

# **PURCHASE RULES – 2007**

## **1.0.0 Introduction**

Provision of adequate and timely supply of material to scientists is of prime importance for carrying out meaningful scientific research as well as for meeting the targets set for completion of various in house and sponsored projects in the Institute of Life Sciences (ILS). On the other hand, any public procurement will not only have to be made in fair and transparent manner but will also have to fall in line with the canons of financial propriety. The purchase procedure given in the succeeding paragraphs strives to achieve both these ends.

## **2.0.0 Stages of Procurement**

The procurement of material in the Institute can be divided into the following distinct stages:

- (a) Finding the Budget
- (b) Prioritisation of purchase of equipment, machinery etc. for the financial year for ILS budget on core funds & priorities of sponsored projects.
- (c) Placing of the Indent by the scientist and other officers concerned after verifying the non availability in stock.
- (d) Consideration of the indents by the respective Standing Purchase Committee (SPC).
- (e) Calling for tender/ quotations and processing of tender papers by the purchase department.
- (f) Evaluation of the tenders/ quotations by the respective SPC.
- (g) Submission of the papers to the competent authority for sanction.
- (h) Placement of orders.
- (i) Arrival of equipment and its installation.

## **3.0.0 Finding the Budget**

No purchase will be made in the Institute unless there is a specific budget provision for such a purchase. However, processing of indents for purchase of equipments can be done by the Institute even without specific budget allocation for the current year provided such cases are cleared for administrative processing by the Director but final order shall only be placed after allocation of the budget.

#### **4.0.0 Prioritisation of purchase of equipment, machinery etc.**

For items to be procured out of ILS funds, the Director of the Institute will appoint a committee at the beginning of every financial year to correctly assess the requirement of equipment, machinery, plant etc. for various projects including infrastructure requirement. This committee will be chaired by a scientist of sufficient seniority. The committee will consult various scientists/ heads of departments, get their requirements for the year and prioritise the list of purchases to be made in that year. The committee shall check the availability of such equipment in the Institute, its performance and the rationale for procurement of another piece of equipment. This list will be circulated to all concerned by 30<sup>th</sup> of April. All purchases that are made during the year from ILS funds will be in accordance with this list. The priority list for sponsored projects shall be finalized either through a committee or by PME or by Heads of divisions/ Project leaders and approved by the Director. However, in order to meet emergency requirements, 10% of the budget allocated for this purpose is kept as reserve and all emergency purchases may be made from this reserve.

#### **5.0.0 Placing of the indent by the scientist/ other officials**

Whenever an indent is placed by the scientist/ other concerned official, he has to ensure that the following details accompany it:

- (a) A detailed description of the equipment including summary of its function and detailed specifications including whether the requirement is fresh or additional or replacement.
- (b) The details, such as, the useful life of equipment, availability of spares, arrangement for maintenance etc.
- (c) The estimated cost of equipment and that of spares, last purchase price, if any (to be given separately).
- (d) The list of available vendors, their addresses, past experiences if any and their website wherever available.
- (e) A certificate to the effect that the item is of proprietary nature, if it has to be bought from a known, single source. (This certificate shall be given by the indenter, which shall be duly approved by the Director. Indenter shall be responsible for the correctness of the certificate.
- (f) A description of space requirement for the equipment, the installation area and other infrastructural requirements such as, power, civil works etc. wherever applicable.

- (g) The approximate period required for the equipment to become operational from the date of its arrival.
- (h) Tentative inspection schedule.
- (i) Emergency purchase certificate, in case of purchase is to be made on emergent basis.
- (j) Budget provision certificate duly linking with the Project/ scheme.

*(Note: The indenter will submit his indent type written. No hand written indent will be accepted. No addition/ alteration will be generally made in the indent. In case, this becomes necessary on rare occasions, the indenter will affix his initials on the corrections/ additions made. Electronic submission of indents can be accepted with built in safety mechanism).*

### **6.0.0 Recording of no-stock certificate by the Stores Department**

6.1.0 The indent together with its enclosures will be sent to the Stores Department which will verify its stock and render a no-stock certificate wherever applicable.

6.2.0 The indent will then be sent to the Purchase Department which will check it for correctness of details and place it before the relevant Standing Purchase Committee.

### **7.0.0 Standing Purchase Committee**

There shall be two Standing Purchase Committees, namely SPC-I and SPC-II in the Institute to be nominated by the Director.

### **8.0.0 Standing Purchase Committee - I**

8.1.0 Standing Purchase Committee-I (SPC-I) will consider procurement of items up to Rs. 10.00 lakhs which are needed on an ongoing basis, such as, general chemicals, solvents, glasswares, sanitary stores, hard-ware items, paints, oils, lubricants, photographic material, drawing materials, stationary items, soaps, detergents and other cleaning materials, building materials, electric goods and electronic components required for maintenance and replacement, spare parts, medicines, liveries, computer consumables. For all these items, a minimum and maximum level will be maintained by SPC-I which should be clearly indicated when the indent comes up for consideration before the SPC-I. The provision of para 26.0.0 may be observed.

- 8.2.0 The SPC-I will also consider procurement of furnishing, decorative items, crockery, cutlery, bed linens, curtains and other items of minor value.
- 8.3.0 The SPC-I will function under the Chairmanship of a Scientist nominated by Director. The other members are namely Sr. FAO/F&AO {SO (F&A) or equivalent where no Sr. FAO/FAO is available}, Sr. A.O./A.O., one of the two officers from scientific/technical stream not below the rank of Scientist-C and SPO (Person In-charge of purchase department where no SPO is available) who will act as member convener also. The senior most members will act as alternate chairman in the absence of Chairman. Presence of all members for the meeting is mandatory. In case of dissent by any member including finance member, the Director shall record reasons in writing while giving his decision. This committee will meet as and when necessary.
- 8.4.0 The SPC-I will devise its own methods within the ambit of the extant rules and regulations on the subject for making purchases. However, its function will broadly include the following:
- (a) It will decide periodicity of procurement of the repetitively needed items of fixing the minimum and maximum levels.
  - (b) It will make relevant specification for such purchases.
  - (c) It will decide the mode of procurement. The detailed procedures and practices in this regard are given at 11.0.0.
- 8.5.0 Purchases without calling for quotations up to Rs.15, 000/- on any occasion may be made by SPO/SO (S&P) or equivalent rank and the Project leader. Further, these powers can be exercised without reference to SPC-I/SPC-II and the requisite certificate as per Annexure-A should be furnished by the Officer exercising these powers. However, the powers delegated may be exercised by the junior officers only in the absence of the senior officers of the S&P cadre.
- 9.0.0 Standing Purchase Committee – II (SPC-II)**
- 9.1.0 The SPC-II will consider procurement of major one time purchases, such as special chemicals, special tools, equipments, machinery, plants, special accessories and spares, and furniture items worth more than Rs. 10.00 lakhs. This committee will also consider regular/ annual maintenance contracts of these items wherever applicable.

