

**ALL INDIA INSTITUTE OF MEDICAL SCIENCES
ANSARI NAGAR, NEW DELHI: 110 029.**



PURCHASE MANUAL OF AIIMS

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CHAPTER - 1

PREAMBLE

1.1 Introduction

1.1.1.Objective of this Manual

AIIMS spends a sizeable amount of its budget for purchasing various types of goods to discharge the duties and responsibilities assigned to it. It is imperative that these purchases are made following a uniform, systematic, efficient and cost effective procedure, in accordance with the relevant rules and regulations of the Government. The Hospital/ Centres / Departments have been delegated powers to make their own arrangements for procurement of goods under the Delegation of Financial Power Rules, which have to be exercised in conformity with the orders and guidelines issued by competent authorities' coverings financial, vigilance, security, safety, countertrade and other regulatory aspects. Without purporting to be a comprehensive compendium of all statutory provisions, rules, regulations, orders and guidelines on the subject of public procurement, this Manual is intended to serve as a portal to enter this vast area and draw attention to basic norms and practices governing public procurement.

1.1.2.Transparency, Competition, Fairness and Elimination of Arbitrariness

Public buying should be conducted in a transparent manner to bring competition, fairness and elimination of arbitrariness in the system. This will enable the prospective tenderers to formulate competitive tenders with confidence. The following are some important measures to achieve the same and, thus, secure best value for money:

- (a) The text of the tender document should be user-friendly, self-contained, comprehensive, unambiguous, and relevant to the objective of the purchase. The use of terminology used in common parlance in the industry should be preferred.
- (b) 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. The specifications must meet the essential requirements of the user department. Efforts should also be made to use standard specifications, which are widely known to the industry.
- (c) The tender document should clearly mention the eligibility criteria to be met by the tenderers such as minimum level of experience, past performance, technical capability, manufacturing facilities, financial position, ownership or any legal restriction etc.
- (d) Restrictions on who is qualified to tender should conform to Government policies and be judiciously chosen so as not to stifle competition amongst potential tenderers.
- (e) The procedure for preparing and submitting the tenders; deadline for submission of tenders; date, time & place of public opening of tenders; requirement of earnest money and performance security; parameters for determining responsiveness of tenders; evaluating and ranking of tenders and criteria for full or partial acceptance of tender and conclusion of contract should be incorporated in the tender enquiry in clear terms.

- (f) Tenders should be evaluated in terms of the criteria already incorporated in the tender document, based on which tenders have been received. Any new condition, which was not incorporated in the tender document, should not be brought into consideration while evaluating the tenders.
- (g) Sufficient time should be allowed to the tenderers to prepare and submit their tenders.
- (h) Suitable provisions should be kept in the tender document allowing the tenderers reasonable opportunity to question the tender conditions, tendering process, and/or rejection of its tender and the settlement of disputes, if any, emanating from the resultant contract.
- (i) It should be made clear in the tender document that tenderers are not permitted to alter or modify their tenders after expiry of the deadline for receipt of tender till the date of validity of tenders and if they do so, their earnest money will be forfeited.
- (j) Negotiations with the tenderers must be severely discouraged. However, in exceptional circumstances, where price negotiations are considered unavoidable, the same may be resorted to, but only with the lowest evaluated responsive tenderer in case of purchase/works contracts and with the highest evaluated responsive tenderer in case of sale/disposal of material. The approval of the competent authority must be obtained for negotiations and CVC guidelines on 'Negotiations with L-1' issued from time to time must be followed.
- (k) The name of the successful tenderer to whom the supply contract is awarded (in case of the centralized R/C items) should be appropriately notified for the information of general public, by displaying at websites, etc.

1.1.3.Efficiency, Economy and Accountability:

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

- (i) To reduce delays, each Centre/Hospital/Department should prescribe appropriate time frame for each stage of procurement; delineate the responsibility of different officials and agencies involved in the purchase process and delegate, wherever necessary, appropriate purchase powers to the lower functionaries with due approval of the competent authority.
- (ii) Each Centre/Hospital/Department should ensure conclusion of contract within the original validity of the tenders. Extension of tender validity must be discouraged and resorted to only in absolutely unavoidable, exceptional circumstances with the approval of the competent authority after duly recording the reasons for such extension.
- (iii) The Central Stores Department [Stores Section (Do) should bring into the rate contract system more and more common user items, which are frequently needed in bulk by Hospital / Centres/Departments. The Central Stores Department should also ensure that the rate contracts remain available without any break.

1.2 Guidelines for Public Procurement

At the apex of the legal framework governing public procurement is Article 299 of the Constitution, which stipulates that contracts legally binding on the Government have to be executed in writing by officers specifically authorized to do so. Further, the Indian Contract Act, 1872 and the Sale of Goods Act, 1930 are major legislations governing contracts of sale/ purchase of goods in general. There is no law exclusively governing public procurement of goods. However, comprehensive rules and directives in this regard are available in the General Financial Rules (GFR), 2005, especially chapter 6; Delegation of Financial Powers Rules (DFPR); and the guidelines issued by the Central Vigilance Commission to increase transparency and objectivity in public procurement. These provide the regulatory framework for the public procurement system.

1.3 Present Manual

To achieve what has been stated in the above paragraphs, it is essential that the purchase officials be provided with all the required rules, regulations, instructions, directives, and guidance on best practices in the form of a Manual. This Manual is intended to serve this objective. This manual contains guidelines and directives concerning purchase of goods with public funds as well as some allied areas such as installation of equipment, operators' training, after sales services, maintenance contract, etc. Relevant aspects of purchase management techniques have been incorporated in proper sequence under separate chapters. The text incorporated in each chapter has been highlighted with appropriate sub-heads. This arrangement will help the users to readily locate the desired subjects/sub-subjects.

1.4 Definition of Goods

The term 'goods' used in this Manual applies generally to all articles, material, commodities, livestock, furniture, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant etc. purchased or otherwise acquired for the use of Institute but excluding books, publications, periodicals, etc. for a library.

1.5 Terminology and Abbreviations

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

- i) Tender, Bid, Quotation. (Meaning: offer received from a supplier)
- ii) Tenderer, Bidder. (Meaning: an entity who seeks to supply goods by sending tender/bid).
- iii) Tender Enquiry Document, Tender Document, and Bidding Document. (Meaning: a detailed document issued by the purchaser specifying his needs and the requirements that a potential tenderer/bidder must meet).
- iv) Notice Inviting Tenders, Invitation for Bids (Meaning advertisement containing brief details of the requirement).
- v) Earnest Money Deposit Bid Security. (Meaning: monetary guarantee furnished by a tenderer along with its tender)

- vi) Security Deposit Performance Security. [Meaning: monetary guarantee furnished by the successful tenderer for due performance of the contract concluded with it.]

1.5.2. Standard Abbreviations have been used in this Manual. Some important abbreviations are listed below for ready reference:

A/T	Acceptance of Tender
ATI	Advertised Tender Enquiry
BG	Bank Guarantee
BL	Bill of Lading
CD	Custom Duty
CIF	Cost, Insurance & Freight
CIP	Carriage and Insurance Paid
DGS&D	Directorate General of Supplies & Disposals
DP	Delivery Period
ED	Excise Duty
EMD	Earnest Money Deposit
FAS	Free Alongside Ship
FM	Force Majeure
FOB	Free On Board
FOR	Free On Rail
INCOTERMS	International Commercial Terms
LC	Letter of Credit
LD	Liquidated Damages
LPP	Last Purchase Price
LTI	Limited Tender Enquiry
NTH	National Test House
PO	Purchase Order
TSEC	Technical Specification & Evaluation Committee
RC	Rate Contract
SO	Supply Order
ST	Sales Tax
STI	Single Tender Inquiry
SPC	Stores Purchase Committee
VAT	Value Added Tax
MS	MEDICAL SUPERINTENDENT OF MAIN HOSPITAL

1.6 Standard Tender Enquiry Documents

The A.I.I.M.S. should use standard forms of tender enquiry documents and contracts in line with the extant rules, regulations, directives, procedures etc. A set of standard documents may be kept updated for this purpose by each office, broadly following the standard documents prescribed by higher office, broadly following the standard documents prescribed by higher authorities and customizing these standard templates to suit specific requirements. Supervisory authorities would prescribe the kind of alterations permitted in the standard templates and the cases where deviations from the standard provisions can be made with the approval of the Competent Authority.x –

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CHAPTER - 2

INTRODUCTION & ORGANISATION STRUCTURE OF AIIMS STORE

2.1 Introduction

All India Institute of Medical Sciences was established in the year 1956 as an autonomous body by an Act of Parliament with a objective to develop patterns of teaching in undergraduate and postgraduate medical education so as to achieve a high standard of medical education and to bring together in one place educational facilities of the highest order for the training of personnel in all important branches of health activities and to attain self- sufficiency in post graduate medical education in India.

The Institute has developed comprehensive facilities for teaching, research and patient care. As regards patient care services, it has a central Main Hospital and following centres for providing patient care services. These centres are:

- Cardiothoracic and Neuro Sciences Centre (CNC)
- Dr. Bhim Rao Ambedkar Institute of Rotary Cancer Hospital (DRBRAIRCH)
- Dr. Rajendra Prasad Centre of Ophthalmic Sciences (RPC)
- Jai Prakash Narain Apex Trauma Centre (JPNATC)
- Centre for Dental Education & Research (CDER)
- National Drug Dependence Treatment Centre, Gaziabad. (NDDTC)

Besides these, there are two other centres namely the Centre for Community Medicine (Rural Health Centre in Ballabgarh, Haryana in collaboration with the Govt. of Haryana), a Rotary Midtown Hospital at Trilokpuri, East Delhi and also an Outreach OPD in AIIMS Campus II in Jhajjar (Haryana).

The supreme controlling and policy planning authority of the AIIMS is the Institute Body. The Member secretary of the body is the Director of AIIMS, who is the Chief Executive of the Institute and is responsible for the management of AIIMS as a whole. Union Minister for Health and Family Welfare, Govt. of India, is conventionally the President of the Institute Body.

The AIIMS Hospital complex consisting of main hospital and these centres forms the main component of the Institute of it's patient care, research and teaching functions. The hospital was started on 31st December 1958

The chief of the main hospital is the Medical Superintendent; The broad policies to run the hospital services are made by Hospital Management Board (HMB) consisting of the representatives of various clinical faculties, residents, nursing staff and other hospital workers. The Hospital Management Board functions on the principles of participative management in the hospital set up. However, the centres are under the direct administrative control of the Chiefs of the centres and are actively associated through the HMB for the functioning of the various common services and broad policy matters. Director has delegated the Medical Superintendent and the Chiefs of Centres with all the powers in administrative and financial matters of the Hospital and Centres respectively including the financial management of patient care services. The AIIMS Hospital has a unique distinction of management by committees like Infection Control Committee, Surgical Selection Committee, Drug Selection Committee, Operation Theatre Users Committee, Dietary Advisors Committee and so on.

These Committees advise the Medical Superintendent in all the spheres of hospital management. The faculty of Department of Hospital Administration is responsible

for the day-to-day management and smooth functioning of different service areas of the hospital and works in the hospital on behalf of the Medical Superintendent (MS).

2.2 The AIIMS Act, 1956

The Parliamentary Act creation of AIIMS is known as the AIIMS Act (no. 25 of 1956 dt. 2nd June, 1956).

2.3 Objectives of the Institute:

- a. To develop pattern of teaching in undergraduate and post graduate teaching in all branches so as to demonstrate high standard of medical education to all medical colleges and allied institution of India.
- b. To bring together in one place educational facilities of highest order for training of personal in all important branches of health activities.
- c. To attain self sufficiency in post graduate medical education.

2.4 Functions of the Institute:

The following are the major functions of the Institute:

- i) TEACHING & TRAINING
- ii) RESEARCH
- iii) PATIENT CARE

2.5 President of the Institute:

The Act provides that the Central Government shall nominate a President of the Institute from amongst its members other than the Director. Conventionally the Minister of Health and Family Welfare who has been the nominated president of the Institute.

