



# **MANUAL FOR PROCUREMENT OF CONSULTANCY AND OTHER SERVICES –2025**

**W.e.f 22.01.2025**

CA एन गौरी शंकर राव  
निदेशक (वित्त) तथा अतिरिक्त प्रभार  
अध्यक्ष एवं प्रबंध निदेशक



CA N Gowri Sankara Rao  
Director (Finance) & Addl. Charge  
Chairman & Managing Director



### FOREWARD

In Mishra Dhatu Nigam Limited (MIDHANI), Purchase Procedures & Policy was formulated in 2004, wherein a uniform system for Purchase and Award of Contracts was detailed to serve as step-by-step guide for procurement of Goods and Services.

Subsequently Purchase Policy has been amended in the years 2014, 2017, 2020 with changing market dynamics, considering the latest CVC instructions in the areas of Procurement, amendments to Purchase Policy have been approved from time to time.

CVC vide Circular No. 14/07/22 dated 11.07.2022 instructed all CPSUs to update the existing Policy in line with three Manuals released by Department of Expenditure (DoE) i.e., Manual for Procurement of Goods, Services and Works.

Accordingly, MIDHANI has framed a new "MANUAL FOR PROCUREMENT OF CONSULTANCY AND OTHER SERVICES 2025" incorporating all relevant provisions related to procurement of Consultancy and Other Services in line with existing Purchase Policy 2020 and DoE Manual and Government of India guidelines issued by MoD, CVC from time to time.

This Manual is intended to serve as Guide to all MIDHANI employees in taking right decisions and ensuring that the interests of the company are taken care. This will provide the essential information, procedures and will bring greater transparency and efficiency in Procurement activities. This written document makes it easier for implementation, efficiency and ease of doing business in Procurement process.

I request all MIDHANI employees to go through the Manual and use it as a reference in day-to-day work.

I take this opportunity to express my gratitude to CVO-MIDHANI & his team for their contribution in bringing up this Manual by way of suggestions and Systemic Improvements and also congratulate those officials who contributed in bringing up this Manual.

Hyderabad,  
Date: 23-01-2025

Shri Gowri Sankara Rao Naramsetti  
Director (Finance) & CFO  
with Addl. Charge of Chairman & Managing Director

मिश्र धातु निगम लिमिटेड MISHRA DHATU NIGAM LIMITED

(भारत सरकार का उद्यम) (A Govt. of India Enterprise)

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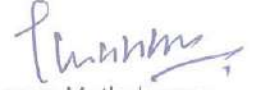
**MESSAGE**

I am very pleased that MIDHANI frames a new Manual for Procurement of Consultancy and Other Services – 2025 incorporating all the necessary changes, the relevant CVC guidelines and instructions.

The written down Manual will make it easier for implementation and bring in efficiency and transparency in the processes.

I am sure that the new **"MANUAL FOR PROCUREMENT OF CONSULTANCY AND OTHER SERVICES 2025"** will help in further improving and strengthening the working in Commercial area and helps to achieve more transparency and effectiveness in the best interests of our company.

I take this opportunity to congratulate all those who contributed in bringing out this exhaustive manual.



Thulasiraman Muthukumar  
Director (Production & Marketing)

Hyderabad  
Date: 23.01.2025

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## Contents

<b>SECTION I: INTRODUCTON .....</b>	<b>6</b>
<b>1.0 AIM, OBJECTIVES AND GOALS .....</b>	<b>7</b>
<b>SECTION II: PURCHASE REQUISITION (INDENT) .....</b>	<b>9</b>
<b>2. 0 TYPES OF PURCHASE REQUISITION .....</b>	<b>10</b>
<b>3. 0 SCRUTINY OF REQUISITIONS.....</b>	<b>10</b>
<b>4. 0 MODES OF PROCUREMENT .....</b>	<b>13</b>
<b>4.1.1 Open &amp; Global Tender Enquiry .....</b>	<b>13</b>
<b>4.1.1.1 Open Tender Enquiry (OTE): .....</b>	<b>13</b>
<b>4.1.1.2 Global Tender Enquiry (GTE):.....</b>	<b>13</b>
<b>4.1.1.3 IMPORTANT REQUISITES FOR OPEN TENDER &amp; GLOBAL TENDER: .....</b>	<b>14</b>
<b>4.1.2 LIMITED TENDER ENQUIRY (LTE):.....</b>	<b>14</b>
<b>4.1.3 SINGLE TENDER ENQUIRY (STE): .....</b>	<b>16</b>
<b>4.1.4 PROPRIETARY PURCHASE:.....</b>	<b>16</b>
<b>4.1.5 PROCUREMENT OF SERVICES ON GEM:.....</b>	<b>16</b>
<b>5. 0 SPOT PURCHASE AND EMERGENCY PURCHASE .....</b>	<b>17</b>
<b>5.1 SPOT PURCHASE .....</b>	<b>17</b>
<b>5.2 EMERGENCY PURCHASE .....</b>	<b>18</b>
<b>6. 0 SUBSTITUTE FOR TENDERING .....</b>	<b>20</b>
<b>6.1 REPEAT ORDER .....</b>	<b>20</b>
<b>6.2 EXTENSION OF CONTRACT.....</b>	<b>21</b>
<b>6.3 RATE CONTRACT / LONG TERM AGREEMENT: .....</b>	<b>22</b>
<b>SECTION IV: TENDERING PROCESS.....</b>	<b>23</b>
<b>7.0 METHODS FOR CALLING TENDER .....</b>	<b>24</b>
<b>7.1 Single Part tendering:.....</b>	<b>24</b>
<b>7.2 Two part tendering: .....</b>	<b>24</b>
<b>8. 0 INVITATION TO TENDER .....</b>	<b>25</b>
<b>9. 0 GENERAL INSTRUCTIONS FOR TENDER.....</b>	<b>25</b>
<b>10. 0 INTEGRITY PACT.....</b>	<b>26</b>
<b>11. 0 E- PROCUREMENT .....</b>	<b>27</b>
<b>11.1 Introduction:.....</b>	<b>27</b>
<b>11.2 Departmental User Registration: .....</b>	<b>27</b>
<b>11.3 Scope of e-Procurement.....</b>	<b>27</b>
<b>12. 0 PAYMENT TERMS.....</b>	<b>27</b>

12.2	GEM Tenders: .....	28
12.3	ADVANCE PAYMENT .....	28
12.4	MODE OF PAYMENT:.....	28
13.0	EARNEST MONEY DEPOSIT .....	28
14.0	SECURITY DEPOSIT .....	29
15.0	TAXES AND DUTIES .....	30
16.0	NON-DISCLOSURE AGREEMENT (NDA).....	30
SECTION V: TENDER RECEIPT, .....		31
OPENING AND SCRUTINY .....		31
17.0	RECEIPT OF TENDER .....	32
18.0	TENDER OPENING (FOR MANUAL TENDERS) .....	32
19.0	CLASSIFICATION OF TENDERS .....	33
20.0	UNSOLICITED TENDERS.....	33
21.0	RE- TENDERING .....	33
22.0	TECHNICAL SCRUTINY.....	34
23.0	TENDER SCRUTINY IN RESPECT OF TENDERS OF SINGLE BID SYSTEM.....	36
24.0	CURRENCY .....	36
SECTION VI: ORDER PROCESSING .....		37
25.0	DETERMINING REASONABILITY OF PRICES .....	38
26.0	PRICE NEGOTIATIONS.....	38
27.0	CONDUCT OF PRICE NEGOTIATIONS.....	39
28.0	FINANCIAL POWERS, COMPOSITION OF PNC.....	40
29.0	ACTION FOR MANAGEMENT APPROVAL AND ORDERING .....	40
30.0	SIGNING OF PURCHASE ORDER.....	41
31.0	TIMELY PROCESSING OF INDENT AND PLACEMENT OF PURCHASE ORDER.....	41
SECTION VII: POST ORDER PROCESSING .....		42
32.0	FOLLOW-UP OF ORDERS.....	43
33.0	AMENDMENT TO PURCHASE ORDERS / CONTRACTS .....	43
34.0	EXTENSION OF DELIVERY PERIOD .....	43
35.0	REMEDIES FOR DELAY, NON-SUPPLY, UNSATISFACTORY SUPPLIES/ EXECUTION OF CONTRACT .....	44
36.0	LIQUIDATED DAMAGES (LD) .....	44
37.0	CANCELLATION / SHORT CLOSURE OF CONTRACT .....	45
38.0	RISK PURCHASE.....	45

<b>SECTION VIII: VENDOR DEVELOPMENT .....</b>	<b>47</b>
<b>39.0 APPROVAL OF SUPPLIERS, REGISTRATION, EVALUATION AND ASSESSMENT OF VENDORS.....</b>	<b>48</b>
<b>39.1 VENDOR DEVELOPMENT .....</b>	<b>48</b>
<b>39.2 REMOVAL FROM THE LIST OF THE APPROVED FIRMS .....</b>	<b>48</b>
<b>39.3 BAN ON DEALINGS WITH A FIRM .....</b>	<b>48</b>
<b>SECTION IX: GENERAL .....</b>	<b>50</b>
<b>40.0 ARBITRATION.....</b>	<b>51</b>
<b>41.0 PENALTY FOR USE OF UNDUE INFLUENCE .....</b>	<b>51</b>
<b>42.0 ETHICAL STANDARDS .....</b>	<b>52</b>
<b>43.0 RE-ORDERING .....</b>	<b>52</b>
<b>44.0 SUBSIDIARY INSTRUCTIONS/MODIFICATIONS/ALTERATIONS .....</b>	<b>52</b>
<b>45.0 PURCHASE / PRICE PREFERENCE .....</b>	<b>53</b>
<b>46.0 RECORD RETENTION PERIOD .....</b>	<b>54</b>
<b>47.0 INTERPRETATION OF PURCHASE PROCEDURES .....</b>	<b>54</b>
<b>48.0 FORCE MAJURE CLAUSE.....</b>	<b>54</b>
<b>49.0 FALL CLAUSE .....</b>	<b>55</b>

## APPENDICES

Appendix 1	Procurement Requisition
Appendix 2	Proprietary Article Certificate (PAC)
Appendix 3	Invitation to Tender
Appendix 4	Terms and Conditions
Appendix 4(a)	Preference under MAKE IN INDIA
Appendix 4 (b)	Restrictions under GFR Rule 149 (xi)
Appendix 5 (a)	Terms and Conditions for Job Works (Internal)/Manpower Contracts
Appendix 5 (b)	Terms and Conditions for Import Offers
Appendix 6 (a)	Procedure for Submission of Manual Tenders
Appendix 6 (b)	Procedure for eProcurement Tenders
Appendix 6 (c)	eAuction Terms and Conditions
Appendix 7	Tender Opening Form
Appendix 8	Comparative Statement format
Appendix 9	Constitution of Price Negotiation Committee
Appendix 10	Purchase Proposal format
Appendix 11	Format for Indigenous Purchase Order
Appendix 12	Format for Import Purchase Order
Appendix 13	Form for Waiver of Liquidated Damages
Appendix 14	Format for Earnest Money Deposit Bank Guarantee
Appendix 15	Format for Security Deposit and Performance Bank Guarantee
Appendix 16	Format for Bank Guarantee against Advance Payment
Appendix 17	Format of Integrity Pact (subject to changes from time to time)
Appendix 18	Checkpoints for Indent (to be checked by Purchase Department)
Appendix 19	Checkpoints for Tender
Appendix 20	Format for Indemnity Bond
Appendix 21	Checklist for Purchase Requisition
Appendix 22	Outsourcing and Vendor Development Policy
Appendix 23	Format for Basis of Estimate Value
Appendix 24	Standard Eligibility Criteria

# SECTION I: INTRODUCTON



## INTRODUCTON

In line with the Department of Expenditure Manuals, exclusive Manual for Procurement of Services is made keeping the latest Government guidelines and to avoid the scope for subjectivity and improving transparency & efficiency in all kinds of procurements by laying out clear guidelines in tune with the latest DPE, CVC, Gol guidelines besides past experiences in procurement.

### 1.0 AIM, OBJECTIVES AND GOALS

**1.1 Basic Aims of Procurement – the Five R's of Procurement** in every procurement, public or private, the basic aim is to achieve just the right balance between costs and requirements concerning the following five parameters called the Five R's of procurement. The entire process of procurement (from the time the need for an item, facility or services is identified till the need is satisfied) is designed to achieve such a right balance. The word 'right' is used in the sense of 'optimal balance'.

Five R's are;

- Right Quality.
- Right Quantity.
- Right Price.
- Right Time and Place.
- Right Source.

**1.2 In order to fulfill its functions, MIDHANI is required to purchase a variety of Services. In all these transactions, primary objective and goal may be stated as follows.**

**1.2.1 To identify and develop reliable indigenous sources of supply so as to minimize dependency on imports and promote self-reliance.**

**1.2.1.1 To verify in advance the financial status and technical competence of the tenderer and their capacity to execute contract commensurate with its value and to qualify the tenderer for participation in tenders.**

**1.2.1.2 To resort to long term agreements, having regard to defined service requirements wherever it is economical and conclude long term contracts with a provision of standard break clause for items required in quantities at frequent intervals.**

**1.2.1.3 To promote Small Scale Industries (SSI) taking into account the statutory provisions of Micro, Small and Medium Enterprises (MSME) Act.**

**1.2.2 Endeavor to effect standardization of procurement of services.**

**1.2.3 To conduct these transactions in accordance with sound business principles and practices in a transparent manner.**

**1.2.3.1 To ensure that the terms of contract are precise, definite & free from ambiguity or from scope of misconstruction/ misinterpretation.**

- 1.2.4 To ensure transparency, competition, fairness and elimination of arbitrariness.
      - 1.2.5 To develop and establish appropriate information system to monitor and ensure Contract management and timely deliveries.
- 1.3 To implement the instructions related to purchases issued by Central Vigilance Commission from time to time making the process of purchase transparent and accountable in nature.
- 1.4 To adopt the policy and procedure to facilitate E-Commerce.
- 1.5 The procedure to be followed in procurement must conform to the following yardsticks: -
  - i. The specifications in terms of quality, type etc., as also quantity of services to be procured, shall be clearly spelt out keeping in view the specific needs. The specifications so worked out shall meet the basic needs without including superfluous and non-essential features, which may result in unwarranted expenditure. Care shall also be taken to avoid purchasing in excess of requirement to avoid inventory carrying costs;
  - ii. Offers shall be invited following a fair, transparent and reasonable procedure;
  - iii. The authority shall be satisfied that the selected offer adequately meets the requirement in all respects;
  - iv. The authority shall satisfy itself that the price of the selected offer is reasonable and consistent with the quality required;
  - v. At each stage of procurement the concerned authority must place on record, in precise terms, the considerations which weighed with it while taking the procurement decision.
- 1.6 Any deviation to the procedures mentioned herein, in exceptional cases, shall be with the approval of Chairman & Managing Director, after recording valid reasons/justifications and shall be put up to Board for information on quarterly basis.
- 1.7 The interface between the supplier and MIDHANI will be the Purchase department only.

## **SECTION II: PURCHASE REQUISITION (INDENT)**

## **2.0 TYPES OF PURCHASE REQUISITION**

- 2.1 The services procurement is categorized as follows for the purpose of initiating requisitions by indenting departments for procurement action.**
- A. MANPOWER CONTRACTS, AMCS, JOB CONTRACTS INSIDE MIDHANI**
  - B. CONSULTANCY SERVICES**
  - C. REPAIRS, SERVICES & MISCELLANEOUS SERVICES, I.E., SERVICES OTHER THAN THOSE COVERED IN THE ABOVE CATEGORIES**
  - D. SPECIAL PROCUREMENTS**
    - a. Spot Purchase & Emergency Purchase.**
    - b. Services during Ceremonial Occasions**
  - E. REPEAT ORDER, EXTENSION OF CONTRACT & RATE CONTRACT / LONG TERM AGREEMENTS.**

## **3.0 SCRUTINY OF REQUISITIONS**

- 3.1 Purchase department will initiate purchase action against purchase requisitions received in the pro-forma prescribed at Appendix-1.**
- 3.2 Before initiating the Purchase action PRs should be scrutinized to ensure that it is complete in all respects and necessary specifications and drawings are provided.**
- 3.3 Further, PRs received from various departments / shops for similar services should be clubbed for procurement to enable company to get competitive rates.**
- 3.4 Purchase department will ensure that no commitment is made on a PR unless approved by Competent Authority in accordance with Delegation of Powers.**
- 3.5 Routing of Requisitions:**
- 3.5.1 All PRs shall be routed through respective HODs.**
  - 3.5.2 All PRs exceeding the estimate value of Rs. 2 Lakh shall be routed through Finance department for vetting of Estimate, which shall be as per Appendix 23 of the Manual.**
- 3.6 Where services are desired to be procured on a proprietary basis from a single source, the purchase requisition shall be accompanied by a Proprietary Article Certificate, as per Proforma given in Appendix-2.**
- 3.7 The PRs shall be prepared by the Indenting department and approved by the competent authority in accordance with the Delegation of Powers. The PRs shall be prepared completely filled in all respects.**
- 3.8 The value of the PR for purpose of sanction as per Delegation of Powers will be the Landed Cost Net of Set off (LCNS) duly updated with actual taxes, duties etc.**

### **BASIS FOR CALCULATION OF INDENT ESTIMATED VALUE:**

The estimated cost in the indent is a vital element in the procurement process, approvals and establishing reasonableness of prices at the time of evaluation of the bids. Therefore, it should be worked out in a realistic and objective manner. It will be the prime responsibility of Indentor to prepare judicious estimate of the Indent value. Basis of Indent estimate shall be invariably recorded in Indent.

Following shall be the guidelines for preparation of Indent estimates:

a. For frequently purchased services (i.e., services purchased atleast once during last two years): The estimate shall be based on the LPP (Last Purchase Price) obtained through normal mode of tendering with adjustment for variations in the market conditions, labour charges etc. which shall be clearly indicated in the indent.

**Note:** In case of non-availability of inputs to calculate the price variation, 5% escalation per annum is to be considered for calculating the Indent estimate.

b. For infrequently purchased services (i.e., services not purchased in last two years) / new services (First Time Procurement): The estimate shall be made based on Market Indices (or) based on Budgetary quotation. In case of Budgetary quotation, minimum three (03) budgetary quotations from reputed sources to be taken by Indentor for this purpose and 85% of lowest of rate(s) of budgetary offers to be considered for calculating the Indent estimate. In case of less than three budgetary quotations, reasons to be recorded in the approval. In case of Market Index /GeM, 100% of Lowest price shall be considered for estimate.

**3.9 Where it is proposed to split on line item-wise L1 basis, the estimate also shall be prepared line item-wise.**

**3.10 In case, the actual value of procurement for PRs (LCNS Value) exceeds the estimated value, same will be dealt as per Delegation of Powers.**

**3.11 Wherever required, a quantity tolerance of maximum up to +/- 10% shall be incorporated.**

**Indentor has to ensure all items/fields are covered in PR, as per Appendix – 21 as applicable.**

**3.12 On receipt of PR, Purchase Department shall check the same as per Checkpoints incorporated at Appendix – 18.**

**3.13 Any change/ modification to approved PR shall be with the approval of same authority that approved the PR originally.**

**3.14 Splitting of requisitions to bring them within the powers of lower authority shall not be resorted to.**

**3.15 If splitting of the proposed services is required due to criticality or production urgency, the same shall be incorporated in requisition stage itself and shall be clearly indicated in the tender document.**

## **SECTION III: MODES OF PROCUREMENT**

## 4.0 MODES OF PROCUREMENT

The recommended modes of tendering for placement of orders are as under:

- (i) Open Tender Enquiry (OTE) & Global Tender Enquiry (GTE)
- (ii) Limited Tender Enquiry (LTE)
- (iii) Single Tender Enquiry (STE)
- (iv) Proprietary Tender Enquiry (PTE)

In order to facilitating timely availability of Services and to meet the Emergency requirements, Order placement may also be considered on the basis of the following modes:

- (v) Spot & Emergency Purchase
- (vi) Repeat Order & Option Clause
- (vii) Rate Contract / Long Term Agreements

NOTE:

- i. In case of Import Services, GTE guidelines issued by Ministry from time to time are to be followed strictly.
- ii. Purchase department shall verify every Indent for its availability in GeM portal and shall download the Availability Report from GeM, before proceeding for the tendering activity.

### 4.1.1 Open & Global Tender Enquiry

#### 4.1.1.1 Open Tender Enquiry (OTE):

- a. Open tender enquiries are to be considered under the following circumstances:
  - i) When reliable vendors/contractors are not clearly known.
  - ii) When it is felt that advertising may elicit better response.
  - iii) When the estimated value of the services exceeds Rs. 25 Lakhs and registered suppliers are not available or where it is decided by Competent Authority to broad base vendors.
  - iv) For all common services available over Government e-Market Place (GeM), procurement shall be done through GeM only as per provisions, terms and conditions of GeM portal.
- b. Wherever open tenders are resorted to, the enlisted suppliers/sub-Contractors, should also be made aware of the same via mail/ post to get Competitive offers. Hence, the list of suggested sources shall be enclosed along with the Indent.
- c. **Manual Open tenders should be given wide publicity in MIDHANI website as well as in CPPP Portal.**

#### 4.1.1.2 Global Tender Enquiry (GTE):

- a. GTE may be viable only in following situations:
  - i) Where services of required quality are not available within the country and alternatives available in the country are not suitable for the purpose;
  - ii) Non-existence of a local branch of the global principal of the manufacturer/vendors/ contractors;

- iii) Requirement for compliance to specific international standards in technical specifications;
  - iv) Absence of a sufficient number of competent domestic bidders likely to comply with the required technical specifications, and in case of suspected cartel formation among indigenous bidders.
- b. In the case of Services of complex nature, publicity may be given through Indian Trade Journal (ITJ) and an intimation regarding the tender to Embassies of major trading countries as well as the foreign embassies in India. The selection of embassies would depend on the possibility of availability of the required services in such countries.
- c. **All GTE should be given wide publicity in MIDHANI website as well as in CPPP Portal.**

#### 4.1.1.3 IMPORTANT REQUISITES FOR OPEN TENDER & GLOBAL TENDER:

- i) Standard formats which form part of this policy and procedure shall be issued against tender.
- ii) **A minimum of 28 Days period should be allowed for submission of the tenders from the date of advertisement. This period may be increased suitably in cases involving major services with the approval of HOD (Purchase). In exceptionally urgent (or) simple cases, the period of submission of tenders may be reduced to 10 Days with the prior approval of HOD (Purchase).**
- iii) Tender forms shall normally be issued on MIDHANI website free of cost.
- iv) All offers shall be received together with Earnest money deposit (EMD) as per table mentioned in **clause No. 13** of this manual.

#### 4.1.2 LIMITED TENDER ENQUIRY (LTE):

In limited tender, the most likely and reliable sources are to be addressed directly. Limited tendering shall be resorted to in the following cases:

- 4.1.2.1 Items available from the list of approved suppliers and based on operational or technical requirements.
- 4.1.2.2 Purchase of Services, where established/ registered sources are available Limited Tender shall be resorted to up to value of Rs. 25 Lakhs.
- 4.1.2.3 Purchase of Services, upto Rs. 10 Lakhs in each case which are not available from the list of registered suppliers. The suggested sources/ suppliers shall be considered for sending enquiries as given by the Indentor.
- 4.1.2.4 When MIDHANI's customer has specified the specific service to be purchased from the specific source.
- 4.1.2.5 When MIDHANI on its own wants to go for Limited Tender because of the nature and / or secrecy involved.



- 4.1.2.6 The sources of supply are definitely known and possibility of fresh source(s) beyond those being tapped is remote.
- 4.1.2.7 Government policy designates procurement from specific agencies.
- 4.1.2.8 **Time allowed for receiving quotations against limited tenders will be minimum 21 Days. However, this time can be further reduced in case of urgent requirement with approval of HOD (Purchase). However, Tender notice period shall not be less than 10 days. In cases where tenders to be floated with less than 10 days, approval of Chairman & Managing Director shall be obtained.**
- 4.1.2.9 **In cases where no offers or single offer is received on due date, HOD (Purchase) will decide in consultation with Indenting Department whether due date needs to be extended for generating fair competition, accordingly such tenders/quotations will be obtained on extended due date.**
- 4.1.2.10 In case any registered supplier/established supplier/supplier of repute requests for extension of due date, requests received atleast before 3 days of due date shall only be considered in consultation with Indenting Department.
- 4.1.2.11 In case response is received from all the parties to whom Tender notice has been sent, the bids may be processed further without waiting for the time period specified in the Tender to lapse after intimating to all the bidders.
- NOTE:** In all cases of **Limited Tenders**, efforts to be made to get quotations from all the suggested sources. **Intimation to be given to all the suggested sources through email with 'Delivery Confirmation'. All proofs regarding emails sent to be kept in the case file. In case of enquiry sent through Airmail/Courier, tracking numbers shall be placed in the case file**
- 4.1.2.12 To ensure adequate competition and price advantage, limited tenders should be addressed to as many sources as possible, but not less than 5. Where the number of available sources of supply is less than 5, the suppliers to be addressed may be reduced with the approval of Director (P&M).
- 4.1.2.13 For all Limited Tender Indents upto Rs. 5,00,000/- in each case refer clause no. 4.1.5 for procedure to be followed in GeM.

#### **4.1.3 SINGLE TENDER ENQUIRY (STE):**

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

- i. In a case of emergency, the required services 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.
- ii. 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 service is to be purchased only from a selected firm.
- iii. When MIDHANI's customer has specified the specific service to be purchased/ obtained from the specific source.
- iv. For developmental orders placed on new sources.
- v. When it is necessary due to specific technical reasons or operational urgency. Reasons to be recorded in writing.

4.1.3.2 In single tender method, the sources of supply should be reviewed periodically so as to get the best price advantage.

#### 4.1.4 PROPRIETARY PURCHASE:

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

- 4.1.4.1 In case only a particular firm is the manufacturer who can provide the required services.
- 4.1.4.2 Certificate that the case is proprietary in nature, is to be recorded on the PR by the competent authority (As per **Appendix –2**).  
Proprietary Article Certificate (PAC) as per format at Appendix – 2, shall be enclosed to Indent.
- 4.1.4.3 Proprietary services shall be purchased only from a nominated manufacturer or its authorized dealer as recorded in the PAC certificate.
- 4.1.4.4 In cases of Proprietary items, Enquiry to be sent either to Manufacturer (or) Authorized Stockiest / Distributor (or) to both as mentioned in PAC. However, in case if offers received from both, offer received from Manufacturer shall only be considered. This condition needs to be stipulated in Tender document.

**Note: All Manual Limited Tenders, Single Tenders, Proprietary Tenders except those that are strategic / confidential in nature and above Rs. 5 lakhs value, shall be published at MIDHANI website and CPPP.**

#### 4.1.5 PROCUREMENT OF SERVICES ON GEM (excluding for Spot Purchase and Emergency Purchase):

- 4.1.5.1 The Procurement of Goods by Ministries or Departments is mandatory for Goods & Services available on GeM as per Rule 149 of GFR, 2017.