- 9.2.0 Emergency purchases of items coming under the purview of SPC-I will be handled by SPC-I and for items coming under the purview of SPC-II will be handled by SPC-II.
- 9.3.0 The SPC-II will be constituted by the Director under the chairmanship of a Scientist to be nominated by Director. The other members will be two scientific/ technical officers, Sr.FAO/ F&AO {SO (F&A) where no Sr. FAO/FAO is available}, COA/ AO and SPO (Purchase department In-charge where no SPO is available) who will act as member convener also. The senior most members will act as alternative Chairman in the absence of the Chairman. The concerned indentor/ project leader or officer nominated by the Project Leader shall be co-opted as member of the committee in case the SPC so desires. The co-opted member can only advise the committee.
- 9.4.0 The quorum will be 50% with the proviso that the presence of Chairman, member of finance and member of purchase is mandatory. In case of dissent by any member including finance member, the Director shall record reasons in writing while giving his decision. The SPC-II will meet as and when required.
- 9.5.0 The SPC-II will go through carefully the specifications given by the indentor and make it as broad-based as possible in order to induce competition. The very purpose of the SPC-II is to ensure that fair chance is given to every genuine competitor. Thus, restrictive clauses and tailor-made clauses that suit a particular or a Group of suppliers should be avoided. It may also request the Director, if necessary, to constitute a Technical Committee with experts from outside to finalize specifications of special items of procurement.
- 9.5.1 The items required to be purchased under the ambit of the rules & procedures outlined in the Purchase Rules includes all articles, material, commodities, livestock, furniture, fixtures, raw materials, spares, instruments, machinery, equipment, industrial plant etc., purchased or otherwise acquired for the use of Institute but excludes books, publications, periodicals, etc. for a library.
- 9.5.2 The SPC-I/SPC-II in public interest shall have the responsibility and accountability to bring efficiency, economy, and transparency in matters relating to public procurement and for fair and equitable

treatment of suppliers and promotion of competition in public procurement.

The procedure to be followed in making public procurement must conform to the following yard sticks.

- (i) The specifications in terms of quality, type etc., as also quantity of goods to be procured, should be clearly spelt out keeping in view the specific needs of the Institute. The specifications so worked out should meet the basic needs of the organization without including superfluous and non-essential features, which may result in unwarranted expenditure. Care should also be taken to avoid purchasing quantities in excess of requirement to avoid inventory-carrying costs.
- (ii) Offers should be invited following a fair, transparent and reasonable procedure.
- (iii) The SPC-I/ SPC-II should be satisfied that the selected offer meets the requirement in all respects and satisfy itself that the price of the selected offer is reasonable and consistent with the quality required.
- (iv) At each stage of procurement the concerned procuring authority must place on record, in precise terms, the considerations, which weighed with it while taking the procurement decision.

9.6.0 The SPC-II shall devise its own methods and procedures within the ambit of the extant rules and regulations for making purchases as quickly as possible. As regards the mode of purchase, the detailed procedure and practices in this regard are 11.0.0.

9.7.0 The Chairman of the SPC-II will forward the recommendations of the SPC to the competent authority for approval through a check list for equipments costing more than Rs.10.00 lakhs.

9.8.0 Emergency purchases valuing more than Rs.15,000/- may be recommended by SPC-I/SPC-II by constituting a Sub-Committee either by collecting hand quotations and placing it before the SPC-I/ SPC-II or by deciding the purchase on the spot after surveying the market within the sanctioned amount. For this, the Sub-Committee will be the user, representatives of member Finance and Stores & Purchase. For this purpose, the Sub-Committee has to furnish a Certificate as per Annexure-C.

9.9.0 Purchase of goods costing above Rs.15,000/- and upto Rs.1,00,000/- on each occasion may be made on the recommendations of a duly constituted local purchase committee consisting of three members of an appropriate level as decided by the Director. The requisite certificate as per Annexure-B should be furnished and the project leader should ensure availability of funds before sanctioning the expenditure. PL must enclose the indent, quotation of the firm selected by the duly constituted Committee along with terms & conditions and the requisite certificate and forward to the Purchase Section for further necessary action. The Sr. SPO/SO (S&P) thereafter has to place purchase order as recommended without reference to SPC-I/SPC-II.

#### **10.0.0 Indents**

10.1.0 They shall be thoroughly checked in order that they are strictly raised as per the Purchase Rules, 2007. The SPO/In-charge of Purchase Department should not normally accept indents, which are faulty or incomplete and return such indents to the indenter within two working days. Minor defects in the indents, however, should be set right by discussions with the indentors.

10.2.0 The Purchase Officer shall ensure while purchasing office equipment that the provisions of Official Language Act, 1963 are complied with.

10.3.0 The Purchase Officer shall check that items sought to be imported do not fall within the restrictive list contained in the EXIM Policy.

10.4.0 The Purchase Officer shall satisfy himself if necessary by verifying from FAO/PME/PL that funds are available commensurate with the delivery schedule.

10.5.0 The indenter/PL/HOD shall ensure that the specifications suggested by the indenter conform to the latest BIS specifications wherever applicable.

10.6.0 Since speed is of the essence, the Purchase Officer while vetting the indents must play a facilitating role. This role is to guide the indenter in order that the right item is bought at the right price. If necessary, he could help the indenter raise the indent in the correct manner by giving him relevant inputs.

## **11.0.0 Mode of Procurement**

11.1.0 The SPC must select after deliberation one of the following modes of procurement:

- a) Open tender - by advertising in the press.
- b) Limited tender - by sending written enquiries to known, reputed suppliers.
- c) Single tender - by sending written enquiries to a single supplier if it is in the knowledge of the indenter that the stores/ equipment required is manufactured only by the supplier and none else.

11.2.0 Advertised or open tender must be resorted to when the purchase value is beyond Rs.25.00 lakhs. Splitting of indents, in order to bring it outside the ambit of open tender method is strictly prohibited.

In addition, a demand should not be deliberately divided to avoid necessity of obtaining sanctions of higher authority.

11.2.1 With a view to affecting some economy, NIT must be hosted on the website of the Institute with pointer advertisement in a National daily only having wide circulation. The website must also contain the detailed bidding documents which can be downloaded by the prospective or interested bidders free of cost.