2.6 Governing Body:

The Governing Body is the executive committee of the Institute. It is composed as under:

Union Min. of Health& Family welfare & President of the Institute	-	Chairman
DGHS & Addl. Secretary	-	Ex-officio member
Health Secretary	-	Member
Vice Chancellor of Delhi Univ.	-	Member
Representative of Ministry of Finance	-	Member
Two of the members of Parliament	-	Member
Four members to be elected from amongst the members of the Institute Body-Member		
Director, AIIMS	-	Member Secretary
Five members shall form a quorum		

2.7 Organizational Structure of AIIMS Department Of Stores

Institute functions under the broad guidelines of Government Of India and its rules, although some functional autonomy given to the Main Hospital and Departments and Centers. Irrespective of autonomy the Institute follows a uniform pattern of purchase so that qualityproducts are purchased on competitive rates across the institute. In order to have a uniformity in the purchase the Institute follows a centralized purchase procedure. However some of the items are specific to specific departments, so purchase has to be decentralized. Keeping these facts in

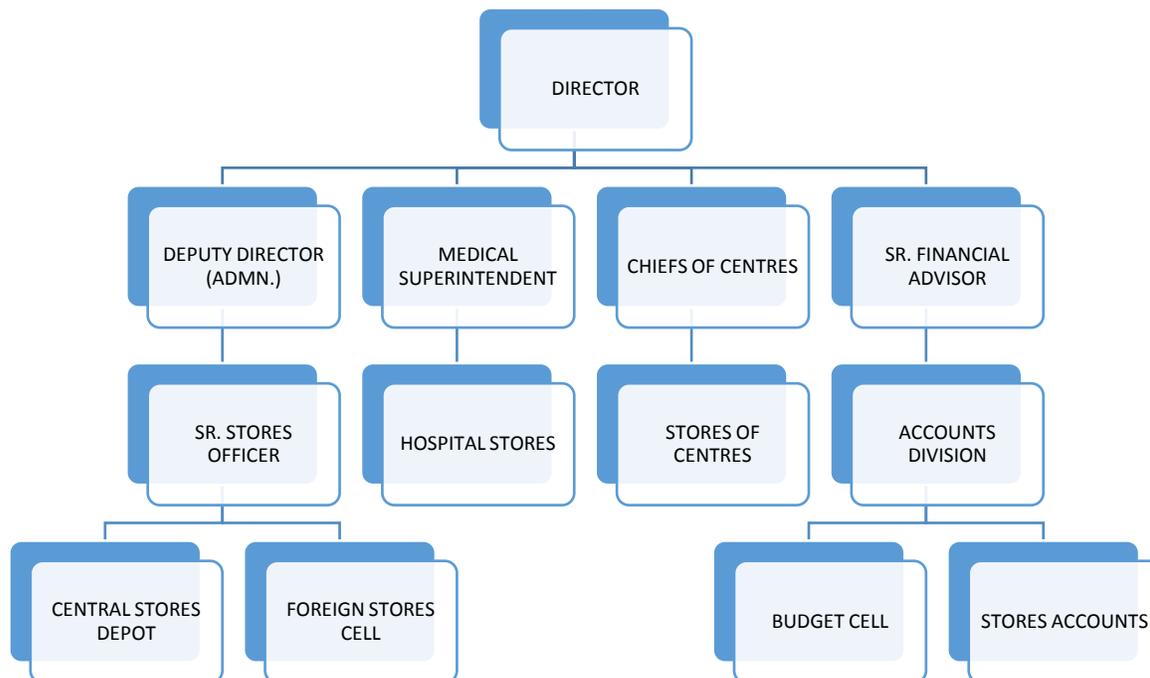
mind the institute has given some financial authority and powers to the different departments and centers. AIIMS has a central Stores Section for the tendering and purchase of stores and equipment required by all dept. of the Institute. It also handles all imports and clearance of items received from foreign countries. Thus the system of procurement is both centralized and decentralized.

2.8 Sources of Funds:

The institute is financed mainly by grants-in-aid from Govt. Of India, Min. of Health & Family welfare. The funds are used for continuing and upgrading teaching, patient care and research activities including super specialty development. To facilitate all these, various material supplies starting from high tech machinery, equipment and consumable like medicines, sera, lab reagents, stationary, dietary items and so on are to be procured. Funding for such type of stores are from budgetary support and from different research grants; individual or international projects grants etc. Govt. sanction is given under 2 heads plan & non-plan expenditure involving the purchase of non-consumable & consumable items respectively. The director of institute does sub-allocations under these two heads to main hospital & other departments.

2.9 The Stores organization at AIIMS broadly comprises of the following

- The Stores Section of AIIMS including the Central Stores Depot and Foreign Stores Cell which functions directly under the DDA/Director.
- Stores Section of the Hospital which functions directly under the MS
- Stores Section of the other centers of the Institute, e.g., CN Centre, IRCH, RP Centre of Ophthalmic Sciences, JPNATC, NDDTC and Dental Centre, which function directly under the Chiefs of these Centers.
- Stores Accounts Section under the Senior Financial Advisor



2.10 Functions of the Stores Section of AIIMS:

The Sr. Stores Officer (DO) assisted by two ASOs, Jr. Stores Officers, Store Keepers and other clerical staff are responsible for:

- To process tender proposals from the Hospital and other departments of the Institute to finalize centralized rate contracts for all common items which are required on recurrence basis, with an aim to effect purchases centrally on behalf of all the departments of the Institute including the hospital for certain items. Currently this is being done for all items of Stationery and some items of General Stores and Surgical Stores as far as Consumables are concerned. The other functions of stock control, Supply order, Receipt of stores, Stocking, issuing and disposal of surplus/ obsolete items are the responsibilities of various departments of the Institute and the hospital. The common equipment required by various departments of the Institute including the Hospital are to be procured centrally by Stores Section for getting competitive rates due to economy of scale.
- Procure stores of Foreign Origin through the Foreign Stores Cell. This includes receipt of dispatch documents and coordination with clearing agent. The stores are delivered directly to the concerned departments. The policies, procedures and practices in these stores are as per directives framed by the Institute based on Govt. rules, notably the DGS&D Manual and the General Financial Rules (GFR).

Stores Section (DO)

Stores section works under the direct supervision of Sr. Stores Officer (DO). The Section comprises of two cells: -

- a. Foreign Stores Cell (FSC)
- b. Central Stores Section (CSS)

NOTE: Duties and Responsibilities of various officials are detailed in the ANNEXURE -VII

2.11 PROCUREMENT OF DRUGS AT AIIMS:

The aim of drug procurement of AIIMS is to ensure continuous supply of good quality drugs through adequate competition, in conformance with the General Finance Rules as well as the CVC guideline No.005/CRD/19 issued by the Govt. of India vide office order No.23/7/07 dated 05th July 2007.

In view of the above, and also keeping in mind the stress on the procurement of generics by the Government of India, The All India Institute of Medical Sciences follows a policy of Centralized Rate Contract through open tendering for generic medicines, keeping stringent parameters for ensuring the selection of reliable vendors and quality products in terms of:

1. Turnover
2. WHO-GMP/COPP Certificates
3. Manufacturing and marketing license
4. Performance Certificates
5. Certificates of analysis of products offered
6. Provision of test reports with every batch of supply from NABH accredited laboratories
7. Penalty for delayed/non-supply
8. Procurement is made from manufacturers and not through third party players to ensure quality, reliability of supply and accountability of the vendor.

Adequate market research is a pre-requisite to framing terms and conditions for the tender so that criteria framed are realistic and ensure adequate competition.

In case of proprietary items, the laid down hospital procedure for procurement of proprietary drugs is followed, i.e. requirement of proprietary article certificate from user department, followed by notice of intent to procure the drug as proprietary on the AIIMS website, and inviting objections for the same over a period of at least two weeks before asking for bid from the concerned vendor.

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CHAPTER - 3

OBJECTIVES AND POLICIES OF PURCHASE

3.1 Fundamental Principles of Public Buying

It may be useful to refer to the following provisions in the General Financial Rules, 2005:

Rule 137. 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:-

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

3.2 Authorities competent to purchase goods and their Purchase Powers

3.2.1An authority which is competent to incur contingent expenditure may sanction the purchase of goods required for use in public service in accordance with the delegation of Financial power Rules in AIIMS as per AIIMS Rules & Regulation detailed in Chapter 15 and following the general procedure contained in this Manual.

3.2.2In general, a demand should not be split into small quantities for the sole purpose of avoiding the necessity of taking approval of the higher authority required for sanctioning the purchase of the original demand. However, in exceptional circumstances with the approval of the Competent Authority, the demand can be split as per requirement with valid, logical and convincing reasons which should be recorded if it is intended to split the demand in exceptional/unavoidable circumstances with the approval of competent authority.

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CHAPTER - 4

GENERAL PRINCIPLES OF ENTERING INTO CONTRACTS

4.1 Introduction

The elements and principles of contract law and the meaning and import of various legal terms used in connection with the contracts are available in the Indian Contract Act, 1872 read with the Sale of Goods Act, 1930. Some of the salient principles relating to contracts are set out briefly in this chapter.

4.2 Elementary Legal Practices

4.2.1 What is a Contract? The proposal or offer when accepted is a promise, and every set of promises forming the consideration for each other is an agreement, and an agreement if made with free consent of parties competent to contract, for a lawful consideration and with a lawful object is a contract.

4.2.2 Proposal or Offer: When one person signifies to another his willingness to do or to abstain from doing anything, with a view to obtaining the assent of the other to such act or abstinence, he is said to make a proposal or offer. In a sale or purchase by tender, the tender signed by the tenderer is the proposal. The invitation to tender and instructions to tenderers do not constitute a proposal.

4.2.3 Acceptance of the Proposal: When the person to whom the proposal is made signifies his assent thereto, the proposal is said to be accepted. A proposal when accepted becomes a promise.

4.2.4 What agreements are contracts: An agreement is a contract enforceable by law when the following are satisfied. A defect affecting any of these renders a contract un-enforceable.

- (a) Competency of the parties
- (b) Freedom of consent of both parties
- (c) Lawfulness of consideration
- (d) Lawfulness of object

4.3 Competency of Parties

Under law any person who has attained majority and is of sound mind or not debarred by law to which he is subject, may enter into contracts. It, therefore, follows that minors and persons of unsound mind cannot enter into contracts nor can insolvent person do so.

4.3.1 Categories of persons and bodies who are parties to the contract may be broadly sub-divided under the following heads: -

- (a) Individuals
- (b) Partnerships
- (c) Limited Companies
- (d) Corporations other than limited companies

- (a) Contracts with Individuals: Individuals tender either in their own name or in the name and style of their business. If the tender is signed by any person other than the concerned individual, the authority of the person signing the

tender on behalf of another must be verified and a proper power of attorney authorizing such person should be registered. In case, a tender is submitted in a business name and if it is a concern of an individual, the constitution of the business and the capacity of the individual must appear on the face of the contract and the tender signed by the individual himself as proprietor or by his duly authorized registered attorney.

- (b) **Contracts with Partnerships:** A partnership is an association of two or more individuals formed for the purpose of doing business jointly under a business name. Generally, in the partnership deed, which is signed by all the partners, authority is assigned to one of the partners and/or some other person to sign all contractual documents on behalf of the partnership firm. Accordingly, the authorized person should sign all contractual documents including tender. However, if the power is not delegated in partnership deed, partnership firm should separately give power of attorney to one of the partners and/or some other person, duly signed by all the partners, who in turn should sign all contractual documents. Else all contractual documents should be signed by all the partners. While entering into a contract with partnership firm, care should be taken to verify that the person who has signed the tender has been authorized by all the partners to sign such documents on behalf of the partnership firm.
- (c) **Contracts with Limited Companies:** Companies are associations of individuals registered under Companies Act in which the liability of the members comprising the association is limited to the extent of the shares held by them in such companies. The company, after its incorporation or registration, is an artificial legal person which has an existence quite distinct and separate from the members of shareholders comprising the same. A company is not empowered to enter into a contract for purposes not covered by its memorandum of association; any such agreement in excess of power entered into the company is void and cannot be enforced. Therefore, in cases of doubt, the company must be asked to produce its memorandum for verification or the position may be verified by an inspection of the memorandum from the office of the Registrar of Companies before entering into a contract. The power to sign contractual documents on behalf of the company is authorized to a person by a resolution passed by Board of Directors of the company. Accordingly, it may be necessary to examine if the person signing the tender is authorized by the company to enter into contracts on its behalf.
- (d) **Corporation other than Limited Companies:** Associations of individuals incorporated under statutes such as Trade Union Act, Co-operative Societies Act and Societies Registration Act are also artificial persons in the eye of law and are entitled to enter into such contracts as are authorized by their memorandum of association. If any contract has to be entered into with any one or such corporations or associations, the capacity of such associations to enter into contract should be verified and also the authority of the person coming forward to represent the said Association.

4.4 Consent of both Parties

Two or more persons are said to consent when they agree upon the same thing in the same sense. When two persons dealing with each other have their minds directed to different objects or attach different meanings to the language which they use, there is no agreement. The misunderstanding which is incompatible with agreement may occur in the following cases: -

- (a) When the misunderstanding relates to the identity of the other party to the agreement;
- (b) When it relates to the nature or terms of the transactions;
- (c) When it related to the subject matter of the agreement.

4.5 Free consent of both Parties

4.5.1The consent is said to be free when it is not caused by coercion, undue influence, fraud, misrepresentation or mistake. Consent is said to be so caused when it would not have been given but for the existence of coercion, undue influence, fraud, misrepresentation or mistake. When consent to an agreement is caused by coercion, undue influence, fraud or misrepresentation, the agreement is a contract voidable at the option of the party whose consent was caused. A party to a contract, whose consent was caused by fraud or misrepresentation, may, if he thinks fit, insist that the contract shall be performed, and that he shall be put in the position in which he would have been if the representations made had been true.

4.5.2In case consent to an agreement has been given under a mistake, the position is slightly different. When both the parties to an agreement are under a mistake as to a matter essential to the agreement, the agreement is not voidable but void. When the mistake is unilateral on the part of one party only, the agreement is not void.