- 4.1.5.2 Procurement of any Services on GeM portal shall be as per MIDHANI Procedure mentioned herein and as per the extant guidelines issued by the Government of India from time to time.
- 4.1.5.3 The GeM portal shall be utilized by the Government buyers for direct on-line purchases as under inline with Dept of Expenditure OM No's. F.1/26/2018-PPD dated 02.04.2019 & F.1/26/2018-PPD dated 09.08.2021 and subsequent guidelines issued from time to time:-
- i) Up to Rs.25,000/- through any of the available suppliers on the GeM, meeting the requisite quality, specification, and delivery period;
  - ii) Above Rs.25,000/- and up to Rs.5,00,000/- through the GeM Seller having lowest price amongst the available sellers, of at least three different manufacturers, on GeM, meeting the requisite quality, specification, and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by the Buyer even for procurements less than Rs 5,00,000.
  - iii) Above Rs.5,00,000/- through the supplier having lowest price meeting the requisite quality, specification, and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM.
  - iv) GeM Portal: <https://gem.gov.in>. Detailed instructions for user organization registration, supplier registration, listing of products, terms and conditions, online bidding, reverse auction, demand aggregation, call centre, etc. are available on this portal.

**4.1.6 Standard Eligibility Criteria in case of Expression of Interests/Open Tenders/GEM Tenders is placed at APPENDIX – 24.**

**5.0 SPOT PURCHASE AND EMERGENCY PURCHASE**

**For both Clauses 5.1 Spot Purchase & 5.2 Emergency Purchase, annual ceilings to be defined shop wise (for both Revenue and Capital Items) and budget availability to be endorsed by Finance.**

**5.1 SPOT PURCHASE**

- (i) Spot purchase from the local markets or markets in outstations in case of non-availability of services, are to be authorized by Competent authority as below:

Sl. No	Value of the Indent in each case	Approving Authority
1	Upto Rs. 25,000/-	GM/AGM (I/c)*
2	Upto Rs. 1,00,000/-	Functional Director
3	Upto Rs. 2,50,000/-	C & MD

- For S. No 1, Procurement may be done by user department obtaining approval of Competent Authority with due financial concurrence enclosing
- (a) Quotation(s) from reliable sources
  - (b) Justification for Spot Purchase

- Payment recommendation shall be made by Officer of Indenting Department not below the rank of Sr. Manager.
  - For cases above Rs. 25,000 and upto Rs. 2,50,000 – Manual Purchase Orders to be issued post approval with the recommendation of Spot Purchase Committee.
- (ii) Purchase of single items up to Rs. 5,000/- may be made after making telephonic/verbal enquiries. This is called as Petty Purchase. The amount can be adjusted from the imprest amount available with Purchase Department.
  - (iii) Purchase above Rs.25,000/- in each case but not exceeding Rs. 2,50,000/-: The requirement shall be routed through concerned GM/AGM (I/c) and Committee shall obtain three (03) minimum quotations. In case 3 quotations are not available, justification to be recorded. After obtaining the quotations and Committee recommendation, approval of Competent Authority will be obtained by the Indenting Department.
  - (iv) Payments exceeding Rs.10,000/- shall be through Cheque/ DD / Other electronic or Digital modes only.
  - (v) The spot purchases above Rs. 25,000/- as indicated above shall be made by a team of Officers consisting of members from Purchase, Finance, Indent dept. Payment recommendation shall be made by Officer of Indenting Department not below the rank of Sr. Manager.
  - (vi) Purchase in all the above cases should be made taking into account price, quality, delivery requirements etc. preferably from vendors registered with the company.
  - (vii) A register/ separate file showing full details of such purchases should be maintained by purchase Department.

Spot Purchase should not be considered as a normal practice of procurement. Only in case of urgency and for items which cannot be procured by normal tendering process, spot purchase shall be resorted to. Proper justification shall be given for all spot Purchase indents. All Indenting divisions to restrict the spot purchase by planning the procurement in advance.

## 5.2 EMERGENCY PURCHASE

- i. Provisions for emergency purchase of services have to be kept **to meet the emergency needs of the Plant to keep the flow of production uninterrupted**. In case of services, such emergency normally occurs when the production is interrupted for the want of such services. All emergency Procurements made in one financial quarter to be reported to the Board during first meeting of the next quarter.
- ii. In such cases of Emergency Procurement, the following Standard Operating Procedure shall be followed in procurement of Services:

### **Emergency Purchase Limits in each case (through tendering):**

1. The competent authorities for approving Emergency Purchase Indents (PR) shall be as below:

**Items to meet the Production Exigencies/Any Special Occasions:**

S. No	Value of the Indent in each case	Approving Authority
01	Above Rs. 25,000/- upto Rs. 1,00,000/-	GM of Concerned Area
02	Above Rs. 1,00,000/- upto Rs. 5,00,000/-	D (P & M)
03	Above Rs. 5,00,000/- upto Rs. 10,00,000/-	C & MD

2. For such emergency Indents, Indent shall be raised and to be attached alongwith approval note. Process flow for the same is indicated below. The following shall be clearly specified at Indent approval stage itself:

- a. Nature of Emergency, Cause of Emergency Situation and its effect on Production
- b. Clear specification.
- c. Number of sources and names to be indicated and-Justification for Single Source (In case of Single Tender)
- d. Purchase value (Landed cost of Lowest Budgetary quote /Market rate / LPP)
- e. Delivery Period & Price basis
- f. Payment Terms (As far as possible payment shall be made after completion of services with User certification).
- g. The mode of tendering (By email/GeM/Others).

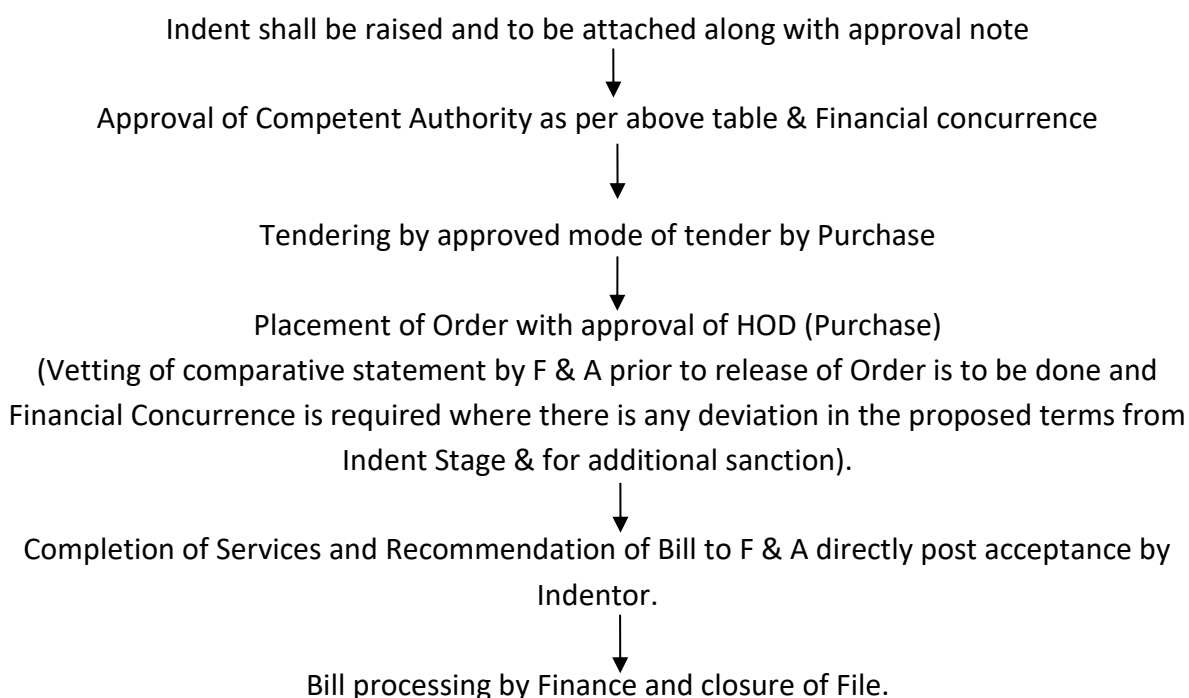
Above may be adopted as per the specific requirements of the case and the time available for the placement of order and execution of jobs. The mode of tendering shall be indicated in the Indent stage itself.

3. Indentor shall certify that necessary verification has been done and there is no work order available for the requisite Services.
4. Due to the very nature of the requirements which has to be met in the shortest possible time, single part tendering to be followed. Time and Due date for the tendering activity also needs to be indicated in the Indent based on the Emergency.
5. Post receipt of offers after specified due date and time, recommendation of the Indentor may be obtained for placement of Purchase Order.
6. In case of additional sanction, approval has to be obtained as per approval of Competent Authority defined above with proper justification and financial concurrence.
7. Placement of order on Single Tender/ single offer basis may be adopted in such situations with proper justification.

8. The services may be procured from best possible source preferably from vendors registered with the company for such emergency procurement/job contract respectively.
9. Bill shall be processed by Finance directly post approval and receipt of Services. Flow chart of the process is indicated below.
10. Emergency Purchase / Direct Purchase for non-Production items may be resorted to for the following services:
  - i. Services related to any Ceremonial occasions.
  - ii. Emergency requirement of any item with justification.
 (This list is only indicative and not exhaustive)

**Note:** Any deviation in this regard, shall be with the approval of C & MD only irrespective of Value.

### Process flow for Emergency Procurements



**6.0 As a substitute to frequent tendering, for facilitating timely availability of any services, Order placement may also be considered on the basis of following:**

- i) REPEAT ORDER
- ii) EXTENSION OF CONTRACT
- iii) RATE CONTRACT / LONG TERM AGREEMENTS

**6.1 REPEAT ORDER**

Normally, as per the requirement, prior to expiry of the running orders/contracts, the Indenter has to process fresh PR. However, due to unavoidable circumstances, if either the Indent is not processed or even after processing the Indent, it is not possible to place fresh order in time, under such circumstances for the Item for which continuity is essential, it may be necessary to place repeat order on existing party. After recording the reasons leading to placement of repeat order, the proposal for repeat order on same terms, conditions and specifications may be considered subject to satisfactory performance on the following:

- i) The original order must have been placed in the usual course of tendering. Emergency orders shall not be considered.
- ii) The purchaser reserves the right to place repeat order upto 50% of the quantities within two years from the date of Original order subject to satisfactory completion of the Order.
- iii) Sanction of Competent Authority for repeat order shall be same authority who approved the Original Order.
- iv) Only one Repeat Order is allowed.
- v) **Wherever feasible, it should be ensured that there is no downward trend in prices of the subject service; Same shall be certified by Indenting Department at the time of proposal along with necessary documentary evidence/justification for not establishing downward trend.**

The following clause needs to be incorporated in NIT/Tender document:

“The Purchaser may issue Repeat Order increasing the quantity up to 50% of the ordered quantity on the same price and terms and conditions subject to satisfactory performance with mutual consent within two years from the date of Original order by giving reasonable time / notice to the Supplier.”

## 6.2 EXTENSION OF CONTRACT

In the normal course, period of Contract may be fixed for two years. Extension of Contract beyond the period of two years (or as the case may be) may be for a further period of one year subject to the service provider providing satisfactory service.

The Purchaser may issue amendment to the order for extension of Contract, till final delivery date (or the extended delivery date of the contract) or upon completion of the delivery period, by giving reasonable notice even though the quantity ordered initially has been supplied in full. Tolerance if any in original Contract shall not be applicable for extension period.

Thereafter fresh bidding for new tender for the said service may be undertaken. In all cases where the SP has been levied a cumulative penalty of 5% of the Total Contract Value, extension beyond the initial period of two years may not be considered.

Normally, for all manpower services and other services which are having year-on-year recurrent requirements, all tenders of value above Rupees fifty lakh (Rs. 50,00,000) should invariably include this clause. However, the Competent Authority may approve the inclusion of such a clause in lower denomination tenders if such items have a history of frequent disruptions in continuity of services.

Conditions Governing Operation of Extension of Contract are:

- (i) **Wherever feasible, it should be ensured that there is no downward trend in prices of the subject service; Same shall be certified by Indenting Department at the time of proposal along with necessary documentary evidence/justification for not establishing downward trend.**
- (ii) The extension shall be exercised during the currency of the contract such that the contractor has reasonable time/notice for executing such an increase and can be exercised even if the original ordered quantity is completed.
- (iii) This provision can also be exercised in case of Proprietary Article Certificate (PAC)/single supplier OEM cases; and
- (iv) Sanction of Competent Authority for extension of the Contract shall be as per DoP considering the extended Value i.e., Additional value.
- (v) No additional tolerance is applicable in case of Extension of Contract.

The following clause needs to be incorporated in NIT/Tender document:

“The Purchaser may issue amendment extending the Contract for one more term not exceeding a period of One year beyond the original Contract period on the same price and terms and conditions with mutual consent during the currency of the contract by giving reasonable time / notice to the Supplier or upon satisfactory completion of the contract by giving reasonable time/notice to the Supplier.”

### 6.3 RATE CONTRACT / LONG TERM AGREEMENT:

As a substitute of frequent tendering, it is recognized that it is often advantageous on commercial as well as technical grounds to finalize orders on Rate Contract basis for items which are procured / executed either regularly or repetitively and for items of proprietary nature. The Rate Contract is finalized where the total annual requirement is large but not fixed. For entering into Rate Contracts / Long Term Agreements, the mode of tendering to be followed is to be decided based on nature of item, available sources etc., Thus, Rate Contract / Long Term Agreements enquiries may be either by Open / Limited / Single tender depending upon the nature of item as mentioned at clause no. 4.0 above.



## SECTION IV: TENDERING PROCESS

## 7.0 METHODS FOR CALLING TENDER

The following methods shall be adopted for calling of tenders:

- i) Single Part tendering,
- ii) Two part tendering.

**Standard Forms of Tenders are enclosed at Appendix 3 to Appendix 6**

### 7.1 Single Part tendering:

7.1.1 **Single Bid system:** For regular services, where qualitative requirements and technical specifications are clear, single commercial bid system may be followed.

7.1.2 This system may also be followed for other procurements of non-complex nature.

7.1.3 In case of GEM Tenders, for standard catalogue service tenders like Manpower contracts etc., the following procedure shall be followed:

7.1.3.1 Irrespective of value of the tenders, tender shall be floated as single part bid i.e., both technical bid and price bid shall be opened at a time.

7.1.3.2 In case of receipt of multiple L1 bidders, out of received bids, Random 10 L1 bidders will be selected for evaluation as per GEM procedure.

7.1.3.3 If minimum 03 out of the 10 bidders are not found as techno commercially qualified (or as per GEM procedures modified from time to time), again random 10 L1 bidders (second set) will be selected for evaluation.

7.1.3.4 The process of evaluation of additional 10 bidders will be continued till minimum 03 techno-commercially acceptable offers are obtained (or as allowed in GEM portal from time to time).

7.1.3.5 Post the techno commercial evaluation, recommendations will be obtained and post approval of HOD (Purchase), 'Confirm and Notify Bidders' shall be selected on the GEM portal.

7.1.3.6 Out of techno commercially acceptable bidders, GEM shall select random L1 for placement of PO after the due notice period to the rejected bidders. In case the randomly selected L1 bidder does not accept the same, another bidder will be selected for placement of PO.

7.1.3.7 After completion of the above steps, proposal for Order placement shall be put up for approval of the Competent Authority.

7.1.4 Single part tendering involves calling for tenders in one part: Single tender comprises Techno Commercial as well as the Price.

The bid (technical + commercial + financial /price) shall be sealed by the bidder in a single cover duly super scribed (tender reference no. and the date of opening)/submitted through E Procurement as per procedure indicated at Clause 11.0

**7.2 Two part tendering (Applicable for tenders with Estimated Value more than Rs. 10 Lakhs excluding GEM Manpower Contract Tenders):**

7.2.1 Two bid system: For purchasing high value services which are of a complex and technical nature, bids should normally be obtained in two parts as follows. The Tender (RFP) format is enclosed at **APPENDIX 3 to 6**.

7.2.2 In tenders above Rs. 10Lakh, if single part bidding is to be followed, approval shall be obtained from the Indent approving authority.

- a) Technical bid consisting of all technical details along with commercial terms and conditions along with EMD (if any), Integrity Pact (if any); and
- b) Financial / price bid indicating item-wise price for the items mentioned in the technical bid.

The technical bid (technical + commercial) and the financial /price bid shall be sealed by the bidder in separate covers duly super scribed and both these sealed covers are to be put in a bigger cover which should also be sealed and duly super scribed (tender reference no. and the date of opening)/submitted through E-Procurement as per prevailing procedure. The technical bids are to be opened by in the first instance and evaluated. At the second stage, financial/ price bids of only the technically acceptable offers should be opened for further evaluation and ranking before awarding the contract/ Order.

7.2.3 Specific Requirements i.e., RFI/EOI, Pre-bid meeting etc:

7.2.3.1 RFI/ EOI: Where services to be engaged are of a complex nature and full knowledge of the various Technical solutions available in the market is not known, the broad objectives, constraints etc. shall be published by calling for RFI / EOI and on receipt of EOI, Technical discussion / presentation may be held with short listed manufacturers and suppliers, who are prima facie considered technically and financially capable of executing the proposed work. During this Technical discussion stage, other stake holders may also be added in the discussions who could add value to the decision making on the various aspects and evaluation criteria. Based on the discussions/ presentations so held, one or more acceptable technical solutions could be decided upon laying down detailed technical specifications for each acceptable technical solution, quality bench mark, warranty requirements, delivery mile stone etc., in a manner that is consistent with the objectives of the transparent procurement. At the same time care should be taken to make the specification generic in nature so as to provide equitable opportunities to the prospective bidders. Proper record of discussion / presentations and the process of decision making shall be kept.

7.2.3.2 Indentor has to clearly indicate the requirement of RFI/ EOI and Pre-qualification bid (if required) in the Indent.

7.2.3.3 Once the Technical specification and evaluation criteria are finalized, two-part tendering shall be taken up.

### **7.3 Quality and Cost Based Selection (QCBS)**

7.3.1 In complex cases where quality of service might vary between different service providers, such as Technical Consultancy Services etc., QCBS mode of evaluation may be recommended with approval of Indent approving authority. This method of selection shall be used for highly technically complex and critical assignments where it is justifiable to pay appropriately higher price for higher quality.

7.3.2 In QCBS selection, minimum qualifying marks (normally 70-80 (seventy – eighty) out of maximum 100 (hundred) marks) as benchmark for quality of the technical offers will be prescribed and indicated in the Tender/RFP Document along with a scheme for allotting marks for various technical criteria/ attributes.

7.3.3 During evaluation of technical offers, quality score is assigned out of the maximum 100 (hundred) marks, to each of the responsive bids, as per the scheme laid down in the tender.

7.3.4 The consultants/ service providers who are qualifying as per the technical evaluation criteria are considered as technically qualified, and the rest would be considered technically disqualified and would be dropped from the list.

7.3.5 Financial bids are then opened for only eligible and qualified offers and other financial offers are returned unopened to bidders. The Financial Bids are also given cost-score based on relative ranking of prices, with 100 (hundred) marks for the lowest and pro-rated lower marks for higher priced offers.

7.3.6 The total score shall be obtained by weighting the quality and cost scores and adding them. The weight given to the technical score may not be confused with the minimum qualifying technical score (though they may in some case be equal). The firm obtaining the highest total score shall be selected.

7.3.7 For example, the weightage given to cost score may be 30% (thirty percent) and technical score may be given weightage of 70% (seventy percent, but should never be more than 80%). The ratio of weightages for cost and Technical score could also be 40:60 (forty: sixty) or 50:50 (fifty: fifty) etc. However, the weight for the “cost” shall be chosen, taking into account the complexity of the assignment and the relative importance of quality.

7.3.8 The proposed weightings for quality and cost shall be specified in the Indent/MPR for approval of the Competent Authority and shall be clearly specified in the tender document.

## **8.0 INVITATION TO TENDER**

**8.1** Invitation to Tender shall be issued on obtaining the approval of Competent authority i.e., HOD (Purchase) for all Tenders.

**8.2** Invitation to tender should be issued in the prescribed form and Invitation to tender shall be accompanied by the relevant general conditions of contract.

- 8.3** Standard forms of invitation to tender and General Condition for contract are prescribed for each of the above types of invitation to tender and these should be used as a set while calling for tenders. Changes if any in standard forms of Invitation to Tender and General Conditions of Contract should be legally vetted. These documents are appended as detailed below.

<b>1</b>	<b>Invitation to Tender</b>	<b>Appendix-3</b>
<b>2</b>	<b>Terms and Conditions of the Tender: General – For all Procurements</b>	<b>Appendix-4</b>
<b>3</b>	<b>Terms and Conditions for Services</b>	<b>Appendix-5</b>
<b>4</b>	<b>Other Standard Annexures to Tender</b> <b>(a) Procedure for Submission (Manual)</b> <b>(b) e-Procurement Terms and Conditions</b> <b>(c) e-Auction terms and Conditions</b>	<b>Appendix-6</b>

- 8.4** All invitation to tenders shall be issued by Registered post/speed post/courier/fax/mail/ company website and whichever is applicable.

#### **9.0 GENERAL INSTRUCTIONS FOR TENDER**

The following general instructions are to be followed for all types of tenders as applicable:

- 9.1** Tender closing date and time, tender opening date and time and in case of Open tender, “opening of tenders in the presence of tenderers” should be clearly indicated.
- 9.2** All enquiries must contain clearly written specification / description / Drawings with quality / quantity and delivery schedule.
- 9.3** Conditions for levying liquidated damages, risk purchase clause as applicable should be clearly indicated.
- 9.4** A comprehensive list of standard commercial terms and condition must be annexed with the enquiry, inviting specific confirmation on each front.
- 9.5** The tender documents in all such cases include a clause that price negotiation may not be carried out with the parties and contract/Purchase Order is likely to be awarded to the lowest tenderer, if the offer is Technically acceptable and the prices are found to be reasonable.
- 9.6** Distribution of quantities due to critical or vital nature of the services shall be pre disclosed at the tendering.
- 9.7** Where quantities are to be distributed to multiple parties, the other parties L-2, L-3, L-4 need to match the L-1 price. The matching of prices, to avoid placement of order on differential price, shall not be treated as counter offer or negotiation.

- 9.8** The tenderer has to specify the residential status for the purpose of Income Tax, in case of Import bids.
- 9.9** While floating the tender, Purchase Department shall check the enquiry/ tender in all respects as per Checkpoints at **Appendix - 19**.
- 9.10** In cases where less than 3 offers are received as on due date, MIDHANI reserves the right to extend the due date without any prior notice to the Vendors who have participated.
- 9.11** For Reverse Auction / Tender cum Auction, please refer **Appendix 6(c)**.

## **10.0 INTEGRITY PACT**

For all MPRs of estimated value Rs. 40 Lakhs (approved value) and above or as directed by Competent Authority from time to time, the tenderer(s) has to enter into an “Integrity Pact” with MIDHANI. A copy of the Integrity Pact duly signed by the authorized signatory on behalf of MIDHANI has to be enclosed with the tender/ bid document. All bidders shall submit the signed Integrity Pact along with Techno-Commercial bid. If the signed Integrity Pact is not found enclosed, such offers are liable for rejection. (Integrity Pact format at **Appendix – 17**).

In cases where Indent value is less than the Threshold value (currently Rs. 40 lakhs) and the L-1 price (found after price bid opening) is above the Threshold value i.e., Rs. 40 lakhs, Purchase department should obtain the signed Integrity Pact from bidders (on whom Purchase Order / Contract is being placed) before placement of Purchase Order / Contract.

## **11.0 E- PROCUREMENT**

### **11.1 Introduction:**

e-Procurement is to facilitate the bidders for easy submission of their bids and to bring more transparency and reduce cycle time.

### **11.2 Departmental User Registration:**

Creation of Tenders: Tender is to be created and hosted in the e-Procurement portal by Purchase Department in the system.

Selection of Vendors: The procurement officer has to select the vendor(s) already registered in the e-procurement portal with DSC in case of Limited / Proprietary/single tenders based on list of vendors in approved PR/CPAR and registered vendors.

Tender Inviting Authority (TIA): TIA will create Tender documents, standard templates, upload the documents, vendor selection, Tender modification and corrigendum (Purchase officer).

Tender Opening Authority (TOA): Tender Opening Authority shall have encryption key which will be used for decrypting the bids (Purchase Officer & Finance Officer).

Tender Opening Committee (TOC): Tender opening committee shall have DSC for tender opening. Opening will be done by Purchase and Finance Dept. All Technical and Financial evaluations of documents shall be as per the existing procedure.

### 11.3 Scope of e-Procurement

The e-Procurement & Reverse Auction shall be followed for all Tenders except for the following tenders:

a) In cases where National security and strategic consideration demands confidentiality, shall be exempted from e-Procurement with approval of Chairman & Managing Director.

b) In Procurement from Foreign sources (as per (i) and (ii) below), wherein the suppliers are not participating due to requirement of class III DSC

(i) Hybrid procurements through Limited tendering where enquiries are to be sent to both Indigenous and Foreign Suppliers.

(ii) Advertisement open tenders where possibility of participation of foreign suppliers exists.

c) Tenders floated in GeM.

For processing any other tenders in manual mode other than the cases mentioned above, approval has to be obtained with proper justification from HOD (Pur) for cases below Rs. 5 Lakhs, from D(P&M) for cases above Rs. 5 lakhs to Rs. 50 lakhs and C& MD for cases above Rs. 50 Lakhs.

d) Reverse Auction is applicable for tender with estimated value more than Rs. 10 lakhs.

### 12.0 PAYMENT TERMS

12.1 The terms of payment should normally be 100% against the party's invoice within 30 days from the date of completion of services in satisfactory condition.

Note: All payments shall be processed within 30 days from the date of receipt of necessary documents or acceptance of Services whichever is later.

12.2 **GEM Tenders: Payment Terms in case of GEM Tenders may be as per GEM standard terms and conditions. (As per Government Guidelines)**

### 12.3 ADVANCE PAYMENT

12.3.1 Advance payment should be avoided as far as possible. Where such payments are to be made in exceptional cases should be against Bank Guarantee from a Nationalized Bank/ Scheduled Commercial Bank encashable at Hyderabad, India. Further, such advance payments shall be interest bearing generally with interest @ 14% per annum (Bank Guarantee format at **Appendix – 16**)

If the service is not completed as per delivery schedule, a suitable clause for interest @ 14% per annum on the extended delivery period should be incorporated.

Any deviation in this regard shall be with the approval of C & MD.

12.3.2 Advance payment without any Bank Guarantee in case of Procurement of special / proprietary services, etc. will be as per D.O.P.

### 12.4 MODE OF PAYMENT:

**12.4.1 For Foreign Service Providers:** Purchaser shall make payment through Irrevocable Letter of Credit or CAD through Bank. (Bank Charges in India to MIDHANI's account and outside India to Supplier's account.)

**12.4.2 For Indigenous Service Providers:** All Payments shall be made through RTGS/NEFT. In Exceptional cases, through Bank DD.

### 13.0 EARNEST MONEY DEPOSIT

- a. All Central PSU's & Government departments / Authorities as well as Original Manufacturers (For proprietary services) may be exempt from submission of EMD in all tenders. The same is to be mentioned in the Tender documents.
- b. For all cases where the estimate is below Rs. 25 lakhs, EMD is not applicable.
- c. No EMD shall be applicable for Proprietary / Single Tender cases.
- d. In case of EMD received from a foreign bidder in foreign currency, at the time of refund, same amount in foreign currency to be refunded as was originally received. Exchange fluctuations for the intervening period shall be to MIDHANI's account. All bank charges within India shall be to MIDHANI's account.
- e. In all cases where EMD is exempted, in case of failure of the bidder to accept / execute the contract, the bidder shall not be permitted to participate in the re-tender for the same item. Suitable penal action in accordance with other provisions of the Purchase Policy shall also be applicable.
- f. Exemption of Earnest Money Deposit (EMD) shall be provided to MSE Bidders with valid documentary proof as per Government Guidelines issued from time to time.

