

**INDIAN INSTITUTE OF SCIENCE EDUCATION AND RESEARCH
THIRUVANANTHAPURAM**



**RULES FOR PURCHASE OF GOODS AND SERVICES - 2012
&
MANUAL OF PROCEDURES AND PRACTICES - 2012**

CONTENTS

I. ADOPTION & IMPLEMENTATION CIRCULAR	2
II. PURCHASE RULES 2012	3-7
III. MANUAL OF PROCEDURE & PRACTICES 2012	8-96
IV. DELEGATION OF POWERS	97-100

Indian Institute of Science Education & Research Thiruvananthapuram

CIRCULAR

No. IISER (T)/Adm/029/2011-12

Date: 26 March, 2012

Subject: Implementation of Board of Governors decision for Adoption of CSIR Purchase Rules of Goods & Services -2008 & CSIR Purchase Manual of Best Practices-2008

Pursuant to the decision in the 11th meeting of Board of Governors held on 07 November, 2011 regarding adoption of the CSIR Purchase Rules of Goods & Services -2008 & CSIR Purchase Manual of Best Practices-2008, Director constituted a committee to recommend the necessary adaptations and operative instructions as per the institute's set-up for implementation of the said CSIR Purchase Rules & Manual. The committee submitted their recommendations based on the provisions of the CSIR Rules and Manual with a draft Purchase Rules and Manual of Procedures adapted for the institute's current organizational set-up and needs. The Finance Committee recommended the implementation of the said IISERTVM Purchase Rules and Manual, 2012 with some observations and suggestions in its 10th meeting held on 2nd March, 2012 which was in turn approved by the Board of Governors in its 12th meeting held on 2nd March, 2012.

Now therefore the enclosed IISER TVM Rules for Purchase of Goods and Services, 2012 and Manual of Procedures & Practices, 2012 is adopted for implementation with effect from 01 April 2012. The scheme for delegation of powers for the same is being issued separately.

Enclosures: As above

Sd/-
Registrar

Purchase Rules 2012

Rule no. Description

1. Short title and commencement
2. Definitions
3. Definition of Goods
4. Fundamental principles of Public Buying
5. Purchase of goods without quotation
6. Purchase of goods through Local purchase committee/s
7. Rate Contracts
8. Tendering process/procedure
9. Two bid system
10. Advance payments in exceptional Circumstances
11. Buy-Back Purchase

Rule 1: Short title and commencement

These rules may be called “IISER, TVM Purchase Rules, 2012”. These Rules will become operative from 01 April, 2012.

Rule 2: Definitions - In these rules, unless the context otherwise requires-

- (i) “Manual” means the Manual of Procedures and Practices, 2012 accompanying the IISER, TVM Purchase Rules, 2012.
- (ii) “Delegation of power” means the scheme of delegation of power for different nature and modes of purchases and procurements for corresponding financial limits or ranges prescribed and for the purposes of purchases and procurements covered by these Purchase Rules and the related Manual.
- (iii) “Indent Approving authority” means faculty/officer who has been delegated with the powers in IISER-TVM to approve an indent for procurement of goods and services.
- (iv) “Competent authority ” means the Board of Governors IISER,TVM or Director of IISER-TVM or any other Faculty / officer authorized to make purchases and vested with financial powers for the purposes of purchases covered by these Purchase Rules and the related Manual.
- (v) (a) "Departmental Purchase Committee" means the committee/s as constituted by the competent authority for all purchases above 1 lakhs and up to Rs 5 lakhs for R&D items and above Rs 15,000 and up to Rs 1 lakhs for non-R&D items.
(b) "Standing Purchase Committee" means the committee/s as constituted by the competent authority for all purchases above Rs

5 lakhs for R&D items and above 1 lakh and up to Rs 25 lakhs for non-R&D items.

(c) "Technical & Purchase Committee" means the Committee/s as constituted by the competent authority for all purchase above Rs 25 lakhs.

(d) "Technical Committee" means the committee/s constituted by competent authority for purposes of proprietary/specific brand items as prescribed in the Manual and Delegation of Power.

(e) "Special Services Evaluation Committee" means the committee constituted by competent authority for the purposes of specialized scientific and technical services as prescribed in the Manual and Delegation of Power.

(v) "Budget" for the purpose of purchase of Goods and services means an allocation made by the competent authority in a particular financial year.

Rule 3 (i) Definition of Goods & Services - The term 'Goods & Services' used in the rules includes all articles, material, commodities, livestock, general furniture/laboratory furniture, fixtures, raw material, spares, instruments, machinery, vehicle, software, equipment, industrial plant, chemicals, solvents, gases, glassware, stationery, liveries, and any other item meant for Research & Development both standard and non-standard. It also includes Annual Maintenance Contracts of goods and equipment purchased or otherwise acquired for the use of IISER-TVM, custom clearance & cargo handling & consolidation services, exporting of goods for warranty replacements/ repairs / upgradation, Specific Scientific & Technical Services, viz. professional consultant services, computer & network management, software & web design development services, special storage, communication facilities, laboratory testing, processing & analytical services but excludes publications, periodicals for library & or outsourcing activities relating to infrastructure, house-keeping, security, cleaning, horticulture, works related to engineering services, desk top printing (DTP), scanning, outputting, printing, binding, data entry work, packing and dispatching work, empanelment of media agency including graphic designer, cartoonist, etc. for which systems are already in operation.

(ii) Definition of R&D and non-R&D related items

(a) R&D related items shall mean those items which are to be purchased with sanctioned budget for R&D and are directly used in

the process of discovering/ dissemination of new knowledge/technology or upgrading existing knowledge/ technology and skills about products, processes, and services and to create new or improved products, processes and services which have been envisaged by the faculty/project leader in IISER, TVM.

(b) Non R&D related items shall mean those items which are an aid in supplementing the R&D and may include items of any nature which support the project in achieving the R&D objective

Rule 4: Fundamental principles of public buying – Every authority delegated with the financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy, transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement. The procedure to be followed in making public procurement must conform to the following yardsticks:-

- (a) the specifications in terms of quality, type etc., as also quantity of goods to be procured, should be clearly spelt out keeping in view the specific purpose/objective of the institute. The specifications so worked out should meet the basic needs of the Institute without including superfluous and non-essential features, which may result in unwarranted expenditure. Care should also be taken to avoid purchasing quantities in excess of requirement to avoid inventory carrying costs;
- (b) offers should be invited by following a fair, transparent and reasonable procedure.
- (c) the procuring authority should be satisfied that the selected offer adequately meets the requirement in all aspects;
- (d) the procuring authority should satisfy itself that the price of the selected offer is reasonable and consistent with the quality required;
- (e) at each stage of procurement the authorized procuring authority must place on record, in precise terms, the considerations which weighed with it while taking the procurement decision.

Rule 5: Purchase of goods without quotation - Purchase of goods up to the value of Rs. 1 lakh (Rupees one lakh) only on each occasion in case of R&D related items and for non R&D related items up to the value of Rs.15000/- only on each occasion may be made without inviting quotations or bids on the basis of a certificate (Annexure-A of Manual) to be recorded by the competent authority.

- Rule 6:** Purchase of goods through Departmental Purchase Committee/s - Purchase of goods costing above Rs 1 lakh to Rs 5 lakh only on each occasion in case of R&D related items and for non R&D related costing above Rs 15000/ to Rs 1 lakh, may be made on the recommendations of a duly constituted Departmental Purchase Committee. The committee/s will recommend the purchase based on the quotations obtained by the Purchase & Stores deptt. The committee can recommend purchase from a specific source/brand based on the justification furnished by the Indentor.
- Rule 7:** Rate Contracts - IISER-TVM may conclude rate contracts in respect of goods & services and Annual Maintenance Contracts wherever required in a transparent manner with due regard to canons of financial propriety. IISER-TVM may also utilize the valid DGS&D rate contracts and other parallel valid rate contracts of sister labs/institutes/other central government organizations.
- Rule 8:** Except in cases covered under the rules defined above institute will generally resort to tendering process such as;
- (a) Open/Global advertised tender enquiry
 - (b) Limited tender enquiry
 - (c) Single tender enquiry
 - (d) Proprietary Item enquiry
- Rule 9:** Two bid system - For purchasing R&D equipment and material etc., of a complex and technical nature valued above Rs 25 lakh, bids will be invited in two parts
- a) Technical bid consisting of all technical details along with commercial terms & conditions and Earnest Money Deposit, wherever applicable.
 - b) Financial bid indicating item -wise price for the items mentioned in the technical bid.
- Rule10:** Advance payments to suppliers in exceptional circumstances - The issue of making advance payment to the parties should be dealt in accordance with the best practices keeping all aspect of market environment and safeguards in mind.
- Rule11:** Buy-Back Offer - When it is decided with the approval of the competent authority to replace an existing old item(s) with a new and better version, the department may trade the existing old item while purchasing the new one. For this purpose, a suitable clause is to be incorporated in the bidding document so that the prospective and

interested bidders formulate their bids accordingly. Depending on the value and condition of the old item to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard suitably incorporated in the bidding document. Further, suitable provision should also be kept in the bidding document to enable the purchaser either to trade or not to trade the item while purchasing the new one.

**INDIAN INSTITUTE OF SCIENCE EDUCATION AND RESEARCH
THIRUVANANTHAPURAM**

MANUAL OF PURCHASE PROCEDURES & PRACTICES 2012

Index

Chapter	Description
1.	Introduction and principles of purchase
2.	Indents and specifications
3.	Purchase committee
4.	Type/Modes of procurement and tendering
5.	Bid security and performance security
6.	Contract management
7.	Rate contracts
8.	Pre-Audit
9.	Inspection of goods
10.	Payments
11.	Miscellaneous

Chapter 1

Introduction and Principles of Purchase

1.0.0 Introduction

- 1.1.0 Provision of adequate and timely supply of material to faculty's is of prime importance for carrying out meaningful scientific research as well as for meeting the targets set for completion of various in-house & sponsored projects in IISER-TVM. On the other hand, any public procurement will not only have to be made in fair and transparent manner but will also have to fall in line with the canon of financial propriety. The procedure given in the succeeding paragraphs of this Manual strives to achieve all these ends. However, leveraging of technology in the form of implementing "Electronic procurement" (E-Procurement), which aims to ensure speed, efficiency, economy and transparency in procurement process, shall be an important step in this direction.
- 1.2.0 The items required to be purchased under the ambit of the rules & procedures outlined in this Manual include all articles, material, commodities, general furniture/laboratory furniture, fixtures, raw material, spares, instruments, machinery, equipment, vehicle, industrial plant, chemicals, solvents, gases, glassware, stationery, liveries, and any other item meant for Research & Development both standard and non- standard. It also includes Annual Maintenance Contracts of goods and equipment purchased or otherwise acquired for the use of IISER-TVM, custom clearance & cargo handling & consolidation services, exporting of goods for warranty replacements/ repairs/up gradation, specific scientific & technical services, viz. Professional consultant services, Computer & Network management, Software & web design development services, special storage, communication facilities but excludes publications, periodicals for library & or outsourcing activities relating to infrastructure, house-keeping, security, cleaning, horticulture, works related to engineering services, desk top printing (DTP), scanning, outputting, printing, binding, data entry work, packing and dispatching work, empanelment of media agency including graphic designer, , etc. for which separate systems will be in place.
- 1.3.0 The members of Departmental Purchase Committee (DPC), Standing Purchase Committee (SPC), Technical & Purchase Committee (T&PC) and any other official related with any public procurement process shall have the responsibility and accountability to bring efficiency, economy, and transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in procurement.

1.4.0 **Principles of Public Procurement**

1.4.1. The procedure to be followed in making public procurement must conform to the following yardsticks:

- (a) The specifications in terms of quality, type etc., as also quantity of goods to be procured, should be clearly spelt out keeping in view the specific needs of the Institute.
- (b) The specifications so worked out should meet the basic needs of the organization without including superfluous and non-essential features, which may result in unwarranted expenditure.
- (c) Care should also be taken to avoid purchasing quantities in excess of requirement to avoid inventory-carrying costs.
- (d) Offers should be invited following a fair, transparent and reasonable procedure.
- (e) The committee viz. Departmental Purchase Committee (DPC) / Standing Purchase Committee (SPC) / Technical & Purchase Committees / Technical Committee / Special Services Evaluation Committee (SSEC) concerned recommending the purchase or the individual official making the purchase within the prescribed limits of delegated authority should be satisfied that the selected offer meets the requirement in all respects and satisfy that the price of the selected offer is reasonable and consistent with the quality required.
- (f) At each stage of procurement, the detailed considerations/decisions shall be placed on record, in precise terms.

1.5.0 **Stages of Procurement**

1.5.1 The procurement of material in IISER-TVM can be generally divided into the following distinct stages:

- a) The budget provision
- b) Prioritization of purchase of equipment, machinery etc. for the financial year for IISER-TVM budget on project needs & priorities of sponsored projects.
- c) Preparation of specification/identification of the exact requirement by the indenting faculty or by Technical & Purchase Committee (T&PC) through Pre-Indent discussion/presentations or Conference (wherever required) in case of high value R&D purchases.
- d) Placing of the Indent by the faculty and other officers concerned.
- e) Consideration of the indents by the respective Purchase Committee, where required.

- f) Calling for tender/quotations wherever required and processing of tender papers by the Purchase Department.
- g) Evaluation of the tenders/quotations by the Indentor/Technical & Purchase Committee (T&PC) and recommendations of the indenting officer for final decision.
- h) Submission of the papers to the competent authority for final approval.
- i) Placement of orders/ Award of contract.
- j) Arrival of equipment, installation, commissioning and inspection, certification by Indentor and taking on stock for processing payment.

1.6.0 The Budget provision

- 1.6.1 No Purchase will be made in the Institute unless there is a specific budget provision for such a purchase.
- 1.6.2 Processing of indents for any purchase can be made even without specific budget allocation for the current year provided such cases are cleared for administrative processing by the Competent Authority as per the Delegation of Power for Purchases, but final order shall be placed only after funds have become available.

1.7.0 Prioritization for Purchase of equipment, Machinery etc.

- 1.7.1 For purchase of equipment, machinery etc. to be procured out of IISER, TVM funds, the Director will appoint a committee at the beginning of every financial year to correctly assess the requirement of equipment, machinery, plant etc. for various projects including infrastructure requirement. In case of externally funded projects, the purchases will be undertaken as per the programme approved by the concerned authority.
- 1.7.2 This committee will be chaired by a senior faculty.
- 1.7.3 The committee will consult various Coordinators/Heads of Schools/Departments/Centers, collect their requirements for the year and prioritize the list of purchases to be made in that year. The committee shall check, wherever applicable, the availability of such equipment in the lab, its performance and the rationale for procurement of another piece of equipment.
- 1.7.4 The priority list will be circulated to all concerned by 30th of June of every financial year. All purchases that are made during the year from IISER-TVM funds will normally be in accordance with the finalized list. However, depending upon the exigencies of requirement, the priority list for purchase of equipment out of IISER-TVM funds may be amended with the approval of the Competent Authority.

- 1.7.5 The items mentioned in the project approval letter from the sponsoring authority will normally be taken as priority list for sponsored projects.
- 1.7.6 In order to meet emergency requirements and purchases within the powers delegated, it would be desirable that certain amount of the budget allocated is kept as reserve and such purchases should be made from within this reserve. However, this decision will be taken in consultation with Finance and approval of competent authority.
- 1.8 **Distinction in procurement of R&D and Non-R &D items:** The R&D and non-R&D items have been defined in the Purchase Rules in Rule 3 (ii) and in view of the direction of MHRD, Government of India contained in letter no. F.N.1-14/2011-IFD dated 04.11.2011 due care should be taken to ensure that provisions applicable for procurement of R&D items are not applied for procurement of non-R&D items. Also categorization of all procurements into R&D item and non-R&D item should be done strictly in accordance with the definitions in the Rule 3(ii). The procurement of all equipment meant as aid to teaching irrespective of cost would fall under the category of non-R&D items. In cases of any doubt in categorization of any item as R&D item or non-R&D item, the matter will be referred to the Director who will decide recording the reasons.

CHAPTER 2 Indents and specifications

2.0.0 Placing of the indent by the Indentor

2.1.0 In order to buy the best it would be desirable that a rigorous pre-indent exercise is carried out by user faculty/school/department/centre of the Institute.

2.1.1 Whenever an indent is placed by the faculty/other concerned official, the Indentor may ensure that the following details accompany it:

- a) A detailed description of the equipment including summary of its function and detailed specifications including whether the requirement is fresh or additional or replacement along with a certificate that the specifications are complete and correct to meet the requirement fully.
- b) The details, such as, the useful life of equipment, availability of spares, arrangement for maintenance etc.
- c) The estimated cost of equipment.
- d) The list of available vendors, their addresses, past experiences, if any, and their website wherever available.
- e) A description of space requirement for the equipment, the installation area and other infra-structural requirements such as, power, civil works etc. wherever applicable should be made in consultation with the engineering section.
- f) The approximate period required for the equipment to become operational from the date of its arrival.
- g) Tentative inspection schedule.
- h) Emergency Purchase certificate, in case purchase is to be made on emergent basis.
- i) "Proprietary Usage" certificate, in case the purchase is to be made on the proprietary usage basis.
- j) Budget provision certificate duly linking with the project/scheme.

2.1.2. Wherever applicable, the Proprietary Article Certificate (PAC) as per annexure-D should be given by the Indentor. He shall be responsible if the certificate is found to be incorrect.

2.1.3 The Indentor will normally make Electronic submission of indents on line with built-in safety mechanism or type written one in case computer generated indent is not possible.

Submission of hand written indent should be avoided. No addition/alteration will be generally made in the indent. In case, this becomes necessary on rare occasions, the Indentor will affix his initials on the corrections/additions made.

2.1.4 Splitting of indents, in order to bring it outside the ambit of open tender

method is strictly prohibited. In addition, a demand should not be deliberately divided by the Indentor to avoid necessity of obtaining sanctions of higher authority.

2.2.0 **Specifications**

2.2.1 While framing specifications of the indented items conformity to the following points must be ensured:

- (i) The specifications of the required goods should be framed giving sufficient details in such a manner that it is neither too elaborately restrictive as to deter potential tenderers or increase the cost of purchase nor too sketchy to leave scope for sub-standard supply.
- (ii) The specifications must meet the essential requirements of the user department.
- (iii) Specifications should aim at procuring the latest technology and avoid procurement of obsolete goods.
- (iv) Specifications should have emphasis on factors like efficiency, optimum fuel/power consumption, use of environmental - friendly materials, reduced noise and emission levels, low maintenance cost etc.
- (v) The specifications should conform to the latest BIS standards. In cases where Indian Standards do not exist or, alternatively, decision needs to be taken to source the foreign markets also, International Standards (like ISO etc.) may be adopted. Where no widely known standards exist the specifications shall be drawn in a generalized and broad-based manner to obtain competitive bids from different sources.
- (vi) The indenting Officer while formulating the specifications should ensure and also certify that the specifications are complete and correct to meet the requirement fully.
- (vii) All dimensions incorporated in the specifications shall be indicated in metric units. If due to some unavoidable reasons, dimensions in Foot-Pound-Second (FPS) units are to be mentioned, the corresponding equivalents in the metric system must also be indicated. The specifications and the technical details should be expressed with proper clarity without any ambiguity or double meaning. Wherever necessary, the written specifications should be supplemented with drawings for additional clarity etc.

2.2.2 **Specifications for Purchase of high value (above 25 lacs) R&D equipment/material**

The specification of these materials may be finalized (wherever felt necessary) by Technical & Purchase Committee(T&PC) through a Pre-Indent discussion, presentations and Conference with prospective vendors in the manner outlined under Para 4.9.0 in the Chapter 4. However, the broad

guidelines provided under Para 2.2.1 above may be kept in mind while framing specifications for these purchases also.

2.3.0 **Recording of no-stock certificate by the Stores Department**

2.3.1 If the stock position is available on intranet and updated regularly the Indentor himself may certify the non-availability of stores. Otherwise the indent together with its enclosures will be sent to the Stores Department which will verify its stock and render a no-stock certificate wherever applicable.

2.4.0 **Processing of Indents**

2.4.1 The relevant approved indents shall be thoroughly checked and processed as per rules. Faulty or incomplete indents may be returned to the Indentor normally within two working days. Minor defects in the indents, however, should be set right by discussions with the Indentor.

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

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

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

Chapter 3 Purchase Committees

3.1.0 The purchases and procurements shall be operated through the following committees:

- (i) Departmental Purchase Committee (DPC)
- (ii) Standing Purchase Committee (SPC)
- (iv) Technical & Purchase Committee (T&PC)
- (iii) Technical Committee for proprietary/specific brand items
- (iv) Consultancy Evaluation Committee (CEC) for specialized scientific & technical services

3.1.1 The above committees will be regulating, recommending and deciding the purchases and procurements as per the scheme for different modes of purchases according to financial limits and the corresponding delegation of powers.