4.5.3Distinction has also to be drawn between a mistake of fact and a mistake of law. A contract is not void because it was caused by a mistake as to any law in force in India but a mistake as to law not in force in India has the same effect as a mistake of fact.

4.6 Consideration

Consideration is something which is advantageous to the promisor or which is onerous or disadvantageous to the promisee. Inadequacy of consideration is, however, not a ground avoiding the contract. But an act, forbearance or promise which is contemplation of law has no value is no consideration and likewise an act or a promise which is illegal or impossible has no value.

4.7 Lawfulness of object

The consideration or object of an agreement is lawful, unless it is forbidden by law or is of such a nature that if permitted, it would defeat the provisions of any law, or is fraudulent or involves or implies injury to the fraudulent property of another or the court regards it as immoral or opposed to public policy.

In each of these cases the consideration or object of an agreement is said to be unlawful.

4.8 Communication of an Offer or Proposal

The communication of a proposal is complete when it comes to the knowledge of the person to whom it is made. A time is generally provided in the tender forms for submission of the tender. Purchaser is not bound to consider a tender, which is received beyond that time.

4.9 Communication of Acceptance

A date is invariably fixed in tender forms up to which tenders are open for acceptance. A proposal or offer stands revoked by the lapse of time prescribed in such offer for its acceptance. If, therefore, in case it is not possible to decide a tender within the period of validity of the offer as originally made, the consent of the tenderer firm should be obtained to keep the offer open for further period or periods.

4.9.1 The communication of an acceptance is complete as against the proposer or offerer, where it is put in the course of transmission to him, so as to be out of the power of the acceptor, and it is complete as against the acceptor when it comes to the knowledge of the proposer or offerer. The medium of communication in government contracts is generally by post and the acceptance is, therefore, complete as soon as it is posted. So that there might be no possibility of a dispute regarding the date of communication of acceptance, it should be sent to the correct address by some authentic foolproof mode like registered post acknowledgement due, etc.

4.10 Acceptance to be identical with Proposal

If the terms of the tender or the tender, as revised, and modified, are not accepted or if the terms of the offer and the acceptance are not the same, the acceptance remains a mere counter offer and there is no concluded contract. It should, therefore, be ensured that the terms incorporated in the acceptance are not at variance with the offer or the tender and that none of the terms of the tender are left out. In case, uncertain terms are used by the tenderers, clarifications should be obtained before such tenders are considered for acceptance. If it is considered that a counter offer should be made, such counter offer should be carefully drafted, as a contract is to take effect on acceptance thereof. If the subject matter of the contract is impossible of fulfillment or is in itself in violation of law such contract is void.

4.11 Withdrawal of an Offer or Proposal

A tenderer firm, who is the proposer may withdraw its offer at any time before its acceptance, even though the firm might have offered to keep the offer open for a specified period. It is equally open to the tenderer to revise or modify his offer before its acceptance. Such withdrawal, revision or modification must reach the accepting authority before the date and time of opening of tender.

No legal obligations arise out of such withdrawal or revision or modification of the offer as a simple offer is without a consideration. Where, however, a tenderer agrees to keep his offer open for a specified period for a consideration, such offers cannot be withdrawn before the expiry of the specified date. This would be so where earnest money is deposited by the

tenderer in consideration of his being supplied the subsidiary contract and withdrawal of offer by the tenderer before the specified period would entitle the purchaser to forfeit the earnest money.

4.12 Withdrawal of Acceptance

An acceptance can be withdrawn before such acceptance comes to the knowledge of the tenderer. A telegraphic revocation of acceptance, which reaches the tenderer before the letter of acceptance, will be a valid revocation.

4.13 Changes in terms of a concluded Contract

No variation in the terms of a concluded contract can be made without the consent of the parties. While granting extensions or making any other variation, the consent of the contractor must be taken. While extensions are to be granted on an application of the contractor, the letter and spirit of the application should be kept in view in fixing a time for delivery.

4.14 Discharge of Contracts

A contract is discharged or the parties are normally freed from the obligation of a contract by due performance of the terms of the contract. A contract may also be discharged: -

- (a) By mutual agreement: If neither party has performed the contract, no consideration is required for the release. If a party has performed a part of the contract and has undergone expenses in arranging to fulfill the contract it is necessary for the parties to agree to a reasonable value of the work done as consideration for the value.
- (b) By breach: In case a party to a contract breaks some stipulation in the contract which goes to the root of transaction, or destroys the foundation of the contract or prevents substantial performance of the contract, it discharges the innocent party to proceed further with the performance and entitles him to a right of action for damages and to enforce the remedies for such breach as provided in the contract itself. A breach of contract may, however be waived.
- (c) By refusal of a party to perform: On a promisor's refusal to perform the contract or repudiation thereof even before the arrival of the time for performance, the promisee may at his option treat the repudiation as an immediate breach putting an end to the contract for the future. In such a case the promisee has a right of immediate action for damages.
- (d) In a contract where there are reciprocal promises: If one party to the contract prevents the other party from performing the contract, the contract may be put to an end at the instance of the party so prevented and the contract is thereby discharged.

4.15 Stamping of Contracts

Under entry 5 of Schedule I of the Indian Stamp Act, an agreement or memorandum of agreement for or relating to the sale of goods or merchandise exclusively is exempt from payment of stamp duty. (A NOTE OR MEMORANDUM sent by a Broker or Agent to his principal intimating the purchase or sale on account of such principal is not so exempt from stamp duty.)

The Stamp Act provides that no Stamp Duty shall be chargeable in respect of any instrument executed by or on behalf of or in favour of the Government

in cases where but for such exemption Government would be liable to pay the duty chargeable in respect of such instrument. (Cases in which Government would be liable are set out in Section 29 of the Act).

4.16 Authority for Execution of Contracts

As per the AIIMS Act, the contracts and assurances of property made in the exercise of the executive power of the Institute shall be executed on behalf of the Director, AIIMS. The words “for and on behalf of the Director, AIIMS” should therefore follow the designation appended below the signature of the officer authorized in this behalf.

Note 1: The various clauses of contracts and assurances of property, which may be executed by different authorities, are specified in the Notifications issued by the Ministry of Law from time to time.

Note 2: The powers of various authorities, the conditions under which such powers should be exercised and the general procedure prescribed with regard to various clauses of contracts and assurances of property are laid down in the Delegation of Financial

Powers Rules, as per Appendix-I.

Note 3: The concerned Stores Officer and F.A./F&CAO are the competent authorities for execution of contracts.

4.17 Contract Effective Date

The date of commencement of the obligations under the contract on the parties to a contract is referred as the contract effective date. This date should be invariably indicated in each contract, as per agreed terms and conditions. The Centres/Hospital/Departments are advised to set the effective date to be a date after the following:

- (i) Date of signing of the contract.
- (ii) Furnishing of performance bond in terms of performance security.
- (iii) Receipt of Bank Guarantee for advance payment.
- (iv) Obtaining Export Licence for supply of stores by seller and confirmation by the buyer.
- (v) Receipt of End User's Certificate. The supplier shall provide

Note : In cases where the issue of Formal agreement is delayed then the date of issue of the Letter of Intent (LOI) with the approval of the competent authority shall be the effective date of the contract. However, the payments shall be released only after the formal agreement is signed by both the parties.

4.18 Important Guidelines for entering into Contracts

“CHAPTER - 8: CONTRACT MANAGEMENT” of the General Financial Rules, 2005 contain the norms and principles governing contracts entered into by Government.

Rule 204. General principles for contract: The following general principles should be observed while entering into contracts:

- (i) The terms of contract must be precise, definite and without
- (ii) Standard forms of contracts should be adopted wherever possible, with such modifications as are considered necessary in respect of individual contracts. The modifications should be carried out only after obtaining

- financial and legal advice.
- (iii) In cases where standard forms of contracts are not used, legal and financial advice should be taken in drafting the clauses in the contract.
 - (a) The Hospital / Centre / Department may, at its discretion, make purchases of value upto Rupees one lakh by issuing purchase orders containing basic terms and conditions.
 - (b) In respect of Works Contracts, or Contracts for purchases valued between Rupees one lakh to Rupees ten lakhs, where tender documents include General Conditions of Contract (GCC), Special Conditions of Contract (SCC) and scope of work, the letter of acceptance will result in a binding contract.
 - (c) In respect of contracts for works with estimated value of Rupees ten lakhs or above or for purchase above Rupees ten lakhs, a Contract document should be executed, with all necessary clauses to make it a self-contained contract. If however, these are preceded by Invitation to Tender, accompanied by GCC and SCC, with full details of scope and specifications, a simple one page contract can be entered into by attaching copies of the GCC and SCC, and details of scope and specifications, Offer of the Tenderer and Letter of Acceptance.
 - (d) Contract document should be invariably executed in cases of turnkey works or agreements for maintenance of equipment, provision of services etc.
 - (iv) No work of any kind should be commenced without proper execution of an agreement as given in the foregoing provisions.
 - (v) Contract document, where necessary, should be executed within 21 days of the issue of letter of acceptance. Non-fulfilment of this condition of executing a contract by the Contractor or Supplier would constitute sufficient ground for annulment of the award and forfeiture of Earnest Money Deposit.
 - (vii) Contracts should include provision for payment of all applicable taxes by the contractor or supplier.
 - (viii) "Lumpsum" contracts should not be entered into except in cases of absolute necessity. Where lumpsum contracts become unavoidable, full justification should be recorded. The contracting authority should ensure that conditions in the lumpsum contract adequately safeguard and protect the interests of the Government.
 - (ix) Copies of all contracts and agreements for purchases of the value of Rupees Twenty-five Lakhs and above, and of all rate and running contracts entered into by the Centers/Hospital/Departments should be sent to the concerned Accounts officer as the case may be.
 - (a) The terms of a contract, including the scope and specification once entered into, should not be materially varied.
 - (b) Wherever material variation in any of the terms or conditions in a contract becomes unavoidable, the financial and other effects involved should be examined and recorded and specific approval of the authority competent to approve the revised financial and other commitments obtained, before varying the conditions.
 - (c) All such changes should be in the form of an amendment to the contract duly signed by all parties to the contract.
 - (xi) Normally no extensions of the scheduled delivery or completion dates

should be granted except where events constituting forcemajeure, as provided in the contract, have occurred or the terms and conditions include such a provision for other reasons. Extensions as provided in the contract may be allowed through formal amendments to the contract duly signed by parties to the contract.

- (xii) All contracts shall contain a provision for recovery of liquidated damages for defaults on the part of the contractor.
- (xiii) A warranty clause should be incorporated in every contract, requiring the supplier to, without charge, repair or rectify defective goods or to replace such goods with similar goods free from defect. Any goods repaired or replaced by the supplier shall be delivered at AIIMS premises without cost. In case of high cost or highly specialized equipments which are carved out on “turnkey” basis; The warranty clauses of the tender should be explicit, and shall be applicable on case to case basis.
- (xiv) All contracts for supply of goods should reserve the right of AIIMS to reject goods which do not conform to the specifications.

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CHAPTER - 5
SPECIFICATION AND ALLIED TECHNICAL PARTICULARS OF
GOODS.

5.1 Basic Guidelines

The important aspects to be kept in view while formulating the specifications and other technical particulars of the goods to be purchased are indicated in the following paragraphs.

The specifications of the goods shall meet only the actual and essential needs of the user because “over-specification” will unnecessarily increase the cost and may stifle competition. Specifications should aim at procuring the latest technology and avoid procurement of obsolete goods. 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. Further, the specifications should not be too restrictive as the aim should be to attract reasonable number of competitive tenderers. The specifications should also take care of the mandatory and statutory regulations, if any, applicable for the goods to be purchased.

Wherever Indian/ International Standards exists for the required goods, the same should be adopted as far as possible. For any deviations from the Standards or for any additional parameters for better performance, specific reasons for deviations / modifications should be duly recorded with the approval of the competent authority.

In those cases where decision has been taken to procure imported items due to specific needs where International Standards (like US FDA, underwriters laboratories, CE [European or any other may be adopted] Where no international standards exist, the specifications shall be drawn in a generalized and broad-based manner to obtain competitive bids from different sources. Except in case of proprietary purchase from a selected single source, the specifications must not contain any brand name, make or catalogue number of a particular manufacturer and if the same is unavoidable due to some compelling reasons, it should be followed by the words “or equivalent”. In order to ensure quality material in specific cases, the names of the reputed Brands as recommended by the competent committee (TSEC) considering the quality/past performance may be incorporated in the specifications (which shall be at least not less than three reputed manufacturers).

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

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.

In general deciding tender on the basis of tendered sample is too subjective. Therefore, unless specifically decided due to some reasons duly recorded with the approval of Competent Authority, Tender sample clause shall not be incorporated in the specifications. If necessary, suitable stipulations for submission of advance sample (before starting bulk production) by the successful bidder may be incorporated in the specifications. However, in specific cases, where demo of the equipment is felt necessary by TSEC, such clause may be incorporated in the tender documents.