11.2.2 The notice inviting tenders shall be short, clearly worded and unambiguous. It should give a brief description of the item/ equipment to be procured, the qualification requirement for the supplier, the last date up to which tender papers shall be supplied (when required) the date of receipt of completed tenders, the date, time and venue of opening of tenders. Detailed technical specifications should not be given in the notice at all; they should only be given along with the tender papers. In addition, the notice can be put in the website of the Institute and or other dedicated websites for such purposes.

11.3.0 Limited Tender Enquiry method may be adopted for purchases between Rs.1.00 lakhs to Rs.25.00 lakhs and sent to at least three prospective bidders by speed post/ registered post/ courier/ e-mail as per the provision of GFR no.151. Details of Limited Tender

Enquiry of value beyond Rs.10.00 lakhs must be hosted on the website. Any Unsolicited bids received against such limited tender method which are hosted on the web should also be considered subject to fulfillment of the terms & conditions of the limited tender.

However, this method can be followed even in procurement of material worth more than twenty five lakhs when:

(a) The Indenting Officer certifies that the demand is urgent and any additional expenditure incurred through open advertisement shall not be fruitful.

OR

(b) When the sources of supply are definitely known and the possibility of fresh sources of supply being available is remote.

OR

(c) It is not in public interest to adopt the open tender method.

However, such mode of procurement should be approved by the Director after the specific recommendations of SPC-I/SPC-II.

11.3.1 In all such cases, the invitation to bids must be sent to parties of comparable reputation and market share. For instance, if the requirement is for the installation of air-conditioning system and the intention is to get it done from major firms, such notices must be sent only to reputed national or multi-national firms and not to local manufacturers/ agencies. On the other hand, if the intention is to encourage local manufacturers/ agencies, queries should be sent to local manufacturers/ agencies only and not to major firms. This is necessary to ensure proper comparison.

11.3.2 Global tenders may be issued by the SPC if it is felt that bidding from the indigenous source through open tendering shall not result in competitive prices. In such cases, in addition to the open tendering procedures, copies of the NIT may be sent to the embassies of the countries where such manufacturers are located by giving them at least six weeks time so that they can forward the notice to the prospective bidder in their countries.

The NIT/ suitable communication should also be sent through e-mail to the Indian embassies abroad where potential sources exist.

11.4.0 All purchases made on proprietary basis are on single tender basis while items procured on single tender basis need not be necessarily proprietary in nature.

**Purchases on proprietary basis:**

Purchases on proprietary basis can be resorted to only when:

- (a) It is in the sure knowledge of the indenter that the item to be procured is manufactured only by a particular manufacturer and there is no other option except to purchase this item.
- (b) Spares, accessories, consumables etc. need to be procured which require to be compatible to the existing sets of equipment or for standardization of machinery.

PAC form as per Annexure-D should be signed by the indenter and submitted along with the indent. Quotations have to be called for by the SPO/ SO(S&P) directly, without referring to SPC-I/ SPC-II. Such quotations can be received by FAX/ e-mail, courier etc. irrespective of value. The SPO/ SO(S&P) can in the case of purchase of items which are proprietary in nature, can also download the price from the website of the firm and process for further necessary action.

**Purchases on single tender basis:**

Procurement from a single source may be resorted to in the following circumstances:-

- (i) It is in the knowledge of the user department that only a particular firm is the manufacturer of the required goods.
- (ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such decision is to be recorded and approval of competent authority obtained.
- (iii) For standardization of machinery or spare parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the competent authority), the required item is to be purchased only from a selected firm.

Purchases on single tender basis should be kept to the barest minimum and must be approved by the Director on specific recommendations of the SPC-I/SPC-II only after the satisfies himself that such procurement is unavoidable.

The Indenter should furnish a certificate as per Annexure-E and submit it along with the indent.

- 11.5.0 The SPO/ SO (S&P) will call for tenders for items costing less than Rs.25.00 lakhs on limited tender basis and items costing more than Rs.25.00 lakhs on open tender basis. All other cases including cases of purchase through single tender will be put up to the SPC for the decision.

- 11.6.0 In case of purchase financed by foreign loan/ aid, the procedure prescribed in the loan/ aid agreement shall be followed. In the absence of any such procedure in the relevant agreement, the normal procedure shall be followed.
- 11.7.0 The SPC may recommend procurement of certain items from Kendriya Bhandar/ Super Bazar/ NCCF and other co-operative societies recognized by the Govt. of India for purchases costing more than Rs.5000.00. The Director of the Institute is authorized to take a decision whether or not such items be bought under the process outlined in para 11.1.0 above.
- 11.8.0 The SPC may recommend procurement of small value items say Rs.50,000.00 for indigenous purchase and up to the limit specified by RBI for imports through e-commerce, payment of which can be made as per clause 25.3.0.
- 11.9.0 The following cases need not be referred to the SPCs and can be decided by the SPO after obtaining concurrence from Finance and sanction of competent authority.
- (a) Repeat Orders
  - (b) Orders against DGS&D rate contracts and Institute rate contracts.
  - (c) Amendments to all purchase orders not involving financial implications.
- 11.10.0 The following time limit may be allowed to the bidders so that they can quote their best possible prices.
- (i) Limited tender - Three weeks
  - (ii) Open tender - Four weeks
  - (iii) Global tender - Six weeks

However, in case of urgency, the time period can be reduced but proper justification for the same has to be furnished and accepted by the SPC.

However, it should be ensured that adequate competition exists and fair chance is given to all the interested bidders to enable them submit their offers in time.

## **12.0.0 Tender documents and EMD**

12.1.0 The tender documents which comprise the detailed technical specifications, conditions of contract, the proforma in which the tender is to be submitted and such other material as may be, sold at the rate of Rs.300/- irrespective of the estimated cost for open tenders which are inclusive of postage/ courier charges and VAT, if any, levied by the Govt. In case tender document is downloaded directly by any prospective or interested bidder, then no tender document fee is leviable.

All the terms, conditions, stipulations and information to be incorporated in the bidding documents are to be shown in the appropriate chapters as below:

- Chapter 1 - Instructions of bidders
- Chapter 2 - Conditions of Contract
- Chapter 3 - Schedule of Requirements
- Chapter 4 - Specifications and allied technical details
- Chapter 5 - Price Schedule (to be utilized by the bidders for quoting their prices)
- Chapter 6 - Contract form
- Chapter 7 - Other standard forms, if any, to be utilized by the purchaser and the bidders.

Further, SPC-I/ SPC-II may decide on the merits of each case the need to conduct a pre-bid conference and indicated accordingly in the tender documents.