EMD shall be as per table in the form of Demand Draft or Bank Guarantee or payment through online with proof there of alongwith bidder's offers.

In case of Bank Guarantee submitted,

In Indian Currency - from a Scheduled Bank encashable at Hyderabad, India.

In Foreign Currency – Counter Guarantee from any Scheduled Bank encashable in Hyderabad, India.

EMD if submitted in the form of Bank Guarantee, format enclosed at Appendix- 14.

Estimated value of Tender (Rs)	EMD amount (Rs)
25 Lakhs – 50 Lakhs	60,000
50 Lakhs – 100 Lakhs	1,00,000
100 Lakhs – 250 Lakhs	2,00,000
250 Lakhs – 1000 Lakhs	10,00,000
10 Crores – 50 Crores	15,00,000
50 Crores – 100 Crores	25,00,000
More than 100 Crores	50,00,000

Note: For Import tenders, EMD amount equivalent to INR shall be applicable.

### 14.0 SECURITY DEPOSIT



- a. In the case of, all open/limited tenders Security Deposit (SD) shall be 10% of Contract / Purchase Order value (or) as per Government guidelines from time to time.
- b. All Central PSU and Govt. departments may be exempt from submission of SD in all tenders. The same shall be mentioned in the Tender documents.
- c. No SD shall be applicable for Proprietary / Single Tender cases.
- d. In case of amendments, SD shall be obtained for balance quantities after adjusting for completed services. In case of Service (manpower) PO amendments for one more term/year, SD only for the extended value shall be retained till completion of the extended period. In case of BG, original BG to be extended till completion of the extended period or shall be returned on submission of new BG for SD on the extended value before expiry of the original BG.
- e. Tenders to stipulate that in case SD is not submitted within 21 days from the date of Purchase Order, interest @ 12% p.a. shall be levied for the period of delay beyond 21 days. In case a higher period is prescribed in the Tender / P.O. for submission of SD, interest will be applicable for the delay beyond the period so specified. Interest as above may be either deposited by the supplier / contractor or recovered from any amounts due to the supplier / contractor. Interest shall also be applicable for delay in submission of SD in the form of BG.
- f. In case the services are completed within the period specified for submission of SD and the same are subsequently accepted by MIDHANI, no SD or Interest shall be applicable.
- g. In all cases where SD is exempted, in case of failure of the bidder to accept / execute the contract as per agreed terms, the bidder shall not be permitted to participate in the re-tender for the same item. Suitable penal action in accordance with other provisions of the Purchase Policy shall also be applicable.
- h. In contracts where LOI/LOA is issued, SD shall be submitted within 21 days after the issue of LOI/LOA and placement of PO/Contract shall be signed only after submission of SD. However, Delivery period shall start from the date of issue of LOI/LOA

Security Deposit shall be given in the form of Demand Draft or Bank Guarantee or payment through online with proof thereof.

In case of Bank Guarantee submitted,

In Indian Currency - from a Scheduled Bank encashable at Hyderabad.

In Foreign Currency – Counter Guarantee from any Scheduled Bank encashable in India.

SD if submitted in the form of Bank Guarantee, format enclosed at **Appendix- 15**.

## **15.0 TAXES AND DUTIES**

**15.1** Taxes and duties are payable only if it has been clearly indicated in the quotation and provided for in the Purchase Order. The nature of duties and applicable percentages thereof and the items on which such duties are leviable should be clearly ascertained before conclusion of orders/contracts and incorporated in the same. Payment of Taxes and other duties should be allowed only as applicable at sale point and on

production of documentary evidence. Statutory variation during the extended delivery period should be rejected.

- 15.2** The purchase order/contract should specify the exact rate of Taxes & Duties as applicable.
- 15.3** Statutory variation in the rate of taxes & duties during the contract period may be accepted. If the increase takes place during the extended delivery period on account of supplier's delay, such increase should be rejected. In case of decrease, actuals only be reimbursed.
- 15.4** Purchase department should clearly identify in the purchase order/contract, availability of Input Tax Credit (ITC). This is required to ensure availing ITC benefit without fail.
- 15.5** Where the purchase is customer funded, the same should be clearly brought out on the face of the P.O. (except on suppliers copies) to this effect in order to facilitate proper accounting of the same by various departments.

#### **16.0 NON-DISCLOSURE AGREEMENT (NDA)**

For PRs where Confidential information is required to be disclosed in the Tender document, the tenderer(s)/ contractor(s) has to enter into a "Non Disclosure Agreement (NDA)" with MIDHANI. A Format of NDA (To be provided by User Department) signed by the authorized signatory on behalf of MIDHANI. All bidders shall submit the signed NDA prior to issue of tender. If the signed NDA is not submitted by tenderer(s)/contractor(s) within stipulated time, those tenderer(s)/contractor(s) shall not be considered for issue of tender enquiry.

## **SECTION V: TENDER RECEIPT, OPENING AND SCRUTINY**

## 17.0 RECEIPT OF TENDER

**17.1** The representatives of the tenderers who submit tenders in person should be asked to drop the tenders in the tender box/through online (in case of e Procurement). Tenders received by post should also be kept in the tender box by Purchase department. If any tenders are received without reference to the tender number and date of opening and are therefore opened in the normal course in the office, the same should be put in a cover and sealed and authenticated by the Officer opening the tender duly superscribing the tender number and date of opening on the envelope. The person who opens the tender as above will indicate reasons thereof on envelope. The name of the tenderer should also be mentioned on the envelope.

A Tender Opening Committee (TOC) shall be constituted consisting of officers one each from Finance and Purchase besides TOC Chairman. All tenders irrespective of the value may be opened by the TOC in the presence of tenderers who might choose to be present at the time of opening of the tenders and an indication to that effect made in the notice inviting such tenders/through e Procurement.

**17.2** Tenders should be received in closed envelope only. However, if tenders are received in the form of E-Mail, then it will be at tenderer's risk. The tenderer also has to ensure that submission of tender is made with signed scanned copy. The same shall be considered along with other tenders on respective due date and same shall be recorded in the Tender Opening form.

**17.3** In the case of multi bid system, Techno commercial bid shall be opened on the due date and the sealed price bid will be initialed by TOC and deposited with chairman of TOC. The price bid of techno-commercially acceptable bidders will be opened in the presence of the bidders or their authorized representatives only after the Techno-commercial clearance in all respects.

**17.4** Price Bids of Rejected Bidders shall be returned to Suppliers.

## 18.0 TENDER OPENING (FOR MANUAL TENDERS)

The following procedure must be observed during Tender opening:

**18.1** Each page of the original quotation shall be signed by Purchase and Finance member of TOC and TOC Chairman shall sign the summary of bids received in each tender.

**18.2** Alterations or corrections or blank spaces if any found in the quotation must be initialed and the corrections brought out clearly.

**18.3** Each quotation must be numbered as "Y/X" (the denominator will be the total number of quotations received and the numerator will be the serial number of the quotations out of the total quotations received). For example, if there are 5 quotations, each will be numbered as 1/5, 2/5, 3/5, 4/5, 5/5.

**18.4** Offers should be marked "Original", "Duplicate", "Triplicate" etc.

**18.5** The postal envelopes should be signed and preserved in the purchase files.

**18.6** The details of the tenders received should be recorded in the pro-forma prescribed vide **Appendix-7** (Tender opening form) and kept in the respective files.

- 18.7** Signature of the authorized representatives of tenderers who are present at the time of opening of the tenders should be obtained.
- 18.8** Where the representatives of tenderers are present at the time of opening tenders, the following information should be read out to the tender's representative.
- i) Tender number and date
  - ii) Name of tenderer
  - iii) Description of the services offered
  - iv) Prices
  - v) Terms of delivery
  - vi) Delivery period
  - vii) Terms of payment
  - viii) Taxes & Duties and discount offers, if any.
- 18.9** In case no offer is received on due date, the same shall be recorded.
- 18.10** EMD, if received, along with the tender should be recorded as such and should be sent to Finance & Accounts Department. In case, EMD is received in the form of Bank Guarantee, the same to be retained at Purchase department.

#### **19.0 CLASSIFICATION OF TENDERS**

- 19.1** Tenders received should be classified as (i) regular (ii) late.
- 19.2** Regular Tender: Tenders received within the due date and time indicated in the invitation to tender are to be treated as "Regular" tenders.
- 19.3** Late Tender: Tenders which are received, other than single/ proprietary tender, after the due date and time of receipt prescribed in the enquiry / tender notice are to be treated as "Late Tender". Such tenders shall not be considered.
- 19.4** Late offer in response to single/ proprietary tender shall be considered as a special case.

#### **20.0 UNSOLICITED TENDERS**

Unsolicited tenders are the tenders received from a tenderer to whom enquiry was not sent. Such unsolicited tender should not be considered and shall be sealed & returned. However, offers received from tenderers along with authorization letter from the party to whom original enquiry was sent shall be considered.

#### **21.0 RE- TENDERING**

Re-tendering is not to be resorted to in the normal course. However, re-tendering shall be considered in the following exceptional cases:

- a) When the prices quoted are considered very high.
- b) When it is suspected that there is a ring existing and price have been manipulated.
- c) Major change in the basic specification has been introduced after receipt of tenders.
- d) None of the offers meet the desired specifications.

- e) The L1 bidder withdraws the offer or fails to execute the order or do not agree for extension of validity when it becomes necessary.
- f) When there is a sudden change in the market condition.
- g) No offers received against Tender as on due date and even after extension(s) of due date.

Re-tendering when resorted to shall be with the approval of competent authority who has approved the Indent.

## 22.0 TECHNICAL SCRUTINY

For all Tenders having Indent Value/L-1 Price (found after Price Bid Opening) above Rs. 1 Crore there shall be a Tender Evaluation Committee (TEC). TEC shall comprise the following members:

1. Head/In-charge of Indenting Department.
2. Representative of Finance Department as nominated by Head/In-charge of Finance from Time to Time.
3. Head/In-charge of Purchase Department.
4. Dealing Officer in Purchase Department as a member secretary.

Senior most member of the TEC shall be the Chairman. The TEC Constitution and threshold value for TEC may be changed from time to time with approval of C & MD.

Functions of Tender Evaluation Committee would be as under:

Functions of TEC shall be Techno-Commercial Scrutiny and Price Bid Evaluation who shall vet the Techno-Commercial Evaluation as well as Price Comparison Statement, recommend for Placement of Order (or otherwise) to the competent authority justifying the reasonability of prices.

In cases of complex procurement cases, if required Tender Evaluation Committee may constitute two sub-committees viz., Technical Evaluation Committee and Commercial Evaluation Committee with the approval of C&MD on case-to-case basis.

Functions of Technical Evaluation Committee would be as under:

- To scrutinize the Technical part of the tender,
- To conduct clarification meetings with the bidders,
- To give the recommendations / assist the Tender Evaluation Committee.

Functions of Commercial Evaluation Committee would be as under:

- To scrutinize the Commercial part of the tender,
- To conduct clarification meetings with the bidders,
- To give the recommendations / assist the Tender Evaluation Committee.

**TEC DECLARATION:** A declaration shall be incorporated in TEC recommendation note stating that, "I declare that I have no conflict of interest with any of the bidder in this tender".

- 22.1** Whenever a two bid system is followed for tenders, the Techno commercial bid should be opened first and the price bid is to be opened only after the

Techno – Commercial scrutiny is completed in all respects and Techno – Commercial recommendations are recorded giving clearance for opening of Price bids of qualified and accepted tenderers.

The aim of Techno - Commercial scrutiny may be summarized as under. For all procurement cases, Technical offers should be referred to the Indenting Department for Technical scrutiny.

22.1.1 To ensure that offers are technically & commercially acceptable in every detail/all aspects.

22.1.2 To bring all Techno-Commercial acceptable offers at par and to clarify any doubts or ambiguities by preparing a Techno-Commercial comparative statement based on the specification and qualification criteria indicated in the tender.

22.1.3 To ensure adequate levels of maintenance support, documentation, spares backup, guarantees etc.

After the bids are opened as per the procedure, preparation of Commercial and Price Comparative Statement shall be the responsibility of the Purchase Department and shall be counter signed by Finance Department. In case of complex cases, the Technical and commercial comparative statements may be prepared with the help of the Indenting Officer, if it is not possible for the Purchase department to prepare it.

22.1.4 The basis for comparison of cost shall be the cost to company (landed cost).

**22.2** The recommendation of the Indenting department should be sent to Purchase department, immediately without any delay, preferably in 2 to 3 days time. Any delay beyond 3 days time to be justified with the reasons for the same.

**22.3** In case, the quoted Techno-commercial bids are in conformity with the tender, the price bids received will be considered for opening. In case, the Techno-commercial bids need to be discussed and clarified by the tenderers, clarification meetings may be held with them. Clarifications may also be obtained through letter/ fax/ mail. However, clarifications / confirmations / details sought should not amount to change in structure and specifications of the tender documents.

**22.4** **Minor Infirmary/Irregularity/Non-conformity to Tender terms:**  
Any minor issues may be waived on the recommendation of Indentor/TEC provided they do not constitute any material deviation and financial impact

and also do not prejudice or affect the ranking order of the tenderers with the approval of HoD / In-Charge (Purchase), without financial concurrence.

Any other material deviations and with financial impact may be waived in exceptional cases, shall be with the approval of Chairman & Managing Director / Director (P&M) based on the Indent approving authority with due financial concurrence, after recording valid reasons/justifications. **For Material Deviation with Financial Impact, for bringing all parties on equal footing, necessary loading to be done/discount on quoted bids from all bidders to be obtained, where loading is not feasible.**

A material deviation, reservation, or omissions are those that:

- a) Affects, in any substantial way, the scope, quality or performance of the services specified in the contract;
- b) Limits, in any substantial way, inconsistent with the tendering documents, the procuring entity's rights or the tenderer's obligations under the contract; or
- c) If rectified, would unfairly affect the competitive position of other tenderers quoting substantially responsive tenders.

**22.5** Purchase department shall obtain a letter from the Indenter/ Technical committee that the Technical points have been frozen based on the clarifications and discussions had with vendors and no further Technical clarifications/discussions are required with the vendors and hence the recommendation is given for the opening of Price bids.

**22.6** Price bids of only Techno commercially acceptable tenderers will be opened in the presence of tenderers who might choose to be present at the time of opening.

### **23.0 TENDER SCRUTINY IN RESPECT OF TENDERS OF SINGLE BID SYSTEM**

After opening of the tenders, a comparative statement in the prescribed format is prepared by the Purchase department. The tenders received are scrutinized by the concerned dealing officer in the Purchase department with reference to details, specifications, price, delivery etc. The tenders are referred to the Indenting department for Technical recommendations immediately. In case of any Technical discussions and consultations are carried out by the Indenting department with the tenderers, the procedure at **clause no. 22** shall be followed.

### **24.0 CURRENCY**

As a general rule, domestic tenderers may quote in Indian currency only. Foreign tenderers will quote in USD/ EURO/ POUND/ YEN.



## SECTION VI: ORDER PROCESSING

## 25.0 DETERMINING REASONABILITY OF PRICES

In the case of competitive tendering where two or more vendors are competing independently to secure a contract, the competitive bid forms the basis for determining reasonableness of prices. Database maintained on cost, based on concluded contracts, price of the product available through market, etc. should also be used to assess reasonableness of the price offered.

- a. Evaluation of tenders is to be made on the basis of the **landed** cost to MIDHANI.
- b. As a general principle, no offer involving any uncertain or indefinite liability or any condition of unusual character should be considered.
- c. The reasonableness of the price proposed has to be established by taking into account the competition observed from the response of the trade to the enquiry, last purchase price (LPP), estimated value as given in the indent, database maintained on costs based on the past contracts entered into, market price, wherever available and changes in various indices, electricity, whole sale price index, and statutory changes in wages, rates etc.
- d. For procurement of spare parts, consumables and small value contracts which are supplied in the past, the price reasonableness can be determined after comparing with last purchase price and factoring in changes in price indices published by the Government sources, **wherever required**.
- e. The reasonableness of price may also be examined by resorting to Cost Analysis in situations where there is a wide variance over the LPP, not explained by corresponding changes in indices.
- f. Price Variation: Wherever MIDHANI has secured orders with Price Variation, appropriate Price Variation clause may be incorporated in the Vendor's Supply order where delivery terms are more than 12 months.
- g. **In case more than one tenderer is qualifying as L1 after price evaluation:**
  - a. **In case of GEM tenders, forced Reverse Auction shall be initiated among L1 bidders as per GEM procedure. Even after the RA/in case minimum floor prices are received, if still there is a tie among L1 bidders, System shall select randomly any one L1 bidder for PO placement.**
  - b. **In case of other tenders (eProcurement/Manual mode), if the order is not to be split, the placement of order shall be done after obtaining reduced revised price bid from the L1 tenderers and if still there is a tie among L1 tenderers then to discover the final L1, draw of lots shall be held in presence of the tenderers who chose to be present.**

## 26.0 PRICE NEGOTIATIONS

Price Negotiations shall be carried out in line with CVC Guidelines only. Negotiations, if required, should be conducted with the L-1 bidder only, as per Appendix-9 with the approval of HoD (Purchase). However, "As post tender negotiations could often be a source of corruption, it is directed that there should be no post tender negotiations with L1, except in certain exceptional situations.

Such exceptional situations would include,

- (i) Procurement of Proprietary/OEM/Single tender items;

- (ii) Wherever, L-1 price is higher than the permissible range of variation from estimate;
- (iii) In case of Single offer received against Open/Limited Tender;
- (iv) Items where there is suspicion of a cartel formation.

In all other cases, in case negotiation is recommended, reasons for such recommendation need to be recorded by the agency recommending negotiation.

C & MD may from time to time approve the "Permissible range of variation over Estimate" that do not warrant negotiations for deciding all types of Indents.

Present range of permissible variation is as below:

S. No	Indent Value Range	Permissible Variation
1	Above Rs. 5,000 and Upto Rs. 2,00,000	+ 10%
2	Above Rs. 2,00,000 and Upto Rs. 10,00,000	+ 5%
3	Above Rs. 10,00,000 and Upto Rs. 50,00,000	+ 3%
4	Above Rs. 50,00,000	+ 2%

Where the total Indented Items/quantities are to be ordered on a single source only, the value range and permissible deviation shall be in respect of the total estimated value of all items/quantities.

Where the order is proposed to be split on itemwise L-1 basis, the value range and permissible variation shall be in respect of each item separately.

The aim of Price Negotiations shall be:

- 26.1 To obtain the most economical price from the successful tenderer.
- 26.2 To obtain the most advantageous terms of payment.
- 26.3 To decide on liquidated damages, risk purchase clause etc.
- 26.4 To finalize the terms and conditions of delivery of services/execution of work.
- 26.5 Any other matter for smooth performance of contract/order.

## 27.0 CONDUCT OF PRICE NEGOTIATIONS

- 27.1 Ensure that the offers are valid during the negotiation.
- 27.2 In all cases of price bid opening of tenders, price quoted by one tenderer will not be made known to other tenderers except to the extent that they may have become aware of price quoted by being present at the time of opening the tender, in the first instance.
- 27.3 In case of negotiations, with authorized dealer/distributor for proprietary items, the manufacturer's price list should be compared wherever available before finalizing the price with the dealer/distributor.
- 27.4 The composition of the PNC will be as per Appendix-9 in all cases. The record of discussion/negotiations is to be signed by the Chairman and members of the Price Negotiating Committee (PNC) as well as authorized representative of the tenderer.

- 27.5** For critical or short supply items, price negotiations may be carried out with a view to placing orders on more than one supplier. Such decision should be referred to competent authority for approval prior to such negotiations.
- 27.6** Minutes of Price Negotiation Meeting shall record the main arguments put forward by MIDHANI as well as the supplier in reasonable detail.  
In case of any internal deliberations to be recorded for future reference and to follow the same a separate Minutes of Meeting also to be drawn and signed by all members of PNC.
- 27.7** If the lowest negotiated price is still considered high, decision may be taken to accept the tender or to re-tender depending upon the merits of each case. If, however, a cartel is suspected, irrespective of value, re-tendering should be resorted to.
- 27.8** In case L-1 backs out, re-tendering should be resorted to in a transparent and fair manner without considering the backed out tenderer.
- 27.9** Adequate validity period of offer should be obtained for placement of order.
- 27.10** In case of Indent value upto Rs. 2,00,000/- and where the L-1 bidder is from outside Hyderabad, negotiations if required may be conducted by the Purchase department through email.

## **28.0 FINANCIAL POWERS, COMPOSITION OF PNC**

The composition of PNC, financial powers of various authorities are as per **Appendix-9 in all cases**. The Competent authority shall exercise his power with due care and attention.

## **29.0 ACTION FOR MANAGEMENT APPROVAL AND ORDERING**

- 29.1** The dealing officer in the Purchase department should prepare a comprehensive proposal for obtaining management approval as per the delegation of power before issue of letter of intent/purchase order/Contract/sub-contract or off-loading contract. The purchase proposal must consider the following:
- 29.1.1 The purchase proposal should as far as possible indicate the previous purchase rate and date of last purchase.
- 29.1.2 Preference should normally be given to tenders with firm price, timely delivery schedules, if any.
- 29.2** There are two types of acceptance of tenders viz.,
- (i) Contracts signed by both the parties.
  - (ii) Purchase orders issued by MIDHANI.

The following guidelines are to be kept in view:

- (i) Purchase of services above Rs. 2.0 Crore in value may be covered by contracts, where considered necessary to avoid any ambiguity / scope of wrong interpretation.
- (ii) Wherever Contracts to be executed, a Letter of Intent (LOI) shall be immediately issued after approval of Purchase Proposal by Competent Authority. Contract shall be signed after submission of Security Deposit as per tender terms.
- (iii) All other cases of purchase may be covered by purchase orders.

- (iv) Original Purchase Order shall be sent to the supplier with a request to send back the acknowledgement as a token of acceptance of the order.
- 29.3** The contracts or purchase orders should be issued only after obtaining approval of the competent authority as per delegation of powers. These should be issued only in the standard forms. The contracts/orders should not contain uncertain or indefinite liability or conditions of unusual character. The approval of competent authority for purchases should be obtained in a 'Purchase Proposal' form as per **Appendix-10**. The purchase proposal should highlight the terms and conditions on which the tenders are proposed to be accepted. A broad checklist of points i.e., comparative statement which are only illustrative but not exhaustive to be verified by Purchase Department before issue of an acceptance of tender is given at **Appendix-8**. The purchase proposal shall be sent with draft Purchase Orders for approval by competent authority.
- 29.4** Purchase order formats for Job Works (**Appendix – 11**) & for Import Orders (**Appendix – 12**)
- 29.5** Distribution of Orders to bring them within the powers of lower authority shall not be resorted to.

### **30.0 SIGNING OF PURCHASE ORDER**

After sanction of purchase proposals by the Competent authority, the purchase orders / contracts / agreements will be signed by Purchase officers as below:

Orders value upto Rs. 5 lakhs – Manager.

Orders valuing between Rs. 5 lakhs to Rs. 25 lakhs – Senior Manager.

Orders valuing above Rs. 25 lakhs – DGM/Above.

### **31.0 TIMELY PROCESSING OF INDENT AND PLACEMENT OF PURCHASE ORDER**

Any delay in processing of Indent and placement of Purchase Order should be recorded by the dealing officer of Purchase department. Reasons for such delays and department / bidder with whom such delay occurred should clearly indicate in Purchase Proposal under a separate head. Corrective action also to be recorded and HoD-Purchase to address such delay and offer his/her actions on the same for future tenders.

## **SECTION VII: POST ORDER PROCESSING**

### 32.0 FOLLOW-UP OF ORDERS

There should be a regular follow up of orders placed as per the conditions of contract to ensure delivery by stipulated date. Where delivery dates are due to expire the supplier should be asked to indicate the dates by which they expect to execute the services and extensions in deliveries may be granted subject to right to levy of liquidated damages, if the original order has L.D. clause. Wherever mentioned in the contract, the supplier shall submit monthly progress reports till complete execution of the Contract. All follow-up should be either through e-mail (or) letter with Registered Post with ACK due.

### 33.0 AMENDMENT TO PURCHASE ORDERS / CONTRACTS

Amendment to Purchase Orders / Contracts shall be issued subject to mutual negotiations.

Amendment to Purchase Orders / Contracts may arise due to:

- a) Change in price / payment terms
- b) Amendment to quantity upto 50% of original ordered quantity
- c) Correction of errors and omissions
- d) Change in statutory requirements
- e) Change in terms & conditions
- f) Extension of Contract in case of Manpower/Job Contracts
- g) Change in number of manpower in case of Manpower/Job Contracts

Amendment to purchase order/Contract shall be approved by,

- a) When the amendment results in Financial implication due to “change in price”:  
The approving authority will be the next higher authority as per delegation with due financial concurrence.
- b) When the amendment results in Financial implication due to other than “change in price”:  
The same authority, who approved the original Purchase Order/ contract duly concurred by Finance, if it results in financial implication to the Company, subject to the amended value being within the financial powers as per DOP. If the amended value exceeds the delegatee power, then the same to be approved by the appropriate authority as per DOP as per the amended value.  
However amendments w.r.to Delivery Period with LD (or) without LD, shall be as per clause 34.0
- c) HOD (Purchase) – **In all other cases where amendment is having no financial implication without any financial concurrence.**

### 34.0 EXTENSION OF DELIVERY PERIOD – Not applicable to Manpower/Job Work Contracts

Grant of extension of delivery period will be approved as below provided the same is recommended by the Indenting department in case of one time services with definitive delivery schedule for completion of the services. Extension of delivery period may be granted with or without reserving the Company’s right to recover liquidated damages. While granting extension of delivery period, without levy of liquidated damages, reasons thereof should be recorded. No increase in the rate on account of any statutory increase or

fresh imposition of any taxes & duties or on account of any other tax or duty leviable in respect of labour used in/on the work and which take place during the extended period shall be admissible if the delay is attributable to supplier. However, in case of Cenvatable Taxes & Duties, may be admissible with approval of Competent Authority.

Delivery Period extension with LD – HOD (Purchase) is competent authority to extend the delivery period with LD subject to Indentor’s certification and acceptance, with financial concurrence (not below the rank of DGM level).

Delivery Period extension without LD,

- (i) To the POs approved by the Board and/or Board-Level committee shall be with approval of Board.
- (ii) To the POs approved by below Board Level, shall be done with approval of next higher authority who approved the Original Order.

In case the original Purchase Order / Contract was placed with a provision for extension of delivery period of Purchase Order / Contract with mutual consent, the Purchase Order / Contract can be extended with the approval of HOD (Purchase) at the same terms and conditions of original Purchase Order / Contract, with clearance of HoD of concerned Indenting department (not below the rank of DGM level). LD would not be applicable in cases of extension of delivery period due to this pre-existing delivery extension clause in PO.