5.2 Essential Technical Particulars

Technical particulars to be specified in the tender document shall include the following to the extent applicable for a particular purchase:

- i) Scope of supply including quantity required and, also, end use of the required goods.
- ii) Specifications, technical parameters and product requirements, expressing the requirement in terms of functional characteristics.
- iii) Drawings
- iv) Requirement of International Standard Rates USFDA/CE (European)/ UL (USA) etc. wherever applicable.
- v) Requirement of advance sample, if any, at post contract stage before bulk production.
- vi) Special requirements of packing and marking, if any.
- vii) Inspection procedure for goods ordered and criteria of conformity.
- viii) Requirements of special tests, if any.
- ix) Requirement of type test certificate, if any.
- x) Requirement of type approval for compliance of statutory requirements w.r.t. pollution, emission, noise, etc.
- xi) Training, technical support, after sales service turnkey installations and annual maintenance contract requirements, if any.
- xii) Warranty requirements.
- xiii) Qualification criteria of the tenderers.
- xiv) Any other aspects peculiar to the goods in question like shelf life of the equipment etc.
- xv) In case of equipment, the original catalogue of the quoted model should be invariably accompanied with the technical bid.
- xvi) Satisfactory Performance Certificate from at least 3 users or as decided by the TSEC shall be invariably accompanied with the technical bid.

5.3 Certification

The official / authority formulating the specifications should ensure and also certify that the specifications and the allied technical details are complete and correct to meet the user's requirements fully.

Note:- The composition of T.S.E.C. (depending on the value of equipment) is detailed in Appendix III.

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CHAPTER - 6

MODES OF PURCHASE, RECEIPT AND OPENING OF TENDERS

6.1 General

Depending on the nature of the required goods, the quantity & value involved and the period of supply, the purchase organization is to decide the appropriate mode of purchase. The various modes of purchase to be adopted for this purpose are indicated in the subsequent paragraphs.

6.2 Approval of the competent authority to the purchase

Demand for Goods should not be divided into smaller quantities for making piecemeal purchases for the sole purpose of avoiding the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand. However, in exceptional circumstances, with the approval of the Competent Authority, the demand can be split as per requirement with valid, logical and convincing reasons which should be recorded in writing.

6.3 Purchase of Goods without Quotation (as per Appendix-I, S.No.1)

Purchase of goods upto a value of Rs.15,000/- (Rs.Fifteen Thousand only) on each occasion may be made without inviting quotations/bids by the user / Senior most Store Officer concerned/Officer In-charge of Stores etc., in terms of Rule 145 of GFR, on the basis of a certificate to be recorded by him in the following format:

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

6.4 Purchase of goods by Local Purchase Committee (as per Appendix-I, S.No.2)

Purchase of goods costing above Rs.15,000/- (Rs. Fifteen Thousand only) and upto Rs.1,00,000/- (Rs. One Lakh only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of atleast three members from Stores, Finance & Indenting Officer (as nominated by the Head of Units/Departments/Sections) in terms of Rule 146 of GFR. The committee will survey the market or may get the quotations (atleast from three prospective bidders) to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier. Before recommending placement of the purchase order the members of the committee will jointly record a certificate as under:

"Certified that we _____, members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question."

6.5 Purchase of Rate Contracted Goods

The respective stores sections of the Institute will conclude rate contracts with the prospective suppliers, for goods and items of standards types which are identified as common user items and are needed on recurring basis by various

Hospital/Centres/Departments. The detailed procedure for conclusion of such rate contracts has been incorporated under Chapter No.14. The respective Stores section should post the specifications, prices and other salient details of different rate contracted items, appropriately updated, on its web site for use by the procuring Hospital /Centres / Departments. The Hospital /Centres / Departments are to operate those rate contracts to the maximum extent possible. In case a Hospital / Department / Centre directly procures such rate contracted goods from other suppliers, the prices to be paid for such goods shall not exceed those stipulated in the rate contract and the other salient terms and conditions of the purchase should be in line with those specified in the rate contract. The Hospital/Centres/Department shall make its own arrangement for inspection and testing of such goods where required.

6.6 Purchase of Goods by obtaining Tenders

Except for the purchase of goods through the methods given in the preceding paragraphs, Hospital/Centres/Departments shall procure goods within their delegated powers by following the standard method of obtaining tenders as follows:

- (i) Limited Tender Enquiry (LTE)
- (ii) Advertised Tender Enquiry (ATE)
- (iii) Global Tender Enquiry (GTE)
- (iv) Single Tender Enquiry (STE)

6.7 Limited Tender Enquiry (LTE)

In terms of Rule 151 of GFR, Goods with estimated value of less than Rs.25 lakhs (Rupees Twenty Five Lakhs) may be procured by inviting bids through limited tender enquiries. Silent features of GFR include

- (i) Bid Document by Speed post to all registered suppliers. Take list of regd suppliers from DGS&D, where ever available. Individual Department to also register vendors for the items specifically required by them.
- (ii) List of suppliers should be more than three (c) Advertise on Web site.

Accordingly, Guidelines for invitation of bids through LTE shall be as under:

- a) LTE shall be used only for procurement of goods with estimated value upto INR 25 lakhs. Total value of Purchase, and not the cost of individual item, shall decide the estimated value.
- b) The concerned Departments should consolidated their yearly demand to decide whether LTE/ ATE should be issued for a particular requirement. The yearly demand shall not be split into smaller quantities.
- c) For items of regular use, if yearly demand does not exceed INR 25Lakhs, LTE may be issued and staggered delivery may be taken over the period, maximum upto one year.
- d) Tender notice to go by Speed/Regd post to all registered/potential suppliers in sealed cover.
- e) List of Registered Suppliers from DGS&D, wherever available. Also, Departments should make an effort to register suppliers for various items required by them.
- f) All LTE shall be advertised on AIIMS website including Central Public Procurement Portal. All participating bids shall be evaluated in terms of provisions of bid documents.
- g) Three weeks clear time, from date of web advertisement, shall be given for bid

- opening.
- h) The procedures shall be same as are for Advertised Tender Enquiry except that it will not be published in Newspaper and ITJ.

6.8 Advertised Tender Enquiry (ATE) --

Invitation to tenders by advertisement is the most preferred way for procurement of Goods. Accordingly, ATE should be used for all cases for procurement of goods unless the estimated value of the procurement is low and circumstance warrants that LTE/ Purchase by committee/ Local Purchase are more suitable. However, in all cases, exceeding estimated value of Rs.25 lakhs (Rupees Twenty Five Lakhs) and above, ATE shall mandatorily be issued, in accordance with Rule 150 of GFR.

Advertisement (in the form of a Tender Notice) relating to ATE should be given in the Indian Trade Journal (ITJ) published by the Director General of Intelligence and Statistics, Kolkata and at least in two national daily newspapers each in Hindi and English having wide circulation. Further, AIIMS having its own web site is also to publish all its tender notices (relating to ATEs) on its own web site and Central Public Procurement Portal.

6.9 Global Tender Enquiry (GTE)

Where the Departments / Centres feels that the goods of the required quality, specifications etc., may not be available in the country and/or it is also necessary to look for suitable competitive offers from abroad, the Hospital/Centres/Departments may send copies of the tender notice to the Indian Embassies abroad as well as to the Foreign Embassies in India requesting them to give wide publicity of the requirement in those countries. They may also be requested to put the tender notice in their web sites. The selection of the embassies will depend on the possibility of availability of the required goods in such countries. Publicizing the requirement globally as above is also known as Global Tender Enquiry.

6.10 Time to be allowed for submission of tenders

Ordinarily, the minimum time to be allowed for submission of bids should be three weeks from the date of issue of enquiry (in case of LTE) and, in case of ATE/open tender three weeks from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later should be allowed. Where the Hospital/Centres/Departments also contemplates obtaining bids from abroad, the minimum period should be kept as four weeks for both domestic and foreign bidders. However, in cases of urgency, the time period can be curtailed with the approval of the Competent Authority.

6.11 Text of Tender Notice

The tender notice for an ATI should be carefully drafted. It should contain all the salient features of the requirement in brief to give a clear idea to the prospective tenderers about the requirements. Superfluous or irrelevant details should not be incorporated in the tender notice, as it will increase the cost of the advertisement.

The Tender Notice should contain:

- ◆ Brief Description/Nomenclature of the goods and quantity
- ◆ Period and terms of delivery
- ◆ Cost of the tender/bidding document

- ◆ Place(s) and timing of sale of tender documents
- ◆ Place and deadline for receipt of tenders
- ◆ Place, time & date for opening of tenders
- ◆ Amount & Form of Bid Security / Earnest Money Deposit
- ◆ Any other important information

6.12 Cost of Tender Documents

Price of the tender document should take care of the preparation and delivering cost only. If it is too high, it will discourage the prospective bidders to purchase the document and participate in the bidding process. The following will be the scale of charges for the sale of tender forms to the prospective bidders:

Estimated Value of Demand	Cost of Tender Documents
(i) Estimated value of demand upto Rs.25 Lacs	Rs.500/-
(ii) Estimated value of demand is more than Rs.25 Lacs upto Rs.2 Crore	Rs.1,000/-
(iii) Estimated value of demand is more than Rs.2 Crores	Rs.2,000/-

6.13 Sale of Tender Documents

Tender documents should preferably be sold upto one day prior to date of submission of tenders and the same should be clearly indicated in the documents. It should also post the complete tender document in the web site and permit prospective tenderers to make use of the document downloaded from the web site. If the tender document is a priced one, there should be clear instructions for the tenderers in the document (which has been downloaded) to pay the amount by demand draft etc. along with the tender, prepared in the downloaded document.

The sale of tender documents against ATE should not be restricted and should be available for sale freely.

The purchase organization shall maintain proper records about the number of tender documents sold, list of parties to whom sold, details of the amount received through sale and, also, the number of unsold tender documents, which are to be cancelled after the opening of the tenders.

6.14 Pre-Bid Conference/Meeting

The Pre-Bid Conference/Meeting involves formal interaction with prospective manufacturers/suppliers after framing draft specifications for specialized sophisticated items before the last date of submission of technical bid. The technical committee shall hold a pre-bid conference/meeting to finalize the specifications (if felt necessary) of the required item as per following:

- a) On an assigned date, the prospective manufacturers/ suppliers or their authorized channel partners and agents 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.
- b) If need is felt, separate demonstration/ presentation can also be sought from the prospective vendors at convenient time and interval at the Centres/Departments or in specific cases demo can be held by the committee of the TSEC at suppliers premises or any other installation in India for which approval of the Competent Authority may be necessary.
- c) The amended final specifications/terms & conditions (if any) will be uploaded

on the AIIMS website only for the information of bidders. They are advised to check the website before submitting the tender.

- d) Clarifications, if any issued to any bidder as part of pre-bid meeting or otherwise in response to a query, shall be intimated to all potential suppliers as per mailing list (including those who purchased bid documents) without disclosing the identity of the bidder who asked for clarifications. Also, these clarifications shall be uploaded on website.

6.15 Format of Tender

The tenderers are to furnish their quotations as per the prescribed format and also as per the instructions incorporated in the tender documents. Quotations sent by telex, cable, e-mail or facsimile are to be ignored and rejected.

6.16 Sealing and Marking of Tenders

The tenderer is to seal the original tender in an envelope, duly marking the same as "original" and also putting the address of the purchase office and the tender reference number on the envelope. Further, the sentence "NOT TO BE OPENED" before (due date & time of tender opening) are also to be put on these envelopes. The separate technical & financial bids in inner envelopes are then to be put in a bigger outer envelope, which will also be duly sealed marked etc. as above. If the outer envelope is not sealed and marked properly as above, the purchaser will not assume any responsibility for its misplacement, premature opening, late opening etc.

All the above instructions are to be suitably incorporated in the tender documents.

6.17 Extension of Tender Opening Date

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

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

6.18 Amendments / Modifications to Tenders

The tenderer, after submitting its tender, is permitted to submit alterations/modifications to its tender so long such alterations/modifications are received duly sealed and marked like original tender, upto the date & time of receipt of tender. Any amendment/modification received after the prescribed date & time of receipt of tenders are not to be considered. Para 7.2 (Forfeiture of EMD) of Chapter 7 also refers in this regard.

6.19 Receipt and Custody of Tenders

Receipt and custody of tenders shall be done in a transparent manner. Tenders are to be received through tender box and, in its absence, by hand delivery to the nominated officials of the purchase department.

The tender box should be located in a place, which is easily accessible to the parties for dropping their tenders. The tender box shall remain locked and the key with the safe custody of the concerned Stores Officer/ASO. On each occasion of tender opening, the tender box will be opened by the Stores Officer/ASO concerned at the prescribed date and time (as per the date & time specified for receipt of tenders) and the relevant tenders will be taken out. In the tender box, there may be tenders for other cases due for opening later; such tenders are to remain in the tender box under lock and key. The tenders so taken out are to be entered in the Tender Opening Register duly signed with date and time by the two officials and sent to the officials authorized to open the tenders. Signatures of the receiving officials will be obtained on the duplicate copy of the challan for record. A model format for this purpose is given in Annexure 'VI'. There should be at least two officials nominated for opening of tenders; para 6.21 of this chapter refers. In case of user specified items, the concerned user faculty (as nominated by the HOD) will be co-opted during the bid opening.

