorities responsible for various activities involved in the process:

Table 4.7

Sl No	Activity	Initiator	Recommendation to be made by	Key Control	Approval to be accorded by	Required Document/ Report
1.	Creation of a valid Purchase Requisition (PR) document on the basis of need (i.e. indent as per model form at Annex-I)	Person(s) authorized to indent by Head of Indenting department	-	-	Head – Indenting department	Purchase Requisition (PR), that is, indent (Model at Annex-I)
2.	Estimation of cost for the goods / services as per the PR	Person (s) authorized to indent by Head of Indenting department		(i)Recent previous purchase price. (ii)Market enquiries	Head – Indenting department	Approved cost estimate as indicated in indent
3.	Determination of source of procurement	Person(s) authorized to indent by Head of Indenting department	(i)Indenter for goods costing up to Rs25000/- (Purchase of goods without quotation vide rule 154 of GFR, 2017) (ii) Local Purchase Committee (LPC)in respect of goods costing above Rs.25,000/- and up to Rs.2,50,000/- (vide rule 155 of GFR, 2017) (iii) In case of single source/ proprietaryarticlepurcha	(i)Past performance in case of previous supplies. (ii)Check whether the supplier is blacklisted (i) constitution of LPC [vide 4.7 rule 155 of GFR, 2017] (ii)LPC to check past performance and whether supplier is blacklisted Verification of availability only through single source / proprietary nature	As per DOP As per DOP As per DOP	(i)Recommendation and approval. (ii) Certificate prescribed under rule 154 of GFR, 2017. (i)Certificate by LPC [vide para rule 155 of GFR, 2017]. (ii) Note of recommendation and approval. (i) reasons for single source procurement to be recorded by

			<p>se, indenter with approval of Head of indenting department (vide rule 166 of GFR, 2017)</p> <p>(iv) In case of purchase through invitation of limitedtenders, (in cases of estimated value of goods upto Rs.25,00,000/- as provided under rule 162 of GFR, 2017 and subject to the exceptions under sub0rule (iii) thereof) source will be decided by the relevant Committee constituted with approval of competent authority</p> <p>(v) In case of purchase through ATE for goods of estimated value of Rs.25,00,000/- and above (vide rule 161 of GFR, 2017)</p>	Responsiveness of the bids.	As per DOP	<p>recommending authority [vide para 4.8 (ix)] and approval of approving authority (ii)In case of proprietary articles, PAC [vide rule 166 of GFR, 2017] and approval of approving authority</p> <p>(i)Recommendation of relevant Committee as recorded by minutes of meetings held (ii) approval by Competent Authority as per DOP</p>
					As per DoP	<p>(i) reasons for single source procurement to be recorded by recommending authority [vide para 4.8 (ix)] and approval of approving authority (ii)In case of proprietary articles, PAC [vide rule 166 of GFR, 2017] and approval of approving authority</p>
4.	Decide appropriate mode of purchasebased on the nature of the required goods, the quantity & value involved and the period of supply	<p>(i)Indenter for values up to Rs.25,000/- and member of the relevant committee</p> <p>(ii) Local Purchase Committee for estimated purchase value of Rs.25,000/- and up to Rs. 2.50 lakh</p> <p>(iii)Tender Committee for values</p>	Head of indenting Department / relevant committee	<p>(i)Monetary value of purchase</p> <p>(ii) Technical requirements (whether to have two bid system / two stage bidding)</p>	As per DOP	<p>(i)Note justifying the selected mode of procurement with reference to the prescribed monetary limits.</p> <p>(ii)Approval by competent authority as per DOP.</p>

		above Rs. 2.50 lakh] (iv) Tender Committee will also propose whether purchase will be without quotation or under rate contract or under Advertised Tender enquiry or Limited tender enquiry or Single tender Enquiry or GeM or CPPP				
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4.8 Modes of Procurement

- i) **Running Contract / Annual Bulk Supply Contract:** In respect of stores for which there is recurring and regular demand and the price of which is not subject to appreciable fluctuation and in cases of common use items required by the Company, annual bulk supply contracts based on Open Tender may be resorted to for an appropriate period not exceeding two years at a time. After conclusion of annual bulk supply contracts with the approved suppliers, the Purchase Orders may be placed on annual bulk supply contract holding firms indicating the description of items, phasing of delivery and quantity for each installment, price, percentage/quantum of statutory levies, payment terms, details of the consignee, etc. instead of placing individual purchase orders on each occasion. In such contracts, it should be clearly stipulated that the GST input credit received by the supplier will be disclosed in respect of each installment of goods supplied and the amount would be refunded or adjusted against future payments and any violation would invite cancellation of the contract and/or debarment for a period upto 3 years.
- ii) **Rate Contract:** Rate contracts may be entered into by BIRAC with registered suppliers for such goods which are not available on GeM and are identified as common use items and are needed on recurring basis. In such cases where rate contracts are available, there would be no objection in making direct procurement from the rate contract holders by placing purchase orders provided they are willing to make supplies at the rate contract prices. The other salient terms and conditions of the purchase should be in line with those specified in the rate contract. In the rate contract system, negotiation and counter offering of rates are permitted to bidders.
- iii) **Cash Purchase:** In cases where the value of an individual item covered by an indent does not exceed Rs.5,000/- (Five Thousand), purchase may be made by cash, with the approval

of Head HR& Admin. After the indent approving authority decides the vendor. The items purchased through cash purchase should be reflected and accounted for in the stocks and payments effected against bills immediately thereafter.

- iv) **Telephonic Quotation:** While procurement without quotation of goods and services upto Rs.25,000- (Twenty Five Thousand) is permissible, the authority processing procurement of the goods and services may at her/his discretion obtain telephonic quotations where the value of an item (or items of similar nature) to be purchased at a time and covered by an indent, exceeds Rs.15,000/- (Rupees Fifteen Thousand) but does not exceed Rs.25,000/- (Rupees Twenty Five Thousand). Quotations by telephone may be obtained from at least five firms (unless the source of supply is less than five). If, after obtaining quotations by telephone in respect of the indents where estimated value of the item(s) was Rs.25,000/- or below, but the actual quoted price is found to exceed Rs.25,000/-, such indents will be processed afresh on Limited Tender basis or through Local Purchase Committee. Firms from whom telephonic quotations were obtained shall be asked to confirm in writing that the quotation has been correctly recorded.
- v) Various other modes of procurement, depending on the estimated value of goods/services to be procured and the relevant rule of GFR, 2017 applicable in respect thereof are indicated below. BIRAC may follow the rules, ensuring that the estimated value is not split in order to avoid particular mode of purchase.

Mode	Monetary value of estimated cost	Rule of GFR, 2017	Points to be kept in view
Procurement without quotation	Upto Rs.25,000/-	154	Prescribed certificate to be recorded. Please see para 5.2 also
Purchase by Purchase Committee	Above Rs.25,000/- and upto Rs.2,50,000/-	155	Prescribed certificate to be recorded jointly. Please see para 5.3 also
Single Tender Enquiry	No monetary limit	166	Conditions specified in GFR to be satisfied. PAC to be recorded where applicable. Please see para 5.4 also
Limited Tender Enquiry	Upto Rs.25,00,000/-	162	No. of supplier firms should be more than 3. Tender enquiry should be published on CPPP and on website of BIRAC.
Advertised Tender Enquiry	Rs.25,00,000/- and above	161	Normally time of 21 days should be allowed for submission of bids from date of publication of tender notice. Tender enquiry should

			be published on CPPP and on website of BIRAC.
Maintenance Contract	No monetary limit	169	During warranty period or such periods as specified in the contract, there should be no paid maintenance.

vi) Electronic Reverse Auction

Electronic Reverse Auction means an online real-time purchasing technique that may be utilized by BIRAC 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 BIRAC may choose to procure goods by the electronic reverse auction method, in the circumstances and following the procedures as laid down under rule 167 of GFR, 2017.

vii) Two Bid System:

For purchasing high value plant, machinery etc. of a complex and technical nature, technical bids commercial bids may be obtained separately in two parts and the procedures as laid down under rule as under rule 163 of GFR, 2017 may be followed.

viii) Two-Stage Bidding

Under two stage bidding, BIRAC is required to obtain bids in two stages with receipt of financial bids after receipt and evaluation of technical bids. BIRAC may resort to two stage bidding under the circumstances and following the procedures laid down under rule 164 of GFR, 2017

ix) E-Publishing

It is now mandatory to publish tender enquiries, corrigenda thereto and details of bid awards on Central Public Procurement Portal (CPPP). The requirement applies to all Tender Enquiries, EoI, Notice for pre-qualification, Notice for Registration or any notice inviting bids or proposals in any form, whether they are advertised, issued to limited number of parties or to a single party. In case of procurement through GeM or through any CPO or an exempted Government agency, only award details need to be published. This requirement will not apply to procurement made through cash purchase, purchase of good without quotation, purchase through telephonic quotation or purchase of goods through Local Purchase Committee.

x) E-Procurement

At present the facility of E – Procurement is available on CPPP. In cases where the need for resorting to e-procurement is felt, this course of procurement may be resorted to with the approval of MD, BIRAC.

xi) Buy Back Offer

When it is decided with the approval of the competent authority to replace any existing old item(s) with a new and better version, BIRAC may trade the existing old item while purchasing the new one. If the Buy Back offer option is to be exercised by BIRAC, provisions of rule 176 of GFR, 2017 may be followed.

4.9 Vendor Registration

Key Objectives of Vendor Registration are:

- (i) Registration would avoid the need for BIRAC to technically qualify the vendors repeatedly for supply of same items when need arises for placing repetitive orders.
- (ii) Terms and conditions are to be explicitly declared to vendors and their acceptance should be duly received and recorded.
- (iii) All relevant documents necessary to carry out business transactions such as Personal Account Number (PAN) and Tax Identification Number (TIN) should be received and taken on record.

Vendor Registration may be resorted to in case of repetitive orders of procurements of items (stationery, computer consumables, etc.) which are not of a technically complex nature. Past performance of the supplier in regard to quality of goods supplied and timely supply as per requirement will be the basis for vendor registration. Relevant Committee in consultation with relevant Indenting Divisions, decide the suppliers to be registered for the purpose after being satisfied about the credentials of the supplier. A panel of Registered Suppliers will be prepared and maintained, on an annual basis, after an annual review exercise is carried out. Non-performing suppliers may be deregistered at the time of annual review.