### **35.0 REMEDIES FOR DELAY, NON-SUPPLY, UNSATISFACTORY SUPPLIES/ EXECUTION OF CONTRACT**

Remedies for, delay in supply or execution of contract, non supply or non execution of contract, Unsatisfactory supply/ execution of contract, for which supplier/ contractor is responsible. The purchaser has the following options depending upon the circumstances of the case:

- a. Extend the delivery with imposing of liquidated damages and other denial clauses.
- b. Forfeit the performance security.
- c. Cancel the contract.
- d. Invoke Risk Purchase.
- e. In case of non-payment of wages/statutory payments by any Contractor, after due notice of 15 days to the Contractor, MIDHANI reserves the right to make payments to the Workmen without statutory payments (like ESI,PF etc) as Principal Employer.
- f. Upon termination of the Contract on account of not meeting the statutory provisions, the defaulter contractor shall be debarred from participation in any MIDHANI tenders for a period of 02 years from the date of debarment.

Suitable clause shall be incorporated in tender w.r.to (e) and (f) above.

### **36.0 LIQUIDATED DAMAGES (LD)**

- 36.1** Liquidated Damages be levied against Suppliers/ Contractors in case of unsatisfactory supply/ execution of contract or delay in supply of services/ execution of contract beyond the date of delivery/ completion of job specified in Purchase Order/ Contract. Generally, LD is leviable @ 1% per week or part thereof



subject to a maximum of 10% of Purchase Order/ Contract price with Taxes and duties including Erection & Commissioning charges. However, in case of any deviation approval of C&MD shall be obtained on case to case basis.

**36.2** Waiver of liquidated damages in respect of purchase orders/ contracts/ agreements will be done by the competent authority as per delegation of powers. Cases should be examined in detail to waive / recover liquidated damages with reference to the following factors:

- 36.2.1 Whether delay has resulted in payment of additional Taxes and Duties or other payments.
- 36.2.2 Whether higher prices have been specifically paid for earlier delivery.
- 36.2.3 Whether the delay has resulted in payment of additional freight charges.
- 36.2.4 Whether the contract contains pre-estimated damages clause.
- 36.2.5 Whether the delay has resulted in delay in supply to our customer and consequent levy of LD by our Customer.
- 36.2.6 A pro-forma for waiver / recovery of liquidated damages is given at **Appendix-13** which should be filled and got approved by the competent authority in accordance with delegation of powers.
- 36.2.7 Applicability of LD clause shall be incorporated during placement of Purchase Order/ signing of Contract stage.

### **37.0 CANCELLATION / SHORT CLOSURE OF CONTRACT**

The purchaser may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the supplier, terminate the contract in whole or in part:

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 the Purchaser.

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 the purchaser.

Purchaser reserves the right to cancel the Purchase Order/ contract on its own under exceptional circumstances.

The above Cancellation/Short Closure clauses has to be incorporated in all the Tenders/PO.

### **38.0 RISK PURCHASE**

When it is intended to cancel an order/contract/agreement which has been kept alive by the conduct of parties, it is necessary to issue notice to the contractor before actual cancellation of an order after expiry of the delivery date based on Indentor recommendation. Where the order is not kept alive beyond the delivery period by implication or conduct of the parties, the cancellation letter shall be issued based on Indentor recommendation by the Purchase department on the expiry of the delivery period stating that quantities undelivered on the due date are cancelled and risk purchase will be made in terms of the Purchase order/contract. In the case of cancellation of an order/ contract/ agreement the following procedure should be adopted

- 38.1** The prospects of the Contractor performing the contract should be assessed even earlier to the due date of delivery.
- 38.2** Where delivery is specified in installments whether the cancellation is for installment in default or the entire contract is to be decided as per provisions of the contract.
- 38.3** Where the supplies are not anticipated within the stipulated date, quotations are to be immediately invited which would be capable of being accepted soon after the expiry of stipulated date. The terms of such tenders should be on the same terms as in the case of original contract with the default contractor.
- 38.4** The original contract should be cancelled and the Contractor should be informed of the option exercised by the Purchaser under the relevant article of General conditions of contract and that certain quotations received are under consideration.
- 38.5** Placement of the new contract should be decided immediately thereafter.
- 38.6** Risk purchase should be made on competitive conditions and where possible after calling fresh tenders.
- 38.7** While calling for fresh tenders, the defaulting contractor should not be given an opportunity to quote for the case in question.
- 38.8** The risk purchase contract should be as far as possible, on the same terms and conditions as the original contract (apart from delivery time), i.e. the services should be of the same specifications.
- 38.9** In order to safeguard against a second default, the defaulting contractor should in future cases be asked to furnish 10% security deposit before the contract is actually awarded to him.
- 38.10** It should be ensured as far as possible that risk purchase is concluded within 6 months of the date of breach of the original contract.
- 38.11** The defaulting Contractor should be informed of the conclusion of risk purchase agreement and the amount to be reimbursed by him towards risk purchase, specifying a date for the remittance.
- 38.12** All risk purchases are to be made only with approval of Competent Authority. Where the value of risk purchase is less than the original value, such cases need not be referred to finance for concurrence for claiming the risk purchase clause. There is no need for any fresh PRs to be raised in such cases.
- 38.13** Risk Purchase may be invoked prior to expiry of Delivery date also with suitable notice, if party confirms their inability to supply.

## SECTION VIII: VENDOR DEVELOPMENT

### 39.0 APPROVAL OF SUPPLIERS, REGISTRATION, EVALUATION AND ASSESSMENT OF VENDORS

Procedure for approval of vendors and their evaluation is available at **Appendix 22**.

Vendors registered in other Defence PSUs will be considered as Deemed Registered. This Deemed Registration will enable the vendors to participate in all future tenders of MIDHANI for similar category of services subject to fulfillment of other eligibility criteria indicated in the Tenders.

#### 39.1 VENDOR DEVELOPMENT

Continuous efforts shall be made for developing alternate potential sources. The objective is to have a minimum of two sources to be developed successfully to reduce our dependence on a single source with connected risks, besides to get the items at competitive prices. Outsourcing and Vendor Development Policy including Procedure for approval of vendors and their evaluation is at **Appendix 22**.

Purchase Department shall,

- i. Organize Vendor Meets to invite new vendors to register.
- ii. Advertise products for which vendors are required, in News paper & hosting details in website.

#### 39.2 REMOVAL FROM THE LIST OF THE APPROVED FIRMS

Removal from the List: Whenever a firm is found lacking in performance in terms of response, delivery compliance, capacity, quality standards, ethics or any other valid reason, the firm may be removed from the list after giving notice of proposed removal to the firm. Besides, there may be registered firms which may have ceased to exist or may have been acquired by or merged with another firm, may have switched over to other sectors of business operation or indulged in unethical business practices and influence peddling. Such firms should be removed from the list of approved vendors after giving them notice of the proposed removal.

The registration of the firm will be cancelled with the note routed through VRC and with the approval of C & MD on case to case basis by giving prior notice. A registered firm is liable to be temporarily/ permanently removed from the list of approved contractors.

Note: In case of temporary removal, the firm has to go for fresh registration.

Effect of Removal from the List: Whenever a firm is removed from the list of approved vendors, its registration stands cancelled. Such removal must be communicated to all other registering and procuring agencies so that no further business relations are maintained with such firms.

### 39.3 BAN ON DEALINGS WITH A FIRM

Ban on dealings: When the misconduct of a firm or its continued poor performance justifies imposition of ban on business relations with the firm, this action should be taken by the appropriate authority after due consideration of all factors and circumstances of the case and after giving due notice.

Business dealings with a firm, whether it is registered or not registered, may be ordered to be banned with the note routed through VRC and with the approval of C & MD on case to case basis.

Ban on dealing with a firm shall be done as per “Guidelines on Debarment of firms from Bidding” issued by Procurement Policy Division, Ministry of Finance, Department of Expenditure, Government of India from time to time (current OM date 02.11.2021).

## **SECTION IX: GENERAL**

#### **40.0 ARBITRATION**

- 40.1** All disputes or differences arising out of or in connection with the Contract, including the ones connected with the validity of the Contract or any part thereof, shall be settled by bilateral discussions.
- 40.2** Any dispute(s) or difference(s) whatsoever arises under or out of or in connection with Contract, or in respect of any defined legal relationship associated therewith or derived therefrom, the parties agree resolve/settle the same by submitting that dispute to arbitration in accordance with the International Centre for Alternative Dispute Resolution (ICADR) Arbitration Rules 1996.
- 40.3** The authority to appoint the arbitrator(s) shall be the International Centre for Alternative Dispute Resolution (ICADR).
- 40.4** The international center for alternative dispute resolution will provide administrative services in accordance with ICADR Arbitration Rules 1996.
- 40.5** The language of the arbitration proceeding shall be English. The place of arbitration proceedings shall be Telangana, India.
- 40.6** In respect of PSUs/Government organizations, the DPE guidelines issued from time to time shall be applicable. In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/Port Trusts inter se and also between CPSEs and Government dept./Organizations (Excluding disputes concerning Railways, Income Tax, Customs & Excise Dept.), such disputes or differences shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/ 2013-DPE(GM)/FTS-1835 dated 22/5/2018 or the latest DPE Guidelines issued from time to time.
- 40.7** Work under the contract shall be continued by the contractor during the arbitration proceedings, unless otherwise directed in writing by the Purchaser or unless the matter is such that the work cannot possibly be continued until the decision of the arbitrators is obtained, and save as those which are otherwise expressly provided in the Contract, no payment due or payable by the purchaser shall be withheld on account of such arbitration proceedings, unless it is the subject matter or one of the subject matter thereof.
- 40.8** Work under the Contract shall be continued by the Contractor during the arbitration proceeding, unless otherwise directed in writing by the Purchaser or unless the matter is such that the work cannot possibly be continued until the decision of the arbitrators is obtained, and save as those which are otherwise expressly provided in the Contract, no payment due or payable by the Purchaser shall be withheld on account of such arbitration proceedings, unless it is the subject matter or one of the subject matters thereof.

#### **41.0 PENALTY FOR USE OF UNDUE INFLUENCE**

Penalty for use of undue influence should be imposed and an undertaking from the supplier on the line given below should be obtained.

- 41.1** The bidder undertakes that he has not given, offered or promised to give, directly or indirectly any gift, consideration, reward, commission, fees, brokerage or inducement to any person in service of the Buyer or otherwise in procuring the Contracts or

forbearing to do or for having done or forbore to do any act in relation to the obtaining or execution of the Contract or any other Contract with MIDHANI for showing or forbearing to show favour or disfavor to any person in relation to the Contract or any other Contract with MIDHANI. Any breach of the aforesaid undertaking by the seller or any one employed by him or acting on his behalf (whether with or without the knowledge of the seller) or the commission of any offence by the seller or anyone employed by him or acting on his behalf, as defined in Chapter IX of the Indian penal Code, 1860 or the Prevention of Corruption Act, 1947 or any other Act enacted for the prevention of corruption shall entitle the Buyer to cancel the contract and all or any other contracts with the seller and recover from the seller the amount of any loss arising from such cancellation. A decision of the buyer or his nominee to the effect that a breach of the undertaking had been committed shall be final and binding on the seller.

- 41.2** Giving or offering of any gift, bribe or inducement or any attempt at any such act on behalf of the seller towards any officer/employee of the buyer or to any other person in a position to influence any officer/employee of the Buyer for showing any favour in relation to this or any other contract, shall render the Seller to such liability/penalty as the Buyer may deem proper.

Including but not limited to termination of the contract, imposition of penal damages, forfeiture of the Bank Guarantee and refund of the amounts paid by the Buyer.

## **42.0 ETHICAL STANDARDS**

Tenderers are expected to observe the highest standards of ethics during the procurement and execution of the Contract. In pursuit of this policy, the purchaser will reject a proposal for award, if it determines that the tenderer being considered for award has engaged in corrupt or fraudulent practices in competing for the Contract. For the purpose of this provision, the terms set forth are defined as follows:

“Corrupt practices means the offering, giving, receiving or soliciting of anything of value to influence the action in the procurement process or in contract execution and Fraudulent practices means a misappropriation of facts in order to influence a procurement process including collusive practices designed to establish prices at artificial, non-competitive levels to deprive the purchaser of the benefits of competition”.

## **43.0 RE-ORDERING**

- 43.1** In case of reordering of items which are lost or damaged during transit and covered by insurance claims for total loss, the Stores department will send a copy of the Insurance Survey report to Purchase department and the Indenting Officer. The Purchase department will refer such Survey Reports to the Indentor for his advice as to whether the item is to be re-ordered or the case can be treated as closed. On the basis of the recommendations of the indenting Officer, Purchase department shall take appropriate procurement action.
- 43.2** Re-ordering of the item may be done where the survey report has specifically stated that the item/items are totally lost.



#### 44.0 SUBSIDIARY INSTRUCTIONS/MODIFICATIONS/ALTERATIONS

Chairman & Managing Director will issue subsidiary instructions, standard pro-forma / forms and specify the competent authorities referred to in these rules. Chairman & Managing Director is authorized to effect such modifications or alteration from time to time as may be necessary subject to submission of a report to the Board of Directors for information on such modifications / alterations at the immediate succeeding Board meeting.

The powers covered by the Purchase Policy shall be exercised with due compliance of the statute, stipulations, financial propriety, audit norms, systems and procedures.

#### 45.0 PURCHASE / PRICE PREFERENCE

Government directives, issued from time to time, lay down policies regarding Purchase/ Price preference to be given to purchases from MSMEs and Start-ups etc. shall be taken note of while carrying out price comparisons.

**The followings are the few indicators for the above directives:**

MSEs: Benefits including but not limited to exemption of EMD, relaxation in condition of prior turnover and prior experience subject to meeting of quality & technical specifications and giving Price Preference as per Government Guidelines shall be provided to all MSEs with valid documentary proofs. Also, payment shall be made to the MSE Vendors within 30 days from the date of acceptance of the services and it should not exceed 45 days in any case.

As per Public Procurement Policy (PPP) for Micro & Small Enterprises (MSEs) order, 2012 vide Gazette notification dated 23.03.2012 and Amendment order, 2018, by Ministry of Micro, Small and Medium Enterprises of Govt of India, the following benefits will be extended to the MSEs.

If Tenderer happens to be a MSE as per Government Guidelines, necessary benefits in line with Government Guidelines issued from time to time shall be provided on submission of valid documentary proof to the satisfaction of the Purchaser. In case organization is an MSE Unit owned by SC/ST Entrepreneur or owned by Women Entrepreneur, submit valid documentary proof for extending benefits as per Government guidelines. Benefits include

- i) EMD is exempted for Micro & Small Enterprises (MSEs) registered with DIC/ NSIC/KVIC/ Udyog Aadhar Memorandum (UAM) issued by MSME or any other body specified by Ministry of MSME.
- ii) Purchase Preference to MSE's shall be provided as given below.
  - a) In tenders, participating Micro and Small Enterprises quoting price within price band of L1+ 15 percent shall also be allowed to supply at least 25% requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise. In case of more than one such Micro and Small Enterprise, the supply shall be shared proportionately (to tendered quantity).
  - b) In case of tender item is non-divisible and if Micro and Small Enterprises quoted price is within the price band L1+15% shall be allowed to supply total tender requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise.
  - iii) "Vendors to intimate the value of Services which are sub contracted by them from the MSE's if any, pertaining to the ordered item(s)".

Under Start-Up India programme, list of identified items shall be put in the MIDHANI website and shall be updated on yearly basis. Trial orders shall be placed on Start-ups to establish the capability. In addition to that prior turnover and prior experience subject to meeting of quality & technical specifications shall be relaxed for the Start-up organizations.

However, if procurement of an item is essentially to be procured from the vendors having prior experience due to critical nature, the criteria for relaxation may be removed with recording adequate justification in writing.

Advance payment to MSE and Start-up vendors may be considered by obtaining Bank Guarantee of equal amount. Under Make in India programme, list of identified items shall be put in the MIDHANI website and shall be updated on yearly basis and trial orders shall be placed on new Vendors to establish the capability of the vendor, as per procedure indicated in the Outsourcing and Vendor Development Policy, under Category – III.

#### **46.0 RECORD RETENTION PERIOD**

Purchase Orders and connected correspondence/records shall be maintained by Purchase Department for a period of minimum Eight (08) years. However, in case if any litigation / dispute in force, such documents / case files have to be preserved till settlement / closure of such litigation / dispute.

#### **47.0 INTERPRETATION OF PURCHASE PROCEDURES**

- 47.1** The procedure prescribed in the purchase manual is to enable the persons involved in the procurement process to have a fair and transparent procurement giving equal opportunity to all the vendors. Considering procurement is a complex process and every procurement being unique, all possible conditions cannot be foreseen and defined in the Purchase procedure. The Purchase Manual is for guidance and provides broad frame work of policy. Persons associated with procurement process are expected to take decisions in a given situation and move forward at the same time taking due care and attention in their action. All persons involved in procurement process shall be considered acting in good faith (done with due care and attention), unless proved otherwise, in discharge of procurement function.
- 47.2** Keeping the objective of timely procurement of items and services to enable timely delivery of supplies in the most competitive price, there could be need for interpretation of the purchase procedures for peculiar situations faced during procurement process to meet urgent requirement. Under these circumstances the decision taken in good faith by the Purchase Department and approved by competent authority as per DOP is considered as final.
- 47.3** Amendment to Purchase Policy & Procedure: Any amendment to the Purchase Policy & Procedure, if considered, shall be with the approval of Management.
- 47.4** The manual shall be reviewed every five years or earlier. Any procedural details not mentioned herein shall be referred and considered as per 'Manual for Procurement of Consultancy & Other Services' issued by Department of

Expenditure (DoE) and updated from time to time with the approval of Chairman & Managing Director.

#### **48.0 FORCE MAJURE CLAUSE**

Neither party shall bear responsibility for the complete or partial non-performance of any of its obligations (except for failure to pay any sum which has become due on account of receipt of goods under the provisions of the present contract), if the non-performance results from such Force Majeure circumstances as Flood, Fire, Earth Quake and other acts of God as well as War, Military operation, blockade, Acts or Actions of State Authorities or any other circumstances beyond the parties control that have arisen after the conclusion of the present contract.

In such circumstances the time stipulated for the performance of an obligation under the present contract is extended correspondingly for the period of time of action of these circumstances and their consequences.

The party for which it becomes impossible to meet obligations under this contract due to Force Majeure conditions, is to notify in written form the other party of the beginning and cessation of the above circumstances immediately, but in any case not later than 10 (Ten) days from the moment of their beginning.

Certificate of a Chamber of Commerce (Commerce and Industry) or other competent authority or organization of the respective country shall be a sufficient proof of commencement and cessation of the above circumstances.

If the impossibility of complete or partial performance of an obligation lasts for more than 6 (six) months, either party hereto reserves the right to terminate the contract totally or partially upon giving prior written notice of 30 (thirty) days to the other party of the intention to terminate without any liability other than reimbursement on the terms provided in the agreement for the goods received.

#### **49.0 FALL CLAUSE**

In cases where contracts have to be concluded with the firms, whose rate contract with DGS&D/other central procurement agencies has expired and renewal of RC has not taken place, a 'fall clause' should be incorporated in the Supply Order/Contract to the effect that during the currency of the Supply Order/Contract, in case rates are found to be lower on conclusion of rate contract, the lower rates as in the rate contract shall be applicable.

**MISHRA DHATU NIGAM LIMITED**

PO:KANCHANBAGH, HYDERABAD-500058

Appendix 1

**·PUR/REC/001·****PROCUREMENT REQUEST**  
**(STOCK / NON STOCK ITEM)**

<b>Department</b>		<b>PR Control No.</b>	
<b>PR.No</b>		<b>Date</b>	
<b>PR Date</b>		<b>Express/Normal</b>	

<b>Summary of the Requisition</b>	<b>Estimated Value (Rs.)</b>	<b>Reasons/Justifications for procurement:</b>	<b>Tender Type :</b>

<b>Delivery required by/Lead Time for Supply</b>	<b>Last PO NO, Date &amp; Supplier</b>	<b>Annual Consumption/Monthly</b>

<b>Acceptance Criteria:</b>	<b>Suggested Sources:</b> See Attachment	<b>Stores endorsement/Stock position:</b> As per Annexure
-----------------------------	--	---

<b>Employee Name</b>		<b>Stores</b>		<b>F &amp;A</b>	
<b>Approved/Not Approved</b>	SUBMIT	APPROVED	APPROVED	APPROVED	APPROVED
<b>Designation</b>					
<b>Date</b>					
<b>Remarks</b>		Stock Endorsement		Financial Concurrence ( <i>For MPRs &gt; 2Lakhs</i> )	



**Annexure:**

Sl. No	Material Code No.	Description	Quantity	Unit	Estimate Value	Annual Consumption	Sub Inventory	Stores endorsement / Stock position:
1							Pipeline Qty:	

**Proprietary Article Certificate**

**Particulars of Equipment/Material:** \_\_\_\_\_

**Service Indented in PR No.** \_\_\_\_\_ **Dated** \_\_\_\_\_ **is for equipment manufactured by** \_\_\_\_\_

**No other Makes are acceptable for the following reasons:**

- 1.**
- 2.**
- 3.**

**Indenting Officer**

**Through: HOD**

**GM (Concerned)**

**To**

**AGM (Pur)**

**(Note: To be attached with the PR)**



**MISHRA DHATU NIGAM LIMITED**

A Govt of India Enterprise

P. O Kanchanbagh, Hyderabad – 500058, TS, India.

Corporate Identity Number :L14292AP1973GOI001660

Phone: 040-2434001 (10 lines), 2418 \_\_\_/24184449, Fax: 040 – 24340764

e Mail ID: \_\_\_\_\_@midhani-india.in,

website: [www.midhani-india.in](http://www.midhani-india.in)



Tender Notice No. & Date:

Start of Issue of Tender Documents:

Receipt of Tender on or before:

Opening of Tender Date:

Sl. No	MATERIAL	Estimated Requirement	
	DESCRIPTION & SPECIFICATION.	Unit	Qty
1.			

List of Tender Documents:-

S. No	Document Description	Pages
	<b>Invitation to Tender</b>	__ Pages
<b>Annexure I</b>	<b>Technical Specifications</b>	__ Pages
	<b>Eligibility Criteria (If Applicable)</b>	__ Page
<b>Annexure II</b>	<b>General Terms and Conditions</b>	07 Pages
	<b>a. Terms and Conditions for Services</b>	__ Pages
	<b>b. Terms and Conditions for Import Offers (If Applicable)</b>	__ Pages
<b>Annexure III</b>	<b>Terms and Conditions for E Procurement and E Auction / Procedure for Submission</b>	06 Pages / 01 Page
<b>Annexure IV</b>	<b>Bank Guarantee Formats (As Applicable)</b>	05 Pages
<b>Annexure V</b>	<b>Pre-Contract Integrity pact (If Applicable)</b>	06 Pages
<b>Annexure VI</b>	<b>Letter of Credit Format (If Applicable)</b>	02 Pages

**For MISHRA DHATU NIGAM LIMITED**

Tender Inviting Authority

**Bank Details for payment of EMD by Foreign Bidders. (Only Foreign Bidders shall submit EMD using these details. For Indigenous Bidders, EMD amount shall be paid through link <http://ebs.in/midhani/public> or visit midhani website [www.midhani.com](http://www.midhani.com) > purchase > Tenders > Tender fee, EMD fee (Earnest Money Deposit) and security Deposit –ONLINE PAYMENT ONLY.)**

<b>MIDHANI Bank Details</b>	Name of the Firm	: M/s. Mishra Dhatu Nigam Limited
	PAN No.	: AABCM6345A
	Bank Name	: HDFC Bank Ltd.
	Branch Address	: Lakdikapul Branch, Hyderabad.
	Account No.	: 00210330000440.
	IFSC Code	: HDFC0000021
	MICR Code	: 500240002
	SWIFT Code	: HDFCINBBHYD
Type	: Current account.	

**Check list for submission of documents against the tender:**

**I) Techno Commercial bid should contain the following information (Envelope I/Cover I)**

S. No	Description	Comply (Yes/No)
1	EMD	
2	Signed copy of integrity pact	
3	Acceptance to Terms and conditions of the tender	
4	Price Basis	
5	Delivery Schedule as per tender	
6	Validity period of the offer as per tender	
7	Terms of payment as per tender	
8	Country of origin of Services	
9	GST number and applicable rate (For indigenous bidder)	
10	HSN/SAC Code/Custom duty tariff code	
11	Any other remarks related to this tender please specify in your offer	

**Note:**

- Tenders received without the above documents & details are liable to be rejected summarily.
- Please enclose the above check list along with the Techno Commercial bid.
- Tenderer's offer must conform in all respects with the applicable specifications and terms and conditions of the tender. In case of, deviation if any, from the tender specifications or terms and conditions must be clearly and explicitly stated. Technical deviations and Commercial deviations shall be furnished in separate sheets under the headings "TECHNICAL DEVIATIONS" and "COMMERCIAL DEVIATIONS" respectively, along with reasons for taking such deviations. Deviation(s) mentioned elsewhere shall not be accepted.

MIDHANI reserves the right to accept / reject any deviation in tenderer's offer pertaining to the materials specifications or to the terms and conditions stipulated in this tender without assigning any reason.

**II) Price Bid should contain the following information (As Envelope II/Cover II as per BOQ Format)**

- Unit Rate both in figures & words



**General Terms and Conditions of the Tender**

1. Any Order resulting from this invitation to tender shall be governed by our General Terms and Conditions of Contract and the supplier quoting against this enquiry shall be deemed / to have read and understood the same.
2. Where counter terms and conditions have been offered by the Tenderer, the purchaser shall not be governed by these unless specific acceptances have been given in writing in the order by the Purchaser.
3. The offer should be complete in all respects. Full Particulars and descriptive literature and drawing should be forwarded along with the quotation. The make of the items offered should be clearly specified. Materials should be offered strictly conforming to our specifications. The deviations if any should be clearly indicated in the quotation. Test Certificates must be produced, wherever required. Material conforming to IS will be preferred.
4. **VALIDITY:**  
The offer should be valid for a minimum period of **90 Days** from the date of opening of the tender. **In case of shorter Price validity period, than what is stipulated in the Tender, the Company reserves the right to reject the bid summarily.**

5. **DELIVERY PERIOD (As applicable):** \_\_\_\_\_ from the Date of Purchase Order

6. **EARNEST MONEY DEPOSIT:**

The tender must be accompanied by an EMD amount of INR \_\_\_\_\_ or USD \_\_\_\_\_ or equivalent through online or Bank Guarantee as per format enclosed from a Scheduled Bank encashable in Hyderabad, India with validity till **30/180/90 days**.

If EMD is not submitted, offers are liable for rejection. EMD and Security Deposit in the form of Demand Draft or Bankers Cheque will not be considered unless prior consent from MIDHANI is obtained. Exemption of EMD is available to MSE's and Start Up's as per Government Guidelines.

The earnest money shall be kept deposited till validity of the offers/finalization of the tender whichever is earlier. The Earnest Money will not earn any interest. If the tenderer after submitting his tender and during the tender's validity period, resiles from his offer or modifies the terms and conditions thereof in a manner not acceptable to the Purchaser, the earnest money shall be liable to be forfeited. Should an Invitation to tender to be withdrawn or cancelled by the Purchaser, which it shall have the right to do at any time, the earnest money paid with the tender will be returned.

The Earnest Money shall be returned to all the firms after finalization of the tender, except to the successful tenderer. EMD of successful tenderer shall be returned after submission of Security Deposit/shall be held as Security Deposit as the case may be. Should the successful tenderer, upon the acceptance of his tender, fail or refuse to duly sign the agreement within the period fixed by the Purchaser as indicated above, the earnest money shall be forfeited without prejudice to his being liable for any further loss or damage incurred in consequence by the purchaser.