12.2.0 The tender document for purchase of equipment must include a clause that the successful bidder shall furnish an unconditional Performance Bank Guarantee valid till 60 days after the warranty period from a scheduled bank for 5% to 10% (as decided by the Competent authority of the order value) within 30 days of acknowledgement/acceptance of order for orders where full payment is to be made on L/c or on delivery, failing which the contract shall be deemed as terminated. In cases where part payment is made on delivery and part on installation, the performance BG shall be asked for at the time of release of final payment. The furnishing of Bank Guarantee will not apply to consumables & spare parts of recurring nature.

12.3.0 It shall be clearly mentioned in the tender document for purchase of equipment that if the vendor have supplied identical or similar

equipment to other organizations, the details of such supplies for the preceding three years shall be given together with the prices eventually or finally paid.

12.4.0 An earnest money deposit from the bidders along with the bids for all procurement costing more than Rs.2.00 lakhs must be collected at the rate of 2% to 5% of the estimated value as may be decided by the SPC. The EMD shall always be collected by DD or Bankers Cheque or Bank Guarantee. The EMD of unsuccessful bidders shall be returned within 15 days of the award of the contract. In case of two bid system of tendering, the EMD of technically non-qualified tenderers may be refunded within seven days from the date of acceptance of the technical evaluation committee. All tenders received without EMD shall be summarily rejected. Firms registered with DGS&D, NSIC and Govt. Public Undertakings who are exempted from payment of EMD may be allowed exemption. But it must be verified that such registration include the item they are offering which are manufactured by them and not for selling products manufactured by other companies. In rare cases however, if the bidder is well known and highly reputed, the matter may be brought to the notice of the competent authority for his decision.

12.5.0 Purchase of equipment from abroad shall be made directly from the manufacturer or their authorized agents in India. It shall not be bought from the sub-agents of authorized agents. It shall be clearly stated in the tender documents that purchases made for scientific purpose are exempt from Customs/ Excise duty.

12.6.0 Two bid system (Technical & Financial) must be adopted in all cases of purchase of high value equipment/machinery in accordance with the provisions under Rule 18.0.0.

### **13.0.0 Receipt of Tenders**

13.1.0 Tenders are received either through post or through courier or by hand. The tenders shall be dropped in the tender box, which shall remain locked, and its keys with the purchase officer. After the due time, tender box should be sealed with the SPO, A.O. & F & A.O. with authentication.

13.2.0 If a tender, received in a cover without any superscription about its contents, is opened by any official receiving it, he shall himself mark on the cover the tender number and the date of its receipt and

the date of its opening and shall sign it and cause it to be delivered to the purchase officer before the opening date.

- 13.3.0 Tenders for items costing less than Rs.2.00 lakhs and are received in open condition or through fax or e-mail or telegram or telex within the due date and time shall not be rejected but shall be accepted at the risk of the bidder if the same is presented to the SPO before the expiry of the due date and time.

#### **14.0.0 Late/ Delayed Tenders**

- 14.1.0 Tenders received after the specified time and date of opening are treated as “Late” while tenders received after the last date specified for receipt of tender but before the date of opening of the tender are treated as “Delayed”.

- 14.2.0 Such tenders shall be marked as late/ delayed as the case may be and filed. They shall not be opened at all and be returned to the bidders in their original envelope without opening.

#### **15.0.0 Postponement of the tender opening date**

- 15.1.0 Requests for the postponement shall not normally be entertained. In rare cases however, if the response to a notice is poor, a decision to postpone the opening date of the tender by a minimum 15 days may be taken by the competent authority. The time extension so granted may be intimated to all concerned so that adequate response is received.

- 15.2.0 In case where the response to limited tender method in respect of materials costing more than Rs.5.00 lakhs is poor (if the response is only from two or less bidders, it is considered poor), then open tender method shall be resorted to. The bidders who responded to the limited tender enquiry must be informed that their tenders shall also be considered along with the tenders received through open enquiry. If a decision is taken to change the specification to make it broad-based, the bidders who had responded to limited enquiry shall be asked to bid again as per the revised specifications. Any exception to this should have the approval of Director.

#### **16.0.0 Opening of the Tenders**

- 16.1.0 The tenders shall be opened by a committee consisting of representatives of FAO, AO and SPO. Separate notice of opening

of the tender need to be sent to the bidders before opening of the commercial bid as per para 18.0.0 below. Opening of the tenders without informing the bidders is strictly prohibited for the limited and open tendering process.

16.2.0 The officer opening the tender shall read out the following particulars only for the information of the representatives attending the tender opening.

- (a) Tender number
- (b) Name of the firm
- (c) Description of the item to be purchased
- (d) Price
- (e) Whether the price is inclusive of taxes & duties or exclusive
- (f) Discount offered
- (g) Delivery Schedule
- (h) Any other extra charges quoted for packing, transport etc.
- (i) Terms of delivery
- (j) Warranty obligations.

16.3.0 All the pages of the tender have to be initialed by the Tender Opening Committee. Alterations/ corrections in the tenders should be initialed legibly by the officers opening the tender and dated. A similar procedure shall be followed wherever any erasing/ cutting is observed.

16.4.0 Any correction in the price quoted in the tender both in the words and figures shall be circled in red ink by the representative of finance and signed. The members of the tender opening committee shall endorse this. In addition, a list of the representatives of the bidders present at the time of opening shall be prepared who shall write their name and the bidder they represent under their signature.

16.5.0 If there is any discrepancy between the price quoted in figures and words, whichever is the higher of the two shall be taken as the bid price.

## **17.0.0 Evaluation of the Tenders**

17.1.0 A neat comparative statement of the tenders opened shall be caused to be made by the Purchase section. It shall contain details like rate, delivery schedule, make, taxes etc. and finally the quoted price. The final landing cost of Purchase after all discounts, taxes must be

mentioned on the comparative statement for indigenous items and FOB price for imported items. Where there is no mention of packing, forwarding, freight, insurance charges, such offers shall be rejected as incomplete. This condition must be indicated in bold letters in the tender document/ enquiry itself. The comparative statement shall be without any cuts and erasers and shall neatly give the quoted price both in figures and in words. The Purchase section shall be directly responsible if the statement is later found to be shabby and with additions, alterations, cuts and erasures. When bids are received in different currencies, the comparative statement shall clearly give the exchange rate on the date of opening of the bid and quoted price in rupees.