There may be cases where the tenders are too bulky to be put in the tender box or the purchase office is yet to install tender box and, therefore, the tenders are to be submitted by hand. In such cases, it should be ensured that names and designations of at least two officers, who will receive the tenders, are prominently mentioned in the tender documents. The information about these officers should also be displayed at the entrance / reception of the concerned Stores Department where tenders are to be deposited. A separate register is to be maintained for keeping records of the bids, received by hand. Such bids will be kept in safe custody with the head of the office or his authorized representative till the date & time of bid opening and then such bids will be handed over to the bid opening officer, in identical manner as mentioned in the previous paragraph.

Sometimes, tenders are also received by post. Such tenders shall be received and documented in identical manner as applicable for tenders received through hand delivery.

6.20 Late Tender

In the case of advertised tender enquiry or limited tender enquiry, late tenders (i.e., tenders received after the specified date and time for receipt of tenders) should not be considered.

6.21 Opening of Tenders

All the tenders received on time shall be opened in the presence of authorized representatives of the tenderers (who have submitted regular tenders) at the prescribed time, date and place. The authorized representatives, who intend to

attend the tender opening, are to bring with them letters of authority/Identity Card/any other proof of Identity from the corresponding tenderers.

Tenders should be opened immediately after the deadline of receipt of tenders with minimum time gap in between. At least two of the three duly authorized officials, one from the purchase department, one from the Finance Division and concerned user faculty or his/her nominee should jointly open the tenders.

The tender opening officials are to announce the salient features of the tenders like Brief Description/Nomenclature and Catalogue/Model of the goods, quoted price, terms of delivery, delivery period, discount if any, whether EMD furnished or not and any other special feature of the tender for the information of the representatives attending the tender opening.

After opening, every tender shall be numbered serially, initialled, and dated on the first page by all the officials authorized to open the tenders. Each page of the price schedule or letter attached to it shall also be initialled by them with date, particularly the prices, delivery period etc., which shall also be circled and initialed with date. Blank tenders, if any, should be marked accordingly by the tender opening officials.

Alterations in tenders, if any, made by the tenderers, shall be initialed with date & time by the officials opening the tenders to make it perfectly clear that such alterations were present on the tenders at the time of opening. Wherever any erasing or cutting is observed, the substituted words should also be encircled and initialed with date & time to make clear that such erasing/cutting of the original entry was present on the tender at the time of opening.

6.22 Responsibility of the Tender Opening Officials

In addition to what has been mentioned in para no.6.21 above, the tender opening officials will prepare a list of the representatives attending the tender opening and obtain their signatures on the same. The list will also contain the representatives' names and the corresponding tenderers' names & addresses. This list will be signed by both the tender opening officials with date & time.

An on-the-spot report containing the names of the tenderers (serial number wise) salient features of the tenders, as read out during public opening of tenders will be prepared by the tender opening officers duly signed by them with date & time.

6.23 E - Procurement

Purchase of goods through electronic mode of interface with tenderers and IT enabled management of the entire procurement process (notice inviting tenders, supply of tender documents, receipt of bids, evaluation of bids, award of contract, and execution of contract through systematic enforcement of its various clauses and tracking of claims, counter-claims and payments) is gradually gaining popularity. In order to cut down transaction costs and improve efficiency and transparency, the Government aims to make it mandatory for all. The Hospital/Centres/Departments have already been directed to publicize all their tenders on their websites as the first step towards full-fledged e-procurement. The Hospital/Centres/Departments are advised to proactively engage themselves in articulating user needs in the development of IT systems for e-procurement. The system should be secure, capable of maintaining complete confidentiality at appropriate stages of the bidding process, so that the tenderers feel confidence in electronically transmitting their queries and bids. The receipts of quotations

through e-mail is not acceptable.

6.24 Two Bid System

For purchasing capital equipment, high value plant, machinery, etc. of complex and technical nature, tender enquiry document, complete in all respects, may be issued as usual. However, tenderers should be asked to bifurcate their quotation in two parts. The first part is to contain the relevant technical specifications and allied commercial details as required in terms of the tender enquiry documents and the second part should contain only the price quotation. The first part is commonly known as 'Technical Bid'(Techno-commercial) & the second part 'Financial Bid'(Price Bid).

The technical bid and the financial bid should be sealed by the tenderer in separate covers duly super scribed and both these sealed covers are to be put in a bigger cover which should also be sealed and duly super scribed following similar procedure as prescribed under para 6.16 of this chapter. The technical bids are to be opened in the first instance, at the prescribed time & date and the same will be scrutinized and evaluated by the competent committee/authority with reference to parameters prescribed in the tender documents and the offers received from the tenderers. Thereafter, in the second stage, the financial bids of only the technically & commercially acceptable offers (as decided in the first stage above) are to be opened for further scrutiny, evaluation, ranking and placement of contract.

6.25 Single Tender Enquiry (STE)/Proprietary article (Item) procurement

Obtaining quotation by issuing single tender enquiry to a selected source amounts to purchase without generating competition. Therefore this mode of purchase should be resorted to only in unavoidable situations.

Purchase through STI may be adopted when:

- i) It is in the knowledge of the user department (consisting of at least 3 faculties of similar discipline) that only a particular firm is the manufacturer of the required goods. The reason for arriving to this conclusion is to be recorded and approval of the competent authority obtained.
- ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source subject to the reason for such decision being recorded and approval of the competent authority obtained.
- iii) For standardization/upgradation of machinery or components or spare parts to be compatible to the existing sets of machinery/equipment (on the advice of a competent technical expert and approved by the competent authority), the required goods are to be purchased only from a selected firm.
- v) The proposals of proprietary purchase other than spare parts, accessories of the existing equipment and chemical reagents for closed systems may be put up on Institute Website for a period of two weeks for the information of public. In case, some response is received the same should be put up before the user for their comments. In case, no comments/representations are received, the proposal of proprietary purchase may be further processed for purchase with the approval of competent authority.

Note: Proprietary Article Certificate in the following form is to be provided by the concerned Department before procuring the goods from a single source under the provision of sub-para (i) & (iii) above as applicable:

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

- ii) No other make or model is acceptable for the following reasons:.....
- iii) Concurrence of finance wing to the proposal has been obtained vide:.....
- iv) Approval of the competent authority has been obtained vide:.....

(Signature with date and designation
of the concerned HoD)

Suitable tender document, containing required terms & conditions are to be issued to the selected firm for preparing and sending its quotation. The question of 'late tender' as well as elaborate process of receipt & opening of tender, as applicable for ATI and LTI will not apply in case of procurement through single tender enquiry.

6.26 Purchases on the basis of “Proprietary Usage” :

6.26.1 There may be instances where an user department has been using for an on-going assignment/running project, an equipment/apparatus/ machinery/instrument chemical or any other item of non-consumable or consumable nature and may need the same material or any material from the same source for that assignment / project to ensure that consistency and continuity is maintained with already established analytical methods/ protocols and with Standard Operating Procedure (SOP). In such a situation the item can be indented and Purchased on the basis of what may be called “Proprietary Usage”. The user department has to certify that the purchase is proposed to be made on proprietary usage basis because any other material/equipment/instrument chemical, etc. if used will lead to deviation and affect the integrity/ accuracy, validity or analysis of the assignment/patient care.

6.26.2 For cases under proprietary usage, the constitution of TSEC shall not be required. For indenting such item, the user department shall have to furnish a certificate as after which the indent shall be processed for procurement by the concerned Stores Officer directly without referring to any committee.

The proposals of proprietary purchase other than spare parts, accessories of the existing equipment and chemical reagents for closed systems may be put up on Institute Website for a period of two weeks for the information of public. In case, some response is received the same should be put up before the user for their comments. In case, no comments /representations are received, the proposal of proprietary purchase may be further processed for purchase with the approval of competent authority.

6.26.3 Before processing the PAC proposal, the same should be kept on AIIMS Website for 2 week time for information in public domain.

Note: Proprietary Article Certificate in the following form is to be provided by the concerned Department before procuring the goods from a single source under the provision of sub-para (i) & (iii) above as applicable:

- i) The indented goods are manufactured by M/s.....
- ii) No other make or model is acceptable for the following reasons:.....
- iii) Concurrence of finance wing to the proposal has been obtained vide:.....
- iv) Approval of the competent authority has been obtained vide:

Signature with date and designation
of the concerned HoD)

6.27 Emergency Purchase & Covering Supply Orders :

- 6.27.1 Local Purchase of Medicines/ Surgical items in the Hospital/Centres can be made through the approved Local Purchase Chemists selected through tender process as per the agreement as the requirement for Hospital/EHS/ VVIP care irrespective of monetary limit for the items required in Limited Quantity to meet the urgency with no bar of R/C.
- 6.27.2 In case of exigencies only the material may be arranged on urgent basis and covering supply orders may be issued after receipt of material within a week time, with the approval of Competent Authority.

6.28 Purchase through Imprest:-

- 6.28.1** Permanent advance or Imprest for meeting day to day contingent and/or emergent expenditure may be granted to a government servant by the DDA/MS/Chiefs of Centres in consultation with Internal Finance Wing, keeping the amount of advance to the minimum required for smooth functioning.

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CHAPTER - 7

EARNEST MONEY AND PERFORMANCE SECURITY

7.1 Earnest Money Deposit (EMD)

Earnest Money Deposit (EMD) is also known as Bid Security. To safeguard against a bidder's withdrawing / altering its bid during the bid validity period in the case of advertised or limited tender enquiry, EMD is to be obtained, invariably, from all the bidders. The bidders are required to furnish EMD along with their bids. Amount of EMD should ordinarily be between 2% to 5 % of the estimated value of the goods. Depending on the type of goods to be purchased, total value of purchase and urgency of requirement, the exact amount of EMD should be decided by the Hospital / Centre and indicated in the tender enquiry document. Where the quantum of work cannot be assessed (for e.g. in Rate contract tenders), the EMD may be fixed in 'Lumpsum' as decided by the TSEC.

The EMD may be accepted in the form of Account Payee Demand Draft, Fixed Deposit Receipt, Banker's Cheque or a Bank Guarantee in acceptable form from any of the Scheduled Banks, safeguarding the purchaser's interest in all respects. A model format of Bank Guarantee for obtaining EMD is provided at Annexure "F". The EMD (Bank Guarantee) should remain valid for a period of 60 days beyond the final tender validity period.

7.2 Forfeiture of EMD

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

7.3 Refund of EMD

EMD furnished by all unsuccessful tenderers should be returned to them without any interest whatsoever, at the earliest after expiry of the final tender validity period but not later than 30 days after conclusion of the contract. EMD of the successful tenderer should be returned, without any interest whatsoever, after receipt of performance security from it as called for in the contract.

7.4 Performance Security

To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Performance Security is to be obtained from every successful bidder. Performance Security should be for an amount of five to ten percent of the value of the contract. Performance Security **can** be furnished in form of an Account payee Demand Draft, Fixed Deposit Receipt from a Scheduled bank or Bank Guarantee from a Scheduled bank in an acceptable form safeguarding the purchaser's interest in all respects. Performance Security is to be furnished by a specified date (generally within 21 days after notification of the award) and it should remain valid for a period of 60 days beyond the date of completion of all contractual obligations of the supplier, including warranty obligations. A model format of Bank Guarantee for obtaining Performance Bank Guarantee is provided at Annexure "G".

7.5 Forfeiture of Performance Security

Performance Security is to be forfeited in the event of a breach of contract by the supplier, in terms of the relevant contract.

7.6 Refund of Performance Security

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.

7.7 Verification of the Bank Guarantees

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

7.8 Safe Custody and Monitoring of EMDs, Performance Securities & Other Instruments

Suitable mechanism for safe custody, etc. and monitoring of EMDs and Performance Securities and other Instruments should be evolved and implemented by the Hospital/Centres/Department. The Hospital/Centres/Departments shall also make institutional arrangements for taking all necessary actions on time for extension or encashment or refund of EMDs and Performance Securities, as the case may be. Monitoring should also include a monthly review of all Bank Guarantees and other instruments expiring after 3 months, along with a review of the progress of the corresponding contracts. Extension of Bank Guarantees and other instruments, where warranted, should be sought immediately and implemented within their validity period.

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CHAPTER - 8

DELIVERY PERIOD, TERMS OF DELIVERY, TRANSPORTATION, TRANSIT INSURANCE, DELAY IN SUPPLY, CANCELLATION OF CONTRACT

8.1 Introduction

In this chapter, the issues concerning Delivery Schedule including Transportation & Transit Insurance and various aspects covering Delays in Supply have been discussed.