3.2.0 **Functions of Departmental Purchase Committee (DPC)**

3.2.1 Departmental Purchase Committee (DPC) will consider procurement of all items both consumable and non-consumables (equipment, machinery etc.) and services above 1 lakh and upto Rs. 5 lakh for R&D items and above 15,000 and up to Rs 1 lakh for non-R&D items.

3.3.0 **Constitution of Departmental Purchase Committee (DPC):**

(i) The DPC will consist of:

- (1) Indentor
- (2) Coordinator/ Head of School/Department/ Center/ Assistant Registrar/ Deputy Registrar /Project Engineer-cum-Estate officer.

In the event of the concerned member being the Indentor another faculty from the School or another member from the concerned section/deptt. will be the substitute member.

- (3) A representative from the Purchase & Stores section/deptt.
- (4) A representative from the Finance section/deptt.

3.2.0 **Functions of Standing Purchase Committee (SPC)**

3.2.1 Standing Purchase Committee (PC) will consider procurement of all items both consumable and non-consumables (equipment, machinery etc.) above Rs 5 lakh for R&D and above one lakh for non-R&D and up to Rs 25 lakh.

3.2.2 The SPC shall first draw up an exhaustive list of routine stock replenishment items in two categories, viz. R&D and non- R&D, with detailed

standardized specification keeping in mind the desired quality of the product, minimum and maximum limits to be stocked and periodicity of purchase of such stocks. The SPC shall further identify those items from amongst the above lists which are to be brought under rate contracts.

- 3.2.3 Once the SPC has finalized and approved such a list of routine stock replenishment items of stores, the senior most purchase officer in IISER-TVM shall directly process replenishment indents up to Rs.25 lakh without further reference to SPC for placement of orders under duly concluded & approved Rate contract (R/C) & subject to allocation of funds by the Director, IISER-TVM in the beginning of the financial year for such routine items. The periodicity of order placement will be decided by SPC. As for the items not covered under R/C, normal procedure in accordance with the delegation of powers annexed to the IISER-TVM Purchase rules of Goods & Services will be followed.
- 3.2.4 The SPC will devise its own methods within the ambit of the extant rules & regulations on the subject for making Purchases. However, its functions will broadly include the following:

- a) It will decide periodicity of procurement of the repetitively needed items by fixing the minimum and maximum levels, concluding of Rate contracts (R/C)
- b) It will check relevant specification for such Purchases and recommend standardization of items where ever felt necessary.
- c) It will take final decision on Purchases under its purview as per rules in cases where technical scrutiny is desirable.
- d) Purchase committee may also nominate a Technical sub- committee (TSC) of faculty/technical experts along with indenting faculty to select technically suitable equipment and material wherever felt necessary after evaluating the bids.
- e) All the members of the Committee shall be responsible for the recommendations/decision taken by the Committee. However, primary responsibility of the concerned functionaries of Purchase & Finance shall be to exercise due diligence to ensure procedural compliance in their respective areas of competence.
- f) If need is felt, the Standing Purchase Committee can also constitute a Technical Sub-Committee for examination/modification of specifications of an item submitted in the indent and for subsequent evaluation of the bid received after tendering.

3.3.0 **Constitution of Standing Purchase Committee (SPC) :**

- (i) A senior faculty not below the rank of Professor will be nominated as chairperson of Standing Purchase Committee. However, Director may nominate any other scientific & technical person as chairperson. The other members of the SPC will be as follows:

- (1) Indentor

- (5) Coordinator/Head of School/Department/Centre. In the event of the Coordinator/ Head of School/Department/ Centre/Project Engineer-cum-Estate Officer/Deputy Registrar. In the event of the concerned faculty member being the Indentor, another faculty from the School or another officer from the deptt. will be nominated by Chairperson of SPC as the substitute member.
 - (2) Senior most officer in Finance dept.
 - (3) Senior most officer in Purchase & Stores dept.
- (ii) The senior most officers in Purchase & Stores and Finance shall be the regular members of SPC. In their absence, the next senior person(s) shall be the member(s).
 - (iii) The Director IISER-TVM may also nominate another faculty as alternate chairperson/member who shall chair/ attend the meeting in the absence or non-availability of the regular chairman/ member of faculty.
 - (iv) Presence of Chairperson, Finance and Purchase members and Indentor shall be mandatory. In case of dissent by any member, the Director shall record reasons in writing while giving his decision. This committee will meet as and when necessary and the meeting will be convened by member Stores & Purchase.

3.4.0 **Functions of Technical & Purchase Committee (T&PC)**

- a) T&PC will consider all indents received for equipment/materials and technical & scientific services above Rs 25 lakh.
- b) The mode of tender for such purchases shall be through open tender/global tender mode of Purchase and in two bid system (technical and commercial).
- c) T&PC may also consider cases for recommending to the competent authority for adopting single tender or limited tender mode of procurement for purchase of items above Rs 25 lakh, under following circumstances.
 - (i) For Limited Tender:
 - a) The demand is urgent and any additional expenditure involved by not procuring through advertised tender enquiry is justified in view of urgency. The nature of the urgency and reasons why the procurement could not be anticipated should also be put on record.

- b) There are sufficient reasons, to be recorded in writing indicating that it will not be in public interest to procure the goods through advertised tender enquiry.
 - c) The sources of supply are definitely known and possibility of fresh sources(s) beyond those being tapped is remote.
- (ii) For Single Tender:
- a) It is in the ascertained knowledge that only a particular firm is the manufacturer of the required goods.
 - b) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reasons for such course are to be recorded.
 - c) For standardization of equipment, machinery or spare parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the competent authority), the required item is to be purchased only from a selected firm.

Such proposal having approved by competent authority duly considering the facts and circumstances, the T & PC can then consider procurement for items of values above Rs 25 lakh by Limited Tender or Single Tender mode, as the case may be.

- d) The T&PC will devise its own methods within the ambit of the extant rules & regulations on the subject for making purchases.
- e) It will check relevant specification for such purchases.
- f) It will take final decision on purchases under its purview as per rules in cases involving technical scrutiny.
- g) The detailed modus operandi for procurement under this category may be followed as per para 4.9.1 under chapter 4 of this document.

3.5.0 **Constitution of Technical & Purchase Committee (T&PC):**

3.5.1 The Director IISER-TVM shall constitute a Committee in each case for specialized items with estimated cost above Rs 25 lakh as under:

- (a) A senior faculty/faculty/technical expert as chairman from within or outside the institute having relevant expertise & knowledge of the concerned area.
- (b) Indentor(s)
- (c) Two faculty members other than Indentor/Principal Investigator, of which one may be the Coordinator/Head of the School/Deptt./Centre
- (d) A technical member responsible for providing infra-structural

support, if any, may also be a member.

- (e) Senior most officer of purchase whose role in the T&PC shall be to guide the committee on the procurement process as per IISER-TVM Purchase Rules.
- (f) Senior most officer of Finance in the Institute whose role in the T&PC will be to ensure availability of funds and to examine issues concerning financial propriety.

3.5.2 The member(s) from Finance and Purchase section/dept. are not required to attend the meetings/presentations/technical discussions or the Pre-Indent Conference (PIC) for finalization of specifications and other technical parameters in respect of the items proposed to be indented. The onus of freezing the specification/technical parameters shall lie with the rest of the members who shall act as a technical sub-committee of the T&PC. The full T&PC consisting of all the members shall sit at the time of finalization of the purchase proposal. However, the Purchase Officer shall extend full cooperation in procedural guidance, official liaison, etc. wherever required.

3.5.3 The Indentor(s) shall convene the meetings at the technical sub-committee stage whereas the member S&P shall act as convener of the full T&PC.

3.5.4 The senior most faculty member of the committee will act as alternate chairman in the absence of Chairman.

3.5.5 In case of technical sub-committee (TSC) meeting, the quorum will constitute of all the technical members including the Chairman. However, in case of the final recommendation of the purchase proposal the presence of the chairman, the Indentor/PL, the member Finance and the member purchase shall be mandatory.

3.5.6 The T&PC will meet as and when required.

3.5.7 In case of dissent by any member, the Director shall record reasons in writing while giving his decision.

Chapter 4

Types/Modes of procurement & tendering

4.1.0 Purchase of goods without calling for quotations

4.1.1 Purchases of items including fabrications and repairs may be made on cash or credit basis without calling for quotations as follows:

a) For R&D and Non-R&D related items/work, all purchases up to Rs 15000 by cash by the Indentor.

b) For R&D related items/work, above Rs. 15000 up to Rs. 1 lakh (Rupee one lakh) through Purchase & Stores deptt. or by credit by the Indentor of the status of Assistant Professor and above.

4.1.3 Such Purchases need not be restricted to registered vendors, if any and need not be necessarily out of the priority list.

4.1.4 The Principal Investigator/Indentor vested with financial powers will be the competent authorities for the expenditure within the limits of this clause including advance payments if required.

4.1.5 Item of any nature, i.e. consumable or non-consumable can be procured under this clause from any place irrespective of the location of the vendor.

4.1.6 The Competent authority shall assure himself that the item is not available in stores before completing the purchase of an item under this clause.

4.1.7 The necessary certificate as per Annexure A shall be furnished by officer actually making the purchase and countersigned by the Competent authority.

4.1.8 It shall be the responsibility of the Indentor/Principal Investigator to certify whether the proposed item is for R&D or non-R&D use.

4.2.0 Purchases of goods and services by Departmental Purchase Committee

4.2.1 Purchases of items including fabrications and repairs may be made through Stores & Purchase deptt by the Principal investigator Indentor/Principal Investigator of the status of Assistant Professor or Project Engineer or other authorized officer within the delegated powers, on the recommendations of a duly constituted Departmental Purchase Committee consisting of four members as specified in Section 3.3.0

4.2.2 The Indentor should ensure availability of funds and non-availability of item in the stores before placing the indent.

4.2.3 Purchases as per clause 4.2.1 need not be restricted to registered vendors only, if any, and also need not necessarily be out of the priority list.

- 4.2.4 If the required items are not available within the same city, the committee can invite offers from sources available anywhere else including foreign suppliers through e-mail, courier/speed post, or with proper approval of the Director, visit to the place of availability of the material, if considered absolutely necessary and economically viable.
- 4.2.5 Repairs, fabrication and job works coming in this range may also be resorted to in accordance with the provisions enumerated under Para 4.2.1 to 4.2.4.
- 4.2.6 Purchases can be made for stock replenishment of stores under this range only when it becomes an absolute necessity. The purchase officer shall be the competent authority within their delegated limit for such procurements. However, the normal mode of stock replenishment should be done through Rate contracts.
- 4.2.7 It shall be the responsibility of the Indentor/principal investigator to certify whether the item proposed to be purchased under this category is for R&D or non R&D use.

4.3.0 Emergency Purchases

- 4.3.1 Emergency is defined as shut down/unforeseen purchases required to be made at short notice in the event of a break down or crisis. Such purchase may be regarded to be a crisis purchase to be done on a short notice.
- 4.3.2 The consequences of non-availability of the item shall also be spelt out in the indent form.
- 4.3.3 (i) Emergency purchase up to 5 lakh on the requirement placed by the Indentor will be approved by Dean/Registrar for which the administrative approval of Director will be taken. The Departmental Purchase Committee constituted by the Director for emergency purchases shall consist of three members consisting of the Indentor/Principal Investigator of externally funded project and the representatives of Finance and Purchase sections/dept. The procedure to be followed for these purchases can be the same as in the case of purchases through DPC (clause No. 4.2.0). However, such purchases can also be made on the spot from market by the committee either on credit or cash as the case may be. In case of cash payment the advance will be drawn by the Indentor. The committee shall endorse a certificate as per Annexure 'C' and forward to the Purchase & Stores section/dept.
- (ii) Emergency Purchases between Rs 5 lakh to Rs 25 lakh will be approved by Director based on recommendation of the Standing Purchase Committee.

4.4.0 Purchase of aesthetic value items

- 4.4.1 For the Purchase of items especially required for Guest Houses, Canteens

Reception, Corridors, Conference/Training halls etc. like art, craft, decorative items, etc. where the aesthetic value, make, finish, pattern, color, design, quality, feel, appearance, etc. dominate the decision making, the indent will be considered by the Standing Purchase Committee (SPC) which may constitute a committee for the Purchase of such items similar to the Departmental Purchase Committee. The Competent authority in the case of purchase of aesthetic items will be the Dean/Registrar, once the sub-committee constituted by SPC has recommended the purchase.

4.5.0 Field oriented Purchases at field stations

Field oriented Purchases at field stations/sites can also be made subject to the provisions of clauses 4.1.0 & 4.2.0. The Purchases made under this Clause need not necessarily be out of the priority list.

4.5.1 Occasionally the Institute may be required to purchase Field oriented items for R&D from far off locations which are at times remote and inaccessible and where the sources of supply is either single or limited. In that event, such items may be purchased with the approval of the Director, ensuring transparency and economy without infringing upon the purpose and objective of the Institute.

4.6.0 Procurement / issues not requiring the concurrence of Finance/ Standing Purchase Committee

4.6.1 The following cases need not require the concurrence of finance/ reference to the Purchase Committee and can be decided/sanctioned by the Senior most officer of Purchase & Stores section/dept..

- (a) Enhancing the ordered quantity up to 30% within the delivery period, subject to availability of budget, on the advice of Indentor only.
- (b) Orders against rate contracts of DGS&D and R/Cs concluded by Institute or any sister Labs.
- (c) Procurement from Kendriya Bhandar/NCCF and other co-operative societies recognized by the Govt. of India, costing up to Rs 1.00 lakh on each occasion.
- (d) Purchases against valid indents for items where the rates are regulated by State/Central Governments such as LPG gases, Kerosene, Petrol, diesel etc.
- (e) For payments on account of revision of statutory levies, like taxes, duties, octroi, entry taxes imposed by state/Central Government, municipal corporations etc. These levies will be paid with the approval of competent authority and proper records may be maintained for the same.

4.7.0 Modes of Tendering

4.7.1 Depending on the nature of the required goods, the quantity & value involved and the period of supply, the Purchase Committee (PC)/Technical

& Purchase Committee (T&PC) must select after deliberation one of the following modes of procurement for items wherever no pre-indent exercise has been carried out :

- (1) Advertised tender - by advertising in the press.
- (2) Limited tender - by sending written enquiries to known, reputed suppliers.
- (3) Single tender - by sending written enquiries to a single supplier if,
 - (a) In case of emergency, the required goods are necessarily to be purchased from a particular source
 - (b) It is in the knowledge of the Indentor that the stores/equipment required is manufactured only by that supplier and none else.

4.7.2. Advertised Tender Enquiry

- (i) This method must be resorted to when the purchase value is above Rs 25.00 lakh. Splitting of indents, in order to bring it outside the ambit of open tender method is strictly prohibited. In addition, a demand should not be deliberately divided to avoid necessity of obtaining sanctions of higher authority.
- (ii) With a view to affecting economy, notice inviting tender (NIT) must be hosted on the web site of the Institute providing a link with NIC website and pointer advertisement given in at least one National daily having wide circulation. The NIT advertisement should also be given to Indian Trade Journal (ITJ), published by the Director General of Commercial Intelligence and Statistics, Kolkata. The notification on the website must also contain the detailed bidding documents which can be downloaded by the prospective or interested bidders free of cost.
- (iii) The notice inviting tenders shall be short, clearly worded and unambiguous. It should give a brief description of the item/equipment to be procured, the qualification and disqualification requirement for the supplier, the last date up to which tender papers shall be supplied the date of receipt of completed tenders, the date, time, venue of opening of tenders and any other important information. Detailed technical specifications should not be given in the notice at all. They should only be given along with the bidding documents.
- (iv) Global tenders may be recommended if it is felt that bidding from the indigenous source through open tendering shall not result in competitive prices. In such cases, in addition to the open tendering procedures, copies of the NIT may be sent through email to the embassies of the countries where such manufacturers are located by giving them at least three weeks' time so that they can forward the notice to the prospective bidders in their countries.

4.7.3 Limited Tender Enquiry (LTE)

- (i) This method may be adopted for purchases up to Rs 25.00 lakh and be sent to the prospective bidders by FAX/speed post/registered post/courier/e-mail simultaneously, free of cost.
- (ii) However, Limited Tender Enquiry method can be followed even in procurement of items worth more than Rupees twenty five (25) lakh when:
 - a) The Indenting Officer certifies that the demand is urgent and any additional expenditure incurred through open advertisement shall not be fruitful;
Or
 - b) When the sources of supply are definitely known and the possibility of fresh sources of supply being available is remote.
 - c) It is not in public interest to adopt the open tender method.

However, such mode of procurement should be approved by the competent authorities as per the delegation of powers made in respect of these Rules & Manual.

- (iii) In case where the response to limited tender enquiry in respect of items costing more than Rs. 25.00 lakh is poor, i.e., if the response is only from two or less bidders, then the SPC may deliberate on case to case basis and take a considered decision to recommend on basis of the offers received. However the Tender opening committee (TOC) shall invariably open the bid/s irrespective of number of bids received on date and forward the same to Purchase section/deptt.
- (iv) In all such cases of LTE, the invitation to bids must be sent to parties of comparable reputation and market share. For instance, if the requirement is for the installation of air-conditioning system and the intention is to get it done from major firms, such notices must be sent only to reputed national or multi-national firms and not to local manufacturers/agencies. On the other hand, if the intention is to encourage local manufacturers/agencies, queries should be sent to local manufacturers/agencies only and not to major firms. This is necessary to ensure proper comparison.
- (v) For the sake of competition and transparency, details of Limited Tender Enquiry valuing beyond Rs. 25 lakh (in exception circumstances) may be hosted on the web site. Any bid received against such limited tender enquiry should also be considered subject to fulfillment of the terms & conditions of the limited tender.

4.7.4 Time Frame for Tendering

- (i) The following time limit may be allowed to the bidders so that they can

quote their best possible price. In case of urgency or adequate availability of sources, the time period can be reduced but proper justification for the same has to be furnished and accepted by the Purchase Committee. However, it should be ensured that adequate competition exists and fair chance is given to all the interested bidders to enable them submit their offers in time

- a) Limited tender - Two weeks.
- b) Open tender - Three weeks.
- c) Global tender - Four weeks.

4.7.5 Single Tender Enquiry (STE)

- (i) Purchases on Single Tender Enquiry (STE) basis can be resorted to only during emergent situations, when the required goods are necessarily to be purchased from a particular source. In such situations the reasons for such decision is to be recorded and approved by the competent authority.
- (ii) The Indentor should furnish a certificate as per Annexure "E" and submit it along with the indent
- (iii) Purchases on single tender basis should be kept to the barest minimum and must be approved by the Competent authority on specific recommendations of the Indentor(s) & Standing Purchase Committee only after fully satisfying in all respects that such procurement is unavoidable.
- (iv) Such quotations under STE can be sent and received by FAX/E-mail/ courier etc. and opened directly by the Purchase Section. However, proper records of the enquiry so sent, should be maintained.
- (v) The reasonability of prices and acceptability of other terms and conditions should be confirmed by the Indenting Officer and thereafter the proposal needs to be put up to the Purchase Committee concerned for their recommendations. The Purchase Officer may then place the Purchase Order after obtaining the sanction of the expenditure.

4.8.0 Purchases on Proprietary/Specific Brand (SB) basis

4.8.1 Purchases on proprietary/specific brand basis can be resorted to only when:

- (a) *Proprietary Item*: It is in the sure knowledge of the Indentor that the item to be procured is manufactured only by a particular manufacturer and there is no other option except to purchase this item as it is having unique feature which is essential for R&D activity and which is not available in any other similar equipment.