4.10 Table 4.10 below details the processes and authorities responsible for vendor registration:

Key Objectives:

- Avoiding the need for BIRAC to technically qualify vendors repeatedly on each occasion when repetitive orders are placed for supply of same items.
- All genuine vendors are enabled to perform legitimate business activities in India through registration to meet requirements of BIRAC.
- Credentials, manufacturing capabilities, quality control, past performance, after sales service, financial background, etc., of the vendors are duly verified.
- Rate contracts may be entered into with registered vendors.

Process Activity Control Flow

Table 4.10

S No	Activity	Initiator	Recommended	Key Control	Approval	Document/ Report
1.	Registration of vendors	Official of indenting department processing purchase cases	Relevant Committee (in consultation with user Divisions)	Post performance in regard to quality and timely supply	MD	(i) Approval of competent authority (ii) Register of registered vendors valid for one year

2.	Annual Review	Official of indenting department concerned with the registered vendor	Relevant Committee (in consultation with user Divisions)	Performance during previous year(s)	MD	(i) Approval of competent authority (ii) Fresh Register of registered vendors.
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Chapter 5

PROCUREMENT ACTIVITIES

5.1 Purchases through GeM

As per extant instructions of Govt. of India, the GeM portal is to be utilized by Govt. buyers for direct online purchases of monetary limits of value as specified under rule 149 of GFR, 2017

5.2 Vendor Selection for procurement other than through GeM.

In cases of procurement against rate contract, procurement without quotation and telephonic quotations, vendor selection shall be as per DOP and the authority taking decisions in this regard shall record the reasons / certificate for the choice made. In case of purchases up to Rs.25,000/- without quotation, Head, HR & Admin or an official nominated by Head HR & Admin shall have the responsibility for deciding the vendor after local market survey. The certificate to be recorded shall include the key words 'requisite quality and specifications' and 'reliable supplier'. Hence, Head, HR & Admin will need to be satisfied about the reasonability of prices, acceptability of specifications and reliability of the supplier, based on past performance or otherwise, before placing the order.

5.3 Purchases through local Purchase Committee (as per GFR 155)

In case of purchases through Local Purchase Committee for procurement of goods/services of value above Rs.25,000/- (Rupees Twenty Five Thousand) and upto Rs.2,50,000/- (Rupees Two Lakh Fifty Thousand), the key words of the Certificate to be recorded by the Committee members are 'reasonableness of rate, quality, acceptable specifications'. The Committee members must be satisfied that the vendor meets each of these criteria. The choice of vendor shall be based on consensus among the members of the Committee; failing which through majority decision which can be decided by a casting vote of the Chairperson in case of equality of votes. However, all the members will sign the certificate once the decision regarding selection of supplier is decided.

5.4 Proprietary Article Certificate

In cases where PAC is furnished by the indenter Head, HR & Admin may place order on the firm enjoying proprietary status, on the basis of recommendations of the relevant Tender Committee and with approval of the competent authority.

5.5 Preparation of EoI/NIT/Tender Document

Head, HR & Admin shall have the Expression of Interest (EoI), Notice Inviting Tender (NIT) and tender documents prepared, after satisfying that the indent is complete in all respects and that availability of funds is confirmed and expenditure sanction of the competent authority, as per DoP, has been obtained by the Indenting Division. The tender document shall be vetted by the Tender Committee and Legal as well as Finance Departments before publishing.

- (a) EoI : When the estimated cost of the goods is above Rs.2.5 lakhs, i.e. in cases where Limited or Advertised Tender Enquiry is to be issued, if desired, an enquiry seeking 'Expression of Interest' from prospective suppliers may be published in at least one national daily and the website of BIRAC, besides uploading details on CPPP. The website address should also be

given in the advertisement. Enquiry seeking Expression of Interest should include, in brief, the broad scope of work or service, inputs to be provided by the user department, eligibility and the prequalification criteria to be met by the suppliers..EOI should also seek information relating to past experience of interested bidders in similar work or service. The prospective suppliers may also be asked to send their comments on the objectives and scope of the work or service projected in the inquiry. Adequate time should be allowed for getting responses from interested prospective suppliers/service providers.

- (b) The tender document will be an elaborate document which will indicate, the detailed specifications technical and financial evaluation criteria, bid procedures (pre-bid meeting if necessary, whether single or two bid), format for bidding and all relevant annexures. All the terms, conditions, stipulations and information are to be incorporated in the tender document in the appropriate chapters as below:

Chapter – 1: Instructions to Bidders.

Chapter – 2: Conditions of Contract.

Chapter – 3: Schedule of Requirements.

Chapter – 4: Specifications and allied Technical Details.

Chapter – 5: Price Schedule (to be utilised by the bidders for quoting their prices).

Chapter – 6: Contract Form.

Chapter – 7: Other Standard Forms, if any, to be utilised by the purchaser and the bidders.

- A. The nature and essential components of a tender document are indicated under rule 173 of GFR, 2017. It will be ensured that the tender document is self contained and includes/ensures, but is not limited to, the following.

(i) Closing date and time for submission of tenders and date, time and place of opening bids. It should be ensured that time allowed to the tenderers to submit quotations is reasonable. Normally, a minimum period of ten days for Limited Tender and a minimum period of twenty one days for

Open Tender is to be allowed. Time gap between submission of bids and opening of bids is to be kept to the minimum specifying that in respect of two bid quotation, only techno-commercial bid will be opened on the date of opening. As far as possible, the day selected for opening the bids should be a working day; avoiding, as far as possible, Fridays and days followed by a series of holidays.

(ii) Validity period of the quotations is specified Normally, the bid shall remain valid for 90 days.

(iii) Tender enquiries are signed for and on behalf of BIRAC

(iv) Suitable clauses regarding trial/guarantee/warranty period, after sales service and availability of spare parts, wherever applicable, are included .

(v) Provision is made for supply of drawings/specifications to the tenderers on payment of reasonable charges, along with tender documents, wherever considered essential .

(vi) The name of the officer of BIRAC with whom all correspondence relating to the tender are to be addressed is clearly indicated with full address, phone numbers,e-mail id etc.

(vii) Clauses for performance security deposit/guarantee and earnest money deposit (EMD) are incorporated.

(viii) Delivery schedule is clearly indicated. Consequences arising from extension of delivery period/delay in delivery as detailed in paragraphs 7.3 and 7.13 are incorporated.

(ix) Fall Clause is included

(x) Liquidated damages clause/Penalty clause are specified

- (xi) Arbitration Clause has been incorporated (please see paragraph 12.3 & 12.4 in regard to venue of arbitration and applicable law)
- (xii) Payment terms are spelt out clearly
- (xiii) Insurance, if required, is insisted upon
- (xiv) Inspection agency, is mentioned, if applicable
- (xv) Mode of dispatch (Rail/sea/air) and place of delivery is indicated
- (xvi) Code of Integrity is incorporated
- (xvii) Requirements relating installation, commissioning and training, if applicable, are spelt out

B. The technical part of the bidding document shall include:

- (i) Scope of work - The Scope of Work (SoW) to be specified in the tender document will be the same as specified in the indent (PR) and this would be eventually incorporated in the formal contract through work order. Thus, the SoW shall specify all the essential elements of the contract to be entered into between the service provider (vendor) and the Company. SoW must clearly document the requirements, milestones, deliverables, end products, documents and reports that are expected to be provided by the vendor. The SoW should be drafted carefully since any modifications thereto subsequent to closing date for submission of bids cannot be allowed. If any modification to the scope of work as published in the tender document becomes necessary before the closing date, that should be done through an amendment that will also be published in the same manner as the original document was published and, if necessary, the closing date for submission of bids may be extended with the approval of competent authority.
- (ii) Technical specification – Technical specification should be drawn up without ambiguity. The tender document should incorporate detailed specifications, drawings, data sheets, any other specific/special requirement pertaining to the material or services to be procured to avoid different interpretations by tenderers and to enable them to quote correctly.
- (iii) Bill of Quantities (BOQ), is a document in which material, parts, labour (and their costs) are itemized. It details out the terms and conditions of the contract and itemizes all work to enable bidder to price the work for which he or she is bidding. BOQ will form part of the tender document only in cases where such itemization is considered necessary.
- (iv) Time schedule/delivery requirement - A realistic and achievable time schedule/delivery requirement should be firmed up and specified in the indent document by the indenter and in the tender document the same should be incorporated by the authority publishing the tender. Time schedule/deliverables should be based on requirement, past experience with domestic and global suppliers.

C. Commercial portion of the bidding document shall include:

- (i) Instruction to Bidders (ITB) - ITB shall detail all requirements as regards the bid content, submission, price basis, adjustment provisions, liquidated damages, bid security, bid evaluation, fall clause etc. so that bidders prepare their bid with reasonably complete information. The Bid rejection criteria/bid evaluation criteria including bidder's qualification criteria shall also be mentioned in the ITB. A checklist may also be appended to make sure that bidders ensure that the bid is complete and compliant in all respects.
- (ii) General Conditions of Contract (GCC) - GCC shall detail all the conditions of contract applicable to the work. Following key elements should form part of the GCC: Nature of Contract, Taxes, Duties, Insurance, Labor Regulations, Sub-Contracting, Progress Reports, Indemnity, Defect Liability Period, Force Majeure, arbitration etc. Any changes to GCC, if

necessary, must be facilitated only through the legal department and approved by Head of legal department.

- (iii) Special Conditions of Contract (SCC) - SCC shall detail all the conditions which are specific to the work including safety measures, provisions relating to accounting of Company issued material, wastages, penal recoveries etc. The terms for payment shall also be highlighted in the SCC. Following clauses generally should form part of the SCC: testing parameters, conditions for installation, quality assurance and control programme, performance bond, approval of statutory bodies, performance guarantee, training, maintenance, supply of spares, etc.