8.2 Delivery Period

Normally, the period for delivery of the ordered material & supply items should be 45/60 days. However, for Machinery and Equipment, it should be 90 days from date of placement of order for indigenous items 90 days from the date of establishing of letter of credit for imported equipment. However, for goods of specific nature, longer delivery schedule can also be opted. However, the specific reasons for longer delivery schedule should be recorded and approved by competent authority. The installation and commissioning of the equipment should be completed within the period of 30 days from the date of receipt of equipment in the Department. This must be properly specified in the contract with definite dates and the same shall be deemed to be the essence of the contract. Expressions such as 'immediate', 'ex-stock', "as early as possible", 'off the shelf', etc. must not be used to indicate contractual delivery period. In case of exigencies, where the supplies are arranged telephonically on urgent basis (after verification of rates), to complete the paper formalities the orders shall be placed after receipt of materials in good condition, with the specific approval/sanction of the Competent Authority. In such cases, the Delivery Period column in the Supply Order may be indicated as "Covering".

8.3 Terms of Delivery

The terms of delivery is decided depending on the nature of goods to be purchased, transportation facility available, location of the user, location of the prospective suppliers etc. Terms of delivery inter alia determine the delivery point of the ordered goods from where the purchaser is to receive / collect the goods. Terms of delivery have direct bearing on the quoted prices. All indigenous goods as well as imported goods offered ex-showroom/ex-warehouse in India should be sourced on free delivery at consignee site basis i.e. at AIIMS, New Delhi. However, for the goods to be imported from abroad, delivery terms should be FOB Port of Shipment/CIP, New Delhi/ DDP AIIMS, New Delhi. If bids are proposed to be invited with any other terms of delivery, the specific reasons for acceptance of same must be recorded by user department and approved by competent authority.

8.4 Linkage between Terms of Delivery & Date of Delivery

Delivery dates in respect of contracts incorporating standard and commonly used terms of delivery shall be deemed to be as follows:-

Terms of Delivery used in various contracts	Date of Delivery
Ex-Works	The date the supplier delivers the goods to the purchaser at its

	(supplier's) factory/premises.
FOR Destination FOR stands for Free on Rail	The date on which the ordered goods have been handed over to the carrier i.e. Indian Railways freight paid up to destination (Date of Railway Receipt).
Local Delivery at Site/ Free Delivery at Consignee Site/DDP Consignee Site	The date on which the delivery is made at the Consignee's Site mentioned in the contract.
FAS, port of shipment (FAS stands for Free Alongside Ship)	The date on which the supplier deliver the goods alongside the vessel at the specified port of shipment. This date is reflected in the Bill of Lading.
FOB, port of shipment (FOB stands for Free on Board)	The date on which the supplier delivers the goods on vessel's board at the specified port of shipment. This date is reflected in the Bill of Lading.
CIF/CIP, port of destination (CIF/CIP stands for Cost, Insurance and Freight) / Carriage and Insurance Paid.	The date on which the goods are handed over to the carrier. This date is reflected in the Bill of Lading/Airway Bill.

8.5 INCOTERMS

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

The relevant rules for shipping of imported goods by sea are contained in the notifications dated 27.02.1996 and 11.02.1998 issued by Ministry of Surface Transport (chartered wing). Same, including latest instructions, if any on the subject should be complied with.

8.6 Air Consignment

As per the extant directive of the Government, airlifting of the imported goods from abroad will be done preferably through Air India or through any other International Airlines in case Air India flight is not available. However, before processing any contract involving import of goods through air, contemporary instructions in this regard may be ascertained and followed.

8.7 Insurance

Wherever necessary, the goods supplied under the contract, shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the contract. If considered necessary, the insurance may be done for coverage on "all risks" basis including war risks and strike clauses. The amount to be covered

under insurance should be sufficient to take care of the overall expenditure to be incurred by the purchaser for receiving the goods at the destination.

Note:

Where delivery of imported goods is required by the purchaser on CIF/CIP basis, the supplier shall arrange and pay for marine/air insurance, making the purchaser as the beneficiary covering upto 110% of the CIP Price and including insurance cover during inland transportation from port of entry to the consignee site/warehouse and three months beyond delivery at consignee site till it is installed. Where delivery is on FOB/FAS basis, marine/air insurance shall be the responsibility of the purchaser.

In case FOB orders are placed, Insurance of imported goods/equipments would need to be arranged on a very selective basis.

8.8 Distribution of Dispatch Documents for Clearance/Receipt of Goods

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

For Imported Goods

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

- a) Supplier's Invoice giving full details of the goods including quantity, value, etc.;
- b) Packing list;
- c) Certificate of country of origin;
- d) Manufacturer's guarantee and Inspection certificate;
- e) Inspection certificate issued by the Purchaser's Inspector;
- f) Insurance Certificate;
- g) Name of the Vessel/Carrier;
- h) Bill of Lading/Airway Bill;
- i) Port of Loading;
- j) Date of Shipment;
- k) Port of Discharge & expected date of arrival of goods and
- l) Any other document(s) as and if required in terms of the contract.

8.9 Delay in Supplies for which Supplier is not responsible

Normally, in the following circumstances, the contractual delivery period needs to be re-fixed to take care of the lost period, without imposing any penalty to the supplier.

- i) Cases where the manufacture of stores is dependent on the approval of the advance sample and delay occurs in approving the sample though submitted by the supplier in time.
- ii) Where extension in delivery period is granted on account of some omission on the part of the purchaser which affects the due performance of the contract by the supplier or supplier received the order late.
- iii) Cases where regulatory /statuary clearance is required at multiple steps

(for eg. AERB, custom, etc.)The delivery can be re-fixed to make a contract a 'severable' contract without the specific agreement of the supplier, if the delivery originally stipulated in the contract was in the form of an 'entire' contract.

8.10 Force Majeure

Force Majeure means an event beyond the control of the supplier and not involving the supplier's fault or negligence and which is not foreseeable. Such events may include, but are not restricted to, acts of the purchaser either in its sovereign or contractual capacity, wars or revolutions, hostility, acts of public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes, lockouts, and freight embargoes.

If there is delay in performance or other failures by the supplier to perform its obligation under its contract due to event of a Force Majeure, the supplier shall not be held responsible for such delays/failures.

If a Force Majeure situation arises, the supplier shall promptly notify the purchaser in writing of such conditions and the cause thereof within twenty-one days of occurrence of such event. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

If the performance in whole or in part or any obligation under this contract is prevented or delayed by any reason of Force Majeure for a period exceeding sixty days, either party may at its option terminate the contract without any financial repercussion on either side.

There may be a Force Majeure situation affecting the purchase organization only. In such a situation the purchase organization is to take up with the supplier on similar lines as above for further necessary action.

8.11 Remedies to Purchaser for delay in Supply / Non-Supply for which Supplier is responsible The purchaser has the following options depending upon the circumstances of the case:

- i) Extend the delivery with imposing of liquidated damages and other denial clauses
- ii) Forfeit the performance security
- iii) Cancel the contract
- iv) Impose other available sanctions/penalties

8.12 Liquidated Damages

There should be a suitable provision in the terms & conditions of the contract for claiming liquidated damages of appropriate amount from the supplier to take care of delays in supplies and performance, for which the supplier is responsible. Such recovery through liquidated damages should be without prejudice to the other remedies available to the purchaser under the terms of the contract. Depending on the nature and value of the goods to be ordered and the urgency of the requirement, a specific percentage (generally one half (½%) of a percent) of the delivered price of the delayed goods (or delayed services) for each week or part thereof delay, is to be incorporated in the contract terms. There should also be an appropriate maximum limit of such deduction, to be shown as a specific percentage of the contract value of delayed supplies/services and incorporated in the contract terms. This percentage is generally 10%. Any

lower ceiling should be clearly justified while formulating the contract. However, the decision of the competent authority will be final and binding for waving or imposing of penalty depending upon the merit of the case. Wherever, part of the supply has been made within due date (of delivery) Liquidated damages will be proportionately imposed on the remaining part.

8.13 Extension of Delivery Period

If the supplier is unable to complete the supply within the stipulated delivery period for which the supplier is responsible, it (supplier) is required to request for extension of delivery period. If the purchaser agrees to extend the contractual delivery schedule, the same may be done by issue of an amendment to the contract beyond new date of delivery with imposition of liquidated damages for delay. The amendment letter is to mention, inter alia that, in addition to imposition of liquidated damages, no extra price or additional cost for any reason whatsoever beyond the contractual cost will be paid to the supplier for the delayed supply. At the same time, if for any reason, whatsoever, the cost of the goods to be supplied/services to be performed by the supplier decreases, that benefit will be passed on to the purchaser. Supplier's unconditional acceptance of the amendment by a specified date is to be watched and if the supplier does not agree to accept the amendment letter, further action is to be taken against the supplier in terms of the contract.

Two model amendment letters for extension of contract delivery period on above lines for FOB/FAS/CIF contract and other forms of contract are given at Annexure 'I'. However, the decision of the competent authority is final and binding with respect to extension of Delivery of Period with or without LD depending upon the merit of the case.

8.14 Performance Notice

A situation may arise where the supply/services has not been completed within the stipulated period due to negligence / fault of the supplier; however the supplier has not made any request for extension of delivery period but the contracted goods/services are still required by the purchaser and the purchaser does not want to cancel the contract at that stage. In such a case, a Performance Notice (also known as Notice-cum-Extension Letter) may be issued to the supplier by suitably extending the delivery date and by imposing liquidated damages with denial clauses etc. Supplier's acceptance, etc. of the performance notice and further action thereof should also be processed in the same manner as mentioned above. The text of the Performance Notice will be on similar lines to the model extension letters available at Annexure 'III' with suitable modifications as required.

8.15 Dispatch of Goods after expiry of Delivery Period

As per the contract terms, the supplier is bound to supply the goods within the delivery period. In case the supplier makes any supply after expiry of delivery period, the purchaser/consignee can reject the supplies and inform the supplier accordingly; the purchaser shall also have the right to cancel the contract (w.r.t. unsupplied goods) in terms of the contract.

If, however, the purchaser / consignee requires the goods (which has been supplied after expiry of the delivery period), the purchaser may accept the goods and issue a delivery extension letter with usual LD clause and denial clauses, as

mentioned earlier, to regularize the transaction.

8.16 Cancellation of Contract for Default

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

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

In the event the purchaser terminates the contract in whole or in part; the purchaser 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.

Before cancelling the contract and taking further action, legal advice must be obtained. Also, it may be with concurrence of user department and with the approval of the competent authority.

8.17 Termination of Contract for insolvency

If the supplier becomes bankrupt or otherwise insolvent, the purchaser may, at any time, terminate the contract, by giving written notice to the supplier, 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. However, in specific cases, if required, legal advice shall be obtained.

8.18 Termination of Contract for Convenience

After placement of contract, there may be some unforeseen situation compelling the purchaser to cancel the contract. In such a case, the purchaser is to send a suitable notice to the supplier for cancellation of the contract, in whole or in part, for its (purchaser's) convenience, inter alia, indicating the date with effect from which the termination is to become effective. Depending on the merits of the case, the purchase organization may have to suitably compensate the supplier on mutually agreed terms for terminating the contract.

Suitable provisions to this effect are to be incorporated in the tender document as well as in the resultant contract.

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CHAPTER - 9

ELEMENTS OF PRICE AND TERMS OF PAYMENT

9.1 Introduction

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

In case of indigenous goods, the main elements of price are raw material price, production cost, overhead, packing & forwarding charges, margin of profit, transit insurance, excise duty and other taxes and duties as applicable. In case of imported goods, in addition to similar elements of price as above (other than excise duty and taxes), there may be elements of custom duty, import duty, landing and clearing charges and commission to Indian agents.

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

Where the price has several components like price of the goods, costs for installation & commissioning operators' training etc. the tenderers should be asked to furnish the cost break-up indicating the applicable prices for each such component (as specified and desired in the tender enquiry document) along with the overall price. Wherever a pre-specified format has been provided for price bids, tenderers should submit accordingly.

9.2 Currency

The tender documents are to specify the currency (currencies) in which the tenders are to be priced. As a general rule, domestic tenderers are to quote and accept their payment in Indian currency; Indian agents of foreign suppliers are to receive their agency commission in Indian currency; costs of imported goods, which are directly imported against the contract, may be quoted in foreign currency (currencies) and paid accordingly in that currency; and the portion of the allied work and services, which are to be undertaken in India (like locally supplied items, IAC, Turnkey, etc.) are to be quoted and paid in Indian currency. In case the Indian subsidiary or authorised distributor of the foreign firm, quotes for imported equipment/materials in Indian currency; the shipping documents have to be submitted along with the supplies. Cross warranty terms from the foreign firm shall also apply as per tender terms & conditions. The payment shall be made in Indian currency and no Custom Duty Exemption Certificate (CDEC) will be provided from the Institute.

9.3 Duties and Taxes on Domestic Goods

The duties and taxes including excise duty and VAT levied by the Government on domestic goods vary from product to product. As a general policy, the statutory variations in such duties & taxes are to be allowed during the period from the date of tender to the date of acceptance of the tender (i.e. placement of contract) and during the original delivery period of the contract so that both the supplier and purchaser are equally compensated for rise or fall in the prices of the goods on account of such statutory variations.