- (b) *Specific brand*: Where the intender desires to purchase equipment/item of specific brand due to technical suitability / previous experience / consistency in experiments.
- (c) Spares, accessories, consumables etc. need to be procured which are required to be compatible with the existing sets of equipment or for standardization of machinery.
- 4.8.2 Generally Purchases made on proprietary basis are on single tender basis while items procured on single tender basis need not be necessarily proprietary in nature.
- 4.8.3 PAC form as per Annexure "D" should be signed by the Indentor and the PI and submitted along with the indent.
- 4.8.4 Indent for procurement of proprietary/specific brand items or goods the value of which is more than Rs. 5 lakh should accompany the recommendation of a technical committee constituted by the Director, in addition to PAC form as per Annexure "D".
- 4.8.5 Quotations shall be called for by the Purchase Officer directly, without referring to Purchase Committee. Such quotations can be sent and received by FAX/ e-mail, courier etc. irrespective of value and opened directly by the Purchase Section. However, proper records of the enquiry so sent, should be maintained.
- 4.8.6 The Purchase Officer in the case of purchase of items which are proprietary in nature, can also download the price from the web site of the firm and process for further necessary action.
- 4.8.7 In the case of purchase of proprietary/specific brand items costing below the prescribed value, the purchase officer may place purchase orders directly without reference to Purchase Committee concerned after receiving the offers and obtaining the recommendations of the indenting officer/prescribed committee and sanction of expenditure from the competent authority as per delegation of power. However, it must be ensured by the Indentor that such items being procured are required to meet the immediate needs and are not intended for stocking over a long period of time. The reasonability of prices and acceptability of other terms and conditions should normally be confirmed by the Indenting Officer/Principal Investigator before placement of Purchase orders. In the event, price negotiation is warranted, the Standing Purchase committee (SPC) of the institute may be co-opted and the decision /minutes of the negotiations be recorded in the file.

4.9.0 Purchases of major high value/specialized R&D equipment & materials

- 4.9.1 In case of purchase of high value R&D equipment costing above Rs 25 lakh, where the industrial environment is dominated by complex design, changing technology and fast rate of obsolescence, the aim should be to buy the best and the latest with speed, transparency and with due regard to canons of financial propriety. Accordingly, such items may be purchased in a Fast Track

mode where speed will be the essence and a minimum lead-time will be the defining principle. In such mode of purchase, normally specifications may be finalized after holding a *Pre-Indent discussion/presentation and conference*.

4.9.2 Pre-Indent Conference (PIC):

The pre-Indent Conference involves formal interaction with prospective manufacturers/ suppliers before framing specifications. After constitution of a case-specific Technical & Purchase Committee (T&PC) as per the clause 3.5.0 the technical sub-committee (TSC) as described under para 3.5.2 shall hold a pre-indent conference to finalize the specifications (if felt necessary) of the required item as per following:

- a) On an assigned date, the prospective manufacturers/ their authorized channel partners or agents/suppliers and system integrators, may be called for discussion with the committee on the aspects of utility, technology, feature, literature, design, technical parameters, clientele, and other related issues of the equipment and material. The senior most officer of Purchase will assist T&PC in the above process, wherever required.
- b) If need is felt, separate demonstration/ presentation can also be sought from the prospective vendors at convenient time and interval at the IISER-TVM or in rare cases demo can be seen by the Sub-committee of the T&PC at suppliers premises or any other installation in India for which approval of the Competent Authority may be necessary.

4.9.3 On the basis of above exercise, the Technical Sub-committee (TSC) shall finalize specification after knowing/obtaining details about relevant/available technology in the market suiting to the requirement and R&D needs of laboratories. The sub-committee shall also evaluate the credentials/Technical capabilities/financial standings and track record of the companies/vendors attending the PIC and on the basis of these, it will also finalize minimum qualification criteria for bidding. Then, it will submit a certificate as per Annexure "F" along with the finalized PQ criteria recommending issue of tenders to the short listed parties whose credentials/Technical capabilities have been evaluated/verified by it after the PIC. The cogent reasons for disqualification, if any, in respect of each of participating firms/vendors shall be recorded by the technical sub-committee and made a part of the indent.

4.9.4 The indent raised on the basis of specification finalized this way will be sent to Purchase section who will invite quotations from the recommended parties in two bid mode as per rules without any further reference to T&PC.

4.9.5 For a specific requirement of a project, if the Technical Sub-committee of the T&PC feels the necessity to go in for a particular standard product because of its technical suitability, compatibility with any existing equipment/component or its easiness of operation and its universally accepted quality, design, performance or features meeting quality/aesthetic standards, etc.,

the Technical sub Committee (TSC) may recommend the specific brand names, make or catalogue numbers of the specified manufacturer/s with proper detailed justification for taking such a decision which shall be recorded, and approved by the Competent Authority.

- 4.9.6 For the sake of transparency and in order to ensure that genuine parties participate in the PIC, Expression of Interest (EOI) can be sought through web hosting or by issuing pointer advertisement in the press for the requirement, if so felt necessary.
- 4.9.7 When the proposal for the procurement of such an item is initiated within the School/Department/Center, the proposal for constitution of the Technical & Purchase Committee (T&PC) and for seeking approval of EOI (wherever required), will be made by the Indenting Faculty / PL and the approval will be communicated by them to the Purchase Division for co-ordination in respect of holding the Pre-Indent Conference or for floating EOI by giving wide publicity by hosting it on official website or pointer advertisement in the press, wherever required.
- 4.9.8 Further, to ensure that bidders have understood the requirement or in order to have some more clarification on technical aspects or any other issue, a Pre-bid Conference may be arranged (if felt necessary by T&PC) prior to at least two weeks before the due date of submission of tender to the Purchase division.
- 4.9.9 The technical bids received against the tenders will be opened by the Tender opening committee (TOC) which will be sent by the Purchase Division to the chairman, Technical & Purchase Committee who shall have the technical bids evaluated through the same technical sub-committee (TSC), which had finalized the specification. The TSC shall evaluate bids to ensure that these are submitted in accordance with the finalized parameters and specifications and shall select responsive bidders.
- 4.9.10 The financial bids of the selected responsive bidders will then be opened by TOC with due advance intimation to the bidders concerned. Thereafter the Purchase Department will prepare financial comparative statement for final Selection of the Lowest Evaluated Responsive Bidder (L1) and forward the detail purchase proposal to T&PC for its consideration.
- 4.9.11 After successful bidder is selected, the T&PC will meet, finalize and approve the proposal and the Indentor/Principal Investigator will accord expenditure sanction within the delegated powers. The presence of Member Purchase & Member finance will be mandatory to discharge their respective roles as defined in clauses (e) & (f) respectively of Para 3.5.1.
- 4.9.12 Adoption of Integrity Pact in major Government Procurement Activities:**

- a) As per directive of the CVC all organizations including IISER-TVM have to adopt an Integrity pact(IP) to ensure transparency, equity and competitiveness in major Public procurement activities. The integrity pact envisages an agreement between the prospective bidders/vendors with the buyer committing the persons/officials of both the parties with the aim not to exercise any corrupt influence on any aspect of the contract. Only those bidders/vendors who have entered in to such an integrity pact with the buyer i.e. IISER-TVM, would be competent to participate in the bidding. It is therefore mandatory to make it a condition for qualification in the bidding process in the tender document.
- b. IP envisages Panel of Independent External Monitors (IEMs) which shall be provided/recommended by IISER-TVM & approved by CVC. The Model format of Integrity Pact (IP) is at annexure H.
- c. The integrity pact would be applicable for any single purchase where estimated value of purchase exceeds Rs 1 (one) crore on each occasion.

4.10.0 Purchases on the basis of "Proprietary Usage"

4.10.1 There may be instances where a faculty, for any of his running project at present or in the past, has/had been using an equipment/apparatus/machinery/chemical or any other item of consumable or non-consumable nature and may need the same material from the same source for his R&D project to ensure that consistency and continuity is maintained with an already established analytical methods/protocols and with Standard operating procedures (SOP). In such a situation the item can be indented and purchased on this basis to be called "Proprietary Usage". The Indentor faculty shall be required to certify that the Purchase is proposed to be made on proprietary usage basis because any other material/equipment/chemical etc. if used will lead to a deviation in the result and affect the integrity/accuracy, validity or analysis of the R&D project .

4.10.2 For cases under proprietary usage, the constitution of Technical & Purchase Committee (T&PC) shall not be required. For indenting such item, the user shall have to furnish a certificate as per Annexure "G" after which the indent shall be processed for procurement by the Purchase deptt. However, the recommendation of a technical committee constituted by the Director is required.

4.10.4 Purchase of Furniture/fixtures/Heating and air conditioning equipment

In order to ensure good working environment and pleasant ambiance in IISER-TVM, an open office system with ergonomically and aesthetically

suitable modular furniture/ workstations with proper space for sitting and storage management (both for active & dead storage), need to be created/purchased. Accordingly, Institute may also standardize the furniture, heating, ventilation and air-condition (HVAC) requirements. The standardization will lead to better efficiency and maintenance etc. While the transparency and economy should be the defining principle in such procurements, the aim should be to buy the best and long-lasting material/facilities within the available approved financial resources in consultations with services division of the Institute.

4.10.5 Purchase of materials for Pilot Plants and Prototypes

Pilot plants, prototypes created/fabricated and installed in the institute are meant to translate R&D efforts put up by the faculty's into technology and its perfection. It is therefore obligatory to adopt a fast track approach in buying the materials (both standard/non-standard) required for its fabrication/manufacture. At times the fabrication jobs are to be out sourced. The investment so made in such type of purchases is to be specialized depending upon the usages to ensure quality. Therefore, in such cases, the broad rules of purchase need to be applied to ensure transparency, but there should be enough flexibility with the approval of the competent authorities so that it should not come in the way of achieving the organizational objective for which plants /prototypes are created.

4.10.6 Purchase of IT (Information Technology) related products

Technology in the field of information is fast changing and obsolescence is very fast. The adoption of fast track approach is therefore must in such types of procurements. It is felt that by the time order is placed, the quoted specifications/brands and models at times get either vanished or get upgraded by the companies and olds ones get obsolete or become no more available. Therefore the order/contract placed with the parties should specify that "vendors/suppliers will provide the IT equipment of latest architecture/technology without additional price". However in all such cases, holding a pre-bid conference to know the updated status of the industry is desirable.

In order to ensure that we buy the best, parties like National Informatics Services (NIC)/National Informatics Centre Services Inc (NICSI) can also be approached directly for such purchases. As these Govt. of India organization/Company have the expertise to validate the technology involved and the capability of benchmarking of the desired specification and the products respectively, their services can be sought by the Institute, if so desired. However, it will not be mandatory to buy through NICSI.

4.10.7 Purchase of Spares/Accessories

The spares and accessories are very important for keeping the equipment functional during warranty & post warranty periods. At the time of buying the equipment and during its maintenance, the aspects of Vitality, Essentiality and Desirability (VED) of spares should be visualized/assessed. As a matter of policy, the inventory of spares/accessories may be minimized.

4.11.0 Purchase under Two-bid system

4.11.1 In the Two-bid system the bidders are asked to send their bids in two separate sealed envelopes as under: -

- a) Technical bid consisting of all technical details along with Bid Security and commercial terms and conditions in one sealed envelope; and
- (b) Financial bid indicating item-wise price for the items mentioned in the technical bid in the other sealed envelope. These two envelopes may be put under one big envelop and shall be submitted as per instruction. The technical bids are opened first and analyzed for acceptability either by the Purchase Committee itself or by a separate technical sub-committee as per para 3.2.4 (f). Thereafter, in the second stage, the financial bids of only the technically acceptable offers (as decided in the first stage above) are opened for further scrutiny, evaluation, ranking and placement of contract.

4.11.2 The purchase of any equipment/material costing above Rs. 5 lakh & up to Rs 25 lakh, may be made on single bid-system basis in accordance with the delegation of the approving authorities. However, Purchase Committee/ Technical & Purchase Committee may, based on the merits of each case, decide whether to invite bid on single or two-bid envelope mode.

4.11.3 For purchases of any equipment valuing above Rs. 25.00 lakh two- bid system should be invariably adopted.

4.11.4 Firms submitting bids in a single envelope against the requirement of two-bid system should be considered for further evaluation at the risk & responsibility of the bidder. However, the opened priced bid should be sealed immediately by the TOC, without disclosing the price.

4.12.0 Pre-Bid Conference (PBC)

4.12.1 The pre-bid conference is a platform for clarifying issues and clearing doubts, if any, about the specification and other allied technical/ commercial details of the goods projected in the bidding documents. The date, time and place of pre-bid

conference should be indicated in the bidding documents for information of the interested tenderers. This date should be sufficiently ahead of tender opening date.

- 4.12.2 In situations where the items required to be purchased are susceptible to rapid changes in technology or in case of turnkey contracts or contracts of special nature for purchase of sophisticated and costly equipment then it is advisable to conduct a PBC so that the latest changes in specifications could be ascertained that shall serve the purpose.
- 4.12.3 Changes may be incorporated in the bidding documents after the PBC so that all the prospective bidders are given equal opportunity to submit their offers according to the revised specifications/requirements.
- 4.12.4 It may, however, be ensured that sufficient time is given to all the prospective bidders to submit their bids after the PBC. It may be clearly indicated in the bidding document that the prospective bidders should submit their bids only after the pre-bid conference so as to take care of the changes made in the bidding document.
- 4.12.5 The prospective participants in the pre-bid conference may be asked to submit written queries to the Purchase Division on the issues of the bid before the date of the PBC so that a well-condensed response could be kept ready with internal consultations etc wherever required. It will also help in smooth conduct of the conference.
- 4.12.6 The changes made in the bidding document should be treated as amendment to the bidding document and the same should be hosted on the website of the Institute to enable all the bidders who could not attend the pre-bid conference to take care of the amendments. Specifications finalized after the pre-bid conference cannot be changed further and consequently there shall be no occasion for revision of price bids.
- 4.12.7 Purchase Committee/ Technical & Purchase Committee may decide on the merits of each case, the need to conduct a pre- bid conference and indicate accordingly in the bidding document.

4.13.0 Purchase of items through KVIC/ACASH/SSI units etc.

- 4.13.1 The decision to purchase items reserved exclusively from KVIC/ACASH/SSI units is entirely at the discretion of Purchase Committee/Technical & Purchase Committee and may be allowed the following benefits:
- (a) Exemption from payment of tender document fee
 - (b) Exemption from Bid Security (BS) in case they manufacture the indented item

(c) Price preference, as notified from time to time, over the quotation of large-scale units if any by the Govt.

- 4.13.2 In case the decision is taken to buy the products from these agencies, then the Purchase Committee (PC)/Technical & Purchase Committee (T&PC) may consider the purchase of items reserved exclusive from SSI units as per instructions notified from time to time by The Development Commissioner, small Scale Units and indicate accordingly in the bid document.
- 4.13.3 Purchase Committee may also need to invariably follow the Purchase Preference Policy for products and services of Central Public Sector Enterprises as notified from time to time by the Department of Public Enterprises.
- 4.13.4 The Purchase Committee may recommend procurement of certain item including equipment, computers and peripherals from Kendriya Bhandar/ NCCF and other co-operative societies recognized by the Govt. of India for purchases between the range of Rs 1.00 Lakh to Rs 5.00 Lakh. The authorities competent to purchase within delegated powers are however, authorized to take a decision whether or not such items be bought under the procedure outlined in Para 4.7.0 above for cases exceeding Rs. 5.00 Lakh.
- 4.13.5 Purchase of equipment normally shall be made directly from the manufacturer or their authorized agents/dealers. It shall not be bought from the sub-agents of authorized agents/dealers unless their credentials are verified.
- 4.13.6 In the case of imports, DGS&D enlistment certificate from the Indian agents may be insisted upon only when the item appears in the restricted list of the EXIM policy.
- 4.13.7 In case of many authorized agents/dealers being available, the offer may be obtained from dealer/agent specifically authorized by the manufacturer against the particular tender & be considered for any Purchase or AMC or repairs.
- 4.13.8 In case of purchase financed by foreign loan/aid, the procedure prescribed in the loan/aid agreement shall be followed. In the absence of any such procedure in the relevant agreement, the procedure contained in these rules shall be followed.

4.13.9 Procurement of scientific and technical services

- a) IISER-TVM may procure specialized scientific & technical services with the approval of competent authority in case such services are not available in the institute. These Scientific & Technical services can be outsourced in public interest by observing due canons of financial propriety.
- c) For highly specialized services consultants can also be engaged as per Govt. of India instructions.

- c) The institute may prepare the scope of the work/services by defining the functional requirement and ultimate objective with the help of professional consultants (wherever needed) for procuring the services and work out reasonable estimation of funds required.
- d) If the estimated cost of the work or service for R&D is up to Rs.5 lakh procedures stipulated under 4.1.0 and 4.2.0 should be followed.
- e) If the estimated cost of the work or service is above 5lakh and up to Rs 25 lakh, a detailed list of potential consultants/service providers may be made on the basis of formal or informal enquiries from other reputed scientific/research organizations who are engaged in similar activities. Director may constitute a Special Services Evaluation Committee (SSEC) chaired by a faculty at the level of Professor, expert(s) from the faculty of the institute or from other govt. organization to be nominated by Director, Indentor(s), senior most officer in Finance Deptt and Purchase Deptt. for after analyzing and evaluating the offers available and making recommendations.
- f) For projects/services costing above Rs 25 lakh, in addition to formal/informal enquiries, Expression of interest (EOI) from consultant(s)/service providers may be sought by inserting the pointer advertisement in one National daily besides hosting it on the official website where the broad scope of work/service required, eligibility and qualification criteria to be met by consultant(s)/service providers be mentioned. The consultants may also be asked to send their comments on the objective and scope of the work/service projected in the enquiry.
- g) Consultants/Service Providers may be short listed on the basis of responses and qualifications set for them.
- h) Request for proposal (RFP) should be issued to short listed consultants seeking their bids under two bid system i.e. technical and financial bids. The RFP should contain clear-cut Terms of Reference (TOR) which may include:
 - (i) Precise statement of objectives;
 - (ii) Outline of the tasks to be carried out;
 - (iii) Schedule for completion of tasks;
 - (iv) The support or inputs to be provided by IISER-TVM to facilitate the consultancy.
 - (v) The final outputs that will be required of the Consultant;
- i) The Technical bids should be analyzed and evaluated by a Special Services Evaluation Committee (SSEC) constituted by the Director, to be chaired by a faculty at the level of Professor, expert(s) from the faculty of the institute or

from other govt. organization to be nominated by Director, Indentor(s), senior most officer in Finance Deptt and Purchase Deptt.

The SEC shall record in detail the reasons for acceptance or rejection of the technical proposals analyzed and evaluated by it.

- j) The financial bids of only those bidders who have been declared technically qualified by the Consultancy Evaluation Committee as per above shall be opened for further evaluation and ranking and selecting the successful bidder for placement of the consultancy contract.
- k) Should it become necessary, in an exceptional situation to outsource a job to a specifically chosen service provider/researcher, the competent authority may do so, in consultation with SEC. In such cases the detailed justification, the circumstances leading to the outsourcing by choice and the special interest or purpose, it shall serve, will have to be given by service user and it should also form integral part of the proposal.

4.14.0 Repeat Order

4.14.1 If an indent is received for an item or items of materials/stores of identical description for which an earlier purchase order has been placed, fresh tendering action may be dispensed with and purchase made on repeat order basis, this is, either by enhancing the quantity in the earlier purchase order or repeat basis provided that:-

- (a) The original purchase order was placed on the basis of a lowest technically acceptable offer and was not on delivery preference,
- (b) The new purchase order is placed within SIX months from the date of issue of the original purchase order,
- (c) The requirement is for the material/stores of identical description
- (d) The supplier concerned is willing to accept a purchase order on identical terms and conditions,
- (e) There is no downward trend of the prices since the original purchase order was placed which is to be certified by the Purchase Officer concerned,
- (f) The quantity to be ordered/purchased on each occasion on repeat order basis does not exceed 100% of the quantity as per the original purchase order or Rs.15 lakh (Rupees fifteen Lakh) only in value whichever is less and
- (g) Efforts are made to obtain a suitable rebate from the supplier concerned for the increase in quantity and the results of the efforts are recorded in writing before a repeat order is released.

4.14.2 Director, IISER-TVM shall have the powers to authorize and approve deviations to the value limit, quantity limit and time limit not exceeding 12 months from the date of the initial purchase order specified in this Para in consultation with Finance in deserving cases subject to condition that there is no downward trend in the prices of the items in the market after placing the initial purchase order and he is satisfied that it is in the public interest to place a repeat order rather than inviting fresh tenders against the indent raised by the School/Division/Department of IISER-TVM.

4.15.0 Negotiations

There shall not be any negotiation normally. Negotiations, if at all, shall be an exception and only in the case of items with limited source of supply. Negotiations shall be held with the lowest evaluated responsive bidder. Counter offers tantamount to negotiations and shall be treated at par with negotiations in the case of one time purchases.