- 17.2.0 After the order is placed separate photocopies of the comparative statement may be taken and kept in a presentable form to be produced on demand by audit/ vigilance inspection.
- 17.3.0 Evaluation of tenders must be done in a scientific and logical manner. It is not always necessary that the lowest quoted price shall finally emerge as the lowest evaluated price. It may be that the lowest bidder has not quoted according to the specifications and has left out certain items asked for. His bid eventually may not even be responsive. Thus evaluation of tenders is a serious exercise which should not be done mechanically. Extraneous considerations, that is, considerations that were not mentioned in the technical and of other specifications, shall not be a cause for rejecting a tender as non responsive.
- 17.4.0 If the bidder has quoted certain optional items, these items should not be taken into consideration for the evaluation of the bid. Wherever two bid system is followed, the SPC can arrive at a basket of items to be procured which may well be different from what they had initially advertised. In all such cases, the parties who have been found technically suitable should be asked to quote for all these items.
- 17.5.0 Conditional tenders shall not be accepted.
- 17.6.0 A tender shall not rejected simply because certain details which do not have appreciable bearing on the price quoted are missing. In such case a quick reference could be made with the approval of the SPC, to the concerned bidder for proper evaluation of the tender.

17.7.0 The evaluation report shall clearly bring out:

- (a) the technical acceptability of the offer
- (b) the reasonability of the price quoted
- (c) the reasonability of the delivery period offered

No tender shall be technically rejected on flimsy grounds or on such vague grounds as unsatisfactory service during earlier purchases without providing any documentary proof. The reasonability of the price quoted can only be arrived at by making formal inquiries with other clients who have made similar purchases and by taking into account last purchase price.

There should not be any negotiations. 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. Negotiations shall be held with the lowest evaluated responsive bidder. Counter offers tantamount to negotiations and should be treated at par with negotiations. 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 proved in fructuous, satisfactory explanations are required to be recorded by the Committee who recommended the negotiations. The Committee shall be responsible for lack of application of mind in case its negotiations have only unnecessarily delayed the award of work/ contract. The overall time frame for awarding the work/ contract should be within the validity period of the tender/ contract. In case L-1 backs out then re-tendering should be done.

**18.0.0 Separate evaluation of technical and financial bids**

18.1.0 All scientific equipments costing more than Rs.10.00 lakhs shall be purchased by adopting two-envelop system either through open tender or through limited tender.

18.2.0 In this system the bidders are required to send their technical specifications, EMD and financial bids in three separate sealed envelopes with each envelop duly superscribed "Quotation/Tender for Technical Bid", "E.M.D." and "Quotation/Tender for Financial Bid". All three envelopes should be kept in a big envelop and duly superscribed giving reference of the tender. The technical bids are opened first and analyzed for acceptability either by the SPC itself

or by a separate technical Committee. The unopened “E.M.D.” and “Quotation/Tender for Financial Bid” shall remain locked in the tender box and be sealed with the SPO, A.O. & F & A.O. with authentication & its keys should be kept with the purchase officer. The tenderers could also be called for discussion and could also be allowed to modify their technical bids to suit the organizations requirement. The idea is to arrive at a threshold level of acceptability above which all the bidders shall be treated on par. Those whose technical specifications do not reach the threshold level of acceptability shall be rejected as technically unsuitable. The bidders who finally emerge as technically acceptable shall be allowed to withdraw their price bids and send again a revised bid in a sealed envelopes or to adhere to the original price bid sent. These price bids shall be opened, evaluated and the contract awarded to the lowest evaluated bidder. Commercial/Financial bids of only the technically acceptable offers should be opened for ranking before awarding the contract to the lowest bidder among the technically qualified bidders.

18.3.0 It must be normally ensured that at least two or more bidders become technically suitable in all such cases unless there are compelling technical reasons to decide otherwise. If only one bidder emerges as technically suitable, it may lead to complaints that the specifications were tailor made to suit a particular bidder.

18.4.0 In rare cases when such an eventuality arises, the SPC/ technical committee should give cogent and detailed reasons as to why such a choice is being made. In all such cases, if other parties make representations, it is the responsibility of the officer concerned to explain to them the technical reasons for rejecting their bids.

### **19.0.0 Audit of purchase proposals**

All purchase proposals shall be audited concurrently by the Sr. FAO/ FAO of the Institute who is the member of the SPC. However, the finance member of the SPC shall ensure that all the financial parameters are fully complied with before according his concurrence. The observation(s) of Sr. FAO/FAO of the Institute should be submitted to the Director of the Institute.

## **20.0.0 Placement of order**

Once the purchase proposal is approved by the SPC and the competent authority accords the expenditure sanction, SPO/ In-charge of purchase department shall prepare the purchase order and arrange to send it to the vendor. The necessity of agreements if felt can also be entered with the firm by SPO. The purchase order shall contain the make and model of the item with description, rate, quantity ordered, Amount and terms & conditions like Delivery schedule, Place of Delivery, Payment terms, taxes & duties, any other charges like packing, forwarding, transportation, insurance etc., discounts offered by the firm, warranty period, training if any etc. Orders for imported stores should be on FOB basis. In case the Institute desires to import the stores on CIF basis, approval of the Director shall be obtained with full justification. Suitable clauses like Fall Clause, Option clause for repeat order, Arbitration Clause, force majeure Clause and Liquidated damage Clause etc. may be incorporated in the supply order wherever applicable. The order shall also contain the inspection procedures to be followed for inspecting the ordered goods for acceptance and the probable time needed for inspection. Orders for equipments shall be dispatched to the vendor in two copies with an instruction that the vendor has to return one copy duly signed as a token of the acceptance of the order. In case the order confirmation is not received within twenty-one days, it shall be presumed that the vendor has not accepted the order and further action has to be initiated as per the conditions given in the tender document etc. The copies of orders shall be distributed to Stores, Indenting division and Finance (along with a copy of the sanction memo) as soon as the orders are placed.

## **21.0.0 Buy-back purchases**

21.1.0 With the approval of the Director, the Institute may trade the existing old item while purchasing the new and better version. For this purpose, a suitable clause should be incorporated in the bidding documents so that the prospective and interested bidders formulate their bids accordingly. Depending upon the value and the condition of the old item to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard be suitably incorporated in the bidding document. Further, suitable provision should also be kept in the bidding document to enable the purchaser either to trade or not to trade the item while purchasing the new one. The mode of

procurement should be in conformity with clause 11.0.0. The buy-back price should be indicated separately by the bidder and once the purchase is completed, the original value of the item be written off from the books of the Institute Register.

#### **22.0.0 Follow up of orders**

Once order has been placed, it is the duty of SPO to ensure that the vendors supply what has been ordered in time. He shall continuously be in touch with the stores department and in the event of the material not being received in time; he shall contact the vendor immediately and ensure that the material is received as quickly as possible. He shall also keep a list of vendors who are habitual defaulters and who supply sub-standard material, in order that prompt action is taken to blacklist such vendors.