*Note: EMD is exempted for all Government Departments/Central PSUs and Original Raw Material Manufacturers who participate directly.*

**In case of EMD Exemption/EMD Not applicable:** In case of failure of the bidder to accept / execute the contract, the bidder shall not be permitted to participate in the re-tender for the same item. Also suitable penal action as deemed fit by Midhani shall be imposed.

7. **SECURITY DEPOSIT (SD):**

In case of successful tenderer, **5% of PO Value (For Open Tenders) / Equal to EMD Value (For Limited Tenders)/ 2.5% of PO Value for Tenders where EMD is not applicable** towards SD shall be submitted by vendor within 21 days from the date of PO, in the form of Bank Guarantee or

payment through online with proof thereof. In case the supplies are completed within 21 Days and the same are subsequently accepted by MIDHANI, no SD or Interest shall be applicable.

The Security Deposit of above amount shall be submitted on placement of order, online Or Bank Guarantee as per format enclosed from a Scheduled Bank of India encashable in Hyderabad, India with validity till successful completion of the Order, within 21 days from the placement of order.

The security deposit shall be for the due and faithful performance of the contract and shall remain binding not withstanding such variations, alterations or extensions of time as it may be made, given, conceded or agreed to between the Supplier/Contractor and Purchaser.

The Security Deposit furnished by the successful tenderer will be subject to the Terms & Conditions of the order/contract finally concluded between the parties and the Purchaser will not be liable for payment of any interest on the security deposit or any depreciation thereof.

*The Security Deposit shall be refunded on application by the contractor after expiry of the contract period and after he has discharges all his obligations under the contract and produced a certificate from the Purchaser's authorized representatives certifying the due completion & acceptance of the work.*

All Government Departments and Central PSUs are exempted from payment of Security Deposit. In all cases where SD is exempted, in case of failure of the bidder to accept / execute the contract as per agreed terms, the bidder shall not be permitted to participate in the re-tender for the same item. Suitable penal action in accordance with other provisions of the Tender shall also be applicable.

**NOTE: In case SD is not submitted within the stipulated time as above, interest @ 12% p.a. shall be levied for the period of delay beyond the stipulated time. Interest as above may be either deposited by the supplier / contractor or recovered from any amounts due to the supplier / contractor.**

**8. All Bank Guarantees (EMD/SD/Advances/PBG) submitted:**

- a. Shall be from a Nationalized Bank/ Scheduled Commercial Bank encashable in India and in our prescribed formats only.
- b. Bank Guarantees (SD/Advances/PBG) shall have an additional claim period of three months from the date of expiry.

**9. Purchase Preference under 'Make in India' Programme as per attached Make in India Order and Notifications issued and amended from time to time shall be provided to all Local suppliers.**

**10. MSE (MICRO AND SMALL ENTERPRISES):**

As per Public Procurement Policy (PPP) for Micro & Small Enterprises (MSEs) order, 2012 vide Gazette notification dated 23.03.2012 by Ministry of Micro, Small and Medium Enterprises of Govt of India, the following benefits will be extended to the MSEs.

If Tenderer happens to be a MSE as per Government Guidelines, necessary benefits in line with Government Guidelines issued from time to time shall be provided on submission of valid documentary proof to the satisfaction of the Purchaser. In case organization is an MSE Unit owned by SC/ST Entrepreneur or owned by Women Entrepreneur, submit valid documentary proof for extending benefits as per Government guidelines. Benefits include

- i) EMD is exempted for Micro & Small Enterprises (MSEs) registered with Competent Authorities as per Latest Government Guidelines issued from time to time. Note: Presently, Udhyaam Registration is required to be submitted to consider under MSEs. Existing Enterprises registered as MSEs (Without Udhyaam Registration) prior to June 30, 2020 shall continue to be valid only for a period up to March 31, 2021.
- ii) Purchase Preference to MSE's shall be provided as given below.
  - a) In tenders, participating Micro and Small Enterprises quoting price within price band of L1+ 15 percent shall also be allowed to supply at least 20% requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a Micro and Small

Enterprise. In case of more than one such Micro and Small Enterprise, the supply shall be shared proportionately (to tendered quantity).

- b) In case of tender item is non-divisible and if Micro and Small Enterprises quoted price is within the price band L1+15% shall be allowed to supply total tender requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise.
- iii) "Vendors to intimate the value of Services which are sub contracted by them from the MSE's if any, pertaining to the ordered item(s)".
- iv) The benefits mentioned above are meant for procurement of services rendered by MSE's. Traders are excluded from availing these benefits
11. Start ups as recognized by Department of Industrial policy and Promotion (DIPP) shall be exempt from paying Earnest Money Deposit (EMD)
12. **QUERIES / CLARIFICATIONS:**  
Queries / clarifications technical, financial or commercial, if any, that may arise, should be referred by the tenderer by email/letter to
- |                    |                               |
|--------------------|-------------------------------|
| Technical Queries: | Commercial/Financial Queries: |
| Name:              | Name:                         |
| Email id:          | Email id:                     |
| Ph:                | Ph:                           |
13. **PRICE NEGOTIATIONS:**  
Price Negotiations as such shall not be held, except in the case of Negotiations with the lowest tenderer and accordingly, the tenderers shall have to submit their best commercial bids.
14. **ARBITRATION:**  
Any dispute(s) or difference(s) whatsoever arises under or out of or in connection with the EOI/contract, or in respect of any defined legal relationship associated therewith or derived there from, shall be resolved/settled amicably, through mutual negotiation; failing which the differences shall be resolved by way of arbitration in accordance with the India International Arbitration Centre (IIAC) Arbitration Rules 1996. The authority to appoint the arbitrator(s) shall be the India International Arbitration Centre (IIAC) And will provide administrative services in accordance with India International Arbitration Centre (IIAC) Arbitration Rules 1996. The seat of arbitration shall be India. The language of the arbitration proceeding shall be English. The place of arbitration proceedings shall be Hyderabad, Telangana, India.  
In case of PSU/Government organization DPE guidelines in force or as amended from time to time shall be applicable. In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/Port Trusts inter se and also between CPSEs and Government dept./Organizations (Excluding disputes concerning Railways, Income Tax, Customs & Excise Dept.), such disputes or differences shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/ 2013- DPE(GM)/FTS-1835 dated 22/5/2018 or the latest DPE Guidelines issued from time to time.
15. **JURISDICTION:**  
All questions, disputes or differences arising under, out of or in connection with the contract shall be subject to the exclusive jurisdiction of court within local limits of Hyderabad, India.
16. **RISK PURCHASE:**  
The supply of all items must be completed satisfactorily and within the specified period in the order falling which the Purchaser reserves the right to purchase stores from other sources at the supplier's cost and risk. In such case the supplier shall be bound to pay the extra cost incurred by Midhani forthwith on demand by Midhani.

17. **ADDENDA TO TENDER DOCUMENTS:**

The Purchaser reserves the right to issue addenda to the tender documents to clarify, modify, supplement or delete any of the condition, clause or items stated in the tender documents issued with this invitation to Tender. Each addendum issued will be distributed to each tenderer or his authorized representative and the addendum so issued shall form a part of the original tender documents to be reviewed as required.

18. **NO CLAIM FOR COMPENSATION FOR SUBMISSION OF TENDER:**

The tenderers whose tenders are not accepted shall not be entitled to claim any costs, charges and expenses of the tender, incidental to or incurred by them, through or in connection with their submission of tenders even though the Purchaser may elect to withdraw the invitation to tender.

19. **BANKRUPTCY ETC.:**

If the Supplier/Contractor shall become bankrupt or insolvent or cause or suffer any receiver to be appointed of his business or any asset thereof or compound with his creditors, or being a corporation commence to be wound up, or carry on its business under a Receiver for the benefits of its creditors or any of them, the Purchaser shall be at liberty:

a. To terminate the contract forthwith upon coming to know of the happening of any such event as aforesaid by notice in writing to the Contractor or to the receiver / liquidator.

OR

b. To give such receiver, liquidator or other person the option of carrying out the contract subject to his providing guarantee up to an amount to be agreed for the due and faithful performance of the Contract.

20. **RIGHT OF ACCEPTANCE:**

The Purchaser does not bind himself to accept the lowest or any of other tender and reserves the right of acceptance the whole or any part of the tender or portion of the quantity offered.

21. **LIQUIDATED DAMAGES(LD):**

Liquidated Damages shall be levied against Suppliers/Contractors in the event of unsatisfactory, delayed or non supply of materials/execution of Contract beyond the date of delivery/completion of job. LD is leviable at the rate of 1% of the total order/contract prices per week or part there of subject to a maximum 10% of the order/contract prices including taxes & duties without prejudice to the right of the purchaser to take any other action. The amount shall also be recoverable from any other contract on account of the supplier. The payment or deduction of such damages shall not relieve the contractor from his obligations to complete the work or from any other of his obligations and liabilities under the contract.

22. **CANCELLATION / SHORT CLOSURE OF CONTRACT/PURCHASE ORDER:**

The purchaser may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the supplier, terminate the contract in whole or in part:

a) 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 the Purchaser.

b) 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 the purchaser.

c) Purchaser reserves the right to cancel the Purchase Order/ contract on its own under exceptional circumstances.

On receipt of notice for short closure, the contractor shall cease all further work, except for such work as may be specified in the notice for the sole purpose of protecting that part of the stores already executed. Further, the liability of MIDHANI in such cases will be limited to the extent of the cost as assessed by MIDHANI, in its opinion, till the point of short closure.

23. **SUBMISSION OF TENDER :**

Tenders shall be submitted as per procedure specified at Annexure III. The tenders received after the stipulated time and due date, due to any reason whatsoever will not be considered. Tenders who are incomplete or otherwise considered defective are liable to be rejected.

24. **MULTIPLE L1 PARTIES:**

In case more than one tenderer is qualifying as L1, after price evaluation and the order is not to be split, the placement of order shall be done after obtaining reduced revised price bid from the L1 tenderers and if still there is a tie among L1 tenderers then to discover the final L1, draw of lots shall be held in presence of the tenderers who chose to be present.

25. Only one vertical (Company) from a group of companies will be eligible to participate in the tender. Midhani reserves the right to reject the bids of all such parties summarily, if it is found that verticals under the same organizations have participated.

26. **Splitting of Order (Wherever applicable):**

In case the order is to be placed on more than one tenderer as specified in the tender, then all the technically & commercially qualified tenderers will be asked to match their prices with L-I rate for distribution of the items / jobs to be ordered. Only the tenderers, who agree to match their prices with L-I rate, in order of Bid ranking, will be considered for the distribution of order.

The allocation shall be broadly as below ***(To modify as per Indent)***

- i. In case of distribution for Ratio for Original Ranking L-1 L-2 L-3 L-4 L-5 L-6 L-7 L-8  
Two parties 70:30; Three parties 60:25:15; Four parties 50:25:15:10;  
Five parties 40:25:15:10:10; Six parties 35:20:15:10:10:10;  
Seven parties 30:20:10:10:10:10:10; Eight parties 25:15:10:10:10:10:10:10 and so on.
- ii. In case more than one party has the same rank, then their share will be added and equally distributed. For example, if distribution is to be made among six parties and two parties have the same ranking of L-2 i.e. the original rankings are L-1, L-2, L-2, L-3, L-4, L-5, then from the above table, the distribution shall be  
L-1 35%; L-2 17.5% i.e.  $20+15 = 17.5\%$ ; L-2 17.5% i.e.  $20+15 = 17.5\%$   
L-3 10%; L-4 10%; L-5 10% etc.
- iii. However, in case of tie among the same ranking parties i.e. in a situation where ranking is L-1, L-1, L-2, L-3, L-3, L-3, L-4, and only four parties are to be considered for placement of order, the distribution shall be  
L-1 37.5%; L-1 37.5%; L-2 15%; L-3 10%  
and only one party among the three L-3 parties to be selected through draw of lot in the presence of their representatives.

27. **TENDER OPENING:**

A. **TECHNO-COMMERCIAL BIDS (UN-PRICED) :**

Techno-commercial Bids (un-priced) only shall be opened on the due date indicated in the enquiry in the e-platform (or) in the presence of Tenderers or their authorized representatives who choose to be present at the time of tender opening, as the case may be.

B. **PRICE BIDS:**

Price Bids of technically acceptable tenders' shall be opened after the Techno-commercial bids evaluation and after receipt of clarifications, if any, in the e-platform (or) in the presence of Tenderers or their authorized representatives who choose to be present at the time of tender opening, as the case may be at the time and date which will be informed to the tenderers concerned in advance.

The comparative assessment of offers received would be made on equal footing taking into account the financial implications for the deviations in terms and conditions/loading of any charges to arrive at the Landed Cost to MIDHANI. In case of any acceptable commercial deviation, MIDHANI may evaluate the prices with appropriate loading at One year MCLR rate + 0.5% of SBI prevailing on the date of Technical bid opening.”

Conditional discounts offered by the tenderers for coverage within a shorter period for early inspection / payment etc., shall not be considered at the time of evaluation of tenders.

28. **DEFINITIONS:**

A. **PURCHASER:**

The term "Purchaser" or "Midhani" as used herein shall mean Mishra Dhatu Nigam Limited, incorporated under the Companies Act, 1956, and having its registered office at P.O. Kanchanbagh, Hyderabad - 500 058, India, and shall include its successors and assigns.

B. **TENDERER:**

The term "Tenderer" shall mean the person, firm or corporation submitting a tender against the Invitation to tender and shall include his/its heirs, executors, administrators, legal representatives, successors and assigns.

C. **SUCCESSFUL TENDERER/SUPPLIER/CONTRACTOR:**

The term "Successful Tenderer/Supplier/Contractor" shall mean the Tenderer whose tender has been accepted and shall include his/its heirs, executors, administrators, legal representatives, successors and assigns approved by the Purchaser.

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## PREFERENCE UNDER MAKE IN INDIA

Purchase Preference under 'Make in India' Programme as per below mentioned Order and Notifications shall be provided to all Local suppliers:

**Department for Promotion of Industry and Internal Trade, in partial modification [Paras 2, 3, 5, 9(a), 9(b) and 10(b) modified and Para 3A added] of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017 as amended by Order No.P-45021/2/2017-B.E.-II dated 28.05.2018 and Order No.P-45021/2/2017-B.E.-II dated 29.05.2019, hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' dated 04.06.2020 effective with immediate effect.**

Whereas it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

**Now therefore the following Order is issued:**

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.

2. **Definitions:** For the purposes of this Order:

'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50%, as defined under this Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20% but less than 50%, as defined under this Order.

'Non - Local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20%, as defined under this Order.

'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

'Margin of purchase preference' means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L1 for the purpose of purchase preference.

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR- 2017, and will also include 'turnkey works'.

3. **Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local suppliers' for different types of procurement**

(a) In procurement of all goods, services or works in respect of which the Nodal Ministry / Department has communicated that there is sufficient local capacity and local competition, only 'Class-I local supplier', as defined under the Order, shall be eligible to bid irrespective of purchase value.

(b) In procurement of all goods, services or works, not covered by sub-para 3(a) above, and with estimated value of purchases less than Rs. 200 Crore, in accordance with Rule 161(iv) of GFR, 2017, Global tender enquiry shall not be issued except with the approval of competent authority as designated by Department of Expenditure. **Only 'Class-I Local supplier' and 'Class-II local supplier', as defined under the Order, shall be eligible to bid in procurements** undertaken by procuring entities, except when Global tender enquiry has been issued. In global tender enquiries, 'Non-local suppliers' shall also be eligible to bid along with 'Class-I local suppliers' and 'Class-II local suppliers'.

(c) For the purpose of this Order, works includes Engineering, Procurement and Construction (EPC) contracts and services include System Integrator (SI) contracts.

**3A. Purchase Preference**

(a) Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to 'Class-I local supplier' in procurements undertaken by procuring entities in the manner specified here under.

(b) In the procurements of goods or works, which are covered by para 3(b) above and which are divisible in nature, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.
- ii. If L1 bid is not a 'Class-I local supplier', 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the 'Class-I local supplier' will be invited to match the L1 price for the remaining 50% quantity subject to the Class-I local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such 'Class-I local supplier' subject to matching the L1 price. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price or accepts less than the offered quantity, the next higher 'Class-I local supplier' within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on Class-I local suppliers, then such balance quantity may also be ordered on the L1 bidder.

(c) In the procurements of goods or works, which are covered by para 3(b) above and which are not divisible in nature, and in procurement of services where the bid is evaluated on price alone, the 'Class-I local supplier' shall get purchase preference over 'Class-II local supplier' as well as 'Non-local supplier', as per following procedure:

- i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1.
- ii. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such 'Class-I local supplier' subject to matching the L1 price.
- iii. In case such lowest eligible 'Class-I local supplier' fails to match the L1 price, the 'Class-I local supplier' with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the 'Class-I local supplier' within the margin of purchase preference matches the L1 price, the



contract may be awarded to the L1 bidder.

(d) "Class-II local supplier" will not get purchase preference in any procurement, undertaken by procuring entities.

4. Exemption of small purchases: Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.
5. Minimum local content: The local content requirement to Categorize a supplier as 'Class-I local supplier'/'Class-II local Supplier'/'Non-local supplier' shall be as defined in the Para "2" of the Order. No change is permissible on this account. However, if any Nodal Ministry/Department finds that for any particular item, pertaining to their Nodal Ministry/Department, the definition of local content, as defined in this order, is not workable/ has limitations, it may notify alternate suitable mechanism for calculation of local content for that particular item.
6. Margin of Purchase Preference: The margin of purchase preference shall be 20%.
7. Verification of local content:
  - a. The 'Class-I local supplier'/'Class-II local Supplier' at the time of tender, bidding or Solicitation shall be required to indicate percentage of local content and provide self certification that the item offered meets the local content requirement for 'Class-I local supplier'/'Class-II local supplier' as the case may be. They shall also give details of the location(s) at which the local value addition is made.
  - b. In cases of procurement for a value in excess of Rs.10 Crores, the Class-I local supplier'/'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in case of companies) or from a practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
  - c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.
  - d. Nodal Ministries May constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.
  - e. Nodal Ministries and procuring entities may prescribe fees for such complaints.
  - f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) Of the General Financial Rules along with such other actions as may be permissible under law.
  - g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under Paragraph 9h below.
  - h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
    - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
    - ii. On a periodical basis such cases are consolidated and a centralized list or decentralized lists of

such suppliers with the period of debarment is maintained and displayed on website(s):

- iii. In respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

8. Specifications in Tenders and other Procurement solicitations:

- a. Every Procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall endeavor to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of Class-I local supplier/'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.
- d. If a Nodal Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign procurement, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/ or other items relating to that Nodal Ministry. A copy of every instruction or decision taken in this regard shall be sent to Chairman of the Standing Committee.
- e. For the purpose sub-paragraph 8 d above a supplier or bidder shall be considered to be from a country if (i) the entry is incorporated in that country or ii) a majority of the shareholding or effective control of the entry is exercised from that country or iii) more than 50% of the value of the item being supplied has been added in that country. Indian suppliers shall mean those entities which meet any of these tests with respect to India."

8A. Action for non-compliance of the Provisions of the Order: In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee.

9. Manufacture under license/ technology collaboration agreements with phased indigenization: While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content, if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement/transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

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## RESTRICTIONS FOR PARTICIPATION IN THE TENDER

In reference to the OM No. 6/18/2019-PPD Dt. 23.07.2020 issued by Public Procurement Division, Department of Expenditure, Ministry of Finance, the following restrictions are applicable:

- I. Any Bidder from a Country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with Competent Authority as specified in the above mentioned Office Memorandum. Notwithstanding anything contained herein, it is hereby clarified that the said Order and this Clause will not apply to bidders from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects. Lists of such countries is available in the website of Ministry of External Affairs.
- II. "Bidder" (including the term 'tenderer', 'consultant' or 'service provider' in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency branch or officer controlled by such person, participating in a procurement process.
- III. "Bidder from a country which shared a land border with India" for the Purpose of this Order means:-
  - a. An entity incorporated, established or registered in such a country; or
  - b. A subsidiary of an entity incorporated, established or registered in such a country; or
  - c. An entity substantially controlled through entities incorporated, established or registered in such a country; or
  - d. An entity whose *beneficial owner* is situated in such a country; or
  - e. An Indian (or Other) agent of such an entity; or
  - f. A Natural person who is a citizen of such a country; or
  - g. A Consortium or joint venture where any member of the consortium or joint venture falls under any of the above
- IV. The *beneficial owner* for the purpose of (iii) above will be as under:-
  1. In case of a company of Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting along or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation –

    - a. "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent. of shares or capital or profits of the company;
    - b. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;
  2. In case of partnership firm, the beneficial owner is the natural person (s), who, whether acting along or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
  3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital

- or profits of such association or body of individuals;
4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;
  5. In case of a trust, the identification of beneficial owner (s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership,
- V. An Agent is a person employed to do any act for another, or to represent another in dealings with third person.
- VI. [In case of Works/Contracts/Turnkey Contracts] The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority.

**Bidders shall provide and undertaking in this regard duly signed by Authorised Signatory on Company's Letter Head as below:**

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country 'or' if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Wherever applicable evidence of valid registration by the Competent Authority shall be attached]."

In case of Tenders of Works/Contracts involving possibility of sub-contracting

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country 'or' if from such a country, has been registered with the Competent Authority and will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Wherever applicable evidence of valid registration by the Competent Authority shall be attached]."

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**GENERAL TERMS AND CONDITIONS****1. PRICE BID FORMAT: Prices shall be quoted ONLY in the following format/as per BOQ:**

Sl. No	Description	Quantity with UOM	Unit Price/Price per Job (INR)	Total price (INR)	HSN/SAC Code	GST (%)
I	II	III	IV	(V = III x IV)		VI

**PRICE BID FORMAT For Man Power Contracts:**

Profit/Service charges to be quoted by the Tenderer per man shift taking the following as base rates and GST thereupon apart from income tax which shall be borne by the Tenderer:

SL.NO	DESCRIPTION	Un Skilled	Semi-Skilled	Skilled	Highly Skilled
1	Basic Wage				
2	V D A				
3	EPF @ 12% on (1) + (2)				
4	ESI @ 3.25 % on (1) + (2) *				
5	PF Admin Charges @1% on a + b				
5	<b>Total</b>				
6	<b>Profit / Service charges per man shift (in Rs.)</b>				
	<b>Total including Profit/Service Charges</b>				

The internal estimate rates for labour services were taken from Govt. Order (Issued by Ministry of Labour & Employment, Govt. of India) updated time to time and considered only Basic + DA rate.

Notes:

- In case leave facility is extended by the contractor to his employees on completion of the stipulated days, the leave with wages shall form part of wages for the month and hence attract PF & ESI as per norms.
- Wherever ESI is not applicable, Suitable Workment Compensation shall be obtained by the Contractor which shall be reimbursed by the Buyer upon submission of necessary documents.

Statutory payment:

- Rate/Amount towards Bonus/ex-gratia, if any, for those who complete one month service in a financial year (April to March) as per the Provisions of Payment of Bonus Act and it shall be retained with Midhani and paid to the Contractor as and when legally due.
- Holiday Wage is for those who puts in 30 days of work within a continuous period of 90 days immediately preceding the holiday as provided under Sec.5 of A.P. Factories & Establishments (National Festival & Other Holidays) Act, 1974 and the Holiday Wage shall be payable as and when holiday falls.
- Leave with Wage should be regulated as per the Provisions of Factories Act, 1948 and A P Factories Rules 1950.
- GST: As per the Government GO amended from time to time GST as applicable shall be borne by Midhani
- Income Tax: To be borne by the Tenderer on the gross wage bill including Taxes

The tenderer shall indicate/furnish the following in his offer:

- a. Your Banker's Name, Address & Bank Details.
- b. The required information about tenderer and other details as per Appendices herewith.
- c. A confirmation that the price quoted is your lowest export price and is the same as you would normally quote to Government department and other favored customers.
- d. HSN/SAC Code for all the Items quoted along with applicable GST Rates.

**2. PAYMENT TERMS:**

- a. Full payment will be made within 30 days after submission of certified bill for the job completed for each month, subject to compliance of clauses and other Terms & Conditions mentioned in the Purchase Order/Contract.
- b. The Contractor shall raise the bill for the work done once in a month.
- c. The Contractor shall attach support documents towards remittance of PF & ESI for the previous month in respect of workmen employed by him under the contract to enable Midhani to make the payment.
- d. However, the 1st bill will be submitted after completion of 2nd month along with the above documents pertaining to the 1st month.
- e. Contractor shall submit support documents for wage register, attendance duly authorized by indenter etc. Along with each bill.
- f. **For late remittance of ESI, PF or both, penalty will be charged by deducting 5% of ESI/EPF amount or both (for the delayed remittance amount), from the corresponding bill or Security Deposit OR from any amount payable to contractor.**
- g. **The contractor shall ensure timely filing of GSTR1 and GSTR3B including availability of invoices in GSTR2A of Midhani.**

**3. PRICES:**

Tenderers shall submit their quotation in INR. The prices/service charges shall be firm during the tenure of the order/contract and unchanged during the contract period irrespective of changes in payments, if any, in compliance of statutory provisions from time to time by him. Quotation with vague and inconclusive expressions and not clear in all respects are liable to be rejected.

**4. Solvency Certificate:**

Solvency Certificate of          value shall be submitted in original along with the Techno-commercial offer issued by any Scheduled Bank in India not older than 6 months before the date of issue of Tender.

Note: The offer of the party with regard to submitted Solvency Certificate is considered valid only when the verification of Solvency Certificate document with the Source is completed with satisfactory result. In case, if the verification reveals that the submitted Solvency Certificate is found fake/forged, the offer will be deemed rejected and the party will be considered for banning for future business and also necessary criminal proceedings will be considered for initiation against the Party.

In case L1 party's Solvency Certificate is found fake/forged, it shall be deemed as techno-commercially disqualified and next techno-commercially acceptable lowest bidder shall be treated as L1 for further processing.

5. The tenderer will be required to obtain the workmen compensation Policy covering the persons engaged by him and to give compensation as required under this Act in case of any accident in respect of the labour employed by him under this contract.
6. Rejections: The order has to be executed as per scope of work. In case any material is rejected due to faulty workmanship, the cost of material as determined by MIDHANI would be recovered from the

contractor. The contractor shall engage his own supervisor to supervise the work of his workmen during all the working periods.

**7. EXECUTION OF WORK:**

- a. The work shall commence on awarding the contract by MIDHANI. The work shall generally be carried out during 07.00 hrs. and 23.00 hours on working days. Written permission of MIDHANI has to be obtained for working before and beyond these hours.
- b. The contractor shall engage workmen competent to perform the allotted work.