Chapter 5

Bid Security and Performance Security

5.1.0 Bid Security

- 5.1.1 Bid Security, also known as Earnest Money Deposit (EMD), is a form of monetary security obtained from the bidder, in the case of advertised or Limited Tender Enquiry, as a safeguard against his withdrawing/altering his bid during the bid validity period and more so showing their earnestness in participating in tendering process.
- 5.1.2 Bid Security may be taken in cases for equipment /material costing above 25 lakh. The Competent authority i.e., Director, in the rare cases, may waive off the condition of Bid Security in case of highly reputed firms.
- 5.1.3 Bid security may be collected @ 2%-5% of the estimated value by way of Demand Draft (DD)/Bankers cheque (BC)/Bank Guarantee/ Fixed Deposit receipt pledged in favor of the Institute and should be valid for a period of 45 days beyond the bid validity period. All tenders received without BS, wherever applicable shall be summarily rejected. The BG/BC/DD/FDR may be issued by any nationalized/scheduled bank. In case the same is obtained in foreign currency, it should preferably be obtained in the shape of bank guarantee to avoid exchange rate variations/fluctuations and got confirmed by a scheduled/ nationalized Indian bank. The format of obtaining BS through Bank Guarantee is enclosed at annexure "I".
- 5.1.4 The bid security should be refunded to the successful bidder on receipt of Performance Security or alternatively the bid security could also be adjusted against the performance security, if it is paid through DD/BC. The bid security shall be refunded to the unsuccessful bidders within thirty (30) days from the award of contract.
- 5.1.5 The bid security may be denominated in Indian Rupees or in any freely convertible foreign currency and indicated as lump sum in the bidding documents.
- 5.1.6 The bid security may be forfeited if the bidder withdraws or modifies or amends its tender or impairs or derogates from its bid during the bid validity period or fails to sign the contract or fails to furnish order acceptance or Performance Security in time.
- 5.1.7 The firms registered with DGS&D, NSIC, Govt. Public Undertakings and Central Autonomous Bodies, if any, are exempted from payment of BS provided such registration includes the items they are offering which are manufactured by them and not for selling products manufactured by other companies.

- 5.1.8 In case a bidder intimates at the time of tender opening in writing that the bid security is kept inside the financial bid, in case of two bid system, then in such cases, the technical bid of the party may be accepted provisionally till opening of the financial bids with which the party has attached the bid security.
- 5.1.9 In the case of imports, the BS may be obtained either from the principal or from the Indian agent and in the case of indigenous bidders, the BS may be obtained from the manufacturer or their dealer/bidder.
- 5.1.10 The BS furnished by all unsuccessful bidders should be returned to them without any interest whatsoever, at the earliest but not later than 30 days after conclusion of the contract. The BS of the successful bidders should be returned, without any interest whatsoever, after receipt of performance security as per the contract/Purchase Order.
- 5.1.11 While Bid security (EMD) is a requirement, the Competent Authority may grant exemption of Bid security to some specific parties having sound credentials and are of national/international repute. The reasons are to be recorded by the Competent Authority while approving such decision for grant of exemption.

5.2.0 Performance Security (PS)

- 5.2.1 Performance Security may normally be taken within 21 days after the award of the contract from the successful bidder for orders valuing above Rs. 25 lakh for a value of 10% (ten per cent) or more covering up to 60 days beyond warranty period. The quantum/percentage of Performance security may be increased/decreased or waived off with the approval of the Competent authority i.e., Director in exceptional circumstances by recording the reasons which warranted increase/ decrease and waiver of PS.
- 5.2.3 The PS may be denominated in Indian Rupees or in foreign currency. The PS may be obtained in the form of Account payee Demand Draft/ Bankers cheque/Fixed Deposit Receipt pledged in favour of the Institute/Bank Guarantee/Stand by Letter of Credit. The format of obtaining PS is enclosed at annexure "J".
- 5.2.4 The Competent authority has the powers to extend the time frame for submission of order confirmation and submission of PS. It must however, be ensured that the BS is valid/enforceable till such time the PS is received. If firms are not willing to submit PS even during the extended period, then in consultation with PC/T&PC, the purchase order (PO) should be cancelled after taking all pros & cons into consideration and then re-tendering may be resorted to on limited tender basis by inviting quotations from all the responding firms irrespective of value, after forfeiting the bid security of the defaulting firm provided there is no change in specifications. In such cases the defaulting firm should not be considered again for re-tendering in the instant Purchase.

- 5.2.5 In rare cases where goods have been procured on proprietary basis or the companies supplying are of international repute, the matter of non-furnishing of performance Security, if any, may be brought to the notice of the Director for his final decision.
- 5.2.6 In the case of imports, the PS may be obtained either from the principal or from authorized Indian subsidiary/ agent and, in the case of purchases from indigenous sources, the PS may be obtained from either the manufacturer or their authorized dealer/bidder.
- 5.2.7 Performance Security should be refunded to the supplier without any interest, whatsoever, after it duly performs and completes the contract in all respects but not later than 60 days of completion of all such obligations under the contract.
- 5.2.8 The PS is to be forfeited in the event of a breach of contract by the supplier

Chapter 6

Contract management

6.1.0 Contract Management involves monitoring the implementation of a contract after it is placed to ensure timely completion of all the supplies and related services reflected in the contract as per terms & conditions incorporated therein.

6.2.0 Follow up of orders

6.2.1 Once order has been placed, the duty of Purchase Officer is to ensure that the vendors supply what has been ordered in time. The Purchase Section shall continuously be in touch with the Stores Section and in the event of the material not being received in time, it shall contact the vendor immediately and ensure that the material is received as quickly as possible. It shall also keep a list of vendors who are habitual defaulters and who supply sub-standard material, in order that prompt action is taken to suspend dealings with such vendors.

6.2.2 The Purchase Committee/T&PC, Indentor(s) and other concerned functionaries should co-ordinate their efforts to ensure completion of the contract without any time and cost overruns and related legal complications.

6.2.3 The institute has to ensure that the suppliers receiving the contract furnish the required Performance Security in the prescribed form by the specified date, failing which necessary action including forfeiture of the Earnest Money Deposit is to be taken against the supplier.

6.2.4 The supplier should acknowledge and unconditionally accept the P.O. within 7 days from the date of issue of contract. While acknowledging the P.O., the supplier may raise some issues and/or ask for some modifications against some entries in the P.O., such aspects shall be immediately looked into for necessary action and, thereafter, supplier's unconditional acceptance of the P.O. be obtained. If both the parties (viz. the purchaser and the supplier) simultaneously sign the contract across the table, further acknowledgement from the supplier is not required.

6.3.0 Amendment to Purchase orders/ Contracts

6.3.1 Amendments to all Purchase order not involving financial implications and LC amendments without any change in Purchase order price, specifications, ordered quantity and delivery period may be made directly by the Purchase Officer without reference to Purchase Committee/Technical & Purchase Committee concerned.

6.3.2 Any amendment involving financial and/or legal implications should be done with the approval of Purchase committee (PC) and T&PC including member finance. In case need is felt, legal opinion may also be sought.

6.3.3 It may be ensured that the amendments are in the overall interest of the Institute. Further, in the case of imports, where payment is through Letter of Credit (LC), the LC extension charges should be borne by the supplier, if the same is being extended on the request of the vendor. Competent authority may however waive of such petty expenses in the overall interest of smooth execution of the contract.

6.4.0 Receipt of materials

6.4.1 The receipt of all ordered material has to be made in the stores section and a report of such receipts must be sent to the Purchase/ Indentor next day. Similarly, information like transit of materials, clearance from Air/Sea port/transporter/vendors go-down etc. has to be intimated to the user Depts. Heavy and large items can be unloaded by the stores at the place of its final installation.

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

6.5.0 Payment to the Supplier

6.5.1 Purchase organization shall ensure that all the payments due to the firm, including release of performance security are made on priority basis without avoidable delay.

6.6.0 Closure of Purchase File & record retention schedule

6.6.1 On completion of all activities against a contract, the Purchase file should be preserved in the record room and destroyed after expiry of the applicable mandatory retention period.

6.6.2 For the above purpose, all records relating to Purchases made out of both revenue as well as capital grant should be retained for a period of 05 years and thereafter they may be weeded out provided there is no vigilance or audit objections, in which case these should be preserved till such time the vigilance or audit objections are dropped.

Chapter 7 Rate Contracts

7.0.0 Rate contracts

- 7.1.1 A Rate Contract (RC) is an agreement between the institute and the supplier for supply of specified goods (and allied services if any) at specified price and terms & conditions during the period covered by the Rate Contract. No quantity is mentioned nor is any minimum draws guaranteed in the Rate Contract. The Rate Contract is in the nature of a standing offer from the supplier firm.
- 7.1.2 The firm and/or the Purchaser are entitled to withdraw/cancel the Rate Contract by serving an appropriate notice on each other. However, once a Purchase Order is placed on the supplier for supply of a definite quantity in terms of the rate contract during the validity period of the rate contract, that Purchase Order becomes a valid and binding contract.
- 7.1.3 RC may be concluded for the following items:
- a) Commonly used goods needed on recurring basis.
 - b) Goods for which prices are likely to be stable.
 - c) Goods for which Rate Contract is convenient to operate.
- Note: (i) In case of goods of low value and which are required by the users in very small quantities, rate contracts may not be concluded.
(ii) Rate Contract may not be concluded for the scarce/critical/perpetually short supply goods.
- 7.1.4 The Institute may conclude rate contracts for Machine Tools, Information Technology Products, Ancillary Spares and similar products and chemicals where the design feature, performance parameters etc. of such products/goods differ significantly among the products of different manufacturers and even between different models of the same manufacturer and where equitable comparison of prices of such products is not feasible. Such Rate Contracts may be concluded on discount on Net Dealer Price (NDP) basis.
- 7.1.5 The period of a Rate Contract should normally be one year. However, in special cases, shorter or longer period may be considered. As far as possible, termination period of rate contracts should be fixed in such a way as to ensure that budgetary levies would not affect the price and thereby frustrate the contracts. Attempts should also be made to suitably stagger the period of rate contracts throughout the year.
- 7.1.6 RCs for items which need to be concluded on NDP basis may be concluded on limited or single tender basis while for conclusion of RCs for other items, limited tender method may be followed in case fair competition/adequate

response is ensured or else open tender method may be adopted. However, in the case of proprietary items the RC may be concluded with the manufacturers on single tender basis.

7.1.7 Normally, rates for RC should be obtained from manufacturers especially in specialized consumable items like chemicals, glassware, plastic wares, computer consumables, etc. For general items, authorized dealers/stockist/retailers may also quote for the purpose of concluding RC. The credibility of these dealers/stockists/retailers should be kept in mind while deciding the conclusion of the rate contract. Deliberately adding restrictive clauses like insistence on having local dealers of the manufacturers should be avoided so long as there is an efficient supply chain and the firm is willing to supply directly.

7.1.8 The tender documents for R/C shall contain the following salient conditions.

- i) Bid Security (BS) and Performance Security (PS) are not applicable
- ii) In the Schedule of Requirement, if any, no quantity is mentioned; only the anticipated drawal may be mentioned without any commitment.
- iii) The Institute reserves the right to conclude more than one rate contract for the same item.
- iv) The Institute as well as the supplier may withdraw the rate contract by serving suitable notice to each other. The prescribed notice period is generally thirty days.
- v) The Institute has the option to renegotiate the price with the rate contract holders.
- vi) In case of emergency, the Institute may purchase the same item through ad hoc contract with a new supplier.
- vii) Terms of delivery in rate contracts should be FOR destination.
- viii) Purchase Orders, incorporating definite quantity of goods to be supplied along with all other required conditions following the rate contract terms, are to be issued for obtaining supplies through the rate contract. Some of the important details which the Purchase Order should contain are:

- (a) Rate Contract No. and date.
- (b) Quantity.
- (c) Price.
- (d) Date of Delivery by which supplies are required.
(In the Purchase Order, a definite delivery date based on the delivery period stipulated in the rate contract is to be provided).
- (e) Full address of the Institute along with telephone. No., Fax No. and e- mail address.

Copies of Purchase Order are to be endorsed to all concerned.

- ix) Institute is entitled to place Purchase Orders up to the last day of the validity of the rate contract and, though supplies against such Purchase Orders will be effected beyond the validity period of the rate

contract, all such supplies will be guided by the terms & conditions of the rate contract.

- x) The Purchase Order may be placed on any of the RC holder and no CS of prices is required to be prepared for the Purchase of items on RC basis.
- xi) The rate contract will be guided by “Fall Clause”.

7.1.9 The modalities for concluding of the R/C, s shall be decided by the PC of the Institute. It is not mandatory to solicit RC proposal through press tender in case the sources of supplies are definitely known.

7.1.10 PC will ensure that the equitable distribution of orders for items amongst R/C firms and may devise a suitable mechanism in this regard.

7.1.11 The detail of the R/Cs should be hosted on the website of the Institute.

7.2.0 Parallel Rate Contracts

7.2.1 In cases where it is observed that a single supplier does not have enough capacity to cater to the entire demand of an item, the Institute may enter into more than one rate contract with different suppliers for the same item. Such rate contracts are known as Parallel Rate Contracts.

7.2.2 In exceptional circumstances where there is an acute need of parallel Rate contract with more than one firms, and the L2 or L3 firms are not willing to match the price quoted by L1 firm, the PC may also agree to conclude RC with L2 or L3 firms at their quoted prices provided their rates are within a reasonable limit of variance from the L1 prices. Reasonableness of the variance in prices will be judged by the PC at its best wisdom. In all such cases specific approval of the Director of the Institute shall be mandatory.

7.3.0 Fall clause

7.3.1 Fall Clause is a price safety mechanism in rate contracts. The fail clause provides that if the rate contract holder reduces its price or sells or even offers to sell the rate contracted goods following conditions of sale similar to those of the rate contract, at a price lower than the rate contract price, to any person or organization during the currency of the rate contract, the rate contract price will be automatically reduced with effect from that date for all the subsequent supplies under the rate contract and the rate contract amended accordingly.

7.4.0 Renewal / extension of Rate Contract

7.4.1 It should be ensured that new rate contracts are made operative right after the expiry of the existing rate contracts without any gap for all rate

contracted items. In case, however, it is not possible to conclude new rate contracts due to some special reasons, timely steps are to be taken to extend the existing rate contracts with same terms, conditions etc. for a suitable period, with the consent of the rate contract holders. Rate contracts of the firms, who do not agree to such extension, are to be left out. Period of such extension should generally not be more than three months. Also, while extending the existing rate contracts, it shall be ensured that the price trend is not lower.

Chapter 8

PRE-AUDIT

8.1.0 No purchase orders the value of which exceeding Rs.1.00 Lakh (Rupees ONE Lakh) in case of non R&D and Rs.5.00 Lakh in case of R&D and amendment thereto having financial implications where the value of the order after the amendment exceeds the above limits shall be released by the Purchase Section/Deptt unless these are pre-audited and certified to be in order by an officer at the appropriate level in the Finance & Accounts (F&A) Section/Deptt of the institute. However, the financial commitment in respect of the purchase orders below the above said value should be recorded by the Finance & Accounts section/deptt. For this purpose, commitments will be noted from the copies of the purchase orders received in Finance & Accounts section/deptt.

8.1.1 While pre-auditing and certifying the purchase orders, the officer concerned in the Finance & Accounts section/deptt. Section shall ensure, inter alia, that:-

- (a) Approval of competent authority/committee, etc., exists for the purchase,
- (b) In case of proprietary items, detailed technical justification wherever necessary for the choice of the proprietary make is furnished by the Indentor/Committee.
- (c) Sufficient funds are available.
- (d) The account to which the expenditure is to be debited i.e Institute fund/Project fund, is correctly indicated,
- (e) Lowest quotation is accepted or satisfactory reasons have been recorded in writing for not accepting the lowest quotation.
- (f) Proper procedure for making purchase is followed,
- (g) Approval of the competent authority is obtained for deviation from the procedure and also from the standard terms and conditions of the contract where applicable,
- (h) Provision is made in the contract for safeguarding government property required to be entrusted to the contractor,
- (i) Paying authority has been correctly stipulated in the purchase order,
- (j) Price preference/purchase preference wherever applicable as per the government order is accorded,
- (k) In case of purchase orders proposed on unregistered firms, income tax clearance certificate is obtained and certified to be available in the Purchase section,
- (l) When purchase order is proposed based on a single offer received against limited tender, adequacy of the coverage of field and reasonableness of the price are certified by the officer concerned in the Purchase Section,
- (m) Whether the provisions of GFR particularly those relating to contracts, purchases and cannons of financial propriety have been followed,
- (n) If the purchase order proposed to be placed is on ex-works or F.O.R. basis whether suitable provision has been made in the purchase order for safe delivery of the items by the contractor to the purchaser's site.
- (o) Whether suitable clause for proper packing is incorporated and whether name and address of the consignee, quantity, rate and other relevant commercial terms and conditions have been correctly reflected in the purchase order.
- (p) If previous purchase reference are available, whether the rates stipulated in the purchase order are comparable with the previous purchase order,

- (q) Wherever required and agreed to, whether liquidated damage clause has been incorporated in the purchase order,
- (r) Wherever appropriate guarantee clause has been incorporated in the purchase order,
- (s) Whether documents to be presented for release of payment have been listed out properly
- (t) In case where free issue materials are to be provided by IISER-TVM to the contractors, whether suitable provision for safeguarding the interests of the Institute, manner and method for delivery of free issue materials, furnishing safeguards by the contractor, accounting of free issue materials, the maximum permitted percentage of loss/wastage have been incorporated in the purchase order.

8.1.2 There shall, however, be no pre-audit of purchase requisitions irrespective of the value, released in favor of the suppliers based on the annual bulk supply contracts concluded by the institute and Finance & Accounts section/deptt will debit the expenditure to the concerned head of account of Institute/Projects based on the copy of requisition received from the Purchase Section.

Chapter 9

Inspection of goods

9.1.0 Inspection of goods

- 9.1.1 The Indentor shall inspect the materials as indicated in the tender documents as soon as it arrives and shall normally adhere to the schedule given by him at the time of placing the indent. Normally the concerned indenting division should ensure completion of inspection within ten days of receipt of advice from the stores.
- 9.1.2 For imported equipment the packing may be opened in the presence of the Indian agent to avoid short/damaged supply due to improper packing.
- 9.1.3 In any case the inspection shall be completed within the validity period of the insurance policy so that the claims for shortage/ damage if any can be lodged with the insurance company. Failure to inspect the material within the time schedule shall make the Indentor and the concerned Principal investigator responsible for the loss including the Indian agent.
- 9.1.4 With a view to ensure that the claims on the insurance companies are lodged in time, the Institute shall stipulate in the Purchase order/ Contracts, where Indian agent is available, that he is responsible for the follow-up with his principals for ascertaining the dispatch details and informing the same to the Institute and he shall also liaise with the Institute to ascertain the arrival of the consignment after clearance so that immediately thereafter in his presence the consignment could be opened for inspection and insurance claim be lodged, if required, without any loss of time. The contract/ Purchase order may also indicate that any delay on the part of the Indian agent would be viewed seriously and he shall be directly responsible for any loss sustained by the Institute on the event of delay.
- 9.1.5 In case of the goods to be imported from abroad, the Institute may accept manufacturers' In-house inspection report. However, the nature and cost of the goods ordered, the reputation of the supplier, etc. should be kept in view and appropriate decision taken.
- 9.1.6 In case a written complaint is received from the supplier disputing rejection of the goods by the Institute, the same should be jointly investigated by a team consisting of an authorized representative of the supplier and a team of officers of the Institute as decided by the Director.

9.2.0 Bill Clearance Schedule

- 9.2.1 Once the inspection is complete and the indentor certifies the inspection report, stores should ensure that the bill containing the stock entry reference and copy of the inspection report is sent to Purchase within three working days after the inspection is over. The Purchase wing shall send the same directly to accounts within four working days for payment and then the

accounts must arrange payment to the vendor within five working days from the date of receipt of bill. If for any reason, the payment is held up beyond the period stipulated, the matter shall be brought to the notice of the Director for his decision.

Chapter 10

Payments

10.1.0 Advance Payment

10.1.1 While the normal mode of payment is 100% within 30 days after receipt and acceptance of materials in good condition (within 30 days after satisfactorily installation & commissioning of equipment), there may be occasions when a reputed supplier insists on advance payment. In all such cases, the Director in consultation with the Finance section shall decide on a case to case basis what percentage of payment could be made to the vendor in advance against equivalent bank guarantee from a scheduled/nationalized bank. The BG/remaining amount shall be released only after receipt and acceptance of material in good condition or after satisfactorily installation and commissioning of the equipment. The format of the bank guarantee to be obtained for releasing the payments in advance is enclosed at annexure "I". In exceptional cases, the Director with the concurrence of the Finance section may relax the condition for obtaining BG against advance payments.

10.2.0 Part Payment

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

10.3.0 Payment against Delivery

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

10.3.2 Where payments are required to be released against fabrication contracts, depending upon progress of work in a staged manner, such payments may also be allowed based on verification & inspection and any other suitable safeguards as considered appropriate.