5.6 Table 5.6 below details the processes and authorities responsible for preparation and publishing of tender document

Key Objectives:

- Clarity to the bidder on scope of work, timelines, deliverables, mode of payment, etc.
- Targeted approach prescribing well-defined timelines for various milestones

Table 5.6

S No	Activity	Initiator	Recommended	Key Control	Approval	Document/ Report
1.	Scrutiny of indent and preparation of procurement document, draft advertisement including all the relevant information	Person (s) designated by Head HR & Admin , for dealing with cases of procurement	Relevant Committee	Inclusion of mandatory provisions	As per DOP	(i)Draft procurement document i.e. NIT /Tender (ii) Approval by competent authority
2.	Approval of draft advertisement and tender document and decision regarding mode of publishing (newspaper/and/or electronic)	Head HR & Admin or persons designated by Head HR & Admin	Relevant committee	Modifications to standard template to be made in consultation and approval from Head legal division	As per DOP	(i)Vetted procurement document i.e. NIT/Tender (ii) Approval by competent authority
3.	Publishing & advertising tender in newspaper /CPPP	Person designated by Head of Admin department	Head – Admin department	-	As per DOP	(i)Approval Note, (ii)Propriety article certificate

						where applicable (iii) Approved advertisement copy
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5.7 Mandatory Provisions towards Securities/Guarantees:

(i) Earnest Money Deposit (EMD) or Bid Security :

To safeguard against a bidder’s withdrawing / altering its bid during the bid validity period in the case of ATE or LTE , EMD is to be obtained from the bidders except those who are registered with Central Purchase Organization, National Small Industries Corporation or the concerned Ministry / Department. The bidders are required to furnish EMD along with their bids. Amount of EMD should ordinarily be between 2% to 5 % of the estimated value of the goods to be purchased. Depending on the type of goods to be purchased, total value of purchase and urgency of requirement, whether EMD should be taken or not, the exact amount of EMD should be decided by the relevant committee beforehand and indicated in the Bidding Document.

In exceptional cases, as provided in rule 170 (iii) of GFR, 2017, in place of a Bid Security, BIRAC, after seeking approval of MD, BIRAC, 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 BIRAC.

(ii) Exemption from Bid Security:

Bid Security will not be necessary for bids from startup companies registered with DIPP ,OEMs, Authorized Distributors of OEMs, firms registered with a CPO or BIRAC or NSIC/Directorate of Industries and MSMEs and SMEs. However, the firms registered with a CPO or NSIC/Directorate of Industries have to submit evidence that they have a current and valid registration for the item(s) they intend to bid for, including the prescribed monetary limit.

In appropriate cases, submission of the Bid Security may be waived with the approval of MD, BIRAC, especially in the case of indigenisation/development tenders,limited tenders besides procurements made directly from OEMs or authorised agents of OEMs.

(iii) Acceptable instruments of EMD:

The EMD may be accepted in the form of Account Payee Demand Draft, FixedDeposit Receipt, Banker’s Cheque or a Bank Guarantee in acceptable form from any of the scheduled commercial Banks, safeguarding the interest of BIRAC in all respects. The EMD (Bid Security) should remain valid for a period of 45 days beyond the final bid validity period.

(iv) Forfeiture of EMD:

EMD of a tenderer will be forfeited, if the tenderer withdraws or amends its tender or impairs or derogates from the tender in any respect within the specified period of validity of tender. Further, if the successful tenderer fails to furnish the required performance security within the specified period, EMD submitted by the successful tenderer will be forfeited.

(v) Refund of EMD :

EMD furnished by all unsuccessful tenderers should be returned to them without any interest whatsoever, at the earliest after expiry of the final tender validity period and normally not later than 30 days after award of the contract. EMD of the successful tenderer should also be returned by the Finance Division to the successful tenderer without any interest whatsoever, only after receipt of performance security, as required in the contract.

(vi) Performance Security/Guarantee:

- (a) To ensure due performance of the contract, Performance Guarantee is to be obtained from the successful bidder who has been selected for award of the contract. Performance Guarantee is to be obtained from every successful bidder irrespective of registration status etc. Performance Guarantee should be for an amount of five to ten per cent of the value of the contract. Performance Guarantee may be furnished in the form of an Fixed Deposit Receipt or Bank Guarantee from a scheduled Commercial bank of repute in an acceptable form safeguarding the interest of BIRAC in all respects. A model form for Bank Guarantee as Performance Security is given at **Annex-II**. Performance Security is to be furnished by a specified date 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. Finance Division of BIRAC will keep custody of and account for the performance security. In case of any breach in performance, the Indenting Division Administration Division will obtain approval of the competent authority as per DoP that is, the authority who approved the procurement and accorded the financial sanction, to encash the performance security and intimate the same to Finance Division for encashing the security.
- (b) Notwithstanding the provisions in the preceding sub-clause, on the recommendations of the relevant committee and with specific or general orders of MD, BIRAC, requirement of Performance Guarantee may be relaxed in respect of contracts for engaging domain specific consultancy experts and in case of small value orders for goods or services upto Rs.10.00 lakh where payment terms envisage that payments are to be effected based on submission of invoice for already completed supplies/works executed. In such cases, however, the final payment will be withheld till satisfactory execution of PO/WO is certified by the Head of indenting department.

(vii) Forfeiture of Performance security:

Performance security is to be forfeited and credited to the account of BIRAC in the event of a breach of contract by the supplier, in terms of the relevant contract.

(viii) Refund of Performance Security:

Performance Security should be refunded to the supplier without any interest, whatsoever, after

due performance and completion of all obligations under the contract. The refund of performance security should not normally be later than 90 days of such performance and completion of contract obligations.

(ix) Verification of the Fixed Deposit Receipts/Bank Guarantees:

Bank Guarantees submitted by the tenderers/suppliers as EMD / Performance Security need to be immediately verified by the Finance Division from the issuing Bank before acceptance.

(x) Custody of EMD and Performance Security:

Safe Custody and Monitoring of EMDs, Performance Securities & Other Instruments must be ensured. This will be the responsibility of the Finance Division of BIRAC. Monitoring should also include a quarterly review of all Bank Guarantees and other instruments expiring after 3 months, along with a review of the progress of the corresponding contracts. Extension of Bank Guarantees and other instruments, where warranted, should be sought by the Finance Division and implemented within their validity period, that is, before the expiry date. In case the tenderer refuses to renew the guarantee and the performance of the contract is found unsatisfactory, the performance guarantee should be encashed with approval of MD, BIRAC.

5.8 Extension of bid submission/ opening date

Extension of date for submission of bids and date for opening of bids should be avoided as far as possible. It may, however, become necessary to extend the date due to any clarification / modification issued subsequently. Where bid submission date is to be extended, the decision must be taken by the competent authority based on the recommendation of relevant committee and the reasons must be recorded on the file. When extension of bid opening date is inevitable (valid and justified reasons for such extension should be recorded in writing), relevant Bid Opening committee may take a decision to extend the time for opening of the bids up to such period as the committee may find reasonable. Normally in case of receipt of only one bid in limited or open tender, the date for submission of bids and date of opening of bids may be extended by a reasonable period of time. All amendments would also need fresh publication adopting the same procedure as for publication of the original tender enquiry, including notification on CPPP where extension for submission of bids and opening of bids is decided the validity period of EMG/Bid Security should also be extended, correspondingly.

5.9 Modifications to bidding document

In case any modification is made to the bidding document or any clarification is issued which materially affects the terms contained in the bidding document, BIRAC shall publish or communicate such modification or clarification in the same manner as the publication or communication of the initial bidding document was made. The other conditions relating to bidding document shall follow rule 173 (iii) of GFR, 2017.

5.10 Cancellation of tender:

Cancellation of tender, are not normally allowed. However, on occasions when warranted, on recommendation of the relevant Committee, for reasons, to be recorded in writing and with the

approval of the competent authority as per the DOP, that is, the authority that accorded the approval and financial sanction for inviting the tender, the tender may be cancelled. All parties who had submitted the bids must be informed of the cancellation of the bidding. Notification in CPPP and Company's website should also be posted and displayed. The EMD amounts paid by the parties who had submitted the tender documents should be refunded to them without any interest.

5.11 Re-invitation of tender:

In the event of re-invitation of tenders, whether on a limited or open tender basis, the approval of the competent authority with power to accord approval and financial sanction will be obtained. Reasons for re-invitation of tender in all such cases will be recorded. Such re-invitation of tender, in case of LTE, will be solicited from all the bidders who had submitted bids for the initial tender. In case of open tender, intimation regarding re-invitation of bid documents will also be notified to all the bidders who had submitted bids against the original tender. In such cases also, publication of tender documents should be done by the same means as in case of original tenders, including uploading on the CPPP.

5.12 Publishing EoI/NIT/Tender Document in print media and/or electronically through CPPP

The Central Public Procurement Portal (CPPP) of Government of India facilitates all the Central Government Organisations to publish their tender enquiries, corrigenda and award of contract details. The system of e-Publishing also enables users to migrate to total electronic procurement mode. As far as possible, the tender (NIT and full tender document) should be published through CPPP. While publishing of tender documents on CPPP which should be resorted to in all cases, it would not preclude publishing the documents in news papers. In case of high value tenders where it is felt that publishing the tender documents in newspapers will result in a wider field of choice, at the discretion of competent authority, in addition to publishing the tender documents on CPPP, publishing on a few national / local newspapers may also be resorted to. The e-Procurement System of the CPPP enables the tenderers to download the tender document free of cost.

5.13 Pre-bid meeting

- (a) In most cases of procurement by BIRAC, pre-bid meetings may not be necessary since the procurement are normally not for technically complex goods. Pre-bid conference should be held only where required, with the approval of competent authority (the indent approving authority), for all cases under 2 stage bid system. In case of turn-key contract(s) or contract(s) of special nature for procurement of sophisticated and costly equipment, a suitable provision is to be kept in the bidding documents for a pre-bid conference for clarifying issues and clearing doubts, if any, about the specifications and other allied technical details of the plant, equipment and machinery projected in the bidding document. The date, time and place of pre-bid conference should be indicated in the bidding document. This date should be sufficiently ahead of bid opening date. Minutes of Pre-bid Conference will be prepared and put up for approval of the officer who chaired the Pre-bid Conference. Thereafter, in case, no modifications are required in the Bid Evaluation Criteria (BEC), specifications, bid conditions etc. the bidders would be asked to submit their bids on due date and time. However, if in consequence of discussions at the Pre-bid Conference, any amendments are required in BEC/specifications/bid conditions, etc., prior approval of the authority that had

earlier approved the tender document would have to be obtained. While seeking approval for the amendments, detailed justifications for agreeing to such modification(s) will be clearly explained on file. On approval of the proposed amendments, the amendments would be notified in the same mode and manner as the original publication of the tender document including notification on CPPP. If the modifications as agreed are such as would require additional time for submission of bids, the last date for submission of bids should be suitably extended and notified on CPPP.