**8. DEDUCTIONS AND RECOVERIES:**

- a. In the event of Contractor has executed unsatisfactory work or carelessly, recoveries will be made from the Contractor's bills or any other payments due to the contractor or Security Deposit as assessed by In-charge of the work. Decision of Midhani will be final in case of any dispute in this regard.
- b. MIDHANI shall recover the actual expenditure incurred to make good the-
  - Poor quality of work.
  - Damage caused to the neighbouring works, surrounding equipments.
  - Damage caused by him and / or persons employed by him either during the course of work or otherwise.
  - From any sums due or may become due from whatever source available in the event of contractor's failure / refusal to do so.
- c. In every case, in which by virtue of the provisions of Sec (12), sub section (1) of the Employee compensation Act, 2010, if MIDHANI is obliged to pay compensation to workmen employed by the Contractor in execution of the work under section-12, sub-section (2) of the said Act, MIDHANI shall be at liberty to recover such amount or any part thereof, by deducting it from the Security Deposit or from any sum due from MIDHANI to the Contractor (s) whether under the contract or otherwise.
- d. MIDHANI shall not be bound to contest any claim made against it under section 12, sub-section (1) of the said Act, except on the written request of the Contractor (s) and upon his / their giving to MIDHANI full security for all costs for which MIDHANI might become liable to pay in consequence of contesting such claim.
- e. The Contractor shall indemnify MIDHANI from all liability whatsoever under the Employee compensation Act, 2010 or otherwise in respect of any injury suffered by the staff employed by the Contractor including resultant death of his staff/worker.
- f. The Contractor shall indemnify Midhani other consequential treatment cost incurred.

**9. COMPENSATION:**

The Contractor shall pay compensation if he or his workers causes / cause loss or damage to MIDHANI's property in any manner. Alternatively, MIDHANI reserves it's right to recover the said loss / amount from the contractor's bills or from any sum due or which may become due to the contractor or forfeit the Security Deposit. Appropriate - action including legal recoveries will be resorted to for effective recoveries taken to recover the compensation in the event of Contractor's fails to compensate within the stipulated time limit on demand.

**10. SECURITY:**

- a. MIDHANI factory is under security arrangement. The entry / exit into / from the factory premises will be regulated by pass and in plant security checks will be carried out. The Contractor shall take notice of the above security restrictions and comply with the Security arrangements.
- b. The Contractor shall abide by the rules and regulations laid done by MIDHANI and other Security checks existing or may come in existence in future from time to time.
- c. The Contractor and his staff should follow the Security regulations of MIDHANI in force and as amended from time to time. Suitable action will be taken by Midhani including summary termination and / or penal and / or legal action for breach of these security regulations indulged in, by either the contractor or his staff and MIDHANI decision shall be final in this regard.
- d. The Contractor shall be held personally responsible for conduct of his staff and liable for consequential action in case of any misconduct or offence. The Contractor and his staff shall also

come under the purview of the Laws of the State, Union and Defence rules and liable to be dealt with suitably in the event of infringement of any of these rules.

- e. The Contractor shall employ his supervisors for effective supervision' of his workmen and for proper execution of the work schedules allotted at his cost.

**11. COMPLIANCE WITH ENACTMENTS:**

- a. The Contractor shall comply with provisions of the following Acts / Rules in addition to those mentioned herein:
- i) The contractor shall comply with all the provisions of Contract Labour (Regulation & Abolition) Act 1970.
  - ii) The Tenderer is required to comply with the statutory requirements in relation to ESI and PF for the persons engaged by him to fulfil the contractual obligations. For this purpose, the Tenderer should have the ESI & PF establishment codes. Contractor should possess license under the provisions of the contract labour (regulation & abolition) Act 1970 issued by Regional Labour Commissioner (Central) and the license should be valid for the term of the contract.
  - iii) The provisions of minimum wages act 1948 and payment of wages act 1936 shall be applicable to the workers of the contractor engaged by him for execution of the order and shall pay as per the minimum wages notified by the appropriate Govt. in the official Gazette from time to time and amendment thereof.
  - iv) Industrial Disputes Act, 1947.
  - v) Employee compensation Act 2010 (VIII of 1923) or any other law for the time being in force.
  - vi) Provident Fund & Misc. provisions Act and Rules thereof, 2010.
  - vii) ESI Act & Rules thereof. & Equal Remuneration Act etc..
  - viii) The Contractor shall provide necessary Insurance Coverage for the Workmen / Staff employed by him.
  - ix) Payment of bonus act 1965 as amended for time to time.
  - x) Any other relevant laws / rules,
  - xi) The contractor shall maintain all registers as per CL (R & A) Act, 1970 and rule made there under and produces the same for inspection as & when required by Midhani or Appropriate Statutory Authorities like labour department etc.
  - xii) Any other labour legislation to be enacted from time to time.
  - xiii) The Contractor shall be held responsible for all liabilities and damages caused on account of poor / negligent / improper workmanship of Jobs carried out.
  - xiv) Appropriate recoveries will be done in such cases. The decision of Shop In-charge will be final & binding
  - xv) Various rules and regulations of MIDHANI.
- b. Social Security: It is mandatory to implement the social security benefit to the employees working under contractor. The contractor shall comply with the provisions of the ESI Act and EPF & MP act 1952 and get the code no. under Employees provident Fund from PF office. The payment will be released only after submission of the code no. and a copy of the coverage intimation and subsequent payments will be released only on submission of challans and 12A monthly return copy in proof of remittance of provident fund for previous month and you have to furnish ESI establishment code under ESI Act, 1948. In case workmen are not covered under ESI act, suitable workmen compensation policy shall be obtained and premium for the policy shall be reimbursed by MIDHANI upon submission of necessary documents.
- c. The Contractor Labour (Regulation & Abolition) Act, 1970 or any amendment thereof and all legislations & Rules of the State or any Local Authority framed from time to time. The rules and other statutory obligations with regard to wages, welfare, safety measures etc., will be deemed to be part of the Contract.
- d. The Contractor shall be held responsible for all Liabilities and damages caused on account of poor/ negligent/improper workmanship of jobs carried out. Appropriate recoveries shall be done in such cases. The decision of the In-charge shall be final & binding.
- e. The contractor shall arrange for police verification certificate in respect of antecedents of their workmen after receipt of our order.



## **12. SAFETY:**

- a. The Contractor shall ensure adherence to all safety regulations and wearing of safety appliances by his workmen while at work. He has to contact the safety Engineer of Midhani before starting the work and obtain safety work permit.
- b. All the persons involved in the subject work should be supplied by Contractor with proper safety appliances like safety Shoes, Goggles, Helmets, Aprons, Safety belts, Harness, etc.,
- c. The Contractor shall be solely responsible for any type of injury / accident to the persons engaged in the above work, including the expenses towards medical treatment and post" medical recoveries etc. At any point of time, MIDHANI shall not be responsible for any loss/ damage to the persons arising out of accident for performing the contractual obligations.

## **13. WEEKLY HOLIDAYS AND PAID HOLIDAYS:**

Every workmen employed by the Contractor shall be allowed in each week, a day's rest and statutory holidays with wages as required under the relevant laws.

## **14. LIQUIDATED DAMAGES:**

- a. The time schedule as specified shall be strictly adhered to by the contractor. If the contractor fails to adhere with the time schedule, he shall be liable to pay liquidated damages at 1% (One percent) per week of Contract Value provided the total liquidated damages shall not exceed 10% (ten percent) of the Contract amount. **In case the default continues beyond one week, it will tantamount to breach of contract and the contract is liable to be terminated.**
- b. Failure on the part of the Contractor to carry out the assigned jobs by deploying his workmen in time, Midhani, apart from levying liquidated damages, is entitled to make alternate arrangement for carrying out such jobs at the cost & risk of the contractor and shall recover such expenditure incurred by it from the Contractors bills / security deposits.
- c. In case the amounts of the Bills and Security Deposit amounts are not sufficient for recovery, the Contractor shall pay the different amount on demand.

## **15. INDEMNIFY:**

The Contractor shall indemnify MIDHANI from all liabilities whatsoever and also under the Employees Compensation Act or otherwise in respect of any injury suffered by the workmen / staff employed by the contractor, resulting in the death of his workmen / staff or hospitalization or disablement, the contractor shall also undertake to indemnify MIDHANI in case of any financial loss suffered by MIDHANI on account of contravention of the PF & ESI regulations or non-compliance of any other Rules by the contractor where MIDHANI shall become liable on account of his default. Otherwise MIDHANI is empowered to initiate appropriate action including legal action to recover the loss in the event of the contractor's failure to pay within the stipulated time limit as demanded.

## **16. OTHER TERMS**

- a) Contractor should pay the wages to his workers on or before 10<sup>th</sup> of every month. Thereafter should submit the bills with the below mentioned documents:
  - (i) Workers attendance duly certified by the indenter / user department
  - (ii) Proof for having paid the wages to his workers on or before 10<sup>th</sup> of the month. In this regard, Bank acknowledgement consisting of all contract workers bank account details should be furnished.
  - (iii) Proof for having timely remitted the PF and ESI for the previous month.

b) Goods and Service Tax (GST):

- (a) Contractor should be regular in remittance and filing of GST returns within due dates.
- (b) In order to process the bill, contractor should have filed GSTR1 and GSTR3B for the previous month.
- (c) In case of non-payment / non-filing of GSTR1 and GSTR3B for the previous month, only base value of the invoice will be released.
- (d) If the contractor fails to file the GSTR1 and GSTR3B for 2 consecutive months / 1 previous quarter as the case may be, subsequent bills will not be processed.
- (e) In case of quarterly filers, contractor has to submit a declaration stating that he will indemnify in case of default.

c) Contractor should pay the statutory bonus by Dasara festival and submit the bill for reimbursement in case of manpower contracts.  
In case of job contracts, contractor should submit the proof for having paid the bonus as and when required by MIDHANI.

d) In case of violation of any terms and conditions by the contractor, 2 written warnings will be given to the contractor and third time; necessary action for contract termination and blacklisting the contracts shall be initiated.

e) Contractor should share his login credentials of PF and ESI with HR-PPS to verify timely remittances. No contractor should engage the workers aged more than 60 years.

f) Penalty clauses:

- (a) In case of late payment of wages, Rs.1,500 shall be deducted in addition to Rs.100 for each day of delay. Total deduction shall not exceed Rs.7,500.
- (b) For not providing the required manpower / not providing the supervisor, Rs.100/- penalty will be levied for each day per each manpower.

g) Contractor should provide at least one supervisor at his cost when more than 25 workers are deployed in the contract.

h) Contract workers without proper PPE viz helmet / safety shoes should not be permitted to enter MIDHANI premises.

**GENERAL TERMS & CONDITIONS FOR IMPORT OFFERS (For Foreign Services)**

1. **Prices shall be quoted ONLY in the format below/as per BOQ:**

Sl. No	Description	Quantity with UOM	Unit Price per job USD/EUR/GBP/JPY	Total Price	HSN/SAC Code
I	II	III	IV	(V = III x IV)	
01					

Prices quoted shall include all taxes & duties arising at Bidder's Country

The tenderer shall indicate/furnish the following in his offer:

- a. Your Banker's Name, Address & Details.
- b. A confirmation that the price quoted is your lowest export price and is the same as you would normally quote to Government department and other favored customers.
- c. HSN Code for all the Items quoted along with applicable GST Rates.
- d. TARIFF HEAD UNDER H. S. (HARMONISED SYSTEM).

2. **CREDIT RATING CERTIFICATE:**

- a) Tenderers may furnish credit rating obtained by them from any reputed credit rating agency along with offer.
- b) DEALERSHIP CERTIFICATE (If Applicable):  
Dealers shall furnish dealership/authorisation certificate from the OEM along with offer. Offer shall not be considered in case authorization certificate from OEM is not submitted.

3. **AGENCY COMMISSION :**

We are a Government of India Enterprise. It is our policy to deal with the foreign suppliers/manufacturers directly without associating any of their Indian agents or payment of any agency commission. You are therefore requested to quote your price without any agency commission, passing on this benefit to the Purchaser which is Government of India Enterprise. Please therefore specifically state in your offer that the price quoted by you is net and NO agency commission is payable to any Indian agent.

4. **TERMS OF PAYMENT:**

100% Payment within 30 Days from the date of Receipt and acceptance of Material at MIDHANI.

**4.1 Documents required for payment:**

- a. Acceptance certificate issued by Midhani in original.
- b. NOC from Midhani for releasing balance payment after recovery if any.  
(NOTE : In case of LC Payment, cost of LC and interest for Advance (if any) shall be added for landed cost calculation)

5. **PRICES :**

Preference will be given to FIRM prices, but should the quoted prices be subject to variation, the price variation clause should be detailed in the offer.

- i. Exchange rate for the foreign currencies shall be considered as on final scheduled techno-commercial bid opening date for bid evaluation and comparison purpose. Exchange rate shall be taken from the website of RBI.
- ii. Landed Costs shall be calculated on quoted rates considering the following:
  - a. Taxes/Duties applicable after considering Input Tax Credits.

- b. Interest Charges for normalizing payment terms (if any), based on One year MCLR rate + 0.5% of SBI prevailing on the date of Technical bid opening.
- c. LC charges prevailing as on techno-commercial bid opening date as per SBI taking into account the Delivery Period.

6. **DISCOUNT :**

Prices quoted should be applicable to purchases by Manufacturers and the manufacturer's discount, if any, should be indicated in the offer.

7. **DESCRIPTION & SPECIFICATION :**

The description and specification offered in the offer will be binding on the Tenderer and no alteration thereof will be permitted.

8. **AUTHORITY TO SUBMIT TENDER :**

The signatory to the Tender will be deemed to have the authority to submit the Tender. The Tender will be binding on the tenderer and no alteration will be permitted.

9. **TAXES & DUTIES:**

All statutory customs/import duties, taxes, fees, cess & levies, etc. in India on the imported goods on amount payable in foreign currencies shall be borne and paid by the Purchaser.

Income tax (Withholding Tax) in India, if leviable and other taxes in relation thereto on any other account shall be borne and paid by the successful Supplier. The successful supplier shall be liable to file tax returns with respective income tax authorities as required under the Indian Income Tax Act.

All payments under the Purchase Order to the successful tenderer shall be subjected to deduction of taxes at source at the applicable rates in force as per the provisions of the Indian Income Tax Act or Double Taxation Avoidance Treaty whichever is more beneficial to the tenderer. Where the benefits of double taxation are to be availed, it shall be the responsibility of the tenderer to furnish the Tax Residency Certificate to the Purchaser required under the Indian Income Tax Act.

10. **EXPORT LICENCE :**

Restrictions if any, for exporting this item to Midhani, India may please be indicated specifically with regard to time required for executing the order as per the quoted delivery schedule.

**PROCEDURE TO BE FOLLOWED FOR SUBMISSION OF TENDER**  
**(In Separate Sealed Covers)**

**ENVELOPE NO.1:**

PART - I "TECHNO- COMMERCIAL BID"  
ALONG WITH EMD & INTEGRITY PACT  
ENQUIRY NO. \_\_\_\_\_  
DATE: \_\_\_\_\_  
DUE DATE : \_\_\_\_\_ AT \_\_\_\_\_  
To  
THE ADDL. GENERAL MANAGER (PURCHASE)  
MIDHANI, HYDERABAD - 500 058.

NAME OF THE TENDERER:

**ENVELOPE NO.2:**

PART - II "PRICE BID"  
ENQUIRY NO. \_\_\_\_\_  
DATE: \_\_\_\_\_  
To  
THE ADDL. GENERAL MANAGER (PURCHASE)  
MIDHANI, HYDERABAD - 500 058.

NAME OF THE TENDERER:

PLEASE PUT ALL THE TWO ENVELOPES IN A BIGGER SIZE ENVELOPE:

**NOTE: FOR SINGLE BID TENDERS, PRICE BID SHALL BE OPENED ONLY IF EMD/EXEMPTION DOCUMENT IS ENCLOSED IN THE TECHNO-COMMERCIAL BID.**

**ENVELOPE NO: 3 (BOTH THE ENVELOPE No. 1 & No. 2 TO BE PLACED IN THE ENVELOPE No. 3):**

TENDER NO.  
ENQUIRY NO. \_\_\_\_\_  
DATE: \_\_\_\_\_  
DUE DATE : \_\_\_\_\_ AT \_\_\_\_\_

CONTENTS:

- 1) TECHNO-COMMERCIAL BID WITH EMD
- 2) PRICE BID

To  
THE ADDL. GENERAL MANAGER (PURCHASE)  
MISHRA DHATU NIGAM LIMITED  
PO: KANCHANBAGH,  
HYDERABAD - 500 058.

NAME OF THE TENDERER:

**TERMS AND CONDITIONS AND INSTRUCTIONS TO THE TENDERER FOR  
ONLINE SUBMISSION OF QUOTATION**

1. Tenders are invited on-line on the website <http://eprocuremidhani.nic.in> from the eligible bidders having Class III, Digital Signature Certificate (DSC) issued from any agency authorized by Controller of Certifying Authority (CCA), Govt. of India. For Digital Signature Certificate (DSC) issuer details, please refer [www.cca.gov.in](http://www.cca.gov.in) website, FAQ- How do I get a Digital Signature Certificate (DSC)?. The bidders have to get themselves registered online on the e-Procurement portal <http://eprocuremidhani.gov.in> with the class III DSC. The online Registration of the Bidders on the portal will be free of cost and one time activity only.
2. The Tender has to be submitted in TWO BID SYSTEM failing which the tender will be liable for rejection. All technical matters, Testimonials, credentials, commercial conditions has to be mentioned in Cover-I i.e. Technical Bid and Price has to be mentioned in Cover-II i.e. Price Bid (BOQ). (Note: The other commercial terms & conditions of your quotation/offer should be mentioned separately in ATC (Agreed Terms and Condition) which will be downloaded and upload the same in cover I). All bids are to be submitted on-line on the website <http://eprocuremidhani.gov.in> No bid shall be accepted off-line.
3. No consideration for wrong entries/errors will be allowed and firms are advised to carefully indicate the applicable taxes and duties amount.
4. **Technical Specification:** Technical Specification containing the technical parameters for tendered item will be in PDF format and will be downloaded by the bidder and he will furnish all the required information in PDF file. Thereafter, the bidder will upload the technical specification of the quoted item in PDF file during bid submission. Non-compliance of any one specification parameter of the item will disqualify the bidder in that item. The Technical specification which is incomplete and not submitted as per instruction given above will be rejected.
5. **Price bid:** The Price bid containing the Bill of Quantity will be in Excel format and will be downloaded by the bidder and he will quote the rates, taxes & duties etc. for his offered items on this Excel file. Thereafter, the bidder will upload the same Excel file during bid submission in respective folder. The Price-bid will be in Item-wise Rate BOQ format and the bidder may quote for any or all the tendered items and the L-1 will be decided for each item separately. The Price-bids of the tenderers will have no condition. The Price Bid which is incomplete and not submitted as per instruction will be rejected.
6. The “General Terms & Conditions” as mentioned in the NIT shall form an integral part of the NIT and will also form a part of the Orders placed against this tender.
7. Clarification of Bid (wherever applicable): The bidder may seek clarification on-line within the specified period. His identity will not be disclosed by the system. However, the management will clarify as far as possible the relevant queries. The clarifications given by the department will be visible to all the bidders or only the bidder who raised the clarification query, intending to participate in the tender.
8. Submission of Bid: The bidders have to accept unconditionally the on-line user portal agreement which contains the acceptance of all the Terms and Conditions of NIT including Commercial & General Terms

& Conditions, along with on-line undertaking in support of the authenticity of the declarations regarding the facts, figures, information and documents furnished by the Bidder on-line in order to become an eligible bidder. No conditional bid shall be accepted.

9. In case the Tender Committee finds that there is some error/omission in scanning & uploading the Technical Cover document by a bidder, the same will be specified on-line under shortfall documents by Evaluator normally within short duration of Technical-bid (Part-I) opening/through an email to the specified email id, indicating the start date and end date giving specific time for on-line submission by bidder. The bidder will get the intimation about this through a standard system generated e-mail and will re-upload the same within specified period. No additional time will be allowed for on-line submission of document.
10. Modification and Withdrawal of Bid: The bidder may modify and resubmit the bid on-line as many times as he/she may wish, only before the deadline of submission of tender.

11. The destination point for delivery of materials will be as follows:

Item Sl. No.	Quantity	Consignee	Destination Point (Place of delivery of materials)
All Items	Full Quantity	Dy. Genl. Manager (Stores) Mishra Dhatu Nigam Limited PO - Kanchanbagh HYDERABAD - 500058, Telangana, INDIA	Dy. Genl. Manager (Stores) Mishra Dhatu Nigam Limited Central Stores PO – Kanchanbagh, HYDERABAD - 500058, Telangana, INDIA

The bidder will be responsible for safe arrival of materials to the destination points as mentioned above. However, the unloading and stacking of materials will be the responsibility of the consignee. The bidders should quote their unit rate on FOR (Free on Road/Rail) destination basis in a specified format containing the breakup of applicable taxes and duties, freight, insurance and other components of the price in absolute value along with the basic price of each item. The L1 bidder will be decided by the system on the basis of landed price inclusive of all taxes and duties as applicable and tax credits for each item. It will be calculated automatically by the system based on the price quoted by the bidders, by summing up the basic rate with other price elements, as given by the bidders on-line. Non submission of any price component by bidder will be taken as 'zero' by the system, the evaluation will be done accordingly and that price element will be assumed to be included in the basic price quoted by the bidder. Bidders are requested to indicate Taxes separately in the BOQ wherever applicable.

12. After evaluation of Techno-commercial bid, all the bidders will get the information regarding status of their eligibility along with the date of Price-bid opening on their personalized dash board and also by system generated e-mail. It will be the bidder's responsibility to check the status of their Bid on-line at least once daily, after the opening of Techno-commercial bid till opening of the Price-bid. No separate communication will be made to the bidder in this regard.
13. The Bidder, who's Bid has been accepted, will be notified of the award on-line and also Purchase Order shall be sent by email/registered/speed post by the employer prior to

expiration of the bid validity period. The L-1 bidder will get the information regarding award of work on their personalized dashboard on-line.

14. Cost of Bidding: The bidder shall bear all costs associated with the preparation and submission of his bid and the Employer will in no case be responsible and liable for those costs.
15. The Bidder, who's Bid has been accepted, will be notified of the award on-line and also by registered post by the employer prior to expiration of the bid validity period. The L-1 bidder will get the information regarding award of work on their personalized dashboard on-line. On receipt of Letter for Acceptance (LOA)/Work Order of the tender issued by the MIDHANI, the successful tenderer shall execute contract agreement in the company's prescribed form for the due fulfillment of the contract. Failure to enter into the required contract within the specified period in the work order shall entail cancellation of LOA/work order and forfeiture of the Earnest Money. The written contract to be entered into between the contractor and the MIDHANI, shall be the foundation of the rights of both the parties and the contract shall not be deemed to be executed until the contract is signed by both the parties i.e. Contractor and the MIDHANI. ***(Applicable for Contracts)***
16. It is the bidder's responsibility to comply with the system requirement i.e. hardware, software and internet connectivity at bidder's premises to access the e-tender website. Under any circumstances, MIDHANI shall not be liable to the bidders for any direct/indirect loss or damages incurred by them arising out of incorrect use of the e-tender system or internet connectivity failures.
17. One Bid per Bidder: Each Bidder shall submit only one Bid, either individually, or as a partner in a partnership firm or a partner in a Joint Venture or a public limited firm. A Bidder who submits or participates in more than one Bid (other than as a subcontractor or in cases of alternatives that have been permitted or requested) will cause all the proposals with the Bidder's participation to be disqualified.



## e- TENDER CUM AUCTION NOTICE

1. Tenders are invited on-line on the website <https://eprocuremidhani.nic.in> from the eligible bidders having Digital Signature Certificate (DSC) issued from any agency authorized by Controller of Certifying Authority (CCA), Govt. of India and which can be traced up to the chain of trust to the Root Certificate of CCA.

<b>Start Date &amp; time of Reverse Action</b>	Information regarding start Date & Time of Reverse Auction shall be sent by system generated e-mail and SMS, but it shall be bidder's responsibility to check the MIDHANI e-Procurement portal after Bid Opening Date & Time to get the latest status / information regarding start Date & Time of Reverse Auction.
<b>Tender-cum-auction:</b>	After opening of bid, the system will show lowest F.O.R. Destination rate. The auction (reverse) shall be created for the tender, after opening of price bid. The auction (reverse) will be available to participant to participate with initial L-1 rate.

**General guidelines and Process Flow for Tender cum Auction:**

General guidelines and Process Flow for Tender cum Auction, if applicable are as under:-

- a) Reverse Auction will be initiated after opening of price bids, as specified by Tender Inviting Authority (TIA) as detailed above.
- b) There will be no participation fees for e-Reverse auction.
- c) Upon opening of the price bids, a reverse auction platform will be created, displaying only the item wise L1 price received.
- d) **L-1 Landed price/cost to the company will be the start bid price for tendered Goods. The BOQ shall be designed taken into consideration Tax Credits as applicable, so that it is reflected in the landed price.**
- e) **The L1 price/start bid price is Landed / cost to the company price on which the auction will be initiated. At the end of reverse auction, the L1 bidder shall have to submit break up of prices conforming to the lowest landed rate quoted by him in the reverse auction.**
- f) The L-1 Bidder after the reverse auction has to upload the breakup of Landed Price in the shortfall document/by email. The detailed breakup of offered landed price uploaded by the bidder shall be considered and order if placed shall be with the same breakup of prices. The L-1 bidder after reverse auction will be responsible to ensure that Landed rate as per the breakup of prices provided by them after the reverse auction & L-1 landed rate offered by them in the reverse auction is exactly same, otherwise it may be treated as withdrawal of offer and it will attract penal action. While giving breakup, the bidder will have to consider the same rate of taxes and duties as quoted while submitting the e-Price bid. In case the L-1 bidder fails to submit the breakup of landed price within 02 days, MIDHANI shall be at liberty to place order on the basis of breakup of the e-price bid submitted by the bidder along with the initial offer and same shall be binding on the bidder.

- g) The decrement value will be @ 1% of the start bid price rounded off to the nearest Rupee. The reduction shall have to be made as per decrement value or in multiple thereof. However, the decrement value may be modified with due approval of competent authority depending upon value of item proposed for tendering.
- h) Initial period of reverse auction will be two hours (Start date & time of auction shall be intimated online after opening of Bid). There will be auto extensions of time every time by ten minutes (or any other time decided to be set which should not be less than ten minutes) in case of any reduction recorded in the last ten minutes. The reverse auction will come to a close only when there is no further reduction recorded in the set time slot.
- i) System protects bid and bidder information till auction gets over and displays current L1 price only to the bidder.
- j) System provides bidder details along with bid documents at the end of reverse auction process.
- k) The log details of the entire reverse auction process will be generated by the system once the process of reverse auction is completed.
- l) If a bidder does not submit their bid in the Reverse Auction, the price quoted by them in the price bid shall be considered as the valid price of that bidder. The status of the bidder (L1, L2 etc.) shall be evaluated considering either the bid price submitted in Reverse auction or the Price quoted in the price bid, whichever is lower.
- m) Since, reverse auction is a sequel to e-tender, the process of finalizing the tender upon completion of reverse auction will be same as the tender process without reverse auction.
- n) MIDHANI will provide the calculation sheet (e.g.: EXCEL sheet) which will help to arrive at "Landed Cost to MIDHANI" by the vendor, like packing & forwarding charges, Taxes and duties, freight charges, Insurance, Service tax for services etc., to enable them to fill-in the price and keep it ready for keying in during the Reverse auction.
- o) The bid history shall reflect only the landed price. The landed price may also not be the same for two bidders even if a bidder makes such an attempt.
- p) Server time shall be the basis of Start time & Closing time for bidding and shall be binding for all. This would be visible to all concerned.
- q) On expiry of the closing of the auction, the bid history showing all the last valid bids offered along with name of the bidders shall be published. All bidders shall have the facility to see and get a print of the same for their record.
- r) All electronic bids submitted during the reverse auction process shall be legally binding on the bidder. The chronologically last bid submitted by the bidder till the end of the auction will be considered as the valid price bid offered by that bidder and acceptance of the same by MIDHANI will form a binding contract between MIDHANI and the bidder for entering into a contract.
- s) Conditional discounts shall not be considered. If a bidder offers a discount unilaterally after submission of bid, the discount shall not be considered except L-1 bidder.

t) If the lowest price received during reverse auction is unreasonable or it is unacceptable on ground of being too high or too low compared with estimated price, the management reserves right to seek justification of the price from lowest bidder. If the price is not considered reasonable or it is decided otherwise, management may not accept such bid and go for another tendering process.

u) In case of disruption of service at the service provider's end while the RAP is online, due to any technical snag or otherwise attributable to the system failure at the server end, the RAP process will start all over again. In such a situation, the last recorded lowest price of prematurely ended RAP, will be the 'Start Bid' price for the restarted RAP. The prices quoted in the prematurely ended RAP will be binding on all the bidders for consideration, if the restarted RAP does not trigger within the stipulated time.

v) Disruption and restarting of RAP shall be intimated to all the bidders through system/SMS/e-mail through e procurement portal. All the time stipulations of normal RAP will be applicable to the restarted RAP.