10.4.0 Import payments

10.4.1 In case of imports, when payment against sight draft/advance foreign

currency draft/LC is a condition, such payments may be allowed after financial sanction is accorded by the Competent authority subject to the limits prescribed by the RBI

10.5.0 Payment for purchase of equipment.

10.5.1 The payment for the purchase of equipment either indigenous or foreign shall be limited to 80-90% of the purchase order value where installation and commissioning of equipment is within the terms and conditions of the purchase order. The balance 20-10% shall be released on satisfactory completion of installation and commissioning.

10.5.0 Payment for Annual Maintenance contracts

- 10.5.1. In case of annual maintenance contracts/repairs, advance payment sufficient to cover one-year AMC charges can be allowed by the Competent authority. In cases where the AMC payment is for more than a year specific approval of the Director shall be obtained.
- 10.5.2 Any other payment terms can be accepted in exceptional cases on the approval of Director with concurrence of Finance. In cases where advance is required to be drawn, the Competent authority, within the powers delegated, has the powers to sanction the same.
- 10.5.3 Senior most purchase officer of the institute shall designate an officer not below the rank of Section officer (S&P) to act as DO(drawing officer) irrespective of the value once the expenditure is sanctioned by the Competent authority.
- 10.5.4 The bid documents must specify the currency (currencies) in which the bids are to be priced. As a general rule, domestic bidders are to quote and accept their payment in Indian currency; Indian agents of foreign suppliers are to receive their agency commission in Indian currency; costs of imported goods, which are directly imported against the contract, may be quoted in foreign currency (currencies) and paid accordingly in that currency; and the portion of the allied work and services, which are to be undertaken in India (like installation & commissioning of equipment) are to be quoted and paid in Indian currency.

10.6.0 Settlement of Advances

- 10.6.1 Advance payments once made to the parties are reflected in books of Accounts and remain as such till the time adjustment is submitted by Purchase Department. As per present practice after the equipment/ material has been tested and installed, the adjustment is submitted to accounts Department of the Institute. At times inspection formalities take longer time in testing the

parameters etc. of equipment, the advances drawn remain unadjusted and the get accumulated in the books of Accounts which is viewed as a serious audit objection later.

- 10.6.2 The present system of advance adjustment is perhaps because of the apprehension/ notion that in case the equipment, somehow not withstands the rigor of the inspection, and the labs having no claim at later stage, is not correct/justified. To satisfy this aspect the separate clauses of the contract like inspection/ warranty and legal aspects etc. are supposed to take care of these notions.
- 10.6.3 In order to avoid accumulation of advances the institute may soon after receiving the material/equipment for which advance has been drawn, record details of physical receipt of material/ equipment in the Daily receipt Register (DRR) and append the certificate on the Challan/Bill for the purpose of removal & adjustment

10.7.0 Payment through LC

- (a) In view of the modern banking practices and the electronic transfer of payments through Electronic gateways, the margin money payment for opening Letter of credit and issuing of Drafts etc. is to be done by accounts. Releasing of payment will be authorized by finance and accounts department directly to the bank.
- (b) Purchase Department will send the request to accounts for making payment towards margin money for opening LC for the proposals already approved by the Competent authority along with sanction memo. This step is bound to reduce unnecessary paperwork, ensuring speedy Bank reconciliation and adjustment of debits/credits raised by the banks.

10.8.0 Safeguards in respect of Bank Guarantees

To avoid receipt of forged/fake bank guarantees submitted by supplier/contract the following points should be noted and ensured:

- a) Copy of proper prescribed format on which BGs are accepted from the suppliers/contractors should be enclosed with the tender document and it should be verified verbatim on receipt with original document.
- (b) It should be insisted upon the contractors, suppliers etc. that BGs to be submitted by them should be sent to the organization directly by the issuing bank under Registered Post (A.D.)
- (c) In exceptional cases, where the BGs are received through contractors, suppliers etc., the issuing branch should be requested to immediately send by Registered Post (A.D.) an unstamped duplicate copy of the guarantee directly to the organization with a covering letter to compare with the original BGs and confirm that it is in order.
- (d) As an additional measure of abundant precaution, all BGs should be independently verified.

Chapter 11 Miscellaneous

11.1.0 Buy-back Purchases

- 11.1.1 With the approval of the Director, an existing old item (s) may be replaced with a new and better version. The Institute may trade the existing old item while purchasing the new one. This method is known as buy-back purchasing.
- 11.1.2 For this purpose, a suitable clause should be incorporated in the bidding documents so that the prospective and interested bidders formulate their bids accordingly. Depending upon the value and the condition of the old item to be traded, the time as well as the mode of handing over the old item to the successful bidder should be decided and relevant details in this regard be suitably incorporated in the bidding document. Further, suitable provision should also be kept in the bidding document to enable the Purchaser either to trade or not to trade the item while purchasing the new one.
- 11.1.3 The mode of procurement should be in conformity with clause 4.7.0. The buy-back price should be indicated separately by the bidder and once the Purchase is completed, the original value of the item be written off from the books of the respective labs.

11.2.0 Maintenance Contracts

- 11.2.1 Depending on the cost and nature of the goods to be purchased, it may also be necessary to enter in to maintenance contract(s) of suitable period either with the supplier of the goods or OEM or with any other competent firm, not necessarily the supplier of the subject goods. Such maintenance contracts are especially needed for sophisticated and costly equipment and machinery.
- 11.2.2 It may however be kept in mind that the equipment or machinery is maintained free of charge by the supplier during its warranty period or such other extended periods as the contract terms may provide and the paid maintenance should commence only thereafter.
- 11.2.3 If the maintenance contract is to be entered into with the supplier of the goods, then suitable clauses for this purpose are to be incorporated in the tender document itself and while evaluating the offers, the cost component towards maintenance of the goods are also to be added in the evaluated tender value on overall basis to decide the relative ranking of the responsive tenderers. Total cost on purchase and maintenance of the equipment over its projected lifecycle should be assessed to consider its suitability for Purchase.
- 11.2.4 If the maintenance contract is to be entered into with a competent and eligible supplier separately, then a separate tender enquiry is to be floated for this purpose and tenders evaluated and ranked accordingly for placement of maintenance contract.

- 11.2.5 The details of the services required for maintenance of the goods, the required period of maintenance and other relevant terms & conditions including payment terms are to be incorporated in the tender document. The terms of payment for the maintenance service will depend on the nature of the goods to be maintained as well as the nature of the services desired. Generally, payment for maintenance is made on half-yearly or quarterly basis.
- 11.2.6 A suitable provision should be incorporated in the tender document and in the resultant maintenance contract indicating that the prices charged by the maintenance contractor should not exceed the prevailing rates charged by it from others for similar services. While claiming payment, the contractor is also to give a certificate to this effect in its bill.
- 11.2.7 The tender document for maintenance contract must include a suitable provision to withdraw the maintenance contract due to any unforeseen reasons. However, while terminating the contract, if any payment is due to the contractor for maintenance services already performed in terms of the contract, the same should be paid to it as per the contract terms. Depending on the cost and nature of the goods to be maintained, suitable notice period for such cancellation to come into effect is to be provided in the documents.
- 11.2.8 The Purchase Committee (PC) may decide on the merits of each case the necessity of entering into maintenance contracts on comprehensive basis or on call basis or on non-comprehensive basis.

11.3.0 Procedure for Purchase through credit card/e- commerce

- 11.3.1 The following procedure will have to be followed for Purchases by credit card.
- (i) The offers should be downloaded from the web site of at least three firms and a certificate to the effect that the prices have been downloaded should be furnished by the Purchase In-charge.
 - (ii) The proposal will then be put up to the respective Purchase Committee and payment to the firm be made after the mode of payment is approved by the Purchase Committee .
 - (iii) The credit card will be kept with the officer authorized for this purpose. If possible, Institutional credit cards will be purchased and kept for official use only.
 - (iv) The Purchase In charge shall maintain an account of purchases made through the credit card to ensure that payment to the bank issuing the card is made within the free time after making necessary stock entry etc.

11.4.0 **Banning and Suspension of Business Dealings with the suppliers**

11.4.1 Business dealings with a firm, whether it is registered or not registered, may be ordered to be suspended or banned, in public interest by the Director of the Institute on the recommendations of Purchase Committee /Purchase & Technical Committee.

11.4.2 Banning and suspension of business dealings may be ordered where pending full enquiry into the allegation, it is considered not desirable that business with the firm should continue. Such an order may be passed: -

- (i) If the firm is suspected to be of doubtful loyalty to India.
- (ii) If the Central Bureau of Investigation or any other investigating agency recommends such a course in respect of a case under investigation, and
- (iii) If a prima-facie case is made out that the firm is guilty of an offence involving moral turpitude in relation to business dealings which, if established, would result in business dealings with it being banned.

11.4.3 The grounds on which banning may be ordered are:

- i) If security considerations including question of loyalty to the State so warrant.
- ii) If the proprietor of the firm, its employee, partner or representative is convicted by a court of law following prosecution for offences involving moral turpitude in relation to the business dealings.
- iii) If there is strong justification for believing that the proprietor or employee or representative of the firm has been guilty of malpractice such as bribery, corruption, fraud, substitution of tenders, interpolation, misrepresentation, evasion or habitual default in payment of any tax levied by law; etc.
- iv) If the firm continuously refuses to return IISER-TVM dues without showing adequate cause and the IISER-TVM is satisfied that this is not due to reasonable dispute which would attract proceeding in arbitration or court of law, and
- v) If the firm employs a IISER-TVM employee, who has been dismissed or removed on account of corruption or employs a non-official convicted for an offence involving corruption or abetment of such an offence, in a position where he could corrupt IISER-TVM employee.

11.5.0 **Operation of Procedure**

- (a) The operation of the above procedure shall be in super-session of all existing rules and instructions.
- (b) In respect of areas, which are not covered in the above procedure or in

the case of any doubt on the interpretation of this procedure, matter can be referred to Director, IISER-TVM for final decision.

- (c) For legal interpretation, the English version will hold good.
- (d) The Director, IISER-TVM may relax any of the provisions outlined in this procedure.
- (e) The procedure may be reviewed at suitable intervals for further modifications.
- (f) All electronic records like e-mails etc. as per IT act are valid and may be accepted.

Instructions to the Bidder and Conditions of contract are at Annexure K and L

Annexure 'A'

PURCHASE OF GOODS WITHOUT QUOTATIONS

(For Purchase of goods up to the value of Rs. 15,000/Rs.1,00,000
(*strike out whichever is not applicable*)

- a) "I, Shri/Ms./Dr., am personally satisfied that these goods purchased are of the requisite quality and specification and have been Purchased from a reliable supplier at a reasonable price."
- b) " It is further certified that the required item is for specific use of the R&D and will be utilized for the project titled_____
- (Project No.)" (*Strike out if not applicable*)
- c) "It is certified that the item is not available in the store."

Date_____

Signature of the Approving authority
Name & Designation _____

Date_____

Sanctioned
Rs. _____
____ (In figures and words)
Signature of the Competent authority
Name & Designation

Annexure 'B'

PURCHASE OF GOODS BY LOCAL PURCHASE COMMITTEE

(For Purchase of goods valuing between Rs. 15,001 to 1 Lakh for non-R&D)
(*Strike out whichever is not applicable*)

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

Member

Member

Member

Name:
Desig.:
Divn. :
Date :

Approved .

Signature of the Competent
authority
Name & Designation

Date_____

EMERGENCY PURCHASE CERTIFICATE

(For Purchase of goods valuing more than Rs. 5 lakh to be furnished by Sub-Committee)

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

(Indentor)

(Representative of Purchase)

(Representative of Accounts)

Date:

'ANNEXURE-D'

PROPRIETARY ARTICLE CERTIFICATE (PAC)
(To be submitted by the Indentor along with the indent)

Certified that to the best of our knowledge, the items indented vide indent

No..... dated.....are manufactured by

M/sonly.

There is no other option for the Laboratory except to Purchase this item(s) as it is having unique feature which is essential for R&D job and which is not available in any other similar equipment. I/We shall be held responsible in case the certificate is found to be incorrect.

Signature of Indenting Officer(s)/Principal Investigator
Designation:

Date : _____

Signature of the Coordinator/Head of School/Department/ Centre

Date_____

Annexure 'E'

SINGLE TENDER CERTIFICATE

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

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

.....

Date :

(Signature with date and designation of the Indenting Officer/Principal Investigator)

Annexure "F"

Specification Certificate by the Technical sub-committee of the Technical & Purchase Committee
(T&PC)
(To be furnished after holding Pre-Indent Conference)

It is certified that the specification and pre-indent qualification (PQ) criteria for.
(Name of item)...required for the.... (Name of Division)... has been finalized after holding
discussion with/seeing presentation of the OEMs, their authorized agencies vendors/
suppliers/system Integrators etc. listed below on------(date/s) at----- (Location)

- 1.....
- 2.....
- 3.....
- 4.....
- 5.....
- 6.....
- 7.....

It is further stated that the credentials/technical capabilities/financial standings/track record of the firms mentioned above have been evaluated /verified by us and therefore, we recommend issuing tenders on Limited basis only to the firms short listed above.

The final Specification and the Pre-Qualification criteria are attached herewith for further action.

Signatures:

(Indentor /Principal Investigator)
Name & Designation

(Tech. Member 1)
Name & Designation

(Tech Member 2)
Name & Designation

(Tech Member 3)
Name & Designation

(Chairman)

PROPRIETARY USAGE CERTIFICATE

For requirement of this project/section/ Division, the item/s----- is/are *required to be purchased from Manufacturers/dealers*only in order to maintain consistency, continuity, of established /standardized methods protocols and SOPs.

It is further declared that any deviation in respect of material inputs at this stage will affect the integrity, authenticity and validity of analysis /result.

.....

Signature and Name of Indenting Officer(s)
Designation:

Date:

Signature of the Coordinator/Head of
School/Department/Center

Date:

Format of the Integrity Pact

INTEGRITY PACT

Between

Indian Institute of Science Education and Research, Thiruvananthapuram (IISER-TVM) hereinafter referred to as "The Principal".

And

.....herein referred to as "The Bidder/ Contractor."

Preamble

The Principal intends to award, under laid down organizational procedures, contract/s forThe 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 an Independent External Monitor (IEM), 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, takes a promise for or accepts, 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 action.

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

(1) The Bidder(s)/Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his 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)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractor(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 annexed and marked as Annexure.

e. The Bidder(s)/Contractor(s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

(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 his 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 "Guidelines on Banning of business dealings". Copy of the "Guidelines on Banning of business dealings" is annexed and marked as Annex -"B".

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 3 years with any other Company in any country conforming to the anti-corruption approach or with any other 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 “Guidelines on Banning of business dealings.”

Section 6 – Equal treatment of all Bidders / Contractors/ Subcontractors.

- (1) The Bidder(s)/Contractor(s) undertake(s) to demand from all Subcontractors a commitment in conformity with this Integrity Pact, and to submit it to the Principal before contract signing.
- (2) The Principal will enter into agreements with identical conditions as this one with all Bidders, Contractors and Subcontractors.
- (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 Bidders / Contractors/ Subcontractors.

- (1) The Principal appoints competent and credible Independent External Monitor for this Pact. 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 functions neutrally and independently. He reports to the Director, IISER-TVM.
- (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 request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/Contractor(s)/Sub-contractor(s) with confidentiality.
- (4) 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.
- (5) As soon as the Monitor notice, or believes to notice, a violation of this agreement, he 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.
- (6) The Monitor will submit a written report to the Director, IISER-TVM 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.
- (7) Monitor shall be entitled to compensation on the same terms as being extended to/provided to Director IISER-TVM.
- (8) If the Monitor has reported to the Director, IISER-TVM, a substantiated suspicion of an offence under relevant IPC/PC Act, and the Director, IISER-TVM 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 10 months after the last payment under the contract, and for all other Bidders 6 months after the contract has been awarded.

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 Director, IISER-TVM.

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. New Delhi

(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.

(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): _____

Annexure "I"

MODEL BANK GUARANTEE FORMAT FOR FURNISHING BID SECURITY (BS)

Whereas (hereinafter called the "tenderer") has submitted their offer dated.....for the supply of

.....
(hereinafter called the "tender") against the Purchaser's tender enquiry No.KNOW ALL MEN by these presents that WE.....of having our registered office at

.....
are bound unto(hereinafter called the "Purchaser) in the sum of

.....
for which payment will and truly to be made to the said Purchaser, the Bank binds itself, its successors and assigns by these presents. Sealed with the Common Seal of the said Bank this..... day of20.....

THE CONDITIONS OF THIS OBLIGATION ARE:

- (1) If the tenderer withdraws or amends, impairs or derogates from the tender in any respect within the period of validity of this tender.
- (2) If the tenderer having been notified of the acceptance of his tender by the Purchaser during the period of its validity:-
 - a) If the tenderer fails to furnish the performance security for the due performance of the contract.
 - b) Fails or refuses to accept/execute the contract.

We undertake to pay the Purchaser up to the above amount upon receipt of its first written demand, without the purchaser (IISER-TVM) having to substantiate its demand, provided that in its demand the purchaser will note that the amount claimed by it is due to it owing the occurrence of one or both the two conditions, specifying the occurred condition or conditions. This guarantee will remain in force up to and including 45 days after the period of tender validity and any demand in respect thereof should reach the bank not later than the above date.

Signature of the authorized officer of the bank

Name and designation of the officer

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

**PERFORMANCE SECURITY FORM
MODEL BANK GUARANTEE FORMAT FOR PERFORMANCE SECURITY**

To,

.....

WHEREAS

(name and address of the supplier) (hereinafter called "the supplier") has undertaken, in pursuance of contract no. datedto supply (.....description of goods and services) (herein after called "the contract").

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

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

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

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

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

This guarantee shall be valid until the day of, 20.....

(Signature of the authorized officer of the Bank)

.....

Name and designation of the officer

.....

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

Annexure-K

CHAPTER 1 INSTRUCTIONS TO BIDDER

Table of Contents

Sl.No. Contents

- 1.1. Eligible Bidders
- 1.2. Cost of Bidding
- 1.3. Fraud and Corruption
- 1.4. Cost of Bidding Documents
- 1.5. Content of Bidding Documents
- 1.6. Clarification of bidding documents
- 1.7. Amendment of Bidding Documents
- 1.8. Language of Bid
- 1.9. Documents Comprising the Bid
- 1.10. Bid form and price schedule
- 1.11. Bid Prices
- 1.12. Bid Currencies
- 1.13. Documents Establishing Bidder's Eligibility and qualifications
- 1.14. Documents Establishing Goods' Eligibility And Conformity to Bidding Documents
- 1.15. Bid Security
- 1.16. Period of Validity of Bids
- 1.17. Format and Signing of Bid
- 1.18. Submission, Sealing and Marking of Bids
- 1.19. Deadline for Submission of Bids
- 1.20. Late Bids
- 1.21. Withdrawal, substitution and Modification of Bids
- 1.22. Opening of Bids by the Purchaser
- 1.23. Confidentiality
- 1.24. Clarification of Bids
- 1.25. Preliminary Examination
- 1.26. Responsiveness of Bids
- 1.27. Non-Conformity, Error and Omission
- 1.28. Examination of Terms & Conditions, Technical Evaluation
- 1.29. Conversion to Single Currency
- 1.30. Evaluation and Comparison of bids
- 1.31. Comparison of Bids
- 1.32. Contacting the Purchaser
- 1.33. Post qualification
- 1.34. Negotiations
- 1.35. Award Criteria
- 1.36. Purchaser's right to vary Quantities at Time of Award
- 1.37. Purchaser's right to accept any Bid and to reject any or all Bids
- 1.38. Notification of Award

- 1.39. Signing of Contract
- 1.40. Order Acceptance
- 1.41. Performance Security

A. Introduction

1.1. Eligible Bidders

1.1.1 This Invitation for Bids is open to all suppliers.

1.1.2 Bidders should not be associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Purchaser to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the goods to be purchased under this Invitation of Bids.

1.2. Cost of Bidding

1.2.1 The Bidder shall bear all costs associated with the preparation and submission of its bid, and "the Purchaser", will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.

1.3. Fraud and corruption:

1.3.1 The purchaser requires that the *bidders* suppliers and contractors observe the highest standard of ethics during the procurement and execution of such contracts. In pursuit of this policy, the following are defined:

"corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;

"fraudulent practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract;

"collusive practice" means a scheme or arrangement between two or more bidders, with or without the knowledge of the purchaser, designed to establish bid prices at artificial, non-competitive levels; and "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;

1.3.2 The purchaser will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract in question;

B. The Bidding Documents

1.4. Cost of Bidding Documents

1.4.1 Interested eligible bidders may purchase the bidding documents on payment of the cost of bidding documents as indicated in the invitation for bids/NIT or alternatively, the bidding documents can be downloaded from our Website as indicated in the Invitation for Bids/NIT free of cost.