5.14 Submission of Bids:

- In Single (Composite) Bid System, both Techno-Commercial part and Price bid should be put in one envelope. A valid tender response must contain the following particulars:

- (a) Name of Bidder
- (b) Description of goods/services.
- (c) Quantity and unit price
- (d) Taxes, levies and duties whether extra or not, including confirmation about passing on benefit of GST input credit to BIRAC.
- (e) Terms of delivery
- (f) Delivery Period /Schedule
- (g) Warranties
- (h) Any other charges or VAS (Value Added Services)

- In Two Bid System [vide rule 163 of GFR, 2017] where technical and financial bids are to be received simultaneously, un-priced Techno-Commercial Bid and Price bids should be put in two separate envelopes with markings on them as Envelope A and Envelope B respectively as under:

Envelope-A: shall be super-scribed in bold letters as '**Techno-Commercial Bid**'. In this envelope, the bid containing all parts except the price bid shall be put in. The envelope shall contain the Un-priced Techno-Commercial Bid, including bid security & compliance certificate, if any. The tender reference number shall also be indicated on the envelope in bold letters. It shall contain all technical details along with commercial terms and conditions. Bid security and compliance certificates are to be placed in separate envelopes and indication thereof should be clearly made on the envelopes along with other details as required to be mentioned. These envelopes will be enclosed in Envelope A.

Envelope-B: shall be super-scribed in bold letters as '**Price Bid**'. The tender reference number shall also be indicated on the envelope in bold letters. This envelope shall contain the financial bid indicating item wise price for the items mentioned in the technical bid.

Both the Envelopes i.e., Envelope-A & Envelope-B shall be put in one envelope and all markings like contract No., Bid Closing Date, Bidder's Name etc. shall be superscribed on the outer envelope.

- The procedure to be adopted in Two Stage Bidding has been explained in rule 164 of GFR, 2017.

5.15 Procedure for receiving bids

Receipt and custody of tenders shall be done in a transparent manner. Tenders are to be received in a tender box and, in case of bulky tender documents, by hand delivery to the official(s) nominated by Head, HR & Admin. The tender box is to be kept at the Reception/ main gate. On each occasion of tender opening, the tender box will be opened by two officials one from indenting Division and the other from Finance Division precisely at the close of the prescribed time and date specified for receipt of tenders and the relevant tenders will be taken out. In the tender box, there may be other tenders whose tender submission date is fixed for a later date. Such tenders will be securely left behind in the tender box. Under no circumstances, the envelopes should be opened before the specified tender opening date. Details of each tender serially numbered must be recorded in a tender receipt form (format provided at **Annex-III**). The tender receipt form will be signed by two designated officers authorized to open the tender box. The date and time of opening of the tender box will also be indicated in the tender opening form and the unopened envelopes containing the tender documents will be sent to the relevant committee authorized to open the tenders.

5.16 Fax / telex / telegraphic/telephonic bids will not be accepted. However, in case of bids for obtaining service from OEM/ Proprietary cases or single bidding or where only one bidder is approached for a bid, E-mail// Fax /Telex/ Telegraphic offers may be received for consideration provided the original bid duly signed has been sent already by tenderer to BIRAC but has not yet been received by BIRAC.

5.17 Delayed /Late Tenders

All tenders or modifications thereto received beyond the specified time of receipt, shall be marked as 'Delayed' and tenders or modifications thereto received beyond specified time for opening shall be marked 'Late'. The markings will be made on the envelope indicating also the time and date of receipt. Such envelopes shall be kept with BIRAC un-opened and will not be returned to the bidder.

5.18 Tender opening

As far as possible, the tender should be opened on specified days of the week on a working day and same should be mentioned in the bid document. The date, time and venue of tender opening will be notified, by the same means as the tender documents were notified, well in advance, to all the bidders if it is not already mentioned in the tender document. Bidders who wish to be present at the time of tender opening will be allowed to witness the tender opening. Each person representing a bidder must carry a letter of authorization from the bidder for being present at the time of tender opening. Unauthorized persons should not be allowed to be present at the time of tender opening. A Tender Committee constituted with the approval of MD shall open the envelopes containing the bids in the presence of the authorized representatives of the bidders who may be present at the specified time for opening of the bids. The members authorized to open the tenders, immediately on opening the tenders shall have the tender opening form (format provided at **Annex -IV**) duly filled. The tender opening form (template at **Annex - IV**) containing the following details shall be got completed in the presence of all the persons present at the time of bid opening:

- (i) Title of tender
- (ii) Tender Reference number

- (iii) Closure Date
- (iv) No. of tenders invited (where applicable)
- (v) No. of tenders received
- (vi) Opening date and time
- (vii) Signatures of all the authorized representatives of tenderers present during the opening of tender and signatures of members of Tender Committee.

Following aspects will be kept in view and adhered to while opening of bids:

- (i) The time for tender opening should be, as far as possible, be fixed for a time immediately after the deadline for receipt of bids/tenders.
- (ii) Tenders shall be opened in public that is, in the presence of the bidders or their authorized representatives. The bids after they are opened shall be got signed by all the persons present at bid opening.
- (iii) All tenders received within the specified deadline for receipt of bids should be opened. No bid, except the delayed bids and late bids, should be rejected at bid opening. Delayed/Late bids should be returned to the bidders unopened.
- (iv) The name of the bidder and total amount of each bid along with important conditions like excise duty, sales tax, delivery terms, delivery period, acceptance to refund GST input credits, special conditions, if any, shall be read out at the time of bid opening.
- (v) Spot comparative statement shall be prepared by members of Tender Committee and should be signed by all of them.

Chapter 6

VENDOR SELECTION/AWARD OF CONTRACT

6.1 Objectives of Vendor Selection

The key objectives of vendor selection shall be:

- i. Selection of vendor on the basis of identified parameters to ensure that the most suitable vendor is chosen.
- ii. Fair, reasonable and transparent procedure has been adopted for purchasing the required goods.
- iii. Vendor(s) selected are approved by the competent authority as per DoP.

6.2 Tender evaluation

The entire process of vendor evaluation and placement of contract must be transparent. All the tenders are to be evaluated strictly on the basis of the terms & conditions incorporated in the tender

document (based on which offers have been received) and the terms, conditions etc. stipulated by the tenderers in their tenders. No new condition should be brought in while evaluating the tenders. Similarly, no tender enquiry condition (specially the significant/essential ones) should be overlooked while evaluating the tenders. Aim should be to ensure that no tenderer gets undue advantage at the cost of other tenderers and/or at the cost of BIRAC.

- (a) Tender Committee (TC): Tenders shall be scrutinized by the Tender Committee (TC) constituted with the approval of MD, BIRAC.
- (b) Pre-Qualification Criteria (PQC): The tender evaluation committee shall maintain a pre qualification checklist (format provided at **Annex - V**) and qualify the tenders meeting the PQC as per conditions specified in the tender document.
- (c) Comparison of Bids: A statement of comparison of bids shall be prepared by members of Tender Committee as per the prescribed format at **Annex - VI**. The comparative statement so prepared should be signed by all the members involved with preparation of the comparative statement. A vendor evaluation statement will also be prepared by the Tender Committee. A template of vendor evaluation statement is at **Annex-VII**. Few criteria for selection of the successful bidder shall include:

- i. Satisfaction of tender document conditions
- ii. Capacity evaluation
- iii. Turnover
- iv. Statutory compliances
- v. Price of bid

- (d) Seeking Technical Clarifications/ Advice on Tenders/ Correspondence with the supplier by the indenters: The purchase contract should invariably be finalized without any technical or commercial queries. However, if any query becomes absolutely unavoidable, the same can be got clarified from the bidder with the approval of the authority competent to approve the purchase. However, under no circumstance any price change will be allowed on receipt of the clarifications.

- (e) Price Negotiation:

Price negotiation with L1 bidder in exceptional cases (after recording reasons)

- (i) Negotiations if at all shall be an exception and only in the case of proprietary items or in the case of items with limited source of supply or in case of suspected formation of cartel by bidders or bids being substantially above the reasonable cost. Negotiations shall be held with L-1 bidder only after recording the reasons for resorting to negotiations and after obtaining approval of the MD, BIRAC. Counter offers by L1 bidder tantamount to negotiations and should be treated as such. For purposes of negotiation, a Price Negotiation Committee (PNC) (which can be the Tender Committee itself) will be constituted with approval of the authority competent to approve the purchase in terms of DOP. The PNC shall have representation from the indenting, Admin and Finance Divisions.
- (ii) Negotiations can be recommended in exceptional circumstances only after due application of mind and recording valid, logical reasons justifying negotiations. In case of inability to obtain the desired results by way of reduction in rates and negotiations prove infructuous ; satisfactory explanations are required to be recorded by the Committee who conducted the

negotiations.

- (iii) If the negotiated offer of L-1 bidder is still not within the normal limits of acceptance, the offer may be examined on the merits of the case and put up with the recommendations of the PNC/TC for the approval of MD, BIRAC. The recommendation of the PNC/TC could be either for acceptance of the bid or for retendering. In either case, full justification should be provided in support of the recommended course of action.
- (iv) When the rate(s) of L1 bidder is lower than the estimated cost, the offer shall be examined by the Tender Committee with respect to the workability of rates as compared with the estimated cost as per scope of work and recommendations shall be submitted depending upon the merits of the case for the approval of the competent authority. In such cases also, the recommendation accompanied by justifications could be either for acceptance of the bid or retendering.
- (f) On the basis of recommendation of the TC and after approval by the competent authority as per DoP, an offer letter will be sent to the successful bidder. Once the bidder accepts the offer unconditionally, Purchase Order will be placed./Contract will be entered into with the bidder with approval of the competent authority as per DOP.