**MISHRA DHATU NIGAM LIMITED**

PO: Kanchanbagh, Hyderabad

PURCHASE DEPARTMENT

**TENDER OPENING FORM**

Due Date and Time: \_\_\_\_\_

Date &amp; Time of Opening: \_\_\_\_\_

Subject:

Ref: Tender No: \_\_\_\_\_ Date: \_\_\_\_\_

S. No	Name & Address of the Tenderer	Whether recd. In sealed/closed /open condition	No. of Copies received	REMARKS

Signature

COMPARATIVE STATEMENT							
Sl. No	Description of Items	Qty	Unit	Name of the Tenderer (1 USD - _____; 1 EUR - _____)			
				Party 1		Party 2	
				Unit Price	Total Price	Unit Price	Total Price
1							
2							
3							
<b>Total Basic Price</b>							
<b>Assessible Value</b>							
<b>GST (CREDITABLE)</b>							
Any Other Taxes/TDS on Foreign Services							
Total FOR MIDHANI Cost with all Taxes and Duties							
LC Charges/Interest Charges/Any other Loading							
<b>Total Landed Cost (After taking Credits)</b>							
Prepared by				Checked By		Scrutinised by F & A	

## CONSTITUTION OF PRICE NEGOTIATING COMMITTEE

S. NO	Mode of Tender			Composition of PNC
	Open Tender	Limited Tender	Single/Proprietary Tender	
I	For Revenue Items			
1	Above Rs. 200 Lakhs	Above Rs. 100 Lakhs	Above Rs. 30 Lakhs	Chairman – Function Director in-charge of Purchase function Members: GM/AGM/DGM (F & A), GM/AGM (Purchase), GM/AGM (Indentor)
2	Upto Rs. 200 Lakhs above Rs. 30 Lakhs	Upto Rs. 100 Lakhs above Rs. 20 Lakhs	Upto Rs. 30 Lakhs above Rs. 10 Lakhs	Chairman – HOD (Purchase) Members: As above
3	Upto Rs. 30 Lakhs	Upto Rs. 20 Lakhs above Rs. 10 Lakhs	Upto Rs. 10 Lakhs above Rs. 5 Lakhs	Chairman – DGM (Purchase) Members: DGM/Sr. Mgr (F & A), Sr. Manager/Manager (Pur), Sr. Manager/Manager (Indentor)
4	-	Upto Rs. 10 Lakhs	Upto Rs. 05 Lakhs	Chairman – Sr. Manager (Purchase) Members: Sr. Manager/Manager/Dy. Manager (F & A), Manager/Dy. Manager (Pur), Manager/Dy. Manager (Indentor)

**PURCHASE PROPOSAL/PRICE BID OPENING PROPOSAL**

Appendix 10


<b>PR Number</b>		<b>Date</b>	
<b>Requirement in respect of PR</b>			
<b>Service Description</b>			
<b>Estimated Cost (with or without taxes)</b>		Budget Provision (If applicable): RE 18-19	
<b>Basis of Estimate</b>			
<b>Type of Tender</b>			
<b>Mode of Tender</b>			

<b>Tender Enquiry Number</b>		<b>Date</b>	
<b>Number of Tenders received out of qualified bidders</b>	<b>EMD</b>	<b>Integrity Pact</b>	<b>Acceptable</b>
			<b>Remarks</b>
S. No	Bidder Name		
1			
2			
3			
4			
5			

<b>Price Comparison of Successful Bidders</b>			
S. No	Bidder Name	Evaluated Price	Status
1			
2			
3			
4			

<b>Evaluated Price of L-1 Bidder</b>		<b>Total Landed Price</b>
<b>Basic Price for Order Placement</b>		-
<b>Gross Price of L-1 Bidder</b>		<b>Total Price including Taxes</b>
<b>Price Net of all Set-offs (Landed Price) of L-</b>		<b>Total Landed Price</b>
<b>% variation from estimate for L1 Price</b>		
<b>Negotiation recommended</b>		
<b>Negotiation conducted or not</b>		
<b>Evaluated Price post negotiations (if any)</b>		
<b>Gross Price post negotiations (if any)</b>		
<b>Price net of all set-offs (Landed Price) post</b>		
<b>Recommendations of the evaluation</b>		
<b>Delegation of Powers</b>		
<b>Other Remarks/ Specific Justifications (If</b>		

Put up for kind approval please.

 <b>MIDHANI</b> <small>An ISO 9000:2000 Company</small>	<b>MISHRA DHATU NIGAM LIMITED</b> A Government of India Enterprise PO: Kanchanbagh, Hyderabad - 500058, TS, India Phone: 040-24340149,24343861 Fax No: 040-24340764	<b>PURCHASE ORDER</b>  MDN/PUR/PO/ Date:
		<b>GST</b> <b>No:36AABCM6345A1ZU</b> <b>Our Invitation to tender</b> <b>No/GEMC No.:</b> <b>Date:</b>
<b>Supplier's Name &amp; Address</b>		<b>Vendor Code</b>  <b>Your Offer No:</b> <b>Date:</b>
<b>GSTNO :</b> Dear Sirs,  Please arrange to supply the following item(s) subject to the terms and conditions given below/enclosed. _____		

S. No	MATERIAL		Qty	Unit	Rate Per unit (Rs.)	TOTAL VALUE (Rs.)
	ITEM CODE	ITEM DESCRIPTION				
1						
2						
					<b>Total</b>	
<b>Total Amount(in words) :</b>						


<b>Note To Supplier</b>	:	
<b>Price Basis</b>	:	
<b>Taxes and Duties</b>	:	
<b>Total</b>	:	
<b>Delivery Date</b>	:	
<b>Mode of Despatch</b>	:	
<b>Terms of Payment</b>	:	
<b>Insurance</b>	:	
		<b>Yours faithfully</b> <b>for MISHRA DHATU NIGAM LIMITED</b>

Please submit all Original Shipping Documents along with Invoices/Bills to Stores Department without fail.

Material should Conform to the specification in our order. Please send Delivery Challan in Triplicate. Deliveries at our factory should be only at our stores between 9 a.m. to 2 p.m. on working days.

Important : The vendor should indicate the P.O. No. in all their correspondence.



 <b>MISHRA DHATU NIGAM LIMITED</b> A Government of India Enterprise P.O. : Kanchanbagh,Hyderabad-500058,AP,India Phone: +91-40-24340149,24343861 Fax No:+91-40-24340764		<b>PURCHASE ORDER</b>  <b>MDN/PUR/PO/</b> <b>Date:</b>					
<b>Supplier's Name &amp; Address</b>		<b>Vendor Code</b>	<b>Our Invitation to tender No:</b>  <b>Date:</b>				
			<b>Your Offer No.</b> <b>Date:</b>				
Dear Sirs, Please arrange to supply the following item(s) subject to the terms and conditions given below/enclosed.							
SI. No	MATERIAL		Qty	Unit	Currency	Rate Per unit	TOTAL VALUE
	ITEM CODE	Description & Specification					
1							
						<b>Total</b>	
<b>Total Amount(in words) :</b>							

<b>Note To Supplier</b>	:	
<b>Price Basis</b>	:	
<b>Duties &amp; Other Charges</b>	:	
<b>Country of Origin</b>	:	
<b>Shipment Date</b>	:	
<b>Terms of Payment</b>	:	
<b>Mode of Dispatch</b>	:	
<b>Port of Discharge</b>	:	
<b>Port of Loading</b>	:	
<b>Final Place of Delivery</b>	:	
		<b>Yours faithfully</b> <b>for MISHRA DHATU NIGAM LIMITED</b>

Freight Forwarded for Air Consignments under consolidation service whose HAWB is acceptable:

The above price shall remain firm during the Currency of the Order and is not subject to any variation whatsoever. Materials should Confirm to the specification in our order.The Vendor should indicate the P.O.No. in all their correspondence.

ENCL:Terms &Conditions

**PURCHASE DEPARTMENT**

MDN/PUR/PO/\_\_\_\_\_

Date:

Sub: Order No. MDN/PUR/PO/\_\_\_\_\_ Dt. \_\_\_\_\_ placed on

M/s \_\_\_\_\_

for \_\_\_\_\_

1. Scheduled Delivery Date as per Order :
2. Actual date of completion :
3. Total Period of Delay (in Weeks) :

Please offer your comments whether there are any production losses on account of delay in Supplies/Services and Liquidated Damages needs to be levied or not.

Also, confirm, if there is any delay attributable to MIDHANI with necessary documents available.

Purchase Officer

To

**Remarks of Indentor**

**Chose any one of the below options:**

1. No Poduction loss on account of delayed supplies/services and no "Liquidated Damages" needs to be levied.
2. Production suffered and "Liquidated damages" to be levied

Delay attributable to MIDHANI: \_\_\_\_\_ (Reasons to be recorded)

Signature (Indenting Officer)

Reporting Officer

To

Purchase Department

BANK GUARANTEE FOR EARNEST MONEY DEPOSIT

1. WHEREAS MISHRA DHATU NIGAM LIMITED (A GOVERNMENT OF INDIA ENTERPRISE) PO KANCHANBAGH, HYDERABAD (hereinafter referred as “ The Owner / Company” which expression shall unless repugnant to the subject or context includes its legal representatives, successors and assigns) has issued tender paper vide its Tender No: \_\_\_\_\_ for supply of \_\_\_\_\_ (herein after called “the said tender”) to M/s. \_\_\_\_\_ (herein after called “the said Tenderer(s)” which expression shall unless repugnant to the subject or context includes their legal representatives, successors and assigns) and as per terms and conditions of the said tender, the tenderer shall submit a Bank Guarantee for Rs./USD \_\_\_\_\_ towards earnest money in lieu of cash.
2. WE (Bank Name and Address) (herein after called the bank) do hereby undertake to pay the amount due and payable under this Guarantee without any demur merely on a demand from the company stating that in the opinion of the company, which is final and binding, the amount claimed is due because of any withdrawal of the tender or any material alteration to the tender after the opening of the tender by way of any loss or damage caused or would be caused or suffered by the company by reason of any breach by the said tenderer(s) of any of the terms and conditions contained in the said tender or failure to accept the Letter of Intent / Agreement or that the amount covered under this Guarantee is forfeited. Any such demand made on the bank by the owner shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs./USD \_\_\_\_\_.
3. We undertake to pay to the Company any money so demanded notwithstanding any dispute or disputes raised by the tenderer(s) in any suit or proceeding pending before any office, court or tribunal relating thereto, our liability under this present guarantee being absolute and unequivocal. The payment so made by us under this bond shall be a valid discharge of our liability for payment thereunder. Our liability to pay is not dependant or conditional on the owner proceeding against the tenderer.

4. The guarantee herein contained shall not be determined or affected or suspended by the liquidation or winding up, dissolution or change of constitution or insolvency of the said tenderer(s) but shall in all respect and for all purposes be binding and operative until payment of all money due or liabilities under the said tender are fulfilled.
5. WE (Bank Name and Address) further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the finalization of the said tender and that it shall continue to be enforceable till the said tender is finally decided and order placed on the successful tenderer(s) and /or till all the dues of the company under/or by virtue of the said tender have been fully paid and its claims satisfied or discharged or till a duly authorized officer of the company certifies that the terms and conditions of the said tender have been fully and properly carried out by the said tender(s) or till date: \_\_\_\_\_ whichever is earlier and accordingly discharges the guarantee.
6. That the Owner/Company will have full liberty without reference to us and without affecting this guarantee to postpone for any time or from time to time, the exercise of any of the power of the owner under the tender.
7. We (Bank Name and Address), lastly undertake not to revoke this guarantee during its currency except with the previous consent of the company in writing. We further undertake to keep this Guarantee renewed from time to time on the request of the Tenderer(s).
8. Notwithstanding anything contained herein before, our liability shall not exceed Rs./USD \_\_\_\_\_ towards earnest money in lieu of cash and shall remain in force till (date). Unless a demand or claim under this Guarantee is made on us within three months from the date of expiry i.e., \_\_\_\_\_ we shall be discharged from all the liabilities under this guarantee  
Date: \_\_\_\_\_ (Bank Name and Address)

Signature of duly  
Authorized person  
On behalf of the Bank  
With seal & signature code

**FORM OF BANK GUARANTEE IN LIEU OF SECURITY DEPOSIT**

1. This deed of guarantee executed on .....day of ..... by  
.....

(Name and Address of the Bank)

the Bank hereinafter called Bank (which term shall mean and include its successors and assigns wherever the context so admits) in favour of M/s. MISHRA DHATU NIGAM LIMITED., a government of India Enterprise incorporated and registered as a company under the Companies Act, 1956, having its registered office at P.O. Kanchanbagh, Hyderabad – 500 058, state of A.P. India, herein after referred to as the “purchaser” (which terms shall mean and include its successors in office and assigns).

2. In consideration of M/s. Mishra Dhatu Nigam Limited (Purchaser) having agreed to exempt ..... hereinafter called the said Contractor(s) (which term shall mean and include its successors assigns and legal representatives) from the demand under the terms and conditions of Purchase / Work Order No. .... dated ..... for .....(hereinafter called the said agreement) of Earnest Money / Security Deposit/ Defect Liability deposit for the due fulfilment by the said Contractor(s) of the terms and conditions contained in the said agreement on production of a bank guarantee for Rs.....(Rupees..... only), we ..... (name of the bank, address) (hereinafter referred to as “The Bank”) at the request of ..... Contractor(s) do hereby undertake to pay Purchaser an amount not exceeding Rs ..... against any losses or damage caused to or suffered or would be caused to or suffered Purchaser by reason of any breach by the said Contractor(s) of any of the terms and conditions contained in the said agreement.

3. We ..... (Bank) do hereby unconditionally and irrevocably agree and undertake to pay to Purchaser the amounts due and payable under this Guarantee without any demur, merely on a demand from Purchaser stating that the amount claimed is due by way of loss or damage caused to or would be caused to on suffered by Purchaser by reason of breach by the said agreement or by reason of the contractor(s) failure to perform the said agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs .....

4. We undertake to pay Purchaser and money so demanded notwithstanding any dispute or disputes by the contractor(s) / supplier(s) in any suit or proceedings pending before any court of tribunal relating thereto, our liability under this present being absolute and unequivocal. The payment so made by us under this Guarantee shall be valid discharge of our liability for payment thereunder and the contractor(s) shall have not claim against us for making such payment.

5. We ..... (Bank) further agree that the guarantee herein contained shall remain in full force and affect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of Purchase under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharges or till Purchaser certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said contractor(s) and accordingly discharges this guarantee. Provided that if Purchaser together with the Contractor seeks an extension of terms of the Guarantee, such extension shall be granted by the Bank and the guarantee shall be in full force till the expiry of such extended period.
6. We ..... (Bank) further agree with Purchaser that Purchaser shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by purchaser against the said Contractor(s) and to forebear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation of extension being granted to the said contractor(s) or for any forbearance, act or omission on the part of Purchaser or any indulgence by Purchaser to the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would but for this provisions, have effect of so relieving us.
7. It shall not be necessary for Purchaser to proceed against the contractor before proceeding against the Bank and the guarantee herein contained shall be enforceable against the Bank notwithstanding any security which Purchaser may have obtained or obtains from the contractor.
8. This guarantee shall not be discharged due to the change in the constitution of the Bank or the contractor(s).
9. We ..... (Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of Purchase in writing.
10. Our liability is limited to a sum not exceeding Rs ..... unless a claim is made on us in writing on or before ..... (3 months beyond the date of delivery / completion as specified in the contract) we shall be discharged from liability under this guarantee.

In witness whereof these presents are executed at ..... on the date, month and year first herein above written.

FOR AND ON BEHALF OF THE BANK WITHIN NAMED

BANK GUARANTEE TOWARDS PERFORMANCE BANK GUARANTEE

This Deed of Guarantee executed on..... Day of..... by..... Bank. .... hereinafter called the "Guarantor" (which term shall mean and include its successors, assigns and legal representatives, where the context so admits) in favour of M/s. MISHRA DHATU NIGAM LIMITED, a Government of India Enterprise incorporated and registered as a Company under the Companies Act, 1956, having its registered office at P.O. Kanchanbagh, Hyderabad - 500 058, State of A.P. INDIA, hereinafter referred to as the "Purchaser", (which term shall mean and include its successors and assigns).

WHEREAS the Purchase Order No: MDN/PUR/..... (*Indicate both the order Numbers*) Dated..... has been entered into between the Purchaser and M/s..... a company incorporated and registered under the Laws of ..... by which the company is permitted to manufacture and sell certain products, and having its registered office situated at ..... hereinafter referred to as the SUPPLIER (which term shall mean and include its successors, assigns and legal representatives) for the supply of ..... (*Indicate the list of Items which are replaced/repared*) as fully described in the aforesaid Purchase Order.

AND WHEREAS it has been agreed under the terms and conditions of the aforesaid Purchase Order that the Purchaser shall make balance payment to the Supplier of .....(amount) in words (.....) representing **10%** of the total value of the repaired and replaced parts in the Purchase Orders on final acceptance of the ..... and on furnishing a Guarantee from a Bank acceptable to the Purchaser by the Supplier towards satisfactory performance of the ..... supplied.

AND WHEREAS the Guarantor has, as per the terms and conditions of the aforesaid Purchase Order, agreed to stand guarantee for the amount of ten per cent of the balance payment in favour of the Supplier and the Guarantor is acceptable to the Purchaser.

NOW THIS DEED witnesses that, in pursuance of the terms and conditions of the aforesaid Purchase Order and in consideration of the payment of ..... representing **10%** of the total value of the repaired and replaced parts in the Purchase Orders agreed to be made to the Supplier by the Purchaser, the Guarantor do hereby agree and undertake to indemnify the Purchaser and keep the purchaser indemnified to the extent of a sum not exceeding the said sum of ..... (Amount) ( In Words .....) against any damage or loss that may be suffered by the Purchaser by reason of non-fulfillment of or breach any of the terms and conditions of the Purchase Order by the supplier, and the guarantor hereby undertaken to pay on demand and without any demur to the purchaser any sum unconditionally and irrevocably not exceeding the sum of ..... (Amount) (In Words ..... as may be demanded by the Purchaser's General Manager (Commercial) or Representative of the purchaser as the damages or loss that the purchaser may have suffered by reasons of non-fulfillment of any of the terms and conditions of the Purchase Order by the Supplier, and Guarantor hereby covenants with the Purchaser as follows:

1. That the decision of the General Manager (Commercial) or Representative of the Purchaser as to whether the said installation under the Purchase Order gives satisfactory performance or not and as to the amount of damages suffered by the Purchaser on account of the unsatisfactory performance of the said installation under the Purchase Order shall be conclusive, final and binding on the Bank.
2. That the Guarantee herein contained shall remain in full force and effect till the Purchaser certifies in writing that the terms and conditions of the said Purchase Order have been fully and properly carried out by the said Supplier and accordingly discharges the Guarantee. Unless a demand for claim under this Guarantee is made on the Bank in writing on or before ....., the Bank shall be discharged from all liabilities under this Guarantee thereafter, provided that if the Purchaser, together with the Supplier, seeks an extension of the term of the Guarantee, such extension shall be granted by the Bank and the Guarantee shall be in full force and effect till the expiry of such extended period.
3. That the Purchaser shall have the fullest liberty, without affecting in any way the liability of the Bank under this Guarantee or Indemnity, from time to time to vary any of the terms and conditions of the said Purchase Order or to extend its performance by the said Supplier as provided or to postpone, for any time and from time to time, any of the powers exercisable by it against the said Supplier and either to enforce or forbear from enforcing any of the terms and conditions governing the said Purchase Order, and the said Bank shall not be released from its liability under these presents by any exercise by the Purchaser of the liberty with reference to matters aforesaid or by reason of time being given to the said Supplier or any other forbearance, act or omission on the part of the Purchaser or any indulgence by the Purchaser to the said Supplier or of any other matter or thing whatsoever which, under the law relating to sureties, would, but for this provision, have the effect of so releasing the Bank from its liability.
4. It shall not be necessary for the Purchaser to proceed against the Supplier before proceeding against the Bank and the Guarantee herein contained shall be enforceable against the Bank notwithstanding any security which the Purchaser may have obtained or obtain from the Supplier.
5. The Bank lastly undertakes not to revoke this Guarantee during its currency, except with the previous consent of the Purchaser in writing, and agrees that any change in the constitution of the said Supplier or the said Bank shall not discharge the Bank's liability hereunder.

In witness whereof these presents are executed at ..... the date, month and year, first herein above written.

FOR & ON BEHALF OF THE BANK WITHIN NAMED



**BANK GUARANTEE TO SECURE THE INITIAL ADVANCE PAYMENT**

1. This deed of guarantee executed on .....day of .....  
by.....  
(Name and Address of the Bank)  
the Bank hereinafter called Bank (which term shall mean and include its successors and assigns wherever the context so admits) in favour of M/s. MISHRA DHATU NIGAM LIMITED., a government of India Enterprise incorporated and registered as a company under the Companies Act, 1956, having its registered office at P.O. Kanchanbagh, Hyderabad – 500 058, state of A.P. India, herein after referred to as the “purchaser” (which terms shall mean and include its successors in office and assigns).
2. In consideration of M/s. Mishra Dhatu Nigam Limited (Purchaser) agreeing to make an advance payment of Rs ..... representing ..... % of the total contract value along with the 14% interest per annum as per the terms and conditions of the Purchase / Works Order No. .... dated ..... (hereinafter called the Agreement) to ..... hereinafter called the said Contractor(s) (which term shall mean and include its successors assigns and legal representatives) on production of a bank guarantee for Rs .....(Rupees..... only), we ..... (name of the bank, address) (Hereinafter referred to as “The Bank”) at the request of ..... Contractor(s) do hereby undertake to pay Purchaser an amount not exceeding Rs ..... against any losses or damage caused to or suffered or would be caused to or suffered Purchaser by reason of any breach by the said Contractor(s) of any of the terms and conditions contained in the said agreement.
3. We ..... (Bank) do hereby unconditionally and irrevocably agree and undertake to pay to Purchaser the amounts due and payable under this Guarantee without any demur, merely on a demand from Purchaser stating that the amount claimed is due by way of loss or damage caused to or would be caused to on suffered by Purchaser by reason of breach by the said agreement or by reason of the contractor(s) failure to perform the said agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs .....
4. We undertake to pay Purchaser and money so demanded notwithstanding any dispute or disputes by the contractor(s) / supplier(s) in any suit or proceedings pending before any court of tribunal relating thereto, our liability under this present being absolute and unequivocal. The payment so made by us under this Guarantee shall be valid discharge of our liability for payment thereunder and the contractor(s) shall have not claim against us for making such payment.

5. We ..... (Bank) further agree that the guarantee herein contained shall remain in full force and affect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of Purchase under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharges or till Purchaser certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said contractor(s) and accordingly discharges this guarantee. Provided that if Purchaser together with the Contractor seeks an extension of terms of the Guarantee, such extension shall be granted by the Bank and the guarantee shall be in full force till the expiry of such extended period.
6. We ..... (Bank) further agree with Purchaser that Purchaser shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by purchaser against the said Contractor(s) and to forebear or enforce any of the terms and conditions relating to the said agreement and we shall not be relieved from our liability by reason of any such variation of extension being granted to the said contractor(s) or for any forbearance, act or omission on the part of Purchaser or any indulgence by Purchaser to the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would but for this provisions, have effect of so relieving us.
7. It shall not be necessary for Purchaser to proceed against the contractor before proceeding against the Bank and the guarantee herein contained shall be enforceable against the Bank notwithstanding any security which Purchaser may have obtained or obtains from the contractor.
8. This guarantee shall not be discharged due to the change in the constitution of the Bank or the contractor(s).
9. We ..... (Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of Purchase in writing.
10. Our liability is limited to a sum not exceeding Rs ..... unless a claim is made on us in writing on or before ..... (3 months beyond the date of delivery / completion as specified in the contract) we shall be discharged from liability under this guarantee.

In witness whereof these presents are executed at,..... on the date, month and year first herein above written.

FOR AND ON BEHALF OF THE BANK WITHIN NAMED

**UNDERTAKING (to be submitted by the Bidder along with Integrity Pact)**

**Date:**

To  
PURCHASE DEPARTMENT,  
MISHAR DHATU NIGAM LIMITED,  
KANCHANBAGH, HYDERABAD – 58.

Sub: Procurement of (Item description)

Ref: Tender no.& date: -\*-

1. We (The Bidder / Contractor) confirm acceptance and compliance with the Integrity Pact in letter and spirit.
2. We (The Bidder / Contractor) confirm that the Integrity Pact is signed without any variation (or) modification.
3. We (The Bidder / Contractor) agree that Integrity Pact is deemed as part of NIT / Contract and we are bound by its provisions for the entire Pact duration as per Section. 9 of the enclosed Integrity Pact format.
4. In case, if we (The Bidder / Contractor) fails to honour the above conditions, MIDHANI shall have absolute right to take action as per Section. 3 of the enclosed Integrity Pact format.

Yours faithfully,

(BIDDER)

## INTEGRITY PACT

Between

**Mishra Dhatu Nigam Limited (MIDHANI)** hereinafter referred to as **“The Principal”**,  
and

..... hereinafter referred to as **“The Bidder/ Contractor”**

### Preamble

The Principal intends to award, under laid down organizational procedures, contract/s for.....The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of resources and of fairness / transparency in its relations with its Bidder(s) and / or Contractor(s).

In order to achieve these goals, the Principal will appoint Independent External Monitors (IEMs) who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

### **Section 1 – Commitments of the Principal**

- (1) The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
  - a. No employee of the Principal, personally or through family members, will in connection with the tender for , or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
  - b. The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential / additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
  - c. The Principal will exclude from the process all known prejudiced persons.
- (2) If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.