1.5. Content of Bidding Documents

1.5.1 The goods required, bidding procedures and contract terms are prescribed in the bidding documents which should be read in conjunction. The bidding documents, apart from the invitation for bids have been divided into 8 chapters as under:

Chapter 1: Instructions to Bidder (ITB)

Chapter 2: General Conditions of Contract (GCC) and Special Conditions of Contract (SCC)

1.5.2 The Bidder is expected to examine all instructions, forms, terms, and specifications in the bidding documents. Failure to furnish all information required by the bidding documents or submission of a bid not substantially responsive to the bidding documents in every respect will be at the Bidder's risk and may result in rejection of its bid.

1.6. Clarification of bidding documents

1.6.1 A prospective Bidder requiring any clarification of the Bidding Documents shall contact the Purchaser in writing at the Purchaser's address specified in the Special Conditions of Contract (SCC). The Purchaser will respond in writing to any request for clarification, provided that such request is received *not* later than ten (10) days prior to the deadline for submission of bids. The Purchaser shall forward copies of its response to all those who have acquired the Bidding Documents directly from it, including a description of the inquiry but without identifying its source. Should the Purchaser deem it necessary to amend the Bidding Documents as a result of a clarification, it shall do so following the procedure under *clause* relating to amendment of Bidding documents and Clause relating to Deadline for Submission of Bids. The clarifications and amendments issued would also be hosted on the website of the purchaser for the benefit of the other prospective bidders.

1.7. Amendment of Bidding Documents

1.7.1 At any time prior to the deadline for submission of bids, the Purchaser may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the bidding documents by amendment.

1.7.2 All prospective bidders who have received the bidding documents will be notified of the amendment in writing or by cable or by fax, or by e mail and will be binding on them. The same would also be hosted on the website of the purchaser and all prospective bidders are expected to surf the website before submitting their bids to take cognizance of the amendments.

1.7.3 In order to allow prospective bidders reasonable time to take the amendment into account, *while* in preparing their bids, the Purchaser, at its discretion, may extend the deadline for the submission of bids and host the changes on the website of the purchaser.

Preparation of Bids

1.8. Language of Bid

1.8.1 The bid prepared by the Bidder, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Purchaser, shall be written in English language only especially when the details are technical.

However of GOI makes it mandatory under Rajbhasha Abhniyam in that case views of Rajbhasha unit of IISER-TVM may be sought.

1.8.2 The Supplier shall bear all costs of translation, if any, to the English language and all risks of the accuracy of such translation, for documents provided by the Supplier.

1.9. Documents Comprising the Bid

1.9.1 The bid prepared by the Bidder shall include:

- (a) Bidder Information Form
- (b) Bid security as specified in the Invitation to Bids.
- (c) Service support details form;
- (d) Deviation Statement Form;
- (e) Performance Statement Form;

- (f) Manufacturer's Authorization Form.
- (g) Documentary evidence establishing that the bidder is eligible to bid and is qualified to perform the contract if its bid is accepted.
- (h) Bid form.
- (i) Documents establishing goods eligibility and conformity to bidding documents.
- (j) Applicable Price Schedule Form.
- (k) DGS&D Registration certificate in case the items under procurement falls under the restricted category of the current export-import policy of the Govt. of India.

1.10. Bid form and price schedule

1.10.1 The bidder shall complete the Bid Form and the appropriate price schedule form furnished in the bidding documents. These forms must be completed without any alterations to its format and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested.

1.11. Bid Prices

1.11.1 The Bidder shall indicate on the appropriate price schedule form, the unit prices and total bid prices of the goods it proposes to supply under the contract.

1.11.2 Prices indicated on the price-schedule form shall be entered separately in the following manner:

(a) For Goods manufactured within India

(i) The price of the goods quoted Ex-works including taxes already paid.

(ii) VAT and other taxes like excise duty etc. which will be payable on the goods if the contract is awarded.

a. The charges for inland transportation, insurance and other local services required for delivering the goods at the desired destination as specified in the price schedule form.

b. The installation, commissioning and training charges including any incidental services, if any.

(b) For Goods manufactured abroad

(i) The price of the goods, quoted on FCA (named place of delivery abroad) or FOB (named port of shipment), as specified in the price schedule form.

(ii) The charges for insurance and transportation of the goods to the port/place of destination.

(iii) The agency commission charges, if any.

(iv) The installation, commissioning and training charges including any incidental services, if any

1.11.3 The terms FOB, FCA, CIF, CIP etc shall be governed by the rules prescribed in the current edition of the Incoterms published by the International Chambers of Commerce, Paris.

1.11.4 Where there is no mention of packing, forwarding, freight, insurance charges, taxes etc. such offer shall be rejected as incomplete.

1.11.5 The price quoted shall remain fixed during the contract period and shall not vary on any account

1.11.5 All lots and items must be listed and priced separately in the Price Schedules. If a Price Schedule shows items listed but not priced their prices shall be assumed to be included in the prices of other items. Lots or items not listed in the Price Schedule shall be assumed to be not included in the bid.

1.11.6 The purchases made by the purchaser for scientific purpose are exempt from excise duty and Custom Duty at a concessional rate is leviable.

1.12. Bid Currencies

1.12.1 Prices shall be quoted in Indian Rupees for offers received for supply within India and in freely convertible foreign currency in case of offers received for supply from foreign countries.

1.13. Documents Establishing Bidder's Eligibility and qualifications

1.13.1 The bidder shall furnish, as part of its bid, documents establishing the bidders' eligibility to bid and its qualification to perform the contract if its bid is accepted.

1.13.2 The documentary evidence of the bidders qualification to perform the contract if the bid is accepted shall establish to the purchasers satisfaction that;

(a) The bidder meets the qualification criteria listed in bidding documents, if any.

(b) Bidder that doesn't manufacture the goods it offers to supply shall submit to Manufacturers' Authorization Form (MAF) using the form specified in the bidding document to demonstrate that it has been duly authorized by the manufacturer of the goods to quote and/or supply the goods.

(c) In case a bidder not doing business within India, it shall furnish the certificate to the effect that the bidder is or will be represented by an agent in India equipped and able to carry out the supply, maintenance, repair obligations etc. during the warranty and post warranty period or ensure a mechanism at place for carrying out the supply, maintenance, repair obligations etc. during the warranty and post-warranty period.

1.13.3 Conditional tenders shall not be accepted

1.14. Documents Establishing Goods' Eligibility and Conformity to Bidding Documents

1.14.1 To establish the goods' eligibility, the documentary evidence of the goods and services eligibility shall consist of a statement on the country of origin of the goods and services offered which shall be confirmed by a certificate of origin at the time of shipment.

1.14.2 To establish the conformity of the goods and services to the specifications and schedule of requirements of the bidding document, the documentary evidence of conformity of the goods and services to the bidding documents may be in the form of literature, drawings and data, and shall consist of:

(a) A detailed description of the essential technical and performance characteristics of the goods;

(b) A list giving full particulars, including available sources and current prices, of spare parts, special tools, etc., necessary for the proper and continuing functioning of the goods during the warranty period following commencement of the use of the goods by the Purchaser in the Priced-bid ; and

(c) An item-by-item commentary on the Purchaser's Technical Specifications demonstrating substantial responsiveness of the goods and services to those specifications or a statement of deviations and exceptions to the provisions of the Technical Specifications.

1.14.3 For purposes of the commentary to be furnished pursuant to above, the Bidder shall note that standards for workmanship, material and equipment, designated by the Purchaser in its Technical Specifications are intended to be descriptive only and not restrictive. The Bidder may substitute these in its bid, provided that it demonstrates to the Purchaser's satisfaction that the substitutions ensure substantial equivalence to those designated in the Technical Specifications.

1.15. Bid Security

1.15.1 The Bidder shall furnish, as part of its bid, a bid security (BS) for an amount as specified in

the Invitation for Bids. In the case of foreign bidders, the BS shall be submitted either by the principal or by the Indian agent and in the case of indigenous bidders; the BS shall be submitted by the manufacturer or their specifically authorized dealer/bidder.

1.15.2 The bid security is required to protect the Purchaser against the risk of Bidder's conduct, which would warrant the security's forfeiture.

1.15.3 The bid security shall be in Indian Rupees for offers received for supply within India and denominated in the currency of the bid or in any freely convertible foreign exchange in the case of offers received for supplies from foreign countries in equivalent Indian Rupees. The bid security shall be in one of the following forms at the bidders' option:

(a) A bank guarantee issued by a Nationalized/Scheduled bank/Foreign Bank operating in India in the form provided in the bidding documents and valid for 45 days beyond the validity of the bid. In case a bidder desires to submit a BG issued from a foreign bank, then the same should be confirmed by a Nationalised/Scheduled Indian bank; or

(b) Fixed Deposit receipt pledged in favour of the IISER-TVM.

(c) A Banker's cheque or demand draft in favour of the purchaser issued by any Nationalised/Scheduled Indian bank.

1.15.4 The bid security shall be payable promptly upon written demand by the purchaser in case the conditions listed in the ITB clause 15.11 are invoked.

1.15.5 The bid security should be submitted in its original form. Copies shall not be accepted.

1.15.6 While Bid security (EMD) is a requirement, the Director IISER-TVM may grant exemption of Bid security to some specific parties having sound credentials and are of national/international repute.

1.15.7 The bid security of unsuccessful bidder will be discharged /returned as promptly as possible positively within a period of 15 days after the expiration of the period of bid validity or placement of order whichever is later, without any interest.

1.15.8 The successful Bidder's bid security will be discharged upon the Bidder furnishing the performance security, without any interest. Alternatively, the BS could also be adjusted against PS, if it is paid through DD/BC.

1.15.9 The firms registered with DGS&D, NSIC, Govt. Public Undertakings, and Central Autonomous Bodies and with the IISER-TVM, if any, are exempted from payment of bid security (BS) provided such registration includes the item they are offering which are manufactured by them and not for selling products manufactured by other companies.

1.15.10 In case a bidder intimates at the time of tender opening in writing that the bid security is kept inside the financial bid, then in such cases, the technical bid of the party would be accepted provisionally till opening of the financial bids with which the party has attached the bid security.

1.15.11 The bid security may be forfeited:

(a) If a Bidder withdraws or amends or impairs or derogates its bid during the period of bid validity specified by the Bidder on the Bid Form; or

(b) In case of a successful Bidder, if the Bidder fails to furnish order acceptance within 15 days of the order or fails to sign the contract and/or fails to furnish Performance Security within 21 days from the date of contract/ order.

1.16. Period of Validity of Bids

1.16.1 Bids shall remain valid for minimum of 90 days after the date of bid opening prescribed by the Purchaser. A bid valid for a shorter period shall be rejected by the Purchaser as non-responsive.

1.16.2 In exceptional circumstances, the Purchaser may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing (or by

cable, telex, fax or e-mail). The bid security provided shall also be suitably extended. A Bidder may refuse the request without forfeiting its bid security. A Bidder granting the request will not be required nor permitted to modify its bid.

1.16.3 Bid evaluation will be based on the bid prices without taking into consideration the above corrections.

1.17. Format and Signing of Bid

1.17.1 The bids may be submitted in single envelop or in two parts as specified in the Invitation for Bids.

1.17.2 In case the bids are invited on single envelop basis, then the Bidder shall prepare two copies of the bid, clearly marking each "Original Bid" and "Copy Bid", as appropriate. In the event of any discrepancy between them, the original shall govern.

1.17.3 In case the bids are invited on two-bid system, the Bidder shall submit the bids in two separate parts. One part shall contain Technical bid comprising all documents listed under clause relating to Documents Comprising the Bid excepting bid form and price schedules. The other part shall contain the priced-bid comprising bid form and price schedules. The Bidder shall prepare two copies of the bid, clearly marking each "Original Bid" and "Copy Bid", as appropriate.

1.17.4 The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the Contract. All pages of the bid, except for un-amended printed literature, shall be initialled by the person or persons signing the bid.

1.17.5 Any interlineations, erasures or overwriting shall be valid only if they are initialled by the persons or persons signing the bid.

1.18. Submission, Sealing and Marking of Bids

1.18.1 The bidders may submit their duly sealed bids generally by post or by hand.

1.18.2 In the case of bids invited on single envelop basis, the Bidders shall seal the original and each copy of the bid in separate inner envelopes, duly marking the envelopes as "original" and "copy". The envelopes shall then be sealed in an outer envelope.

1.18.3 In the case of bids invited on two part basis, the Bidder shall seal the un-priced commercial and technical bid comprising the documents as listed in ITB 1.9.1 excepting for h & j and the priced bid in two separate envelopes duly marked as "Technical bid" and "priced bid". Both the envelopes shall then be sealed in one outer envelope.

1.18.4 (a) The inner and outer envelopes shall be addressed to the Purchaser indicated in the SCC.

(b) Bear the name and address of the bidder, Tender No., due date and a warning "Do not open before _____" to be completed with the time and date as specified in the invitation for bids.

1.18.5 If the outer envelope is not sealed and marked as required above, the Purchaser will assume no responsibility for the bid's misplacement or premature opening. In such cases, bids received in open condition within the due date and time will be accepted at the risk of the bidder if the same is presented to the Stores & Purchase Officer before expiry of the due date and time of opening of the bids.

1.18.6 Firms submitting bids in a single envelope against the requirement of two-bid system would be considered for further evaluation at the risk & responsibility of the bidder.

However, the opened priced bid would be sealed immediately by the TOC without disclosing the price.

1.19. Deadline for Submission of Bids

1.19.1 Bids must be received by the Purchaser at the address specified in Invitation for bids not later than the time and date specified therein. In the event of the specified date for the submission of Bids being declared a holiday for the Purchaser, the Bids will be received up to the appointed time on the next working day.

1.19.2 The Purchaser may, at its discretion, extend the deadline for submission of bids by amending the bid documents in accordance with Clause relating to Amendment of Bidding Documents in which case all rights and obligations of the Purchaser and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

1.20. Late Bids

1.20.1 Any bid received by the Purchaser after the deadline for submission of bids prescribed by the Purchaser will be rejected.

1.20.2 Such tenders shall be marked as late and not considered for further evaluation. They shall not be opened at all and be returned to the bidders in their original envelope without opening.

1.21. Withdrawal, substitution and Modification of Bids

1.21.1 A Bidder may withdraw, substitute, or modify its Bid after it has been submitted by sending a written notice in accordance with ITB Clause 18 duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITB Sub- Clause 17.4 (except that no copies of the withdrawal notice are required). The corresponding substitution or modification of the bid must accompany the respective written notice.

All notices must be:

(a) submitted in accordance with ITB Clauses 17 and 18 (except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked "WITHDRAWAL," "SUBSTITUTION," or "MODIFICATION;" and (b) Received by the Purchaser prior to the deadline prescribed for submission of bids, in accordance with ITB Clause 19.

1.21.2 Bids requested to be withdrawn in accordance with ITB Sub-Clause 21.1 shall be returned unopened to the Bidders. No bid may be withdrawn, substituted, or modified in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Bid Form or any extension thereof.

E. Opening and Evaluation of Bids

1.22 Opening of Bids by the Purchaser

1.22.1 The Purchaser will open all bids one at a time in the presence of Bidders' authorized representatives who choose to attend, as per the schedule given in invitation for bids. The Bidders' representatives who are present shall sign the quotation opening sheet evidencing their attendance. In the event of the specified date of Bid opening being declared a holiday for the Purchaser, the Bids shall be opened at the appointed time and location on the next working day. In two-part bidding, the financial bid shall be opened only after technical evaluation. 1.22.2 First, envelopes marked "WITHDRAWAL" shall be opened and read out and the envelope with the corresponding bid shall not be opened, but returned to the Bidder. No bid withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at bid opening. Next, envelopes marked "SUBSTITUTION" shall be opened and read out and exchanged with the corresponding Bid being substituted, and the substituted Bid shall not be opened, but returned to the Bidder. No Bid substitution shall be permitted unless the corresponding substitution notice contains a valid authorization to request the substitution and is read out at bid opening. Envelopes marked "MODIFICATION" shall be opened and read out with

the corresponding Bid. No Bid modification shall be permitted unless the corresponding modification notice contains a valid authorization to request the modification and is read out at Bid opening. Only envelopes that are opened and read out at Bid opening shall be considered further.

1.22.3 The bidders' names, bid modifications or withdrawals, bid prices, discounts, and the presence or absence of requisite bid security and such other details as the Purchaser, at its discretion, may consider appropriate, will be announced at the opening. No bid shall be rejected at bid opening, except for late bid(s). The contents of the bid forms and price schedules would however be announced only at the time of opening of Priced-bids in the case of two-bid system.

1.22.4.1 Bids that are received late shall not be considered further for evaluation, irrespective of the circumstances.

1.22.4.2 Bidders interested in participating in the bid opening process, should depute their representatives along with an authority letter to be submitted to the purchaser at the time of bid opening.

1.23. Confidentiality

1.23.1 Information relating to the examination, evaluation, comparison, and post qualification of bids, and recommendation of contract award, shall not be disclosed to bidders or any other persons not officially concerned with such process until publication of the Contract Award.

1.23.2 Any effort by a Bidder to influence the Purchaser in the examination, evaluation, comparison, and post qualification of the bids or contract award decisions may result in the rejection of its Bid.

1.24. Clarification of Bids

1.24.1 To assist in the examination, evaluation, comparison and post qualification of the bids, the Purchaser may, at its discretion, ask the Bidder for a clarification of its bid. The request for clarification and the response shall be in writing and no change in prices or substance of the bid shall be sought, offered or permitted. However, no negotiation shall be held except with the lowest bidder, at the discretion of the purchaser. Any clarification submitted by a bidder in respect to its bid which is not in response to a request by the purchaser shall not be considered.

1.25. Preliminary Examination

1.25.1 The Purchaser shall examine the bids to confirm that all documents and technical documentation requested in ITB Clause 1.9 have been provided, and to determine the completeness of each document submitted.

1.25.2 The Purchaser shall confirm that the following documents and information have been provided in the Bid. If any of these documents or information is missing, the offer shall be rejected.

(a) Bid Form and Price Schedule, in accordance with ITB Sub-Clause 1.10;

(b) All the tenders received will first be scrutinized to see whether the tenders meet the basic requirements as incorporated in the tender enquiry document. The tenders, who do not meet the basic requirements, are to be treated as unresponsive and ignored. The following are some of the important points, for which a tender may be declared as unresponsive and to be ignored, during the initial scrutiny:

(i) The Bid is unsigned.

(ii) The Bidder is not eligible.

(iii) The Bid validity is shorter than the required period.

(iv) The Bidder has quoted for goods manufactured by a different firm without the required authority letter from the proposed manufacturer.

(v) Bidder has not agreed to give the required performance security.

(vi) The goods quoted are sub-standard, not meeting the required specification etc.

(vii) Against the schedule of Requirement (incorporated in the tender enquiry), the tenderer has not quoted for the entire requirement as specified in that schedule.

(viii) The tenderer has not agreed to some essential condition(s) incorporated in the tender enquiry.

1.26. Responsiveness of Bids

1.26.1 Prior to the detailed evaluation, the purchaser will determine the substantial responsiveness of each bid to the bidding documents. For purposes of this clause, a substantive responsive bid is one, which conforms to all terms and condition of the bidding documents without material deviations, reservations or omissions. A material deviation, reservation or omission is one that:

(a) affects in any substantial way the scope, quality, or performance of the Goods and Related Services specified in the Contract; or

(b) limits in any substantial way, inconsistent with the Bidding Documents, the Purchaser's rights or the Bidder's obligations under the Contract; or (c) if rectified, would unfairly affect the competitive position of other bidders presenting substantially responsive bids.

1.26.2 The purchasers' determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence.

1.26.3 If a bid is not substantially responsive, it will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the material deviation, reservation or omission.

1.27. Non-Conformity, Error and Omission

1.27.1 Provided that a Bid is substantially responsive, the Purchaser may waive any nonconformity or omissions in the Bid that do not constitute a material deviation.

1.27.2 Provided that a bid is substantially responsive, the Purchaser may request that the Bidder submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities or omissions in the bid related to documentation requirements. Such omission shall not be related to any aspect of the price of the Bid.

Failure of the Bidder to comply with the request may result in the rejection of its Bid.

1.27.3 Provided that the Bid is substantially responsive, the Purchaser shall correct arithmetical errors on the following basis:

(a) if there is a discrepancy between the unit price and the line item total that is obtained by multiplying the unit price by the quantity, the unit price shall prevail and the line item total shall be corrected, unless in the opinion of the Purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the line item total as quoted shall govern and the unit price shall be corrected;

(b) if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and

(c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above.