6.3 Table 6.6 below details the processes and authorities responsible for tender evaluation/vendor selection/award of contract

Process Activity Control Flow

Table 6.3

S No	Activity	Initiator	Recommended	Key Control	Approval	Document/ Report
1.	On receipt of tender bids, envelopes to be stamped, sequentially numbered and kept in safe custody until tender opening date. Details of each tender to be recorded in the appropriate tender receipt record	Two members of TC	-	Tender bids must be kept in safe custody by the member designated by Head Admin Department	-	Tender Receipt record duly filled. It shall be signed by the designated member receiving the tender.
2.	On the day of the opening of tender, Tender Opening Form (TOF) should be completed and signatures of all members of tender committee and authorized representatives of bidders present at tender opening must be obtained on the TOF.	Member Secretary, relevant committee	-	Letter of authority must be obtained from each representative of bidders who participate at the tender opening meeting. Representing rights to be verified.	-	Completed and dully signed TOF
3.	Evaluation of the bids as per criteria prescribed in the tender document.	Member Secretary of relevant committee	-	Bid Comparative statement to be prepared in compliance with tender document. All members of relevant committee should sign on the comparative statement.	Relevant committee	(i) PQC Checklist (ii) Bid Comparative statement (iii) document containing recommendations of the Committee

4.	Selection of vendor	Member Secretary of the Tender Evaluation committee will prepare the note	Relevant committee	All members of the committee must sign on the note indicating selected vendor	As per Delegation Of Powers	(i) Duly signed note recommending selected vendor with justification (ii) Approval of selected vendor by competent authority
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6.4 Award of contract

After tender evaluation by the Tender Committee, on the basis of their recommendation, approval of the competent authority as per the DoP will be obtained. Before submitting the proposal for obtaining approval of the competent authority, the following should be verified and ensured through the process of pre-audit by the Finance Division of BIRAC:

- (i) Availability of funds for the proposed expenditure, and
- (ii) Lowest offer is the offer to be accepted and in case lowest offer is not proposed for acceptance, the reasons for the same are clearly recorded.

After pre-audit by the Finance Division, Letter of Award (LoA) will be issued to the selected supplier and his acceptance of the terms and conditions will be obtained. On receipt of unconditional acceptance of terms and conditions of LoA by the supplier/bidder, Purchase Order (PO)/Work Order (WO) will be placed after obtaining the bidder's consent, in writing, to unconditional acceptance of the terms and conditions of the proposed contract

6.5 Process for issue of LoA/PO/WO

Table 6.8 below details the processes and authorities responsible for issue of Letter of Award (LoA)/PO/WO. Key objectives of the activity are:

- Terms and conditions are explicitly declared to vendors and their unconditional acceptance is duly received and recorded.
- All relevant documents, such as Personal Account Number (PAN) and Tax Identification Number (TIN), necessary to carry out business transactions are received and verified to be in order.

Table 6.5

S No	Activity	Initiator	Recommended	Key Control	Approval	Document/ Report
1.	Preparation of Letter of Award	Official of Indenting Department processing the purchase case	Head Indenting Department	Vetting by Legal deptt.	As per DOP	Approved LoA
2.	Financial concurrence	Official of Indenting department processing purchase cases	Head Indenting Department	Check availability of funds in approved budget under relevant head	Head - Finance	Financial concurrence by Head- Finance
3.	Issue of Letter of Award (LoA)	Official of indenting department processing the case	Head Indenting Department		As per DOP	1.Approval of Competent Authority 2. Letter of Award
4.	Verification of acceptance letter by selected vendor	Designated official of indenting department	Legal Vetting -	Ensure that acceptance letter is unconditional.	Head of indenting department	Note indicating that acceptance is unconditional
5.	Issue of PO/WO and Execution of Contract	Officials of department processing the case	Head- Legal	-	As per DOP	1.Approval of Competent Authority 2.PO/WO/Contract
6.	Verification of relevant documents	Designated official of Finance Department	-	Ensure that all relevant documents received, including performance guarantee, wherever applicable, are valid	Head of Finance Department	Note of Finance Department indicating that all necessary documents are received and they are valid
7.	Decision to obtain KYS Information	Indenter at the time of	Head Indenting	-	As per DOP	1. Indent Form with

		indenting	Dept. and the relevant committee			recommendation of Committee), 2. Approval for obtaining KYS information
8.	'Know Your Supplier' KYS forms are to be processed with the vendor after acceptance of LOA / W.O / P.O	Designated official of Admin department processing the case	Head Legal– to verify authenticity of documents	-	As per DOP	Completed and stamped KYS forms
9	Maintenance of KYS Database	Admin Division	-	-	Head, Admin Division	Data Base Management System

6.6 Ineligibility of entities:

- (i) BIRAC can declare an entity ineligible, either indefinitely or for a specified period of time, to be awarded a contract, for the following reasons:
- (a) the entity has engaged in corrupt or fraudulent practices during award or execution of a BIRAC contract;
 - (b) the entity has repeatedly failed in the past in successful performance of contracts awarded on it and that continuing business relationship with such entity will be prejudicial to BIRAC's interest; and.
 - (c) the equipment/material supplied by the entity or works performed by the entity are substandard in quality with regard to the specifications and continuing business relationship with such entity will be prejudicial to BIRAC's interest.
 - (d) An entity declared ineligible by BIRAC shall be debarred from bidding for any procurement by BIRAC from the date of communication of entity's ineligibility till such time as specified in the said communication. If such an entity submits its bid during the period of its ineligibility to bid, such bid shall not be considered
 - (e) Pre-termination of the contract with an entity.
- (ii) Declaring an entity ineligible as indicated above, shall be effective from such date and for such period as approved by MD, BIRAC.

6.7 Know Your Supplier ('KYS')

- (i) Collecting Supplier information under KYS may not be required in most cases of procurement by BIRAC. However, if there are cases of large value procurement of a repetitive nature, it would be useful to collect vendor information under KYS. Know Your Supplier is a broad domain exercise to minimize risks by getting as much information about the supplier in order to make informed decisions for procurement. BIRAC may devise its own procedures for collecting the relevant information under KYS. KYS should also include a system of annual review and de-registration in case of any adverse observation.
- (ii) In cases where there is consensus among the indenting department and the Administration Division that collecting supplier information would be useful, the KYS process must

provide for maintaining by the Admin Division, an appropriate Database Management Systems (DBMS) such as Ms. Excel and Ms. Access, etc., of the vendors registered under KYS.

Chapter 7

DELIVERY OF GOODS/WORKS/SERVICES

7.1 Terms of Delivery

Terms of delivery must be decided depending on the nature of goods to be purchased, transportation facility available, location of the user, location of the suppliers, etc. Terms of delivery, inter alia determine the delivery point of the ordered goods from where the purchaser is to receive/collect the goods. Terms of delivery have direct bearing on the quoted prices. Typical terms of delivery are:

- (i) FOR, Station of Dispatch (FOR stands for Free on Rail) The date on which the goods are placed by the supplier on rail with clear RR (Rail Receipt).
- (ii) FOR, Destination The date on which the ordered goods reach the destination railway station specified in the contract.
- (iii) CIP, Destination (CIP stands for Carriage and Insurance paid) The date on which the delivery is effected at the destination mentioned in the contract.
- (iv) Local Delivery at Site The date on which the delivery is made at the consignee's site mentioned in the contract.
- (v) FAS, port of shipment (FAS stand for Free Alongside ship) The date on which the supplier delivers the goods alongside the vessel at the specified port of shipment. The date is reflected in the Bill of Lading.
- (vi) FOB, port of shipment (FOB stands for Free on Board) The date on which the supplier delivers the goods on vessel's board at the specified port of shipment. This date is reflected in the Bill of Lading.
- (vii) CIF, port of shipment (CIF stands for cost, Insurance and Freight) The date on which the goods are to arrive at the destination port as mentioned in the contract.

Note: The FAS, FOB & CIF terms of delivery are applicable for goods which are directly imported from foreign countries against the subject contract and would not cover goods imported already by the supplier under his own arrangement. The CIP terms of delivery may be applied both for domestic as well as imported supplies.

7.2 Delivery Period:

The period for delivery of the ordered goods and completion of any allied service(s) thereof (like installation and commissioning of the equipment, initial deputation of operators; training, etc.) are to be properly specified in the contract with definite dates and the same shall be deemed to be the essence of the contract.

7.3 Extension of Delivery Period

If the supplier is unable to complete the supply within the stipulated delivery period for which the supplier is responsible, the supplier is required to request for extension of delivery period.

If BIRAC agrees to extend the contractual delivery schedule, the same may be done by issue of an amendment to the contract with suitable denial clauses and with imposition of liquidated damages for delay in case the relevant committee makes a recommendation to that effect. The amendment letter is to mention, inter alia, that, in addition to imposition of liquidated damages, no extra price or additional cost for any reason whatsoever beyond the contractual cost will be paid to the supplier for the delayed supply. At the same time, if for any reason, whatsoever the cost of goods to be supplied/services to be performed by the supplier decreases, then the benefit is to be passed on to BIRAC. Supplier's unconditional acceptance of the amendment by a specified date is to be watched and if the supplier does not agree to accept the amendment letter, further action is to be taken against the supplier in terms of the contract.

7.4 Post award follow-up till delivery/execution

The key objectives of activities after issuing PO/WO will be to:

- (i) Ensure timely delivery of goods
- (ii) Ensure that goods / services are strictly in accord with the scope of work and technical parameters specified in the work/supply order

The progress of supply of goods/execution of works must be monitored regularly and a record of progress maintained in a Work Progress Report (format at **Annex-VIII**)

7.5 Inspection of goods/works/services

- (i) The stages and modes of inspection will depend on the nature of the goods, total value of the contract, location of the supplier, location of the user, etc. The mode of inspection, if applicable, must be clearly mentioned in the tender document. Usually, following types of inspection are adopted:
 - (a) *Pre-despatch Inspection*: This type of inspection is conducted in respect of goods having complex technical specifications which would require inspection during the manufacturing process (which is known as Stage Inspection) and on the finished products before despatch of the goods from supplier's premises.
 - (b) *Inspection of goods on receipt at consignee's / user's site*: Such inspection is done on receipt of goods at site before accepting the same).
 - (c) *Inspection after Installation & Commissioning of the equipment at site*: This method is adopted to check the performance and output of the equipment / machinery after the same is commissioned at site.
- (ii) After receipt of the goods, an Inspection Note, in the prescribed format, shall be filled by an officer of the indenting department of BIRAC. The note shall include details of, verification of quantity and inspection marks on the accepted goods. The supplies will be taken immediately on the stocks of BIRAC, signifying consignee's acceptance. Each Inspection Note issued shall invariably bear the name, stamp with designation of the officer authorized to sign and issue Inspection Note.
- (iii) A system of monitoring delivery of goods/services procured should be prepared at the time of placement of purchase/work order in cases where the delivery is over a protracted

period. The progress shall be monitored on quarterly/monthly basis by the head of the concerned indenting department and a progress report should be submitted to the MD at appropriate intervals.