#### **23.0.0 Receipt of materials**

The receipts of all ordered material have to be made in the stores section and a report of such receipts must be sent to the Purchase Officer/Purchase Section and Indenting scientist within a day. Similarly information's like transit of materials, clearance from Air/Sea port/ transporters/vendors go-down etc. has to be intimated to the user Depts.. Heavy and large items can be unloaded by the stores at the place of its final installation.

Stores should maintain a Daily Receipt Register (DRR) centrally which should include all relevant information about the receipt of materials in a computer. A print out can be sent to the User Group and the Purchase immediately and a copy of the same can be retained as DRR.

#### **24.0.0 Inspection of the materials**

The indenter shall inspect the materials as soon as it arrives and shall normally adhere to the schedule given by him at the time of placing the indent. Normally the concerned indenting division should ensure completion of inspection within ten days of receipt of advice from the stores. For imported equipments, the packing may be opened in the presence of the Indian agent to avoid short/damaged supply due to improper packing. In any case the

inspection shall be completed within the validity period of the insurance policy so that the claims for shortage/damage if any, can be lodged with the insurance company. Failure to inspect the material within the time schedule shall make the Indentor and the concerned Project leader responsible for the loss. Once the inspection is complete and the indentor certifies the inspection report, Store should ensure that the bill containing the stock entry reference and copy of the inspection report is sent to Purchase Officer / Purchase Section within three working days after the inspection is over. The Purchase wing shall send the same directly to accounts within four working days for payment and then the accounts must arrange payment to the vendor within five days from the date of receipt of bill. If for any reason, the payment is held up beyond the period stipulated, the matter shall be brought to the notice of the Director for his decision.

24.1.0 Depending upon the terms of the delivery incorporated in a contract, part payment to the supplier may be released after it dispatches the goods from its premises in terms of the contract subject to inspection.

24.2.0 Depending on the cost and nature of the goods to be purchased, it may also be necessary to enter in to maintenance contract(s) of suitable period either with the supplier of the goods or with any other competent firm, not necessarily the supplier of the subject goods. Such maintenance contracts are especially needed for sophisticated and costly equipment and machinery. It may however be kept in mind that the equipment or machinery is maintained free of charge by the supplier during its warranty period or such other extended periods as the contract terms may provide and the paid maintenance should commence only thereafter.

## **25.0.0 Advance Payments**

25.1.0 While the normal mode of payment is 100% within 30 days after receipt and acceptance of materials in good conditions (within 30 days after satisfactorily installation & commissioning of equipment), there may occasions when a reputed supplier insists on advance payment against the equivalent bank guarantee in the following type of cases:

(i) All payments demanded by firms holding maintenance contracts for servicing of AC, computers and other costly equipment.

(ii) Advance payment demanded by firms against fabrication, turn-key contracts. Such advance payments should not exceed the following limits:

(a) 30% of the contract value to private firms

(b) 40% of the contract value to a State / Central Government agencies / PSU / Autonomous Institute.

(c) In case of annual maintenance contract, the amount of advance should not exceed the amount payable for 6 (six) months contract value. AMC advance may be paid for the amount payable for 12 (twelve) months contract value against Bank Guarantee of a Scheduled Bank/ Nationalized Bank.

In case of scientific equipment, the SPC concerned shall decide on a case to case basis what percentage of payment could be made to the vendor in advance against equivalent bank guarantee from a scheduled bank. In no case shall the advance payment thus made exceed 90% of the price. The remaining percentage shall be released only after receipt and acceptance of material in good conditions or after satisfactorily installation and commissioning of the equipment. In exceptional case, advance payment may be made for low value imported equipments/consumables/services considering the risk factor at discretion of the Director in concurrence with the Finance Branch.

25.2.0 There may also be cases when payment against delivery which is commonly in practice for smaller value items and with traders who supply against cash/ cheque. This payment against delivery is much safer than payment through bank against documents as material itself is received against payment instead of documents. Such terms should be allowed. However, the purchase officer should ensure that the material is inspected and found acceptable as per requirement.

25.3.0 For small value items for which the prices are available on the website of the suppliers, payment could be made through credit card by the SPO. However, in all such cases, prior approval of the concerned SPC and the Director shall be obtained before making payment.

25.4.0 In case of imports, when payment against sight draft/ advance dollar draft is a condition, such payments may be allowed after approval of the Director subject to the limit prescribed by the RBI.

25.5.0 Any other payment terms can be accepted in exceptional cases on the approval of Director with concurrence of Finance.

## **26.0.0 Rate contracts**

26.1.0 Rate contracts should not be entered for stores, if the annual requirement is less than Rs.10,000.00. Rate contracts should be entered into based on open tendering for items for which there is a regular demand.

26.2.0 The period of currency shall normally be one year. The contract shall remain alive for supply of stores ordered during the currency of the contract. No extension of the rate contract is required for this purpose.

26.3.0 Rate contract should be placed only on registered and or reputed manufacturers or their authorized distributors who are capable of supplying the stores as required.

Once the rate contract is finalized the same should be hosted on the website of the Institute, detailing the salient features.

26.4.0 In addition to all the usual terms & conditions, the following clauses should be included in all rate contracts.

- (a) Fall Clause: The price charged for the stores supplied under the rate contract should in no event exceed the lowest price at which the party sells the stores of identical description to any other person during the period of the contract.
- (b) The stores shall be supplied within a period of fortnight for supplies against ex-stock deliveries. In case the firm does not supply the items within the stipulated time schedule, the cancellation of the purchase order can be considered.
- (c) Parallel rate contracts for similar items can be placed at any time during the period of rate contract with one or more parties.
- (d) The rate contract can be terminated at any time by giving one months notice.

## **27.0.0 Procedure for purchase through credit card**

The following procedure will have to be followed for purchases under credit card.

- (a) The offer may be downloaded from the website and a certificate to the effect that the prices have been downloaded be furnished by the SPO.
- (b) The proposal will then be put up to the respective SPC and payment to the firm be made after the mode of payment is approved by the SPC and Director.
- (c) The credit card will be kept with the SPO. If possible, Institutional credit cards will be purchased and kept for official use only.
- (d) The SPO shall maintain an account of Purchases made through the credit card to ensure that payment to the bank issuing the card is made within the free time after making necessary stock entry etc.
- (e) This procedure shall be reviewed after a year.

## **28.0.0 Financial powers of the competent authority**

- (a) SPC-I  
SPO - Rs.1.00 lakhs per sanction  
Director - Full Powers subject to availability of funds in the budget.
- (b) SPC-II  
Project Leader of the status of Scientist-C - Rs.2.00 lakhs per sanction  
Project Leader of the status of Scientist-D - Rs.5.00 lakhs per sanction  
Project Leader of the status of Scientist-E - Rs.7.00 lakhs per sanction  
Project Leader of the status of Scientist-F & above - Rs.10.00 lakhs per sanction  
Director - Full Powers subject to availability of funds in the budget.