In the tender enquiry conditions, the tenderers, wherever applicable, should be asked to specifically state in their offer whether they intend to ask for the duties and taxes as extra over and above the prices being quoted. In the absence of any

indication to this effect by the tenderers, it is to be assumed that the prices quoted include these elements and no claim for the same will be entertained after opening of tenders and during the currency of the resultant contract. However, where the tenderer in its quotation mentions that the prices are exclusive of statutory duties & taxes and the same will be payable extra, this condition should be incorporated in the resultant contract in clear terms. Sometimes, the tenderer, in its tender mentions that its quotation includes current rates of taxes and duties as applicable and statutory variations, if any at the time of supply will be applicable. This condition may be acceptable. However, correctness of the taxes and duties quoted by a tenderer as applicable during that period is to be verified while considering its tender. Also, only statutory variations, and not any other type of variations are allowed.

Note: Sales tax is not leviable on transactions of sale in the course of import.

Categories of cases constituting sale in course of Import are:

- a) Where the movement of goods from the foreign country to India is occasioned directly as a result of the sale.
- b) Where there is a privity of contract between the foreign supplier and the purchase organization.
- c) Where the Indian supplier acts as the agent of the foreign manufacturer in the agreement of the sale.

9.4 Custom Duty on Imported Goods

The Government has allowed exemption from payment of customs duty in respect of certain types of goods for use by the following organizations. On the part of custom duty only countervailing duty is required to be paid:

- i) Scientific and technical instruments imported by Research Institutes.
- ii) Hospital equipment imported by Government Hospitals.
- iii) Consumable goods imported by a public funded Research Institution or a University.

However, to avail of such exemptions, the organizations are required to produce "Custom Duty Exemption Certificate" at the appropriate time.

At present, AIIMS is making payment of applicable custom duty for all imported consignments being cleared from customs. The current Countervailing Duty (CVD) charges are @ 11.64% (incl. surcharge & educational cess) for all teaching/patient care equipments; and @ 5% for Research equipments processed by research section. The Basic Customs Duty (BCD) is exempted on all imported equipments.

9.5 Octroi and Local Taxes

The goods supplied against contracts placed by Ministry / Department are generally exempted from levy of Town Duty, Octroi Duty, Terminal Tax and other Levies of local bodies. The suppliers should be informed accordingly by incorporating suitable instructions in the tender enquiry document and in the resultant contract. Wherever required, the suppliers should obtain the exemption certificate from the purchase organization to avoid payment of such levies and taxes. In case, where the municipality or the other local bodies insist upon such payments (in spite of purchase organization's exemption certificate), the supplier should make the payment to avoid delay in supplies and forward the receipt of the

same to the purchase organization for reimbursement and, also, for further necessary action by the purchase organization.

9.6 Duties/Taxes on Raw Materials

The purchaser is not liable to any claim from the supplier on account of fresh imposition and/or increase (including statutory increase) of excise duty, custom duty, sales tax etc. on raw materials and/or components used directly in the manufacture of the contracted goods taking place during the pendency of the contract, unless such liability is specifically agreed to in terms of the contract.

9.7 Payment Terms

Payment shall be made through electronic transfer in NEFT/RTGS subject to recoveries, if any, by way of liquidated damages or any other charges as per terms & conditions of contract in the following manner.

A) Payment for Domestic Goods Or Foreign Origin Located Within India.

Payment shall be made in Indian Rupees as specified in the contract in the following manner:

a) On delivery: 75% payment of the contract price shall be paid on receipt of goods in good condition and upon the submission of the following documents:

- (i) Four copies of supplier's invoice showing contract number, goods description, quantity, unit price and total amount;
- (ii) Consignee Receipt Certificate as per Section XVII in original
- (ii) Two copies of packing list identifying contents of each package;
- (iv) Inspection certificate issued by the nominated Inspection agency if specified in the contract.
- (v) Certificate of origin.

b) On Acceptance: Balance 25% payment would be made against "Final Inspection Note and Installation Certificate" of goods to be issued by the consignees subject to recoveries, if any, either on account of non-rectification of defects/deficiencies not attended by the Supplier or otherwise. "Final Inspection Note and Installation Certificate" need to be issued by the designated consignee after installation, commissioning, testing and one to two weeks of successful trail run of the equipment.

B) Payment for Imported Goods: Payment for foreign currency portion shall be made in the currency as specified in the contract in the following manner:

a) On Shipment: Seventy Five (75)% of the net FOB/FAS/CIF/CIP price (i.e. FOB/FAS/CIF/CIP price less Indian Agency commission) of the goods shipped shall be paid through irrevocable, non-transferable Letter of Credit (LC) opened in favour of the supplier in a bank in his country and upon submission of documents specified hereunder:

- (i) Four copies of supplier's invoice showing contract number, goodsdescription, quantity, unit price and total amount;
- (ii) Original and four copies of the negotiable clean, on-board Billof Lading/ Airway bill, marked freight pre paid and four copies of non-negotiable Bill of Lading/Airway bill;
- (iii) Four Copies of packing list identifying contents of each package;

- (iv) Insurance Certificate as per GCC Clause 11 and documents
- (v) Inspection certificate issued by the nominated inspection agency, if specified in the contract;
- (vi) Manufacturer's own factory inspection report, if specified in the contract and
- (viii) Certificate of origin by the chamber of commerce of the concerned country;
- (ix) Inspection Certificate for the despatched equipments issued by recognized/reputed agency like SGS, Lloyd, BEAURU VARITUS and TUV prior to despatch, if specified in the contract.

b) **On Acceptance:** Balance payment of 25% of net FOB/FAS/CIF/CIP price of goods would be made against "Final Inspection Note and Installation Certificate" to be issued by the consignees through irrevocable, nontransferable Letter of Credit (LC) opened in favour of the Foreign Principal in a bank in his country, subject to recoveries, if any. "Final Inspection Note and Installation Certificate" need to be issued by the designated consignee after installation, commissioning, testing and one to two weeks of successful trial run of the equipment.

c) **Payment of Indigenous Goods :** Payment of indigenous goods will be paid as per the applicable payment terms i.e. 75% on delivery and 25% on acceptance. Delivery of the indigenous goods should be in line with the imported equipment.

d) **Payment of Incidental Costs** till consignee site & Incidental Services (including Installation & Commissioning, Supervision, Demonstration and Training) will be paid in Indian Rupees to the Indian Agent on proof of final installation, commission and acceptance of equipment by the consignee.

e) **Payment of Indian Agency Commission:** Indian Agency commission will be paid to the manufacturer's agent in the local currency for an amount in Indian rupees indicated in the relevant Price Schedule (as per prevailing rate of exchange ruling on the date of Contract) and shall not be subject to further escalation / exchange variation. The agency commission payment shall be made after the equipment has been satisfactorily installed, commissioned and accepted by the consignee.

C) **Payment of Turnkey, if any:** Turnkey payment will be made as indicated in the relevant Price Schedule (as per prevailing rate of exchange ruling on the date of Contract) and shall not be subject to further escalation / exchange variation. The payment for turnkey works shall be made after the equipment has been satisfactorily installed, commissioned and accepted by the consignee.

D) **Payment for Annual Comprehensive Maintenance Contract Charges:** The consignee will enter into CMC with the supplier at the rates as stipulated in the contract. The payment of CMC will be made on six monthly basis after satisfactory completion of said period, duly certified by the consignee on receipt of bank guarantee for an amount equivalent to 2.5 % of the cost of the equipment as per contract in the prescribed format given in Section XV valid till 2 months after expiry of entire CMC period.

9.8. Terms of payment for imported goods

9.8.1 The supplier shall not claim any interest on payments under the contract.

9.8.2 Where there is a statutory requirement for tax deduction at source, such deduction towards income tax and other tax as applicable will be made from the bills payable to the Supplier at rates as notified from time to time.

9.8.3 Irrevocable & non – transferable LC shall be opened by the Purchaser. However, if the supplier requests specifically to open confirmed LC, the extra charges would be borne by the supplier. If LC is required to be extended and/or amended for reasons not attributable to the purchaser/consignee, the charges thereof shall be borne by the supplier.

9.8.4 The payment shall be made in the currency / currencies authorised in the contract.

9.8.5 The supplier shall send its claim for payment in writing, when contractually due, along with relevant documents etc., duly signed with date, to respective consignees.

9.8.6 While claiming payment, the supplier is also to certify in the bill that the payment being claimed is strictly in terms of the contract and all the obligations on the part of the supplier for claiming that payment has been fulfilled as required under the contract.

9.8.7 While claiming reimbursement of duties, taxes etc. (like sales tax, excise duty, custom duty) from the Purchaser/Consignee, as and if permitted under the contract, the supplier shall also certify that, in case it gets any refund out of such taxes and duties from the concerned authorities at a later date, it (the supplier) shall refund to the Purchaser/Consignee forthwith.

9.9 Advance Payment to Supplier:

In accordance with GFR, ordinarily, payments for supplies made or services rendered should be released to the supplier only after the supplies have been made or services have been rendered. However, it may become necessary to make advance payments in the following types of cases: -

- (i) Advance payment demanded by firms holding maintenance contracts for servicing of equipment, etc., wherever necessary.
- (ii) Advance payment demanded by firms against fabrication contracts, turn-key contracts etc.

Such advance payments should not exceed the following limits:

- (i) Thirty per cent of the contract value to private firms;
- (ii) Forty per cent of the contract value to a State or Central Government agency or a Public Sector Undertaking;
- (iii) In case of maintenance contract, the amount should not exceed the amount payable for six months under the contract.

In exceptional cases, the Hospital/Centres/Departments may, in consultation with their Financial Adviser, relax the ceilings mentioned above with the approval of the Competent Authority. However, while making any such advance payment, adequate safeguards in the form of bank guarantee etc. should be obtained from the supplier. Further, such advance payments should be generally interest bearing, suitable percentages for which are to be decided on case to case basis.

9.10 Documents for Payment

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

- a) Original Invoice
- b) Packing List
- c) Certificate of country of origin of the goods to be given by the seller or a recognized Chamber of Commerce or other agency designated by the local Government for this purpose.
- e) Manufacturer's test certificate
- f) Inspection Certificate from nominated inspection agency, if any, as per contract
- g) Certificate of Insurance
- h) Bill of lading/Airway bill or any other dispatch document.

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

9.11 Modes of Payment

9.11.1 Payment to Domestic Suppliers

Payments to domestic suppliers are usually made by cheque/online payment by RTGS.

9.11.2 Payment to Foreign Suppliers

Payment to foreign suppliers are ordinarily made through Letters of Credit (LC) opened by the State Bank of India or any other scheduled/authorized Bank as decided by the purchasing Centre/Department. While opening the Letters of Credit, the Centre/Department should follow the provision of Uniform Customs and Practices for Documentary Credit (UCPDC). If Letter of Credit is not opened, payment can also be made to the seller through Direct Bank Transfer for which buyer has to ensure that payment is released only after the receipt of prescribed documents.

9.11.3 Payment by Letter of Credit

Two banks are involved for payment to the supplier by Letter of Credit -purchaser's bank and supplier's bank. The purchaser is to forward the request to its bank in the prescribed format as formulated by State Bank of India, along with all relevant details including authenticated copy of the contract. Based on the same, the purchaser's bank opens letter of credit on behalf of the purchaser for transacting payment to the supplier through the supplier's bank. Care should be taken to ensure that the payment terms and the documents to be produced for receiving payments through letter of credit are identical with those shown in the

contract. Generally, irrevocable letter of credit is opened so that the supplier is fully assured of its payment on fulfilling its obligations in terms of the contract. In case, the delivery date of the contract is extended to take care of delay in supply, for which supplier is responsible, the tenure of the letter of credit is also to be extended, but the expense incurred for such extension (of letter of credit) is to be borne by the supplier.

9.11.4 E - Payment

E - Banking and E - Payments are now used by various banks by adopting Electronic Clearing System (ECS) and Electronic Fund Transfer (EFT) procedure. Payments to suppliers may be made through such mechanism where such facilities are available.

9.12 Deduction of VAT and Service Tax etc. at Source from Payments to Suppliers. This will be done as per the existing law in force during the currency of the contract.

9.13 Recovery of Public Money from Supplier's Bill

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

9.14 Refund from Supplier

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

9.15 Payment against Time Barred Claims

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

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CHAPTER - 10

QUALITY CONTROL AND INSPECTION OF ORDERED GOODS

10.1 Introduction

Before accepting the ordered goods, it must be ensured that the goods have been manufactured as per the required specifications and are capable of performing the functions as specified in the contract. The inspection of the items shall be carried out by a duly constituted Inspection Committee comprising of representatives of user departments, senior nursing staff, Residents from Hospital Administration and Store Officials. During inspection, the Committee shall check the supply order copies for specification of the items; compare the same with sample item (if applicable); check the date of manufacturing and expiry and the test certificate where applicable. For items procured by Departments, an Inspection Committee should be constituted for inspection of items.

The required inspections and tests should be carried out by the technically qualified and competent personnel. If the purchasing Department / Centre does not have such qualified personnel, it may engage competent professionals from outside agencies/to be got checked from the Govt. approved Laboratories.