- (iv) In case of deficient performance and breach of delivery schedule, the head of the Indenting department should Issue a stop work order if the contractor ignores the notices issued to him to ensure compliance. In cases of non-compliance, BIRAC may terminate the contract, subject to the advice of the Head Legal Department and approval of MD
- (v) An efficient record keeping system should be introduced to facilitate proper maintenance of records pertaining to the completed works. The records should be preserved in such a manner that the same can be retrieved whenever required.
- (vi) During execution of work, in case any deviation due to change in scope of work as per requirement of Indenting department or any major upward / downward variation in quantities is envisaged / felt necessary due to operational / administrative reasons which may result in requirement of additional budget, then such additional Budget Sanction shall be taken as per the deviation procedure, in stages, whenever it is required. However, the execution of work shall not be held up for want of additional budget sanction.

7.6 Entering details of goods procured in Assets Register.

Details of every supply which is found acceptable on inspection must be taken into the inventory of BIRAC. An Assets Register must be maintained which will include all details of the supplied goods including order reference number, item description, value, etc.

7.7 Certification of Receipt of Stores:

In all matters related to payment, Bills shall be verified by the indenter with reference to supply order, Receipt Vouchers and relevant records including acceptance of stores. Necessary certificate shall be endorsed by the indenter, on the back of the bill giving details of stock entry number and page number in stock entry register, stores supplied as per supply order, delivery of stores in good condition, date of delivery etc. Such certificate endorsement shall be made by an officer authorized by the Head of indenting division. Supplier shall be informed about any discrepancy in the bill. The verified bills will be sent to Finance Division for further action for effecting payment.

7.8 Processes relating to Delivery of goods:

Table 7.8 below details the processes and authorities responsible for activities relating to delivery of goods and completion of works/services.

Table:7.8

S No	Activity	Initiator	Recommended	Key Control	Approval	Document/ Report
1.	Monitoring delivery of goods / services / works etc.	Relevant Nodal officer of the indenting department	-	Monitoring with reference to work progress template & delivery schedule specified in PO/WO	Head – Indenting department	Periodic work progress report (format provided at Annex -VIII)
2.	Extension of timelines for delivery of goods / services	Relevant Nodal officer of the indenting department	Head – Indenting department	Monitoring with reference to duly approved work progress template and relevant justifications for extension	As per DOP	(i) Note of justification (ii) Extension document approved by competent authority
3.	Request application for issuance of work completion certificate.	Relevant Nodal officer of the indenting department	-	-	Head – Indenting department	(i) Request Note (ii) Approval by Head indenting department
4.	Certificate of work progress/completion	Relevant Nodal officer of the indenting department			Head – Indenting department	Certificate of Work progress/ completion

7.9 Clearance of Goods

The supplier shall send all the relevant dispatch documents well in time to the consignee in BIRAC to enable the consignee to clear or receive (as the case may be) the goods in terms of the contract. Necessary instructions for this purpose are to be incorporated in the contract. The usual documents involved and the drill to be followed in general for this purpose are as follows:

(i) For Domestic Goods

Within 24 hours of dispatch, the supplier shall notify the consignee in BIRAC (Others concerned), the complete details of dispatch and also supply the relevant documents by the mode specified in the contract/registered post/email. Some of the relevant documents shall include the following:

- a) Supplier's Invoice indicating, inter alia description and specification of the goods, quantity, unit price, total value;
- b) Packing list;
- c) Certificate of country of origin
- d) Insurance certificate;
- e) Railway receipt/Consignment note;
- f) Manufacturer's guarantee certificate and in-house inspection certificates;
- g) Inspection certificate issued by purchaser's inspector and
- h) Any other document(s) as required in terms of the contract.

(ii) For Imported Goods

Within 24 hours of dispatch, the supplier shall notify the consignee in BIRAC (others concerned), the complete details of dispatch and also supply following documents by air mail/courier (or as instructed in the contract):

- a) Supplier's Invoice giving full details of the goods including quantity, value etc.;
- b) Packing list;
- c) Certificate of country of origin;
- d) Manufacturer's guarantee and Inspection certificate;
- e) Inspection certificate issued by the authorized representatives of BIRAC in case of FAT
- f) Insurance Certificate;
- g) Name of the Vessel/Carrier;
- h) Bill of lading/Airway Bill;
- i) Port of loading;
- j) Date of Shipment;
- k) Port of Dispatch and Expected date of arrival of goods and
- l) Any other document(s) as required in terms of the contract

7.10 Air Consignment

As per the extant directive of the Government, airlifting of the imported goods from abroad will be done only through the National Carrier wherever applicable. However, before processing any contract involving import of goods through air, extant instructions in this regard may be ascertained and followed.

7.11 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 "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 BIRAC for receiving the goods at the specified destination. Note: 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 Rs. 5 crore. 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 as the beneficiary. Where delivery is on FOB/FAS basis, marine/air insurance shall be the responsibility of the purchaser.

7.12 Performance Notice

A situation may arise where the supply /service has not been completed within the stipulated period due to negligence/fault of the supplier; however the supplier has not made any request for extension of delivery period but the contracted goods/services may still be required by BIRAC and BIRAC may not want to cancel the contract at that stage. In such a case, a Performance Notice also known as Notice-cum-Extension Letter as per proforma (**Annex-IX**) may be issued to the supplier by suitably extending the delivery date and by imposing liquidated damages/penalty clause where recommended by the relevant committee. Approval of authority vested with powers to approve the purchase may be obtained for issuing the Notice-cum-Extension letter.

7.13 Dispatch of goods after expiry of delivery period

Goods shall be delivered by the supplier in accordance with the terms of delivery schedule specified in the contract. Penalty clause/Liquidated clause shall be imposed if delivery schedule is not adhered. The supplier is not to supply the goods when there is no valid delivery period. In case the supplier makes any supply at his own risk after expiry of delivery period, BIRAC can reject the supplies and inform the supplier accordingly. BIRAC shall also have the right to cancel the contract (in respect of the unsupplied goods) in terms of the contract. If, however, BIRAC requires the goods (which has been supplied after expiry of the delivery period), BIRAC may accept the goods and issue a delivery extension letter with usual LD/Penalty clause to regularize the transaction if so recommended by the relevant committee.

7.14 INCOTERMS

Unless otherwise specifically agreed to both by the purchaser and the supplier and incorporated in the contract, the applicable rules & regulations for transportation of goods from foreign countries will be as per the contemporary version of International Commercial Terms (INCOTERMS) evolved by International Chamber of Commerce, Paris. INCOTERMS are the official rules for worldwide interpretation about the duties, obligations etc. of the buyer and the seller for transportation of the goods from the seller's country to buyer's country. INCOTERMS are recognized by the United Nations Commission on International Trade Law (UNICITRAL) as the global standard for such interpretation. The purchaser, while ordering goods for importation from foreign countries should take note of the same.

Chapter 8

VENDOR SETTLEMENT AND EVALUATION

8.1 Vendor payment

- (ii) Payments for the works executed by the contractor shall be made on the basis of work completed or part thereof as per the work completion certificate / status report as certified by the Head of Indenting Division. The milestone payment formula and detailed measurements of executed items should be carried out jointly by the contractor or his authorized representative and the authorized representative of the Indenting Division as per provisions of the contract.
- (iii) Payment shall then be made after financial diligence of the invoice pertaining to taxes etc. However, it may become necessary to make advance payments in the following types of cases:
 - a. Advance payment demanded by firms holding maintenance contracts for servicing of air-conditioners, computers, other costly equipment, etc.
 - b. Advance payment demanded by firms against fabrication contracts, turn-key contractsetc.
- (iv) Such advance payments should be made in accordance with the contract but should not exceed the following limits:
 - (a) 30% of the contract value to private firms
 - (b) 40% of the contract value to a state or central Govt. agency or a PSU
 - (c) In case of maintenance contract, the amount should not exceed the amount payable for six months under the contract.
- (v) The ceilings (including percentage laid down for advance payment) mentioned above may be relaxed with the recommendation of the relevant committee and approval of MD, BIRAC.

While making any advance payment as above, adequate safeguards in the form of bank guarantee etc. should be normally obtained from the firm.

8.2 Payment of Annual Maintenance Charge

As per requirements indicated in the indent by the indenter, BIRAC will enter into AMC, wherever required, for selected items with the supplier at the rates as stipulated in the contract after expiry of the warranty period. Payment towards AMC will be made as per schedule of payment terms specified in WO/PO/Contract only if satisfactory performance during the warranty period is duly certified by the user.

8.3 Tax Deduction at Source

Where there is a statutory requirement for tax deduction at source, such deduction towards income tax and other taxes, as applicable, will be made from the bills payable to the supplier

at rates as notified from time to time. A suitable provision in this regard shall be made in the contract.

8.4 Refund from Supplier

Sometimes, the suppliers, after claiming and receiving reimbursements for sales tax, excise duty, custom duty, GST, etc. from the purchaser applies to the concerned authorities for refunds, on genuine grounds, of certain portions of such duties and taxes paid by them and receive the allowable refunds. Such refunds may contain BIRAC's share also (to the extent payments already made by BIRAC to supplier). The tender enquiry document and the contract are to contain suitable provisions for reimbursement of such refunds by the supplier to BIRAC.

8.5 Vendor Settlement

The key objectives of vendor settlement are:

- To meet the contracted timelines for payment in order to be a fair party to contract.
- To verify and eradicate scope for fraudulent or duplicate payments.
- To ensure payments are made only for the part of goods / services delivered by the vendor.
- To ensure all conditions and parameters are fulfilled by the vendor before making payments.

Table 8.5 below details the processes and authorities responsible for activities related to vendor settlement

Table 8.5

S No	Activity	Initiator	Recommended	Key Control	Approval	Document/ Report
1.	Receipt and verification of Invoice	Designated Officer of indenting department	-	Verification for payment in accordance with the terms of contract/ PO / WO	Head of Indenting department	Verified copy of original invoice
2.	Processing of Invoice	Designated Officer of indenting department	-Manager/ Sr Manger Finance Dept	Verification of tax compliance	Head - Finance	Verified copy of original invoice.

3.	Periodic release of payments	Designated Officer of Finance department		Verification with reference to terms of contract/PO/WO	Head Finance Dept. or CMD As per DOP	Payment advice
4.	Invoking penalty clause for any default	Designated officer of indenting department	Head Legal department	Verification of default with reference to contract condition	As Per DOP	(i) Note justifying imposition of penalty (ii) Approval of competent authority
5.	Watching expiry of Performance guarantee for renewal if required Return of Performance Guarantee on satisfactory completion of contract	Designated Officer of Finance Department		(i) Verification of performance in consultation with indenting department (ii) Watch on expiry date of guarantees to ensure their timely renewal, where required.	Head Finance	Note/Approval for extension/return of Performance Guarantee
6.	Renewal of contracts	User/ Indenting department	Relevant Committee	-	As Per DOP	(i) Approval by competent authority (ii) Renewed contract document

Chapter 9

MODE OF PAYMENT

9.1 Payment to Domestic Suppliers

Payments to domestic suppliers are usually made by cheque/ demand draft /RTGS/NEFT as per payment terms and conditions of the Purchase order/work order/contract.