## **29.0.0 Miscellaneous**

- 29.1.0 The operation of the above procedure shall be in super cession of all existing rules & instructions. In respect of areas, which are not

covered in the above rules, the provisions contained in the GFR/ DGS&D manual shall be operative.

- 29.2.0 A few formats (page 25 onwards) for the for Annexure-A to Annexure-E, Indents, BG formats, and Checklist etc. are enclosed.
- 29.3.0 In case of any doubt on the interpretation of these rules, matters can be referred to the Director, Institute whose decision shall be final. For legal interpretation, the English version will hold good.
- 29.4.0 The procedure may be reviewed at suitable intervals for further modifications.
- 29.5.0 The Governing Body, Institute may relax any of the provisions outlined in this procedure.



**ANNEXURE – A**

**PURCHASE OF GOODS WITHOUT QUOTATIONS**

(For Purchase of goods up to the value of Rs.15,000/-  
(Rupees Fifteen Thousand only)

“I Shri/ Ms./ Dr. .... am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from reliable supplier at a reasonable price.”

*Scientist/ FAO/ A.O./ SPO/ SO (S&P)*

*Date :*

**ANNEXURE – B**

**PURCHASE OF GOODS BY PURCHASE**  
**COMMITTEE**

(For Purchase of goods valuing between Rs.15,000/- to Rs.1.00 Lakh only)

“Certified that we, the members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question. Accordingly we enclose the quotation no. .... dated ..... of M/s ..... for placing Purchase Order.”

**Member**

**Member**

**Member**

**Name :**

**Desig. :**

**Date :**

**EMERGENCY PURCHASE CERTIFICATE**

(For Purchase of goods valuing more than Rs.15,000/- to be furnished  
by Sub-Committee)

“Certified that we, the members of the purchase committee are jointly and individually satisfied that the goods purchased are of the requisite specification and quality, and have been purchased from a reliable supplier at a reasonable price.”

**(Indentor) (Representative of Purchase) (Representative of  
Fin. & Accts)**

**Name :**

**Desig. :**

**Date :**

**PROPRIETARY ARTICLE CERTIFICATE (PAC)**

(To be submitted by the indenter along with the indent)

Certified that:

i) The indented goods are manufactured by M/s

.....  
.....  
..... (with detail address).

ii) No other make or model is acceptable for the following reasons:-

.....  
.....  
.....

iii) Concurrence of the finance wing to the proposal *vide*:-

.....

iv) Approval of the competent authority *vide*:

.....

*Signature of the Procuring Officer*

*Name :*

*Designation :*

*Date :*

**SINGLE TENDER CERTIFICATE**

(For procurement from a single source basis only during emergency)

The items indented are necessarily to be purchased from M/s  
..... for  
the following reasons .....  
.....

i) Approval of the competent authority *vide*:  
.....

*Signature of Indenting Officer*

*Name :*

*Designation :*

*Date :*

*Signature of Head Division*

*Name :*

*Designation :*

*Date :*

## PURCHASE INDENT

**INDENT NO.** \_\_\_\_\_

**DATE :** \_\_\_\_\_

1.0 The following items are required for \_\_\_\_\_  
\_\_\_\_\_ division/ project and may kindly be procured.  
*(Separate items to be indented for each class).*

Sl. No.	Detailed specification of the stores	Quantity	Estimated cost

2.0 Certified that to the best of our knowledge, the items indented are the proprietary item of M/s \_\_\_\_\_ and is marketed by their only authorized distributor M/s \_\_\_\_\_ in India. We shall be held responsible in case the certificate is found to be incorrect.

3.0 The requirement could not be anticipated earlier, is emergent in nature. The items are required for Project No. \_\_\_\_\_ a sponsored/ In house project and the deadline for delivery is \_\_\_\_\_. The consequence if the item is not procured within the dead line is \_\_\_\_\_.

4.0 The details about the life of the equipment, availability of spares, ease of maintenance etc.

5.0 The delivery of the item is required by \_\_\_\_\_.

6.0 The availability of funds

Name of project

Budget Provision

Whether necessary fund is available to Yes/ No  
Process this item.

(This should commensurate with the delivery Schedule)

PME/ Accounts

7.0 The installation requirements like area, power, civil works etc. are ready Yes/ No

8.0 The list of available vendors, their addresses and websites wherever available

1.

2.

3.

9.0 The inspection schedule for the item is as under:

10.0 Certified that the item is not available in stores.

**Signature of the Indentor**

**Head/ Project Leader**

## **CERTIFICATE FROM PURCHASE**

- 1.0 Indent Serial No. as per purchase register :
- 2.0 Certificate about fund availability :
- 3.0 The Proprietary certificate/ emergency certificate :  
if applicable furnished
- 4.0 Whether the item is a restrictive item as per :  
the EXIM policy
- 5.0 Whether the provisions of Officials Language Act :  
has been compiled with
- 6.0 Whether the enquiry needs to be sent by fax/ :  
Speed post/ e-mail owing to urgency
- 7.0 Whether samples are required :
- 8.0 Whether delivery required in batches :
- 9.0 Whether the delivery schedule as per indent is  
realistic. If not, please intimate indenter
- 10.0 Whether training required :
- 11.0 Whether clubbing of demand is possible :
- 12.0 Any other conditions that is required :

(\* strike out if not applicable)

Certificate that the above informations have been collected after discussion with the Project leader.

Recommended for inviting Limited tender/ Open tender.

**Dealing Asst.**

**SPO/ In-charge of Purchase**

## RECOMMENDATION OF THE SPC

SPC I/II met today *i.e.*, on \_\_\_\_\_ and decided the following mode of tender.

- (a) Limited tender – as the demand is urgent and additional expenditure incurred through press advertisement will not be fruitful.

OR

The sources of supplier are definitely known and the possibility of fresh sources of supply being available is remote.

OR

It is not in public interest to adopt the open tender method.

- (b) Single tender – as the item is proprietary in nature.
- (c) Procurement from Kendriya Bhandar/ Super Bazaar/ NCCF/ other co-operative stores even though the cost is more than Rs.5000.00.
- (d) Any other mode :

\*Please tick the approved mode.

**SPO**

**AO**

**FAO**

**MEMBER**

**MEMBER**

**MEMBER**

**CHAIRMAN**

**Mode of tender approved**

**Approving Authority**

## **BID SECURITY FORM**

Whereas .....<sup>1</sup>(*hereinafter called "the Bidder"*) has submitted its bid dated ..... (*date of submission of bid*) for the supply of ..... (*name and/ or description of the goods*) (*hereinafter called "the Bid"*).