### **Section 2 – Commitments of the Bidder(s)/ Contractor(s)**

- (1) The Bidder(s)/ Contractor(s) commit themselves to take all measures necessary to prevent corruption. The Bidder(s)/ Contractor(s) commit themselves to observe the following principles during participation in the tender process and during the contract execution.
  - a. The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal’s employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

- b. The Bidder(s)/ Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
  - c. The Bidder(s)/ Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
  - d. The Bidder(s)/Contractors(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractors(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further details as mentioned in the “Guidelines on Indian Agents of Foreign Suppliers” shall be disclosed by the Bidder(s)/Contractor(s). Further, as mentioned in the Guidelines all the payments made to the Indian agent/representative have to be in Indian Rupees only. Copy of the “Guidelines on Indian Agents of Foreign Suppliers” is placed at page No.5.
  - e. The Bidder(s)/ Contractor(s) will, when presenting their bid, disclose any and all payments made, are committed to or intend to make to agents, brokers or any other intermediaries in connection with the award of the contract.
  - f. Bidder(s) /Contractor(s) who have signed the Integrity Pact shall not approach the Courts while representing the matter to IEMs and shall wait for their decision in the matter.
- (2) The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

### **Section 3 - Disqualification from tender process and exclusion from future contracts**

If the Bidder(s)/Contractor(s), before award or during execution has committed a transgression through a violation of Section 2, above or in any other form such as to put their reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or take action as per the procedure mentioned in the “Purchase policy MIDHANI.

### **Section 4 – Compensation for Damages**

- (1) If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/ Bid Security.
- (2) If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

### **Section 5 – Previous transgression**

- (1) The Bidder declares that no previous transgressions occurred in the last three years with any other Company in any country conforming to the anti-corruption approach or with any Public Sector Enterprise in India that could justify his exclusion from the tender process.
- (2) If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or action can be taken as per the procedure mentioned in “Purchase policy MIDHANI”.

## **Section 6 – Equal treatment of all Bidders / Contractors / Subcontractors**

- (1) In case of Sub-contracting, the Principal Contractor shall take the responsibility of the adoption of Integrity Pact by the Sub-contractor. In case of subcontract (only when the contract provide for sub contracting) the clause is applicable.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
- (3) The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

## **Section 7 – Criminal charges against violating Bidder(s) / Contractor(s) / Subcontractor(s)**

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

## **Section 8 – Independent External Monitor**

- (1) The Principal appoints competent and credible Independent External Monitor for this Pact after approval by Central Vigilance Commission. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.
- (2) The Monitor is not subject to instructions by the representatives of the parties and performs his/her functions neutrally and independently. The Monitor would have access to all Contract documents, whenever required. It will be obligatory for him / her to treat the information and documents of the Bidders/Contractors as confidential. He/ she reports to the C&MD MIDHANI.
- (3) The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all Project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his/her request and demonstration of a valid interest, unrestricted and unconditional access to their project documentation. The same is applicable to Sub-contractors.
- (4) The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s)/ Sub-contractor(s) with confidentiality. The Monitor has also signed declarations on 'Non-Disclosure of Confidential Information' and of 'Absence of Conflict of Interest'. In case of any conflict of interest arising at a later date, the IEM shall inform C&MD MIDHANI and recuse himself / herself from that case.
- (5) The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- (6) As soon as the Monitor notices, or believes to notice, a violation of this agreement, he/she will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

- (7) The Monitor will submit a written report to the C&MD MIDHANI within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
- (8) If the Monitor has reported to the C&MD MIDHANI, a substantiated suspicion of an offence under relevant IPC/ PC Act, and the C&MD MIDHANI has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.
- (9) The word '**Monitor**' would include both singular and plural.

**Section 9 – Pact Duration**

This Pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.

If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified above, unless it is discharged / determined by C&MD MIDHANI.

**Section 10 – Other provisions**

- (1) This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal, i.e. Hyderabad.
- (2) Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- (3) If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- (4) Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- (5) Issues like Warranty / Guarantee etc. shall be outside the purview of IEMs.

\_\_\_\_\_  
(For & On behalf of the Principal)

\_\_\_\_\_  
(For & On behalf of Bidder/ Contractor)

(Office Seal)

(Office Seal)

Place -----

Date -----

Witness 1:

(Name & Address) \_\_\_\_\_

Witness 2:

(Name & Address) \_\_\_\_\_

\_\_\_\_\_

## GUIDELINES FOR INDIAN AGENTS OF FOREIGN SUPPLIERS

- 1.0 There shall be compulsory registration of agents for all Global (Open) Tender and Limited Tender. An agent who is not registered with MIDHANI shall apply for registration in the registration form .
- 1.1 Registered agents will file an authenticated Photostat copy duly attested by a Notary Public/Original certificate of the principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission/ remuneration/ salary/ retainer ship being paid by the principal to the agent before the placement of order by MIDHANI.
- 1.2 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representatives working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order.
- 2.0 **Disclosure of particulars of agents/ representatives in India, if any.**
- 2.1 Tenderers of Foreign nationality shall furnish the following details in their offers:
  - 2.1.1 The Bidder(s)/ Contractor(s) of foreign origin shall disclose the name and address of the agents/ representatives in India if any and the extent of authorization and authority given to commit the Principals. In case the agent/ representative be a foreign Company, it shall be confirmed whether it is existing Company and details of the same shall be furnished.
  - 2.1.2 The amount of commission/ remuneration included in the quoted price(s) for such agents/ representatives in India.
  - 2.1.3 Confirmation of the Tenderer that the commission/ remuneration, if any, payable to his agents/ representatives in India, may be paid by MIDHANI in Indian Rupees only.
- 2.2 Tenderers of Indian Nationality shall furnish the following details in their offers:
  - 2.2.1 The name and address of the foreign principals, if any, indicating their nationality as well as their status, i.e. whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/ representatives.
  - 2.2.2 The amount of commission/ remuneration included in the price (s) quoted by the Tenderer for himself.
  - 2.2.3 Confirmation of the foreign principals of the Tenderer that the commission/ remuneration, if any, reserved for the Tenderer in the quoted price(s), may be paid by MIDHANI in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items.
- 2.3 In either case, in the event of contract materializing, the terms of payment will provide for payment of the commission/ remuneration, if any payable to the agents/ representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.
- 2.4 Failure to furnish correct and detailed information as called for in paragraph 2.0 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by MIDHANI. Besides this there would be a penalty of banning business dealings with MIDHANI or damage or payment of a named sum.

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**Checkpoints for Indents (To be checked by Purchase Department)**

1. Indent No. & Date (To ensure in Central Purchase Indent register)
2. Name of the Department
3. Nature of the Indent: Express/Normal
4. Description of Services, UOM & Quantity are clear
5. Mode of Tender
6. Justification for Procurement
7. Last Purchase Order Details (Purchase Order No. & Date, Supplier Name)
8. Approval of Competent Authority as per D. O. P & comments (if any) while approving the indent in hierarchy.
9. All Annexures mentioned i.e., specifications/scope of work, drawings (if any), suggested sources with addresses (if any) are enclosed to the Indent.
10. Delivery Schedule
11. Whether item to be procured by placing a repeat order.
12. Justification for raising the Indents on Single/Proprietary tender basis.
13. Proprietary Article Certificate is enclosed for Proprietary Tender.
14. Whether checklist for raising PR is enclosed.

**Checkpoints for preparation of Tender enquiry (To be checked by Purchase Department)**

1. Check the approval of competent authority (comments if any) before issuing the tender.
2. Check whether the tender is to be issued under single bid system/two-bid system (Upto Rs. 10 Lakhs – Single Bid; above Rs. 10 Lakhs – Two Bid)
3. Ensure that standard formats (terms & conditions) are used in issue of tender enquiry
4. Specifications/Scope of Work and Drawings are enclosed to tender document.
5. Time and Date of receipt of tenders are indicated.
6. Time has been allowed to the tenderers to submit their quotations as per Purchase Policy & Procedures.
7. Description of Stores including specification, drawings and delivery schedule are indicated in tender document (wherever necessary).
8. Ensure that the tender is signed for & on behalf of Purchaser before floating.
9. Warranty/Guarantee Clause, suitable Payment terms, acceptance criteria & make are indicated in the tender document (where it is necessary).
10. Splitting of Order quantities among the tenderers are indicated in the tender document.
11. Count the parties to whom we are sending the enquiry and check with list of parties enclosed with Indent.
12. Whether Integrity Pact is part of the tender document.

**TO BE TYPED ON Rs. 100/- NON JUDICIAL STAMP PAPER**

**INDEMNITY BOND**

This deed of Indemnity Bond made on the ..... day of ..... between M/S. MISHRA DHATU NIGAM LIMITED, A Government Company incorporated and registered under the Companies Act, 1956 with its registered office at Kanchanbagh, Hyderabad – 500058 (AP) (hereinafter called the purchaser) which expression shall include its successors and assign of the first part.

**AND**

M/s. .... having its Registered office at ..... (hereinafter called the supplier) which expression shall include its successors, permitted assigns and legal representatives where the context so admits of the second part.

WHEREAS the purchaser has placed a purchase order No: ..... Dated ..... on the Contractor for ..... as per spec. & scope of work with the purchaser's material and as per the terms and conditions enumerated in the said Purchase Order.

Contd..2/P

:2:

AND WHEREAS in consideration of the letter, the Contractor has agreed to execute the Indemnity Bond for Rs. ....../- ( Rupees .....only.) for the safe custody of the material delivered by the Purchaser to the Contractor for ..... as per spec. & scope of work are delivered to the purchaser and as herein after appearing.

NOW THIS deed witness that in pursuance of the said agreement and in the premises the contractor agreed to Indemnify the purchaser for Rs. ....../- ( Rupees .....only.). The Contractor at all times to hold himself liable for all the damages losses due to pilferage, fire or negligence on the part of the contractor's employees or from whatever cause with all the losses, interest charges and expenses incurred by the said purchaser on account of the cost of the said material issued free to the Contractor and it is term of said Letter and this deed of Indemnity that the said material issued free to the Contractor for

..... as per the scope shall be deemed to be the property of purchaser and it is hereby agreed that the contractor shall not part with or delivery possession of the said material to any other party or person save in compliance with or in the performance of the contractor in respect of the which this Indemnity has been executed, the Supplier having undertaken to deliver the said material in terms of the said Contract. This bond and the thrust hereby created shall remain valid and binding on the contractor till such time as the order has been fully and finally executed and the supplier has delivered the finished goods as per the terms of Order.

**IN WITNESS WHERE OF M/S.** ..... having its factory at .....have caused their company's seal to be affixed here into the day and year first above written.

SIGNATURE OF THE FIRM

In the presence of:

- 1.
- 2.

**Checkpoints to be enclosed along with PR (By Indenting Department)**

1. Last Purchase Order Details (Purchase Order No. & Date, Supplier Name)
2. Justification for Procurement
3. Specifications (if any)
4. Drawings (if any)
5. Delivery Schedule/Lead Time
6. Proprietary Article Certificate is enclosed for Proprietary Tender (if any)
7. Acceptance Criteria
8. Pre Dispatch Inspection Clause (if any)
9. Warranty/Guarantee clause (if any)
10. Suggested sources with addresses and Contact details (if any)
11. Name of the last supplier included in the suggested list (if not, justification)
12. Nature of Indent (Express/Normal)

## OUT SOURCING AND VENDOR DEVELOPMENT POLICY OF MIDHANI

### PREAMBLE:

#### OUTSOURCING:

Out sourcing is defined as the act of sourcing goods and services that go into the production of various products.

Out sourcing will add to capacity enhancement, attain cost effectiveness and improve competitiveness in the market. It will enable in building technological and manufacturing capability inside the country, through a well knit and competent vendor base. Outsourcing will be done in respect of non-core and non-strategic operations/items.

#### VENDOR DEVELOPMENT:

Continuous efforts shall be made for developing alternate potential sources. The objective is to develop more than one source to reduce our dependence on single source with connected risks, besides to get the items at competitive prices. New vendors interested in registering with MIDHANI shall fill the online vendor registration form available on MIDHANI website and has to send all the requisite documents along with application form to Purchase Department MIDHANI. Standard operating procedure for new vendor registration is placed at Annexure -I

Purchase Department shall,

- I. Organize vendor meets to invite new vendors to register.
- II. Advertise products for which vendors are required, in News papers & hosting details in website.

#### Development orders:

- i. The total quantity to be ordered on development basis shall be determined and approved at the time of issue of limited tender enquiry.
- ii. After evaluation / negotiation of Techno commercial bids, Technically suitable parties will be selected for placement of development order.
- iii. The price bids of technically suitable parties shall be opened and evaluated. The evaluated prices of the parties will be ranked as DL1, DL2, DL3..... where DL1 is the lowest evaluated price.
- iv. If the evaluated DL1 price is less than or equal to the established L1 rate (received against regular tender enquiry for the same item), then the development order for the approved quantity will be placed.
- v. In case development order is to be distributed among more than one party, the other parties will be asked to match their prices with DL1 and then the quantity will be distributed among parties. This condition will be specified upfront in tender document.
- vi. If DL1 price is more than the established L1 rate, the parties who accept L1 rate will be

considered for placement of development orders. In order of preference DL1 party will be given preference and so on.

#### **OUT SOURCING AND VENDOR DEVELOPMENT:**

Items to be outsourced are classified in four categories.

**Category I:** These items are low in cost, generic in nature and less technology intensive e.g. bearings, grinding wheels, lubricants, cables, electrical and mechanical spares etc. These items are made to stock items and manufactured by the vendors. These items shall be identified and grouped into different categories. This list shall be made available in public domain in MIDHANI website and information shall be published through advertisement periodically. Vendors pertaining to these items shall apply for vendor registration through online application form available in MIDHANI website. After receipt of application along with application fee and required documents, it will be evaluated on techno-commercial parameter by Vendor Registration committee (VRC). Vendors approved through VRC shall be added to approved list of Vendors. These category of items shall be procured through limited tender from list of suppliers available at MIDHANI or through advertised tender.

For the items in this category, MIDHANI shall take up few items periodically based on repeated requirement and long term contract or MOU with price variation clause shall be explored. MIDHANI shall publish expression of interest (EOI) in national news papers and also in MIDHANI website with projected requirement of items. Items identified for the long term contracts are Copper cathode, M. S. Billet, Lubricants oil, grinding wheels, welding electrodes, cutting blades, bearings, Cables, spares, lighting and fittings etc.

**Category II:** Category of items that are manufactured by MIDHANI and need a special manufacturing process. These items are mainly pertaining to off loading such as machining, grinding, conversion jobs etc, in-house job contracts, maintenance contracts etc. List of various job works and contracts shall be made available in public domain in MIDHANI website. Vendors pertaining to these items shall apply for vendor registration through online application form available in MIDHANI website. After receipt of application along with application fee and required documents, site inspection of the off loading vendors shall be done to ascertain their capability. A team nominated by Vendor Registration committee (VRC) shall be deputed for such inspection. Vendors shall be added to approved list of Vendors based on recommendations of the inspection team and evaluation of techno-commercial parameter

through Vendor Registration committee (VRC). The necessary technical assistance like manufacturing drawings, 3D model, process documentation, quality process etc. shall be shared with these vendors for learning and operational acquaintance. Manufacturing facility shall be made available for in-house job contract. These vendors shall be provided with test & inspection facilities, engineering drawing and process knowledge if required.

For the items in this category, MIDHANI shall explore the possibility of entering into the MOU with existing vendors for regular requirement. Capability of registered vendors shall be reassessed by Vendor Registration committee (VRC). Items identified are Machining Operations, Conversion operations, Grinding operations, Sand blasting and polishing, Maintenance contracts, In house job contracts, Civil maintenance contract, Transportation contract etc.

**Category III:** These items are not so technological intensive but imported by MIDHANI. Such items shall be identified and a list shall be published in MIDHANI website under 'Make in India Initiative'. These items shall be assigned to Indian vendors for indigenous development. After receipt of request from vendor for taking indigenous development of items mentioned in the list published in 'Make In India" page of MIDHANI website, a committee shall be formed with approval of C&MD for assessing the technical and financial capability of vendor. The said committee shall visit the manufacturing unit of vendor and do the capability assessment. Committee shall submit a report to C&MD and upon recommendation of committee, necessary technological assistance and capital investment can be provided to vendor after taking approval of C&MD / Board. MIDHANI may place the trial order on the vendor. After successful development of item, if the requirement is regular in nature, a long term agreement shall be made with the vendor for procurement of the said item after analyzing the economical feasibility.

For the items in this category, MIDHANI shall set up a display centre in MIDHANI premises. Items in this category with their specification or chemical composition shall be displayed in the Display centers for the vendors. Periodic advertisement shall be published in national news papers inviting vendors to visit the display centre. Price preference for Indian manufacturer shall be given, if landed cost comes in the margin of 15% with L1 foreign party. The order will be placed on Indian manufacturer provided it matches L1 rate. Purchase order for 60% quantity shall be placed on L1 foreign vendor and 40% quantity shall be placed on Indian manufacturer in such scenario.



**Category IV:** These items are technology sensitive, strategic and complex in manufacturing. These items require specific vendor development and even vertical integration. Technology providers also need to be identified in these cases. Collaboration with foreign OEM, Design agencies in India, focused in-house R & D effort are the ways to acquire technology. If the technology has off shoot of larger orders, MIDHANI shall establish Joint venture with private vendors, acquisition of indigenous or foreign firms and forming of consortium among DPSUs and vendors etc shall be done based on SoP / Guidelines issued by MoD / Government of India from time to time. A committee shall be formed with approval of C&MD to list out the items and to identify the vendors suitable for manufacturing of these items. Vendors suitable for absorbing such technology shall be identified based on the market survey while considering the existing registered vendors for MIDHANI. Such selection would consider all aspects of the vendor such as Technical strength, Experience in relevant area of technology, financial soundness, experience and qualifications of the key persons, existing customer base, risks involved etc. In case of Joint Venture, a consultant capable to prepare a business proposal may be engaged. In other cases where vendor partnering may require large financial investment, MIDHANI shall support the vendor in establishing the manufacturing facility and / or inspection facility and / or support engineering efforts and / or financial support. In all these cases, hand holding by MIDHANI will be ensured to achieve the objectives of Organization.

For the items in this category, a committee consisting of directors shall decide for the investment in the projects. Projects identified by MIDHANI are Aluminium project, Tungsten project, Production of Metal & Alloy Powder, Carbon fiber, Wire Rod Mill etc.

**Standard Operating Procedure for New vendor registration**

- 1) Purchase department will receive physical copies of all the new applications filled online or offline for vendor registration.
- 2) Concerned officer of purchase department will prima-facie check the submitted documents with each applications. If necessary supporting documents are not found enclosed then he will do necessary correspondence with vendors. A specified time-frame of 15 days time will be given to vendors to respond and submit the document.
- 3) Purchase department will segregate all the applications and send it to the members of vendor registration committee based on nature of items the supplier is dealing.
- 4) Committee member will verify the applications and specify the items for which the supplier is to be registered with MIDHANI.
- 5) Committee will decide for site inspection of the vendors (if required) to ascertain it's capability. In case site inspection is involved, representative from Purchase, QC and production area will be deputed for such inspection. Evaluation report shall be submitted to the committee as per Annexure – II, III & IV for vendors pertaining to supply of items, Services and Job work respectively.
- 6) All the techno commercial qualified applications then shall be sent to member from Finance department of Vendor registration committee to check the financial credential of the applicant.
- 7) Member from Finance department of Vendor registration committee will offer his comment on applicant's financial credential and all the applications then be forwarded back to Purchase department within 3 weeks of time.
- 8) Minimum cut off for techno commercial and financial evaluation shall be 50%.
- 9) Vender registration committee will meet periodically to review the progress of new vendor registration.
- 10) Final list will be then sent to competent authority for approval.
- 11) Purchase department will provide necessary vendor codes to approved vendors and issue them official letter / certificate in this regard.

**MISHRA DHATU NIGAM LIMITED, HYDERABAD****SUPPLIER EVALUATION AND APPROVAL**

Name:

**1. ORAGANIZATIONAL SOUNDNESS**

Sr No.	PARAMETER	CRITERIA	Max. Marks	Marks awarded
01	Company type, Submitting proper documents (Ownership, Registration certificate, PAN no., GST No.) as applicable	Submitted fully : 10 In adequately submitted : 00 (Ranges from 0 - 10)	10	
02	Year of commencement of Business	More than 5 years :10 2-5 years :05 1-2 Years :03 Less than 1 year :00	10	
03	Registration Or Business with PSU/DPSU ( 1 mark for each registration)	Yes :05 No :00	05	
04	Registration for authorized Dealership / Distributor representative certificate / Manufacturer	Yes :03 No :00	03	
05	ISO 9001-2008 Accreditation	Yes :02 No :00	02	
	<b>TOTAL</b>		<b>30</b>	

Scope of work:

Remarks by the committee :

Recommended / Not recommended for Registration to MIDHANI.

Name and Signature of Committee members

<b>Technical Representative</b>	<b>Purchase Representative</b>	<b>Finance Representative</b>	<b>Committee Chairman</b>

**MISHRA DHATU NIGAM LIMITED, HYDERABAD****SERVICE PROVIDER EVALUATION AND APPROVAL**

Name:

**1. ORAGANIZATIONAL SOUNDNESS**

Sr No.	PARAMETER	CRITERIA	Max. Marks	Marks awarded
01	Company type, Submitting proper documents (Ownership, Registration certificate, PAN no., GST No.) as applicable	Submitted fully : 10 In adequately submitted : 00 (Ranges from 0 - 10)	10	
02	Year of commencement	More than 5 years :10 2-5 years :05 1-2 Years :03 Less than 1 year :00	10	
03	Registration Or Business with PSU/DPSU ( 1 mark for each registration)	Yes :05 No :00	05	
04	Copies of previous work executed are attached	Yes :03 No :00	03	
05	ISO 9001-2008 Accreditation	Yes :02 No :00	02	
	<b>TOTAL</b>		<b>30</b>	

Scope of work:

Remarks by the committee :

Recommended / Not recommended for Registration to MIDHANI.

Name and Signature of Committee members

<b>Technical Representative</b>	<b>Purchase Representative</b>	<b>Finance Representative</b>	<b>Committee Chairman</b>

# MISHRA DHATU NIGAM LIMITED, HYDERABAD

## SUB-CONTRACTORS EVALUATION AND APPROVAL

Name:

### 1. ORAGANIZATIONAL SOUNDNESS

Sr No.	PARAMETER	CRITERIA	Max. Marks	Marks awarded
01	Year of commencement	More than 5 years :10 2-5 years :05 1-2 Years :03 Less than 1 year :00	10	
<b>A</b>	<b>ESSENTIAL PARAMETERS</b>			
01	Manufacturing & handling facilities along with adequate floor space availability with reference to capacity for the product to be processed	Yes :05 No :00	05	
02	Technical competence and Skilled / trained man power	50% of total strength :03 Below 50% :00	03	
03	Good housekeeping and traceability to input / raw material and accepted / rejected / reusable item	Yes :03 No :00	03	
04	Inspection of finish product before dispatch.	Yes :03 No :00	03	
05	Availability of adequate calibrated instruments / gauges / test equipments.	Yes :03 No :00	03	
06	Availability of copy of registration / incorporation.	Yes :03 No :00	03	
07	Solvency certificate/ IT return /P&L and balance sheet	Yes :02 No :00	02	
08	Copy of sales tax / Service tax registration.	Yes :02 No :00	02	
<b>B</b>	<b>DESIRABLE PARAMETERS</b>			
01	ISO certification	Yes :03 No :00	03	
02	Availability of separate QC division	Yes :03 No :00	03	
03	Past experience / expertise in supply of similar products.	Yes :02 No :00	02	
05	Existing customer list (PSU's & Govt)	Yes :04 No :00	04	
<b>C</b>	<b>PARAMETERS SPECIFIC TO THE NATURE OF JOB</b>			
01	Raw material / input material purchased	Yes :03	03	

	from standard source with test certificate	No	:00		
02	Pre inspection of material before use.	Yes	:03	03	
		No	:00		
03	Generation and maintenance of records at various stages.	Yes	:03	03	
		No	:00		
04	Availability and understanding of related standards / procedures / drawings / quality assurance plans / process specifications / work instruction.	Yes	:03	03	
		No	:00		
05	Adherence to written down process specification / work instruction	Yes	:03	03	
		No	:00		
06	Surface protection and packing to ensure damage free supplies.	Yes	:03	03	
		No	:00		
D	<b>GENERAL</b>				
01	Is there a system to trace back the history of material/ part.	Yes	:03	03	
		No	:00		
02	Is there effective material Accounting system for input/ output/ scrap generation & process loss.	Yes	:03	03	
		No	:00		
	<b>TOTAL</b>			<b>70</b>	

Scope of work:

Remarks by the Committee :

Recommended / Not recommended for Registration to MIDHANI.

Name and Signature of Committee members

<b>Technical Representative</b>	<b>QC Representative</b>	<b>Purchase Representative</b>	<b>Finance Representative</b>	<b>Committee Chairman</b>

**Price Estimate Sheet**

1. For regular services: Price based on previous PO.

<b>PO No</b>	<b>PO Date</b>	<b>Item Description</b>	<b>Rate</b>

Escalation: \_\_ (Due to change in market indices/labour charges etc).

2. For Non –regular services: Based on Budgetary Quote obtained from preferably from more than one Vendor.

Copies of budgetary quotes are to be attached.

3. **Internal Calculation:** Calculation based on raw material price, Wages and other inputs including current market conditions.

Calculation Sheet is to be enclosed.

### Eligibility Criteria

A. Standard Eligibility Criteria as below may be followed for Expression of Interest/Open Tenders/GEM Tenders for High Value Services of above Rs. 40 Lakhs:

Sl. No	Criteria	Documents required for confirmation
01	<p><b>Bidder</b></p> <p>a) Should have been established and operating for a period of at least 05 years prior to the date of Tender.</p>	<p><u>For (a):</u></p> <ul style="list-style-type: none"> <li>- Certificate of Incorporation issued by the Registrars of Companies "OR"</li> <li>- Certificate of Registration by Registrar of Firms "OR" GST Registration in case of proprietary firms "OR"</li> <li>- Relevant Registration/Incorporation Certificate issued by Concerned State authorities in case of Foreign Firms with proof of address.</li> </ul>
02	<p><b>Annual Turnover Bidder</b></p> <p>Should have a minimum average annual turnover of (1.2 Times the estimate value) *(12/Delivery period in months) for previous three financial years.</p>	Audited annual accounts
03	<p><b>Bidder</b></p> <p>Should have PAN/ TAN/TIN/GST registration or Relevant Tax Registration of Foreign parties In case of Manpower Services, ESI/PF Registration No. is mandatory for Indian Vendors.</p>	<ul style="list-style-type: none"> <li>a) Copy of registration certificates for Indian parties.</li> <li>b) In case of foreign parties, relevant tax registration certificate from the countries where the company is registered.</li> </ul>
04	<p>Technical Experience (If required as per Indent/PR):</p> <p><b>Indent Specific</b></p>	Copy of the Contract/Order & other documentary evidence for successful completion to be submitted.
05	<p><b>Bidder</b></p> <p>Unconditional acceptance of all commercial terms and conditions.</p>	Self certificated document to be submitted

B. For all service contracts as well as for job contracts within Midhani excluding Annual Maintenance Contracts & individual consultancy services, tenderers shall meet the following criteria:

S. No	Criteria	Documents for Verification
1	<p>Should have Positive Networth in each of the previous three financial years</p> <p>Or</p> <p>Solvency Certificate of 10% of the Estimated Cost issued not earlier than 6 months from the date of Tender.</p>	<p>Audited Annual Accounts</p> <p>Or</p> <p>Certificate from a Certified Chartered Accountant for networth of the company issued not more than 6 months before the date of tender with seal and Membership Number mentioned on the certificate in Original.</p> <p>Or</p> <p>Solvency Certificate issued by nationalized or scheduled bank from INDIA in Original.</p>