9.2 Payment to Foreign Suppliers

Payment to foreign suppliers should ordinarily be made by Letters of Credit (LC) opened by any scheduled commercial bank as decided by the Head, Finance Division.

9.3 Payment by Letter of Credit:

- (a) Letter of credit is a written undertaking given by the buyer's bank (the issuing bank) on behalf of and at the request of its customer (the applicant) routed through the agency of a bank in the seller's country (advising bank) to the seller that issuing bank guarantees to pay the seller for the goods within a specified time provided that the conditions laid down in the Letter of Credit are fully satisfied. Two banks are involved in the payment to the supplier by Letter of Credit - purchaser's bank and supplier's bank. LC shall be established only after the acceptance of supply order and receipt of required performance security and supplier's bank details. The purchaser (BIRAC) is to forward the request to its bank in the prescribed format [as formulated by State Bank of India] alongwith all relevant details including authenticated copy of the contract. Based on the same, BIRAC's bank opens the letter of credit 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 the documents to be produced for receiving payments through letter of credit are identical with those shown in the contract. Generally, irrevocable letter of credit is opened so that the supplier is fully assured of payment on fulfilling 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 supplier is responsible, the tenure of the letter of credit is also to be extended, but the expense incurred for such extension (of letter of credit) is to be borne by the supplier. The LCs covering 100 percent net FOB (gateway airport) value of supply order will be opened by the authorized official of Finance Division through BIRAC's issuing bank after receipt of order acknowledgement from the foreign supplier. Advance payment of margin money will not be made at the time of submission of LC application. Only after the bank receives shipping documents, the actual amount will be paid. In the event of cancellation of a supply order/contract due to reasons beyond control of BIRAC, MD, BIRAC is authorized to regularize the banking charges already incurred in respect of LCs opened/cancelled under relevant budget head.
- (b) Requisite number of copies of the following documents will be forwarded to the Finance Divisions for opening LCs:
 - (i). Application addressed to bank for opening LC. (The letter shall be signed by authorized official of Finance Division)

- (ii). Application for remittance of foreign exchange (Form 1 (A))
- (iii). Application cum-guarantee for L/C on Form 2.
- (iv). Copy of Supply Order (S.O)
- (v). Copy of acceptance of SO by the firm
- (vi). Copy of sanction letter
- (vii). FEMA certificate

9.4 Documents required for Payment

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 payment. Some of the important documents, which the supplier may furnish while claiming payment, are:

- (iii) Original Invoice
- (iv) Packing List
- (v) Certificate of country of origin of the goods to be furnished by the seller or a recognized Chamber of Commerce or other agency designated by the local government for this purpose (in case of foreign goods)
- (vi) Certificate of pre-dispatch inspection by BIRAC's representative
- (vii) Manufacturer's test certificate
- (vii) Certificate of Insurance
- (viii) 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 Govt. Ministry/Department.
- (ix) Certificate indicating that the goods are new, un-used and also meet the other relevant contractual requirements
- (x) While claiming payment, the supplier is also to certify in the bill that the payment being claimed is strictly in terms of the contract and all the 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 etc. for claiming the payment.

Chapter 10

Procurement of Services

10.1 Services:

‘Service’ is defined by exception as any matter of procurement other than goods or works, except those incidental or consequential to the service and includes physical, maintenance, professional, intellectual, training, consultancy and advisory services or any other service classified or declared as such by the Procuring Entity but does not include appointment of an individual made under any law, rules, regulations or order issued in this behalf. It includes, ‘Consultancy Services and Other Non-consultancy Services.

10.2 Justification for procurement of Consultancy Services (Rule 178 & 180 of GFR 2017)

Engagement of consultants may be resorted to in situations requiring high quality services for which BIRAC does not have requisite expertise. Approval of the Chairperson should be obtained before engaging consultant(s). Need for Procurement of Consultancy Services shall be justified on consideration of:

- i. Non-availability of requisite expertise, capability or capacity, in-house;
- ii. Need to have qualified consultant for providing specialized high quality service;
- iii. Need for expert advice from a consultant acting independently from any affiliation, economic or otherwise to avoid conflict of interest;
- iv. Need, in some cases, for transfer of knowledge/training/capacity and capability building;
- v. Need to identify and implement new methods and systems;
- vi. Need for planning and implementing organizational change;
- vii. Considerations of economy, speed and efficiency in relation to additional requirement /commitment /availability of technological and material resources of execution.

10.3 Types of Services

Services to be availed of by BIRAC could be of two types; Consulting Service and Non-Consulting Service. Rule 177 to Rule 206 of GFR, 2017 govern various aspects relating to procurement of both types of services.

10.4 Consulting Services

‘Consulting Service’ involves, primarily non-physical, project specific, intellectual procedural process and would include professional, intellectual, training and advisory services or any other service declared as such by BIRAC with the approval of MD, BIRAC. These services typically involve providing expert or strategic advice by management consultants, policy consultants, communications consultants, etc. ‘Consulting Service’ may also pertain to preparation of feasibility studies, project management, engineering services, finance, accounting and taxation services, training and development etc. For purposes of availing ‘Consulting Service’, BIRAC

may hire external professionals, consultancy firms or consultants for a well-defined, specific job with well-defined terms in regard to content and time frame for completion.

10.5 Non consulting Services

Non consulting Services shall have the meaning as provided under Rule 197 of GFR, 2017. Maintenance, hiring of vehicles, security, office errand services are some of the non-consulting services.

10.6 Individual Consultants/Services Providers

Individual consultants/service providers may be recruited for similar activities as Consultancy/Service providing firms when a full team is not considered necessary. They may be independent experts not permanently associated with any particular firm, or they may be employees of a firm recruited on an individual basis. They may also be employees of an agency, institution, or University. They may be normally recruited for supervision of project implementation, training, providing specific expert advice on a highly technical subject, policy guidance, special studies, compliance supervision, or monitoring implementation. Individual consultants/service providers are not normally recruited for project preparation unless the proposed project is simple and, generally, a repeat of an already established and successful project. If more than three experts are required, then the assignment should normally be undertaken by a team from a firm. As with firms, individual consultants/service providers are to be classified as either international or national, depending on their level of expertise and their international experience and exposure.

10.7 Retired Government Servant

Rule 177 of GFR, 2017, lays down that the consulting services do not include direct engagement of retired Government servants. However, a retired Government servant can be hired by BIRAC as consultant through a process of selection keeping in view the experience and domain expertise of the retired Government servant. They should not be engaged against regular vacant posts. Retired Government servants can be engaged as consultant only for specific tasks and for specific duration. They should be assigned clear output related goals.

10.8 Procedure for Hiring of Consultants

Normally Consultants are hired for handling high quality services for which the organization do not have requisite expertise. The procedure for hiring of Consultants in such situations will be as described in Rule 180 to 194 of the GFRs, 2017.

BIRAC being a first of its kind of organization in the country pursuing a contract career path system for its employees, may require Consultants having expertise in different fields to fulfill its mandate. It may not always be possible to hire such experts following the detailed procedure as prescribed under GFRs for the Ministries / Departments who have experience and regular staff to handle various positions and hiring of experts are required only in specified areas of work. There are also other factors such as availability of experts, willingness by the experts to participate in the bidding process, urgency for hiring the expert, etc. In such cases, a three member Committee may be appointed by MD with the approval of the Chairperson to recommend names of experts for

appointment. The Committee should provide adequate justification for its recommendation taking into account the overall interest of BIRAC. The Committee should also recommend reasonable fees for such consultancy assignment with reference to the guidelines issued for appointment of Consultants in BIRAC. Thereafter, the expert whose name is recommended by the Committee for appointment should be given an offer of appointment along with a copy of the terms and condition for acceptance.

10.9 Monitoring Consultant Contracts

After hiring of a Consultant BIRAC should monitor the performance of the Consultant continuously so that the output is in keeping with the conditions of contract (vide Rule 195 of GFR, 2017).

10.10 Hiring of Non-Consulting Services

‘Non-Consulting Service’ involves services involving physical, measurable deliverables/outcomes other than cases of procurement of goods or execution of works, where performance standards can be clearly identified. ‘Non-Consulting Service’ would cover outsourcing of services for maintenance, transport, security, maintenance of equipment/air conditioning other than those which form part of the original contract for procurement of equipment/ air conditioning, etc. BIRAC may procure identified ‘Non-Consulting Services’ through outsourcing contracts as per the procedure outlined under Rules 199 to 205 of the GFRs 2017.

10.11 Process and Authorities Responsible

The key objectives, both in regard to consulting services and non-consulting services, would be:

- Identification and clarity in regard to requirements of BIRAC
- Identification of the consultant best suited for the specific consultancy assignment at reasonable rates.
- Monitoring progress of assignment to ensure that outcome/output is in accordance with contract conditions

Table 10.11 below details the processes and authorities responsible for activities related to consultancy services

Table 10.11

S No	Activity	Initiator	Recommended	Key Control	Approval	Document/ Report
1.	Identification of requirement in case of consulting service	Designated Officer of indenting department	Head of Indenting department	Scope of work to be clearly	As per DOP	Indent and approval of competent authority

				defined		
2.	Identification of requirement in case of non-consulting service	Designated Officer of Indenting department	Head Indenting Department	The scope and period of service required to be clearly specified	As per DOP	Indent and approval of competent authority
3.	Estimation of reasonable expenditure	Designated Officer of concerned department	Head of concerned department and Head Finance	Comparison with earlier orders and market rates	As per DOP	Recommendations of Head of concerned department and Head Finance and approval of competent authority
4.	Identification of sources and preparation of list of identified consultant/contractors	Designated officer of Admin Department	Head Admin Department	Enquiries from other Govt. agencies, identification through yellow pages and websites	As Per DOP	(i)Note recommending list of identified consultants / contractors(ii) Approval of competent authority
5.	(i)Preparation of TOR/RFP for consulting service (ii) Preparation of tender enquiry for non-consulting service	(i)Designated Officer of Indenting Department for consulting service	Head of concerned Department	Clarity in regard to requirement of BIRAC and terms and conditions of contract	As per DOP	Approved TOR/RFP / Tender enquiry
6.	Publication of RFP / Tender enquiry	Officer designated by Head, HR & Admin	Head HR & Admin	-	As per DOP	(i)RFP/tender enquiry (ii) approval of competent authority
7.	(i)Receipt of proposals (ii) opening of proposals	Committee constituted for the purpose with	Relevant Committee	Record of receipt / opening	-	(i)Record of receipt (ii) Record of opening by

		approval of competent authority				committee (iii) Approval for contribution of Committee.
8	Award of consultancy contract	Relevant committee	Head legal department	-	As per DOP	Contract document
9	Monitoring contract	Officer(s) designated by Head of concerned department	-	-	Head of concerned department	Record of progress of contract

Chapter – 11

EXTENSION / TERMINATION / CANCELLATION OF CONTRACT

11.1 Extension of Contract

In cases where BIRAC is satisfied that the contract could not be executed and completed by the supplier by the stipulated date, extension of contract may be allowed. The decision for extension should be taken with due care and with the approval of MD, BIRAC since the grant of extension would absolve the supplier of any liability for the delay and no penalty could be imposed.