KNOW ALL PEOPLE by this presents that WE ..... (*name of bank*) of ..... (*name of country*), having our registered office at ..... (*address of bank*) (*hereinafter called "the Bank"*), are bound unto ..... (*name of Purchaser*) (*hereinafter called "the Purchaser"*) in the sum of \_\_\_\_\_ for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_. THE CONDITIONS of this obligation are:

1. If the Bidder withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form; or
2. If the Bidder, having been notified of the acceptance of its bid by the Purchaser during the period of bid validity;
  - (a) fails or refuses to execute the Contract Form if required; or
  - (b) fails or refuses to furnish the performance security, in accordance with the Instruction to Bidders.

We undertake to pay the Purchaser up to the above amount upon receipt of its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee shall remain in force up to and including forty five (45) days after the period of the bid validity, and any demand in respect thereof should reach the Bank not later than the above date.

.....  
**(Signature of the Bank)**

---

<sup>1</sup> *Name of Bidder*

**PERFORMANCE SECURITY FORM**

To: \_\_\_\_\_ (Name of Purchaser)

**WHEREAS** ..... (Name of Supplier) hereinafter called “the Supplier” has undertaken, in pursuance of Contract No..... dated ..... 20..... to supply ..... (Description of Goods and Services) hereinafter called “the order”.

**AND WHEREAS** it has been stipulated by you in the said order that the Supplier shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with the Supplier’s performance obligations in accordance with the order.

**AND WHEREAS** we have agreed to give the Supplier a Guarantee. **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, upon your first written demand declaring the Supplier to be in default under the order and without cavil or argument, any sum or sums within the limit 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.

This guarantee is valid until the ..... day of ..... 20 .....

*Signature & Seal of Guarantors*

.....  
.....  
.....  
Date ..... 20.....  
Address:.....  
.....  
.....

All correspondence with reference to this guarantee shall be made at the following address :

\_\_\_\_\_

(Name & Address of the Lab.)

## **BANK GUARANTEE FORM FOR ADVANCE PAYMENT**

To: \_\_\_\_\_ (*name of Purchaser*)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (*address of Purchaser*)  
\_\_\_\_\_ (*name of Contract*)

### **Gentlemen :**

In accordance with the provisions of the Purchase Order No. \_\_\_\_\_, dated \_\_\_\_\_, M/s \_\_\_\_\_ (hereinafter called "the supplier") shall deposit with \_\_\_\_\_ (*name of Purchaser*) a bank guarantee to guarantee his proper and faithful performance under the said Clause of the Contract in an amount of (*amount of guarantee* \* \_\_\_\_\_ (*in words*)).

We, the \_\_\_\_\_ (*bank or financial institution*), as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to \_\_\_\_\_ (*name of Purchaser*) on his first demand without whatsoever right of objection on our part and without his first claim to the Supplier, in the amount not exceeding \_\_\_\_\_ (*amount of guarantee*)\* \_\_\_\_\_ (*in words*).

We further agree that no change or addition to or other modification of the terms of the Contract to be performed there under or of any of the Contract documents which may be made between (*name of Purchaser*) 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 remain valid and in full effect from the date of the advance payment received by the Supplier under the contract until \_\_\_\_\_.

Yours truly,

### ***Signature and Seal:***

Name of Bank/ Financial Institution:

Address:

Date:

---

\* An amount is to be inserted by the bank or financial institution representing the amount of the Advance Payment.

## CHECKLIST \*

- |            |                                                                                                                                                                        |                      |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| <b>1.0</b> | <b><u>Indents</u></b>                                                                                                                                                  | <i>at Page</i> _____ |
| a)         | Whether there are any corrections on the Indent                                                                                                                        | Yes/ No.             |
| b)         | Whether the infrastructural facilities are ready                                                                                                                       | Yes/ No.             |
| c)         | If the answer to b) above is No, will they be ready by the time the equipment arrives?                                                                                 | Yes/ No.             |
| d)         | Whether the equipment is approved by the Prioritization Committee                                                                                                      | Yes/ No.             |
| <br>       |                                                                                                                                                                        |                      |
| <b>2.0</b> | <b><u>Comparative Statement</u></b>                                                                                                                                    | <i>at Page</i> _____ |
| <b>3.0</b> | <b><u>Tender Opening</u></b>                                                                                                                                           | <i>at Page</i> _____ |
| a)         | Whether the quotations were opened in the Presence of the Bidders                                                                                                      | Yes/ No.             |
| b)         | Whether any corrections were there on the offers                                                                                                                       | Yes/ No.             |
| c)         | If yes, whether it has been authenticated by Tender Opening Committee                                                                                                  | Yes/ No.             |
| d)         | Whether any late quotations received                                                                                                                                   | _____                |
| <br>       |                                                                                                                                                                        |                      |
| <b>4.0</b> | <b><u>Evaluation</u></b>                                                                                                                                               |                      |
| a)         | Whether bidder recommended for is the lowest Evaluated bidder                                                                                                          | Yes/ No.             |
| b)         | If no, indicate relevant page number where this aspect has been discussed                                                                                              | _____                |
| c)         | Whether the lowest evaluated bidder is the one who quoted the lowest price                                                                                             | Yes/ No.             |
| d)         | If no, Indicate relevant page number where this aspect has been discussed                                                                                              | _____                |
| e)         | Whether all correspondences that have been Exchanged between the office and the bidder prior to the price bid opening has been taken into consideration for evaluation | Yes/ No.             |
| f)         | Whether negotiations have been made with the Lowest bidder                                                                                                             | Yes/ No.             |
| g)         | If yes, Please mention the discount obtained by Negotiation                                                                                                            | Yes/ No.             |

**5.0** The final price of the bidder to whom the contract is proposed to be awarded \_\_\_\_\_

**6.0** The name of the evaluated bidder \_\_\_\_\_

The detail of the final cost is attached.

**Certified that:**

1. The bid has been evaluated in accordance with the set criteria mentioned on the bid/ as per the Purchase Rules of ILS.
2. The past performance of the evaluated bidder has been found to be generally satisfactory.
3. That the deviation sought from the firm has no cost implications, which will not render the bid technically non-responsive.

**Member**

**Member**

**Member**

**Member**

**Chairman**

**Approving Authority**

---

*\* for all items costing more than Rs.10.00 lakhs.*

# **PURCHASE RULES**



**INSTITUTE OF LIFE SCIENCES  
BHUBANESWAR**

**2007**

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