1.27.4 Provided that a bid is substantially responsive, the purchaser may request that a bidder may confirm the correctness of arithmetic errors as done by the purchaser within a target date. In case, no reply is received then the bid submitted shall be ignored and its Bid Security may be forfeited.

1.28. Examination of Terms & Conditions, Technical Evaluation

1.28.1 The Purchaser shall examine the Bid to confirm that all terms and conditions specified in the

GCC and the SCC have been accepted by the Bidder without any material deviation or reservation.

1.28.2 The Purchaser shall evaluate the technical aspects of the Bid submitted in accordance with ITB Clause 14, to confirm that all requirements specified in Schedule of Requirements of the Bidding Documents have been met without any material deviation or reservation.

1.28.3 If, after the examination of the terms and conditions and the technical evaluation, the Purchaser determines that the Bid is not substantially responsive in accordance with ITB Clause 26, it shall reject the Bid.

1.29. Conversion to Single Currency

1.29.1 To facilitate evaluation and comparison, the Purchaser will convert all bid prices expressed in the amounts in various currencies in which the bid prices are payable to Indian Rupees at the selling exchange rate established by any bank in India as notified in the Newspapers on the date of bid opening in the case of single part bidding and the rates prevalent on the date of opening of the Priced bids in the case of two-part bidding. For this purpose, exchange rate notified in www.xe.com or www.rbi.org or any other website could also be used by the purchaser.

1.30. Evaluation and comparison of bids

1.30.1 The Purchaser shall evaluate each bid that has been determined, up to this stage of the evaluation, to be substantially responsive.

1.30.2 To evaluate a Bid, the Purchaser shall only use all the factors, methodologies and criteria defined below. No other criteria or methodology shall be permitted.

1.30.3 The bids shall be evaluated on the basis of final landing cost which shall be arrived as under:

For goods manufactured in India

- (i) The price of the goods quoted ex-works including all taxes already paid.
- (ii) VAT and other taxes like excise duty etc. which will be payable on the goods if the contract is awarded.
- (iii) Charges for inland transportation, insurance and other local services required for delivering the goods at the desired destination.
- (iv) The installation, commissioning and training charges including incidental services, if any.

For goods manufactured abroad

- (i) The price of the goods, quoted on FCA (named place of delivery abroad) or FOB (named port of shipment), as specified in the bidding document.
- (ii) The charges for insurance and transportation of the goods to the port/place of destination.
- (iii) The agency commission etc., if any.
- (iv) The installation, commissioning and training charges including incidental services, if any.

1.30.4 The comparison between the indigenous and the foreign offers shall be made on FOR destination basis and CIF/CIP basis respectively. However, the CIF/CIP prices quoted by any foreign bidder shall be loaded further as under:

- a) Towards customs duty and other statutory levies—as per applicable rates.
- a) Towards custom clearance, inland transportation etc. - 2% of the CIF/CIP value.

Note: Where there is no mention of packing, forwarding, freight, insurance charges, taxes etc. such offers shall be rejected as incomplete.

1.30.5 In the case of Purchase of many items against one tender, which are not inter- dependent or, where compatibility is not a problem, normally the comparison would be made on ex-works, (in case of indigenous items) and on FOB / FCA (in the case of imports) prices quoted by the firms for identifying the lowest quoting firm for each item.

1.30.6 Orders for imported stores need not necessarily be on FOB/FCA basis rather it can be on the basis of any of the incoterm specified in ICC Incoterms 2000 as may be amended from time to time by the ICC or any other designated authority and favourable to IISER-TVM.

1.30.7 Wherever the price quoted on FOB/FCA and CIF/CIP basis are the same, the Contract would be made on CIF / CIP basis only.

1.30.8 The GCC and the SCC shall specify the mode of transport i.e whether by air/ocean/road/rail.

1.31.1 The Purchaser shall compare all substantially responsive bids to determine the lowest evaluated bid, in accordance with ITB Clause 1.30.

1.32. Contacting the Purchaser

1.32.1 Subject to ITB Clause 1.24, no Bidder shall contact the Purchaser on any matter relating to its bid, from the time of the bid opening to the time the Contract is awarded.

1.32.2 Any effort by a Bidder to influence the Purchaser in its decisions on bid evaluation, bid comparison or contract award may result in rejection of the Bidder's bid.

1.33. Post qualification

1.33.1 In the absence of pre-qualification, the Purchaser will determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated responsive bid is qualified to perform the contract satisfactorily, in accordance with the criteria listed in ITB Clause 13.

1.33.2 The determination will take into account the eligibility criteria listed in the bidding documents and will be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, as well as such other information as the Purchaser deems necessary and appropriate.

1.33.3 An affirmative determination will be a prerequisite for award of the contract to the Bidder. A negative determination will result in rejection of the Bidder's bid.

F- Award Of Contract

1.34 Negotiations

1.34.1 There shall not be any negotiation normally. Negotiations, if at all, shall be an exception and only in the case of items with limited source of supply. Negotiations shall be held with the lowest evaluated responsive bidder. Counter offers tantamount to negotiations and shall be treated at par with negotiations in the case of one time purchases.

1.35. Award Criteria

1.35.1 Subject to ITB Clause 37 the Purchaser will award the contract to the successful Bidder whose bid has been determined to be substantially responsive and has been determined to be the lowest evaluated bid, provided further that the Bidder is determined to be qualified to perform the contract satisfactorily.

1.36. Purchaser's right to vary Quantities at Time of Award

1.36.1 The Purchaser reserves the right at the time of Contract award to increase or decrease the quantity of goods and services originally specified in the Schedule of Requirements without any change in unit price or other terms and conditions. Further, at the discretion of the purchaser, the quantities in the contract may be enhanced by 30% within the delivery period.

1.37. Purchaser's right to accept Any Bid and to reject any or All Bids

1.37.1 The Purchaser reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to award of Contract, without thereby incurring any liability to the affected Bidder or Bidders.

1.38. Notification of Award

1.38.1 Prior to the expiration of the period of bid validity, the Purchaser will notify the successful bidder in writing by registered letter or by cable or telex or fax or e mail that the bid has been accepted and a separate purchase order shall follow through post.

1.38.2 Until a formal contract is prepared and executed, the notification of award should constitute a binding contract.

1.38.3 Upon the successful Bidder's furnishing of the signed Contract Form and performance security pursuant to ITB Clause 1.41, the purchaser will promptly notify each unsuccessful Bidder and will discharge its bid security.

1.39. Signing of Contract

1.39.1 Promptly after notification, the Purchaser shall send the successful Bidder the Agreement/PO.

1.39.2 Within twenty-one (21) days of date of the Agreement, the successful Bidder shall sign, date, and return it to the Purchaser.

1.40. Order Acceptance

1.40.1 The successful bidder should submit Order acceptance within 15 days from the date of issue, failing which it shall be presumed that the vendor is not interested and his bid security is liable to be forfeited pursuant to clause 15.9 of ITB.

1.40.2 The order confirmation must be received within 15 days. However, the Purchaser has the powers to extend the time frame for submission of order confirmation and submission of Performance Security (PS). Even after extension of time, if the order confirmation /PS are not received, the contract shall be cancelled and limited tenders irrespective of the value shall be invited from the responding firms after forfeiting the bid security of the defaulting firm, where applicable, provided there is no change in specifications. In such cases the defaulting firm shall not be considered again for re-tendering in the particular case.

1.41. Performance Security

1.41.1 Within 21 days of receipt of the notification of award/PO, the Supplier shall furnish performance security in the amount specified in SCC, valid till 60 days after the warranty period. Alternatively, the PS may also be submitted at the time of release of final payment in cases where part payment is made against delivery & part on installation. The PS, where applicable, shall be submitted in advance for orders where full payment is to be made on Letter of Credit (LC) or on delivery. In this case, submission of PS at the time of negotiation of documents through Bank would be stipulated as a condition in the LC and the BS should be kept valid till such time the PS is submitted.

1.41.2 The proceeds of the performance security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Contract.

1.41.3 The Performance Security shall be denominated in Indian Rupees for the offers received for supplies within India and denominated in the currency of the contract in the case of offers received

for supply from foreign countries.

1.41.4 In the case of imports, the PS may be submitted either by the principal or by the Indian Agent and, in the case of purchases from indigenous sources, the PS may be submitted by either the manufacturer or their authorized dealer/bidder.

1.41.5 The Performance security shall be in one of the following forms:

(a) A Bank guarantee or stand-by Letter of Credit issued by a Nationalized/Scheduled bank located in India or a foreign bank with preferably its operating branch in India in the form provided in the bidding documents. Or

(b) A Banker's cheque or Account Payee demand draft in favour of the purchaser. Or

(c) A Fixed Deposit Receipt pledged in favour of the Purchaser.

1.41.6 The performance security will be discharged by the Purchaser and returned to the Supplier not later than 60 days following the date of completion of the Supplier's performance obligations, including any warranty obligations, unless specified otherwise in SCC, without levy of any interest.

1.41.7 In the event of any contract amendment, the supplier shall, within 21 days of receipt of such amendment, furnish the amendment to the performance security, rendering the same valid for the duration of the contract, as amended for further period of 60 days thereafter.

1.41.8 The order confirmation should be received within 15 days from the date of notification of award. However, the purchaser has the powers to extend the time frame for submission of order confirmation and submission of Performance Security (PS). Even after extension of time, if the order confirmation /PS are not received, the contract shall be cancelled and limited tenders irrespective of the value would be invited from the responding firms after forfeiting the bid security of the defaulting firm, where applicable provided there is no change in specifications. In such cases the defaulting firm would not be considered again for retendering in the particular case.

Annexure L

CHAPTER 2

CONDITIONS OF CONTRACT

A. GENERAL CONDITIONS OF CONTRACT

Table of Contents

Sl.No. Clause

- 2.1. Definitions
- 2.2. Contract Documents
- 2.3. Fraud and Corruption
- 2.4. Joint Venture, Consortium or Association
- 2.5. Scope of Supply
- 2.6. Suppliers' Responsibilities
- 2.7. Contract price
- 2.8. Copy Right
- 2.9. Application
- 2.10. Standards
- 2.11. Use of Contract Documents and Information
- 2.12. Patent Indemnity
- 2.13. Performance Security
- 2.14. Inspections and Tests
- 2.15. Packing
- 2.16. Delivery and Documents
- 2.17. Insurance
- 2.18. Transportation
- 2.19. Incidental Services
- 2.20. Spare Parts
- 2.21. Warranty
- 2.22. Terms of Payment
- 2.23 Change Orders and Contract Amendments
- 2.24. Assignment
- 2.25. Subcontracts
- 2.26. Extension of time
- 2.27. Penalty Clause
- 2.28. Termination for Default
- 2.29. Force Majeure
- 2.30. Termination for insolvency
- 2.31. Termination for Convenience
- 2.32. Settlement of Disputes
- 2.33. Governing Language
- 2.34. Applicable Law
- 2.35. Notice
- 2.36. Taxes and Duties
- 2.37. Right to use Defective Goods
- 2.38. Protection against Damage

2.39. Site preparation and installation

2.1. Definitions

2.1.1 The following words and expressions shall have the meanings hereby assigned to them:

- (a) "Contract" means the Contract Agreement entered into between the Purchaser and the Supplier, together with the Contract Documents referred to therein, including all attachments, appendices, and all documents incorporated by reference therein.
- (b) "Contract Documents" means the documents listed in the Contract Agreement, including any amendments thereto.
- (c) "Contract Price" means the price payable to the Supplier as specified in the Contract Agreement, subject to such additions and adjustments thereto or deductions there from, as may be made pursuant to the Contract.
- (d) "Day" means calendar day.
- (e) "Completion" means the fulfilment of the Related Services by the Supplier in accordance with the terms and conditions set forth in the Contract.
- (f) "GCC" means the General Conditions of Contract.
- (g) "Goods" means all of the commodities, raw material, machinery and equipment, and/or other materials that the Supplier is required to supply to the Purchaser under the Contract.
- (h) "Related Services" means the services incidental to the supply of the goods, such as transportation, insurance, installation, training and initial maintenance and other such obligations of the Supplier under the Contract.
- (i) "SCC" means the Special Conditions of Contract.
- (j) "Subcontractor" means any natural person, private or government entity, or a combination of the above, to whom any part of the Goods to be supplied or execution of any part of the Related Services is subcontracted by the Supplier.
- (k) "Supplier" means the natural person, private or government entity, or a combination of the above, whose bid to perform the Contract has been accepted by the Purchaser and is named as such in the Contract Agreement.
- (l) Indian Institute of Science Education and Research, Thiruvananthapuram (IISER-TVM) means a society registered under the Travancore Cochin Literary Scientific and Charitable Societies' Registration Act, 1995 (12 of 1955) on 20.02.2008 at Kerala at no. T.342/08.
- (m) "The final destination," where applicable, means the place named in the SCC.

2.2. Contract Documents

2.2.1 Subject to the order of precedence set forth in the Contract Agreement, all documents forming the Contract (and all parts thereof) are intended to be correlative, complementary, and mutually explanatory. The Contract Agreement shall be read as a whole.

2.3 Fraud and Corruption

2.3.1 The purchaser requires that bidders, suppliers, contractors and consultants, if any, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuit of this policy,

(a) The terms set forth below are defined as follows:

- (i) "Corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;

- (ii) "Fraudulent practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract;
 - (iii) "Collusive practice" means a scheme or arrangement between two or more bidders, with or without the knowledge of the Borrower, designed to establish bid prices at artificial, non-competitive levels; and
 - (iv) "Coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;
- (b) the purchaser will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract in question;

2.4 Joint Venture, Consortium or Association

2.4.1 If the Supplier is a joint venture, consortium, or association, all of the parties shall be jointly and severally liable to the Purchaser for the fulfilment of the provisions of the Contract and shall designate one party to act as a leader with authority to bind the joint venture, consortium, or association. The composition or the constitution of the joint venture, consortium, or association shall not be altered without the prior consent of the Purchaser.

2.5. Scope of Supply

2.5.1 The Goods and Related Services to be supplied shall be as specified in the Schedule of Requirements.

2.6. Suppliers' Responsibilities

2.6.1 The Supplier shall supply all the Goods and Related Services included in the Scope of Supply in accordance with Scope of Supply Clause of the GCC, and the Delivery and Completion Schedule, as per GCC Clause relating to delivery and document.

2.7 Contract price

2.7.1 Prices charged by the Supplier for the Goods supplied and the Related Services performed under the Contract shall not vary from the prices quoted by the Supplier in its bid.

2.8 Copyright

2.8.1 The copyright in all drawings, documents, and other materials containing data and information furnished to the Purchaser by the Supplier herein shall remain vested in the Supplier, or, if they are furnished to the Purchaser directly or through the Supplier by any third party, including suppliers of materials, the copyright in such materials shall remain vested in such third party

2.9. Application

2.9.1 These General Conditions shall apply to the extent that they are not superseded by provisions in other parts of the Contract.

2.10. Standards

2.10.1 The Goods supplied and services rendered under this Contract shall conform to the standards mentioned in the Technical Specifications and Schedule of Requirements, and, when no applicable standard is mentioned, to the authoritative standard appropriate to the Goods' country of origin and such standards shall be the latest issued by the concerned institution.

2.11. Use of Contract Documents and Information

2.11.1 The Supplier shall not, without the Purchaser's prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in performance of the Contract.

Disclosure to any such employed person shall be made in confidence and shall extend only so far, as may be necessary for purposes of such performance.

2.11.2 The Supplier shall not, without the Purchaser's prior written consent, make use of any document or information enumerated above except for purposes of performing the Contract.

2.11.3 Any document, other than the Contract itself, enumerated above shall remain the property of the Purchaser and shall be returned (in all copies) to the Purchaser on completion of the Supplier's performance under the Contract if so required by the Purchaser.

2.12. Patent Indemnity

2.12.1 The Supplier shall, subject to the Purchaser's compliance with GCC Sub-Clause 12.2, indemnify and hold harmless the Purchaser and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the Purchaser may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, or other intellectual property right registered or otherwise existing at the date of the Contract by reason of:

(a) the installation of the Goods by the Supplier or the use of the Goods in India; and

(b) the sale in any country of the products produced by the Goods.

2.12.2 If any proceedings are brought or any claim is made against the Purchaser, the Purchaser shall promptly give the Supplier a notice thereof, and the Supplier may at its own expense and in the Purchaser's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claims.

2.13 Performance Security

2.13.1 Within 21 days of receipt of the notification of award/PO, the Supplier shall furnish performance security in the amount specified in SCC, valid till 60 days after the warranty period. Alternatively, the PS may also be submitted at the time of release of final payment in cases where part payment is made against delivery & part on installation. The PS, where applicable, shall be submitted in advance for orders where full payment is to be made on Letter of Credit (LC) or on delivery. In this case, submission of PS at the time of negotiation of documents through Bank would be stipulated as a condition in the LC and the BS should be kept valid till such time the PS is submitted.

2.13.2 The proceeds of the performance security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Contract.

2.13.3 The Performance Security shall be denominated in Indian Rupees for the offers received for supplies within India and denominated in the currency of the contract in the case of offers received for supply from foreign countries.

2.13.4 In the case of imports, the PS may be submitted either by the principal or by the Indian agent and, in the case of purchases from indigenous sources, the PS may be submitted by either the manufacturer or their authorized dealer/bidder.

2.13.5 The Performance security shall be in one of the following forms:

(a) A Bank guarantee or stand-by Letter of Credit issued by a Nationalized/Scheduled bank located in India or a bank located abroad in the form provided in the bidding documents.

Or

(b) A Banker's cheque or Account Payee demand draft in favour of the purchaser. Or,

(c) A Fixed Deposit Receipt pledged in favour of the Purchaser.

110

2.13.6 The performance security will be discharged by the Purchaser and returned to the Supplier not later than 60 days following the date of completion of the Supplier's performance obligations, including any warranty obligations, unless specified otherwise in SCC, without levy of any interest.

2.13.7 In the event of any contract amendment, the supplier shall, within 21 days of receipt of such amendment, furnish the amendment to the performance security, rendering the same valid for the duration of the contract, as amended for further period of 60 days thereafter.

2.13.8 The order confirmation should be received within 15 days from the date of notification of award. However, the Purchaser has the powers to extend the time frame for submission of order confirmation and submission of Performance Security (PS). Even after extension of time, if the order confirmation /PS are not received, the contract shall be cancelled and limited tenders irrespective of the value would be invited from the responding firms after forfeiting the bid security of the defaulting firm, where applicable provided there is no change in specifications. In such cases the defaulting firm would not be considered again for re-tendering in the particular case

2.14. Inspections and Tests

2.14.1 The Supplier shall at its own expense and at no cost to the Purchaser carry out all such tests and/or inspections of the Goods and Related Services as are specified in the SCC or as discussed and agreed to during the course of finalization of contract.

2.14.2 The Purchaser or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications at no extra cost to the Purchaser. The Technical Specifications and SCC shall specify what inspections and tests the Purchaser requires and where they are to be conducted. The Purchaser shall notify the Supplier in writing in a timely manner of the identity of any representatives retained for these purposes.

2.14.3 The inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at the point of delivery and/or at the Goods final destination. If conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data - shall be furnished to the inspectors at no charge to the Purchaser.

2.14.4 Whenever the Supplier is ready to carry out any such test and inspection, it shall give a reasonable advance notice, including the place and time, to the Purchaser. The Supplier shall obtain from any relevant third party or manufacturer any necessary permission or consent to enable the Purchaser or its designated representative to attend the test and/or inspection.

2.14.5 Should any inspected or tested Goods fail to conform to the specifications, the Purchaser may reject the goods and the Supplier shall either replace the rejected Goods or make alterations necessary to meet specification requirements free of cost to the Purchaser.

2.14.6 The Purchaser's right to inspect, test and, where necessary, reject the Goods after the Goods' arrival at final destination shall in no way be limited or waived by reason of the Goods having previously been inspected, tested and passed by the Purchaser or its representative prior to the Goods shipment.

2.14.7 The Supplier shall provide the Purchaser with a report of the results of any such test and/or inspection.

2.14.8 With a view to ensure that claims on insurance companies, if any, are lodged in time, the bidders and /or the Indian agent shall be responsible for follow up with their principals for ascertaining the dispatch details and informing the same to the Purchaser and he shall also liaise with the Purchaser to ascertain the arrival of the consignment after clearance so that immediately thereafter in his presence the consignment could be opened and the insurance claim be lodged, if required, without any loss of time. Any delay on the part of the bidder/Indian Agent would be viewed seriously and he shall be directly responsible for any loss sustained by the purchaser on the event of the delay.

2.15. Packing

2.15.1 The Supplier shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination as indicated in the Contract.

The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit and open storage.