11.2 Correspondence with supplier after breach of contract

In case of any serious breach of contract necessitating termination of contract, BIRAC is not to enter into correspondence with the supplier after expiry of the delivery date stipulated in the contract because such a correspondence will render the contract alive. This situation will not allow the institution to cancel the contract straightaway without first serving a performance notice to the supplier. However, even after expiry of the delivery period of the contract, BIRAC may obtain information regarding past supplies etc. from the supplier, simultaneously making it clear to the supplier that calling for such information is not intended to keep the contract alive and it does not amount to waiving the breach and that it is without prejudice to the rights and remedies available to BIRAC under the terms of the contract. Model format of correspondence with supplier after breach of contract is at **Annex–X**.

11.3 Cancellation of contract for default

BIRAC may, without prejudice to any other remedies available to it for breach of contract, by a written 'Notice of Default' sent to the supplier, terminate the contract in whole or in part:

- (i) If the supplier fails to deliver any or all of the stores within the time period(s) specified in the contract, or any extension thereof granted by BIRAC; or
- (ii) If the supplier fails to perform any other obligation under the contract within the period specified in the contract or any extension thereof granted by BIRAC.

The decision regarding cancellation of contract shall be taken with the approval of the competent authority, on the recommendation of the relevant committee.. In the event BIRAC terminates the contract in whole or in part; the Company may take recourse to any one or more of the following action.

- a) Performance Security is to be forfeited;
- b) BIRAC may procure, upon such terms and in such manner as it deems appropriate, goods similar to those undelivered, and the supplier who failed earlier to deliver the goods as per contract terms shall be liable for all available actions against him in terms of the contract.
- c) The supplier shall, however, continue to perform the contract to the extent not terminated. Before cancelling the contract and taking further action, it may be desirable to obtain competent legal advice.

11.4 Termination of contract for insolvency

If the supplier becomes bankrupt or otherwise insolvent, BIRAC may, at any time, terminate the contract, by giving written notice to the supplier, without compensation to the supplier provided that such action will not affect any right of action or remedy which has accrued or will accrue thereafter to BIRAC .

CHAPTER – 12

SETTLEMENT OF DISPUTES

12.1 General

Normally, there should not be any scope for dispute between BIRAC and the supplier after entering into a mutually agreed valid contract. However, due to various unforeseen reasons, problems may arise during the progress of the contract leading to disagreement between the BIRAC and the supplier. Therefore, the conditions governing the contract shall contain suitable provision for settlement of such disputes/differences, binding on both the parties.

12.2 Mode of Settlement

Mode of settlement of such disputes/differences can be through mutual consultation, negotiation by good offices of identified authority, mediation, conciliation or arbitration as provided for in the governing terms and conditions. However, when a dispute arises, both BIRAC and the supplier shall first try to resolve the same amicably. If the parties fail to resolve the dispute by such mutual consultation within a reasonable period, then, depending on the position of the case, either BIRAC or the supplier shall give notice to the other party of its intention to initiate action for settlement through arbitration. The applicable arbitration procedure will be as per Indian Arbitration and Conciliation Act, 1996.

12.3 Venue of Arbitration

The tender document should specify that the venue of Arbitration shall be New Delhi, India. This should be the norm. Only in a rare exceptional case where it is absolutely unavoidable, there could be a relaxation in this regard with the approval of MD, BIRAC after recording the reasons for relaxation.

12.4 Applicable Law

The tender document should specify that the contract shall be interpreted in accordance with the laws of the Union of India. This should be the norm. Only in a rare exceptional case where it is absolutely unavoidable, there could be a relaxation in this regard with the approval of MD, BIRAC after recording the reasons for relaxation.

BANK GUARANTEE MODEL FORM FOR PERFORMANCE SECURITY
(Format only)

To
The Managing Director
Biotechnology Industry Research Assistance Council (BIRAC)
1st Floor ,MTNL Building ,9, CGO Complex,
New Delhi 110003

WHEREAS _____ (Name and address of the supplier)
(Hereinafter called "the supplier") has undertaken, in pursuance of contract no
_____ dated _____ to supply (description of goods
and services) (herein after called "the contract").

AND WHEREAS it has been stipulated by you in the said contract that the supplier shall furnish you with a bank guarantee by a scheduled commercial bank recognized by you for the sum specified therein as security for compliance with obligations of the supplier in accordance with the contract;

AND WHEREAS we have agreed to give the supplier such a bank guarantee;

NOW THEREFORE we hereby affirm that we are guarantors and responsible to you, on behalf of the supplier, up to a total of _____ (Amount of the guarantee in words and figures), and we undertake to pay you without demur, upon your first written demand declaring the supplier to be in default under the contract and without cavil or argument, any sum or sums within the limits of (amount of guarantee) as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the supplier before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the contract to be performed thereunder or of any of the contract documents which may be made between you and the supplier shall in any way release us from any liability under this guarantee and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid up to and including the _____ day of _____, 20__ .

.....
(Signature with date of the authorized officer of the Bank)

.....
Name and designation of the officer

.....

.....

Seal, name & address of the Bank and address of the Branch

[vide para 5.15]

 Template for Tender Receipt Form			
Tender Reference			
Recorded by			
Signatures	1	2	
Remarks			
	Tendering Type	Limited Tendering	<input type="checkbox"/>
		Advertised Tendering	<input checked="" type="checkbox"/>
	Bid Process	Single Bid Process	<input type="checkbox"/>
		Two Bid Process	<input checked="" type="checkbox"/>
Serial Number	Receipt Date	Bidder	Mode
	DD/MM/YYYY	ABC Co. Pvt. Ltd.	Registered Post

[vide para 5.19]

		Tender Opening Form				
Title of Tender						
Tender Reference						
Closing Date						
Opening Date						
Number of Bids						
Indenting Department						
Recorded By		Designation		Signature		
Approved By		Designation		Signature		
(Chair)						
Details of Committee Members						
Name	Designation	Department	Signature			
Details of Representatives						
Serial Number	Receipt Date	Bidder	Mode	Representative of Bidder	Designation	Signature
	DD/MM/YYYY	ABC Co. Pvt. Ltd.	Registered Post	Mr. ABCDE FGHIJ	Director	

Annex-V

[vide para 6.2(b)]

Prepared By		Designation		Signature*	
Approved By		Designation		Signature*	

* with date & time.

S No.	Check Pointers	Yes / No
	General checks:	
1	Tender Fee Deposited (if applicable)	
2	Earnest Money Deposited, if applicable	
3	Bids, duly signed (all pages) and sealed	
5	Acceptance of delivery period	
	Techno-Commercial:	
1	Technical Specifications as per tender	
2	Acceptance of warranty clause	
3	Price Bid as required along with taxes and other charges	

[vide para 6.2(c)]

 Vendor Evaluation Template									
Vendor Code									
Vendor Name									
Category									
Evaluation No.									
Volume of Business									
Previous Score, if any									
Prepared By									
Approved By									
Evaluation Areas	Evaluation Parameters	0	1	2	3	4	Weight (%)	Score	Remarks
Product Quality	Conformity to Specifications						15		
	General Quality of Product/Service			✓			10	0.2	
	Documentation Standards for Quality						5		
Service Levels	Timely Delivery						10		
	Accessibility of Sales and Mktg. Personnel				✓		4	0.12	
	Accessibility of Support Personnel						8		
	Skills of Support Personnel		✓				8		
	Ability to respond to emergency requirements						6		
Administrative	Invoicing and Paper work						10		
	Price Competitiveness					✓	10	0.4	
	Payment Terms						8		
	Minimum Order Quantities						6		
Total							100		
0 = Poor 1 = Needs Improvement 2 = Satisfactory 3 = Good 4 = Excellent									

Area		April				May				June				July				August				Start Date	Planned Completion Date	Progress Status (%) (a)	Assigned Weight (%) (b)	Weighted Progress (%) (axb)	Remarks		
		W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4								

MODEL FORMAT FOR PERFORMANCE NOTICE
(Notice-cum-Extension Letter)

To
M/s.....
.....
.....

Sub: Contract No.....Dated.....

Dear Sirs,

Your attention is invited to the acceptance of tender cited above, according to which supplies ought to have been completed by you on or before . In spite of the fact that the time of delivery of the goods stipulated in the contract is deemed to be of the essence of the contract, it appears that "xx" are still outstanding even though the date of delivery has expired.

Although not bound to do so, the delivery date is hereby extended to _____ and you are requested to note that in the event of your failure to deliver the goods within the delivery period as hereby extended, the contract shall be cancelled for the outstanding goods at your risk and cost.

Yours faithfully,

(.....)

For

Details of outstanding goods.

**MODEL FORMAT FOR CORRESPONDENCE WITH SUPPLIER AFTER BREACH
OF CONTRACT**

To
M/s.....

Sub: Contract No..... dated.....

Dear Sirs,

The date of delivery of the subject contract expired on. As supplies against the same have not yet been completed, there is a breach of the contract on your part. As information is required regarding past supplies against this contract, you are requested to send the particulars regarding the quantity so far not tendered for inspection before the expiry of the date of delivery.

The above information is required for the condone purpose of verification of our records and is not intended to keep the contract alive and does not the breach. This is without prejudice to the rights and remedies available to BIRAC in terms of the contract and law applicable in this behalf.

Yours faithfully,

(.....)

for.....