Packing case size and weights shall take into consideration, where appropriate, the remoteness of the Goods' final destination and the absence of heavy handling facilities at all points in transit.

2.15.2 The packing, marking and documentation within and outside the packages shall comply strictly with such special requirements as shall be provided for in the Contract including additional requirements, if any, specified in SCC and in any subsequent instructions ordered by the Purchaser.

2.16. Delivery and Documents

2.16.1 Delivery of the Goods and completion and related services shall be made by the Supplier in accordance with the terms specified by the Purchaser in the contract. The details of shipping and/or other documents to be furnished by the supplier are specified in SCC.

2.16.2 The terms FOB, FCA, CIF, CIP etc shall be governed by the rules prescribed in the current edition of the Incoterms published by the International Chambers of Commerce, Paris.

2.16.3 The mode of transportation shall be as specified in SCC.

2.17. Insurance

2.17.1 Should the purchaser elect to buy on CIF/CIP basis, the Goods supplied under the Contract shall be fully insured in Indian Rupees against any loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in SCC.

2.17.2 Where delivery of the goods is required by the purchaser on CIF or CIP basis the supplier shall arrange and pay for Cargo Insurance, naming the purchaser as beneficiary and initiate & pursue claims till settlement, on the event of any loss or damage.

2.17.3 Where delivery is on FOB or FCA basis, insurance would be the responsibility of the purchaser.

2.17.4 With a view to ensure that claims on insurance companies, if any, are lodged in time, the bidders and /or the Indian agent shall be responsible for follow up with their principals for ascertaining the dispatch details and informing the same to the Purchaser and he shall also liaise with the Purchaser to ascertain the arrival of the consignment after clearance so that immediately thereafter in his presence the consignment could be opened and the insurance claim be lodged, if required, without any loss of time. Any delay on the part of the bidder/Indian Agent would be viewed seriously and he shall be directly responsible for any loss sustained by the purchaser on the event of the delay.

2.18. Transportation

2.18.1 Where the Supplier is required under the Contract to deliver the Goods FOB, transport of the Goods, up to and including the point of putting the Goods on board the vessel at the specified port of loading, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract price. Where the Supplier is required under the Contract to deliver the Goods FCA, transport of the Goods and delivery into the custody of the carrier at the place named by the Purchaser or other agreed point shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract price.

2.18.2 Where the Supplier is required under the Contract to deliver the Goods CIF or CIP, transport of the Goods to the port of destination or such other named place of destination in the Purchaser's country, as shall be specified in the Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.

2.18.3 In the case of supplies from within India, where the Supplier is required under the Contract to transport the Goods to a specified destination in India, defined as the Final Destination, transport to such destination, including insurance and storage, as specified in the Contract, shall be arranged by the Supplier, and the related costs shall be included in the Contract Price.

2.19. Incidental Services

2.19.1 The supplier may be required to provide any or all of the services, if any, specified in SCC.

2.20. Spare Parts

2.20.1 The Supplier shall be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier:

- (a) Such spare parts as the Purchaser may elect to purchase from the Supplier, providing that this election shall not relieve the Supplier of any warranty obligations under the Contract; and
- (b) In the event of termination of production of the spare parts:
 - (i) Advance notification to the Purchaser of the pending termination, in sufficient time to permit the Purchaser to procure needed requirements; and
 - (ii) Following such termination, furnishing at no cost to the Purchaser, the blueprints, drawings and specifications of the spare parts, if requested.

2.21. Warranty

2.21.1 The Supplier warrants that all the Goods are new, unused, and of the most recent or current models, and that they incorporate all recent improvements in design and materials, unless provided otherwise in the Contract.

2.21.2 The Supplier further warrants that the Goods shall be free from defects arising from any act or omission of the Supplier or arising from design, materials, and workmanship, under normal use in the conditions prevailing in India.

2.21.3 Unless otherwise specified in the SCC, the warranty shall remain valid for twelve (12) months after the Goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the SCC, or for eighteen (18) months after the date of shipment from the port or place of loading in the country of origin, whichever period concludes earlier.

2.21.3 The Purchaser shall give notice to the Supplier stating the nature of any such defects together with all available evidence thereof, promptly following the discovery thereof.

The Purchaser shall afford all reasonable opportunity for the Supplier to inspect such defects.

2.21.4 Upon receipt of such notice, the Supplier shall, within a reasonable period of time,

expeditiously repair or replace the defective Goods or parts thereof, at no cost to the Purchaser.

2.21.5 If having been notified, the Supplier fails to remedy the defect within the reasonable period of time; the Purchaser may proceed to take within a reasonable period such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Purchaser may have against the Supplier under the Contract.

2.21.6 Goods requiring warranty replacements must be replaced on free of cost basis to the purchaser.

2.22. Terms of Payment

2.22.1 The method and conditions of payment to be made to the Supplier under this Contract shall be as specified in the SCC.

2.22.2 The Supplier's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and the Services performed, and by documents, submitted pursuant to Delivery and document Clause of the GCC and upon fulfillment of other obligations stipulated in the contract.

2.22.3 Payments shall be made promptly by the Purchaser but in no case later than thirty (30) days after submission of the invoice or claim by the Supplier.

2.22.4 Payment shall be made in currency as indicated in the contract.

2.23. Change Orders and Contract Amendments.

2.23.1 The Purchaser may at any time, by written order given to the Supplier pursuant to Clause on Notices of the GCC make changes within the general scope of the Contract in any one or more of the following:

- (a) Drawings, designs, or specifications, where Goods to be furnished under the Contract are to be specifically manufactured for the Purchaser;
- (b) The method of shipping or packing;
- (c) The place of delivery; and/or
- (d) The Services to be provided by the Supplier.
- (e) The delivery schedule.

2.23.2 If any such change causes an increase or decrease in the cost of, or the time required for, the Supplier's performance of any provisions under the Contract, an equitable adjustment shall be made in the Contract Price or delivery schedule, or both, and the Contract shall accordingly be amended. Any claims by the Supplier for adjustment under this clause must be asserted within fifteen (15) days from the date of the Supplier's receipt of the Purchaser's change order.

2.23.3 No variation or modification in the terms of the contract shall be made except by written amendment signed by the parties.

2.24. Assignment

2.24.1 The Supplier shall not assign, in whole or in part, its obligations to perform under the Contract, except with the Purchaser's prior written consent.

2.25. Subcontracts

2.25.1 The Supplier shall notify the Purchaser in writing of all subcontracts awarded under this Contract if not already specified in the bid. Such notification, in the original bid or later, shall not relieve the Supplier from any liability or duties or obligation under the Contract.

2.26. Extension of time.

2.26.1 Delivery of the Goods and performance of the Services shall be made by the Supplier in accordance with the time schedule specified by the Purchaser.

2.26.2 If at any time during performance of the Contract, the Supplier or its sub-contractor(s) should encounter conditions impeding timely delivery of the Goods and performance of Services, the Supplier shall promptly notify the Purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Purchaser shall evaluate the situation and may, at its discretion, extend the Supplier's time for performance with or without penalty, in which case the extension shall be ratified by the parties by amendment of the Contract.

2.26.3 Except as provided under the Force Majeure clause of the GCC, a delay by the Supplier in performance of its delivery obligations shall render the Supplier liable to the imposition of penalty pursuant to Penalty Clause of the GCC unless an extension of time is agreed upon pursuant to above clause without the application of penalty clause.

2.27. Penalty clause

2.27.1 Subject to GCC Clause on Force Majeure, if the Supplier fails to deliver any or all of the Goods or to perform the Services within the period(s) specified in the Contract, the Purchaser shall, without prejudice to its other remedies under the Contract, deduct from the Contract Price, as penalty, a sum equivalent to the percentage specified in SCC of the delivered price of the delayed Goods or unperformed Services or contract value for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the Percentage specified in SCC. Once the maximum is reached, the Purchaser may consider termination of the Contract pursuant to GCC Clause on Termination for Default. The SCC shall also indicate the basis for ascertaining the value on which the penalty shall be applicable.

2.28. Termination for Default

2.28.1 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 part

(a) If the Supplier fails to deliver any or all of the Goods within the period(s) specified in the contract, or within any extension thereof granted by the Purchaser pursuant to GCC Clause on Extension of Time; or

(b) If the Supplier fails to perform any other obligation(s) under the Contract.

(c) If the Supplier, in the judgment of the Purchaser has engaged in corrupt or fraudulent or collusive or coercive practices as defined in GCC Clause on Fraud or Corruption in competing for or in executing the Contract.

2.28.2 In the event the purchaser terminates the contract in whole or in part, he may take recourse to any one or more of the following action:

a) The Performance Security is to be forfeited;

b) The purchaser may procure, upon such terms and in such manner as it deems appropriate, stores similar to those undelivered, and the supplier shall be liable for all available actions against it in terms of the contract.

c) However, the supplier shall continue to perform the contract to the extent not terminated.

2.29. Force Majeure

2.29.1 Notwithstanding the provisions of GCC Clauses relating to extension of time, penalty and Termination for Default the Supplier shall not be liable for forfeiture of its performance security,

liquidated damages or termination for default, if and to the extent that, it's delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

2.29.2 For purposes of this Clause, "Force Majeure" means an event or situation beyond the control of the Supplier that is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of the Supplier. Such events may include, but not be limited to, acts of the Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

2.29.3 If a Force Majeure situation arises, the Supplier shall promptly notify the Purchaser in writing of such conditions and the cause thereof within 21 days of its occurrence. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

2.29.4 If the performance in whole or in part or any obligations under the contract is prevented or delayed by any reason of force majeure for a period exceeding 60 days, either party may at its option terminate the contract without any financial repercussions on either side.

2.30. Termination for Insolvency

2.30.1 The Purchaser may at any time terminate the Contract by giving written notice to the Supplier, if the Supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the Purchaser.

2.31. Termination for Convenience

2.31.1 The Purchaser, by written notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of the Supplier under the Contract is terminated, and the date upon which such termination becomes effective.

2.31.2 The Goods those are complete and ready for shipment within 30 days after the Supplier's receipt of notice of termination shall be accepted by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may elect:

- (a) To have any portion completed and delivered at the Contract terms and prices; and/or
- (b) To cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and for materials and parts previously procured by the Supplier.

2.32. Settlement of Disputes

2.32.1 The Purchaser and the supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the Contract.

2.32.2 If, after twenty-one (21) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Purchaser or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given. Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be finally settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under the Contract. .

2.32.3 The dispute settlement mechanism/arbitration proceedings shall be concluded as under:

- (a) In case of Dispute or difference arising between the Purchaser and a domestic supplier relating

to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Indian Arbitration & Conciliation Act, 1996, the rules there under and any statutory modifications or re-enactments thereof shall apply to the arbitration proceedings. The dispute shall be referred to the Chairman, Board of Governors of IISER TVM and if he is unable or unwilling to act, to the sole arbitration of some other person appointed by him willing to act as such Arbitrator. The award of the arbitrator so appointed shall be final, conclusive and binding on all parties to this order.

(b) In the case of a dispute between the purchaser and a Foreign Supplier, the dispute shall be settled by arbitration In accordance with provision of sub-clause (a) above. But if this is not acceptable to the supplier then the dispute shall be settled in accordance with provisions of UNCITRAL (United Nations Commission on International Trade Law) Arbitration Rules.

2.32.4 The venue of the arbitration shall be the place from where the purchase order or contract is issued.

2.32.5 Notwithstanding any reference to arbitration herein,

(a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and

(b) the Purchaser shall pay the Supplier any monies due the Supplier.

2.33. Governing Language

2.33.1 The contract shall be written in English language which shall govern its interpretation. All correspondence and other documents pertaining to the Contract, which are exchanged by the parties, shall be written in the English language only.

2.34. Applicable Law

2.34.1 The Contract shall be interpreted in accordance with the laws of the Union of India and all disputes shall be subject to place of jurisdiction as specified in SCC.

2.35. Notices

2.35.1 Any notice given by one party to the other pursuant to this contract/order shall be sent to the other party in writing or by cable, telex, FAX, e-mail or and confirmed in writing to the other party's address specified in the SCC.

2.35.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

2.36. Taxes and Duties

2.36.1 For goods manufactured outside India, the Supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside India.

2.36.2 For goods Manufactured within India, the Supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred till its final manufacture/production.

2.36.3 If any tax exemptions, reductions, allowances or privileges may be available to the Supplier in India, the Purchaser shall make its best efforts to enable the Supplier to benefit from any such tax savings to the maximum allowable extent.

2.37. Right to use Defective Goods

2.37.1 If after delivery, acceptance and installation and within the guarantee and warranty period, the operation or use of the goods proves to be unsatisfactory, the Purchaser shall have the right to continue to operate or use such goods until rectifications of defects, errors or omissions by repair or by partial or complete replacement is made without interfering with the Purchaser's operation.

2.38. Protection against Damage

2.38.1 The system shall not be prone to damage during power failures and trip outs.

The normal voltage and frequency conditions available at site as under:

- a) Voltage 230 volts - Single phase/ 415 V 3 phase (+_ 10%)
- b) Frequency 50 Hz.

2.39. Site preparation and installation

The Purchaser is solely responsible for the construction of the equipment sites in compliance with the technical and environmental specifications defined by the Supplier.

The Purchaser will designate the installation sites before the scheduled installation date to allow the Supplier to perform a site inspection to verify the appropriateness of the sites before the installation of the Equipment, if required. The supplier shall inform the purchaser about the site preparation, if any, needed for installation, of the goods at the purchasers' site immediately after notification of award/contract.

Delegation of Power for Purchase/Procurement of Goods & Services

No. IISER (T)/Adm/029/2011-12

Date: 30 March, 2012

OFFICE MEMORANDUM

Subject: Scheme of Delegation of Powers for Purchase of Goods & Services

With reference to Circular of even number dated 26 March, 2012 regarding implementation of the newly adopted IISER TVM Rules and Manual of Procedures & Practices for Purchase of Goods and Services, 2012, and keeping in view the current status of organizational set-up of the institute, the following scheme of delegation of powers has been approved to be operational from 01.4.2012.

S. No.	Type/Nature of purchase	Financial limits	Indent Approving authority	Competent authority for approving purchase/procurement	Mode of procurement
1	2	3	4	5	6
1	A. Direct purchase of goods and services without calling for quotations for R&D items	Up to Rs 15000*	Faculty member	Coordinator/Head of School/Programme/ Department/Centre	Directly on cash/credit basis
			Principal Investigator (externally funded projects)	Respective Principal Investigator**	
		Rs 15001 to less than Rs 1 lakh	Faculty member	Coordinator/Head of School/Programme/ Department/Centre	Purchase can be made through Purchase & Stores deptt. or by credit
			Principal Investigator (externally funded projects)	Respective Principal Investigator**	
B. Direct purchase of goods and services without calling for quotations for non-R &D items	Up to Rs 15000*	Faculty member/ Coordinator/Head of School/ Department/ Centre/Programme/ Principal Investigator (externally funded projects)/officers not below Group A	Dean(Academics/ Administration/ Research)/ Project Engineer-cum- Estate Officer/Registrar	Directly on cash/credit basis	
* Advance can be drawn for purchase up to the financial ceiling. ** Principal Investigator shall ascertain the availability project fund from Finance & Accounts.					
2	A. Purchase of goods and services through Departmental Purchase Committees for R&D items	Rs 1 lakh to less than Rs 5 lakh	Coordinator/Head of School/Department/ Centre	Coordinator/Head of School/Department/ Centre	To be processed through Purchase & Stores deptt. on recommendation of Departmental Purchase Committee (DPC)
			Principal Investigator (externally funded projects)	Principal Investigator of the project on recommendation of DPC	

	B. Purchase of goods and services through Departmental Purchase Committee for non-R&D items	Rs 15001 to less than Rs 1 lakh	Coordinator/Head of School/Programme/ Department/Centre/ Principal Investigator (externally funded projects)/Officers not below Group A	Coordinator/Head of School/Programme/ Department/Centre/ Deputy Registrar/ Project Engineer-cum- Estate Officer	
3	(a) Single tender for purchase of goods and services Proprietary/ Specific brand purchase of goods and services	Rs 5 lakh to less than Rs 25 lakh for R&D items	Coordinator/Head of School/Department/ Centre / Principal Investigator (externally funded projects)	Director	Single tender on recommendation of the Standing Purchase Committee (SPC) in case of purchase of goods and Special Services Evaluation Committee (SSEC) in case of Scientific and Technical services. On recommendation of the Technical & Purchase Committee or Special Services Evaluation Committee (in case of Scientific and Technical services).
		Rs 1 lakh to less than Rs 5 lakh for non-R&D items	Coordinator/Head of School/Programme/ Department/Centre/ Deputy Registrar/ Project Engineer-cum- Estate Officer / Principal Investigator (externally funded projects)	Director	
		Rs 5 lakh to less than Rs 25 lakh for non-R&D items	Director	Director	
		Rs 25 lakh and above for R&D item	Director	Director	
4	Proprietary/ Specific brand purchase of goods and services	Rs 5 lakh to less than Rs 25 lakh for R&D items	Coordinator/Head of School/Department/ Centre / Principal Investigator (externally funded projects)	Director	From Proprietary sources/specific brand on recommendation of a Technical

		Rs 1 lakh to less than Rs 5 lakh for non-R&D items	Coordinator/ Head of School/Programme Department/ Center/ Principal Investigator (externally funded projects)/Deputy Registrar/Project Engineer-cum-Estate Officer/	Director	Committee constituted by the Director
		Rs 5 lakh to less than Rs 25 lakh for non-R&D items	Director	Director	
		Rs 25 lakh and above	Director	Director	
5	Limited Tender for Purchase of goods and services	Rs 1 lakh to less than Rs 5 lakh for non-R&D items	Coordinator/ Head of School/Programme/ Department/Centre/ Deputy Registrar/ Project Engineer-cum-Estate Officer/ Principal Investigator (externally funded projects)	Dean (Academics / Administration/ Research)/Registrar	Limited tender on recommendation of the Standing Purchase Committee or Special Services Evaluation Committee (SSEC) (in case of Scientific & Technical Services).
		Rs 5 lakh to less than Rs 25 lakh for R&D items	Coordinator/ Head of School/Department/ Centre/ Principal Investigator (externally funded projects)	Director	
		Rs 5 lakh to less than Rs 25 lakh for non-R&D items	Coordinator/ Head of School/Programme/ Department/Centre/ Deputy Registrar/ Project Engineer-cum-Estate Officer	Director	
		Rs 25 lakh and above	Director	Director	On recommendation of the Technical & Purchase Committee or Special Services Evaluation Committee (in case of Scientific and Technical services).

6	Open/Global tender for purchase of goods and services	Rs 25 lakh and above	Director	Director	Advertised tender on recommendation of Technical & Purchase Committee or Special Services Evaluation Committee (in case of Scientific and Technical services).
7	Emergency Purchase	Up to Rs 5 lakh for R&D	Faculty / Coordinator/ Head of School/Department/ Centre / Principal Investigator (externally funded projects)	Coordinator of the School/Department/ Centre/Dean(Academics / Administration/ Research)	Purchase to be made with administrative approval of Director
		Up to Rs 5 lakh for non R&D	Coordinator/ Head of School/Department/ Center/Deputy Registrar/Project Engineer-cum-Estate Officer/ Principal Investigator (externally funded projects)	Dean(Academics/ Administration/ Research)/ Registrar	Purchase to be made with administrative approval of Director
		Rs 5 lakh to less than Rs 25 lakh	Coordinator of School/Department/ Centre/Deputy Registrar/Project Engineer-cum-Estate Officer	Director	Based on recommendation of Standing Purchase Committee for emergency purchases

The Dean (Academics & Administration) will be exercising the powers delegated to Deans mentioned by different functional designations till the appointment of Dean(s) with such functional designations. The Registrar will be exercising the powers delegated to Deputy Registrar till appointment of Deputy Registrar(s).

2. This delegation of power is within the scheme approved by Board of Governors in its 12th meeting held on 2nd March, 2012 (agenda item no.12.5 (vi)) and the earlier delegation of powers vide OM nos. IISER (T)/Adm/010/2010 dated 09.3.2011 and dated 21.11.2011 will stand superseded in respect of purchase of goods and services falling within the purview of the adopted Purchase Rules & Manual to the extent and in the manner described in the scheme here above.

Sd/-
Registrar

To: Consultant (P & S)/ Consultant (F & A)
All Faculty members/Assistant Librarian / Scientific Officer (IT) (by email)/
Dean (Academics & Administration)/
Project Engineer cum Estate Officer/Chief Consultant (Constructions)/
Assistant Registrar (F & A) / Assistant Registrar (A & A)
OSD, Director's Secretariat
Guard File