10.2 Stages and Modes of Inspection

The stages and modes of inspection will depend on the nature of the goods, total value of the contract, location of the supplier, location of the user, etc. Usually, following types of inspection are adopted:

- i) Pre-dispatch Inspection: This type of inspection is conducted during the manufacturing process (which is known as Stage Inspection) and on the finished products before dispatch of the goods from supplier's premises, wherever decided by the competent authority.
- ii) Inspection of goods on receipt at consignee's/user's site: Such inspection is done on receipt of goods at site before accepting the same as outlined earlier.
- iii) Inspection after Installation & Commissioning of the equipment at site: This method is adopted to check the performance and output of the equipment / machinery after the same is commissioned at site.

10.3 Inspection Procedure

10.3.1 The inspection procedure will be as per the provisions contained in the contract.

10.3.2 In case of pre-dispatch inspection, wherever decided by competent authority after satisfactory inspection and tests, the acceptable goods shall be stamped, labelled, marked or sealed, according to the circumstances in such a way as to make subsequent identification of accepted lots easy for the consignee/user. For goods, not meeting the contract requirements the rejection Inspection Notes shall be issued immediately. A time limit shall be fixed for issue of Inspection documents. Facsimile of the Inspection stamps and their position should be put on the Inspection Notes to help identifying the inspected goods at the consignee's end.

10.4 Inspection Document

Inspection Notes in the form prescribed by the Department shall be issued in significance of the acceptance of the goods. Inspection Note should have provision for entering consignee's receipt certificate (confirming receipt of goods) on it. Consignee's receipt certificate portion of the Inspection Notes shall be filled by the consignee after receipt of the goods, verification of quantity and inspection marks on the accepted goods and taking the supplies in its stocks, signifying its (i.e. consignee's) acceptance.

10.5 Outside Testing Laboratories

Sometimes it becomes necessary for the purchase organization to conduct type test, acceptance test or special test at outside laboratories or carrying out of confirmatory tests is considered desirable before accepting the goods. In such cases Centre/Department should draw up a list of approved laboratories for this purpose, to whom the samples drawn from the lots offered by the supplier can be sent for tests. The list should also contain approved laboratories, which can be used as referral/appellate laboratories for retest, when samples tested at one laboratory are decided to be re-tested. These should be Govt./NABL accredited labs.

The Department shall lay down a Liability Statement for cost of samples expended in tests, dispatch of samples, transportation costs, test charges etc. in respect of samples tested at outside laboratories as applicable in various situations.

In cases where the samples are to be tested at supplier's cost on account of non-availability of their own testing arrangements, the responsibility of depositing the testing fee, etc. would rest with the supplier.

10.6 Samples

When a contract is concluded on the basis of approved sample the same shall bear seals and signatures of the approving authority (ies) as appropriate.

All such approved samples shall be drawn, retained, classified and disposed in accordance with the instructions issued by the Hospital/Centre/Department. A Register of samples shall be maintained. An official shall be made the in-charge of the Sample Room and will be responsible for all activities in the Sample Room.

10.7 Custody of Inspection Notes

For reasons of security and to avoid irregular or incorrect issue, the Inspection Notes should be serially numbered and marked for each user. An account of the Inspection Notes issued with serial number wise details shall be maintained in an appropriate register. Each Hospital/Centre/Department should also develop a foolproof system to avoid any fraudulent and unauthorized use of the inspection notes.

10.8 Inspection of goods tendered at the Fag End or on the Last Date of the Contract Delivery period As far as possible, the inspection should be commenced and finished and Inspection Notes issued during the validity period of the contract so that the contract is not kept alive after expiry of delivery period.

In cases where the supplier offers stores for inspection during the last few days of the contract delivery period or even on the last day of the contract delivery period, efforts should be made by the Inspecting Officer to commence the

inspection before the expiry of the delivery period.

The Inspecting Officer should invariably issue such notice to avoid the contract being kept alive after the expiry of the delivery period. In a case, where the inspection is commenced before the expiry of the delivery period and the Inspection Note is issued after the expiry of the delivery period, the Inspection Note, whether accepting or rejecting the goods, shall be duly franked as per the standard franking clause as given below as an abundant precaution against keeping the contract alive: -

- a) Franking Clause to be adopted in the case of Acceptance of Goods “The fact that the goods have been inspected after the delivery period and passed by the Inspecting Officer will not have the effect of keeping the contract alive. The goods are being passed without prejudice to the rights of the purchaser under the terms and conditions of the contract”.
- b) Franking Clause in the case of Rejection of Goods “The fact that the goods have been inspected after the delivery period and rejected by the Inspecting Officer will not bind the purchase in any manner. The goods are being rejected without prejudice to the rights of the purchaser under the terms and conditions of the contract.”

10.9 Acceptance of Goods against Supplier’s In-house Inspection Report and Warranty

In case of goods to be imported from abroad, pre-dispatch inspection of goods at supplier’s premises involves considerable expenditure to the purchaser. In such a situation, the purchaser may substitute pre-dispatch inspection by its own inspector with manufacturer’s in-house inspection report and warranty. However, before adopting this procedure, the nature and cost of the goods ordered, the reputation of the supplier, etc. should also be kept in view and appropriate decision taken. Alternatively, the services of reputed international inspection agencies may be utilized and contractor may be asked to dispatch the stores duly inspected by international reputed agencies like SGS, Lloyd, BEAURU VARITUS and TUV at its cost i.e. without any additional cost to the purchaser.

Further, trustworthy publications like ‘Thomas Register’, ‘Dun and Brad Street Register’, etc. are also available in USA and Europe which provide authentic technical & financial data and details of the manufacturing companies located in those countries. Such publications may also be relied upon for this purpose.

10.10 Purchaser’s Right of Rejection

Purchaser has the right to reject the goods on receipt at site during final inspection though the goods have already been inspected and cleared at pre-despatch stage by the purchaser’s inspector. However, such rejection should be strictly within the contractual terms & conditions and no new condition should be adopted while rejecting the goods during final inspection.

10.11 Acceptance of Goods vis-à-vis Warranty Provisions

Goods accepted by the purchaser in final inspection in terms of the contract shall in no way dilute purchaser’s right to reject same later, if found deficient in terms of warranty clause of contract /quality parameters.

10.12 Joint Investigation against Complaints relating to Quality of Goods

In case a written complaint is received from the supplier disputing rejection of goods by the purchaser's Inspection Committee, the same should be jointly investigated by a team consisting of an authorized representative of the purchase organization usually a faculty member from user department; Faculty from Hospital Administration looking after concerned store and an authorized representative of the supplier. Detailed procedure to be followed in this regard and the format of the joint inspection report (to be signed by all the team members) are to be prescribed by the purchasing Department / Centre and the matter processed accordingly for further necessary action.

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CHAPTER - 11

EVALUATION OF TENDERS, FORMULATION OF PURCHASE PROPOSAL AND PLACEMENT OF CONTRACT

11.1 Introduction

11.1.1 Evaluation of tenders is one of the most serious exercises in the process of procurement. Therefore, it requires due diligence, utmost care and proper application of mind.

11.1.2 Evaluation of tenders must be done in a scientific and logical manner. It is not always necessary that the lowest quoted price shall finally emerge as the lowest evaluated price. It may be that the lowest bidder has not quoted according to the specifications and has left out certain items asked for. His bid eventually may not even be responsive.

11.1.3 All the bids are to be evaluated strictly on the basis of the terms & conditions incorporated in the tender document (based on which offers have been received). No new condition should be brought in while evaluating the tenders. Similarly, no condition of the tender document shall be overlooked while evaluating the tender. The idea is to ensure that no tenders should get undue advantage at the cost of other tenderers and/or at the cost of the Purchaser.

11.2 Preliminary Examination

11.2.1 All the tenders received from the Tender Opening Committee (TOC) will first be scrutinized in the respective Store Section 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 required EMD/ BS has not been provided.
- (iv) The bidder has quoted for goods manufactured by a firm without the required authority letter from the 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) The tenderer has not agreed to some essential conditions(s) incorporated in the tender enquiry.

11.2.2 During the above preliminary administrative examination, the Purchaser may also find some minor informality and/or irregularity and /or non-conformity in some tenders. The Purchaser may waive the same provided the same does not constitute any material deviation and financial impact and, also, does not prejudice or affect the ranking order of the tenderers. Wherever necessary, the Purchaser is to convey his observation on such minor issues (as mentioned above) to the tenderer by registered letter/speed post etc. asking the tenderer to respond

by a specified date also mentioning therein that, if the tenderer does not confirm the Purchaser's view or does not respond at all by that specified date, its tender will be liable to be ignored. Depending on the outcome, such tenders are to be ignored or considered further. In situations of this kind, opportunity should be extended to all the responding firms.

11.3 Non-Conformities between the figures and words of the quoted price

11.3.1. Any discrepancy between quoted prices in figures and that in words, if noted, will be sorted out in the following manner:

- (a) If there is a discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the Purchase Committee/Technical & Purchase Committee there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.
- (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.
- (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 above.

If there is such discrepancy in a bid, the same is to be conveyed to the bidder with target date on the above lines and if the bidder does not agree to the observation of the Purchaser, the tender is liable to be ignored.

11.4 Qualification Criteria

11.4.1 After completing above stage, it is to be examined whether the remaining tenderers (i.e. other than the unresponsive tenderers) meet the required qualification criteria incorporated in the tender enquiry document. The tenderers, which do not meet the required qualification criteria, are to be declared unresponsive and not to be considered further. Details of such tenderers, which do not meet the required qualification criteria are also to be recorded in the Purchase file along with the grounds for their becoming unresponsive.

11.5 Scrutiny of Responsive Bids.

11.5.1 Single envelop Bid/Tender: In case of seeking bids in single envelop with (Technical & financial details together), the responsive tenders (i.e. after ignoring all the unresponsive tenderers as above) are to be evaluated and ranked as per the procedure indicated in subsequent paragraphs. However, when the required goods are simple in nature and have standard specifications, initial scrutiny as well as scrutiny for qualification criteria may be done simultaneously in one go. In case the required goods are of sophisticated nature and comparatively of higher value, then in the first stage the initial scrutiny will be done to segregate the unresponsive tenders. Thereafter, all the remaining tenders are to be evaluated and ranked. The next step will be to check fulfillment of required qualification criteria by the tenderers, so ranked, starting from the lowest evaluated tender (L1). If L1 meets the required qualification criteria, that tender is to be selected for

placement of contract. But if it does not meet the required criteria then similar determination is to be done for the next lowest evaluated tender (L2) and so on till reaching the tender who meets the required qualification criteria. By adopting the procedure, the purchase organization will save time by not checking the qualification aspects of all the responsive offers, simultaneously in one go.

11.5.2 Two-bid system: Under 2-bid system, the techno-commercial un-priced bid (i.e. technical bid) will be opened first and will be evaluated by the Technical Sub-committee(TSC) of the Technical & Purchase Committee (T&PC) with respect to the qualification criteria and the technical specifications as spelt out in the tender. The committee doing the evaluation will also draw a Technical comparative chart. The tenders meeting the qualification criteria and technical specifications will be short listed for financial evaluation for lowest responsive offer.

11.5.3 In case the technical bid of a firm has been declared unqualified in the technical evaluation, the unopened financial bid shall be preserved in the concerned purchasing department under safe custody. The purpose of giving proposed time period of one week is that the parties rejected may at times contest reasons of rejection and if at all Institute is convinced with their view point/ reasons, the AIIMS may consider the offer for further evaluation. However, it should be done prior to opening of commercial bids of other shortlisted parties.

11.5.4 All the bids received against the open tenders will be evaluated by the same TSEC which had finalized its specifications. The committee will evaluate the technical bids first for ascertaining responsiveness and conformity to the specifications and other terms & conditions if approved which has been decided after the Pre-bid Conference/ Meeting with the parties if applicable. The financial bids of only those parties will be opened for further evaluation, whose responsiveness is confirmed by the Technical & Purchase Committee (TSEC). After opening of the financial bids, L1 will be decided and recommendations will be obtained from the indenter for placing order.

11.6 Conversion of Currencies

11.6.1 When bids are received in different currencies, the comparative statement shall clearly give the exchange rate as notified exchange rates established by the Reserve Bank of India for similar transactions, as on the date of tender opening. However, when two bid system is adopted, then the exchange rate as notified by the Reserve Bank of India for similar transactions as on the date of opening the financial bid should be the basis for preparing the comparative statement.

11.7 Evaluation and Ranking

11.7.1 Depending on the terms of delivery and the projected requirement, all the applicable components of the costs, as quoted in the responsive tenders, are to be added to work out the ultimate evaluated costs of the tenders. The evaluation is also to include applicable taxes, duties etc. in the bid prices.

11.7.2 The comparison between the indigenous and the foreign offers shall be made on total cost to the purchaser delivered at the Department. Accordingly, the CIF/CIP prices quoted for imported stores shall be loaded further as under:-

- a) CIP price converted in Indian currency.
- b) Custom duty @ 11.64%.
- c) In land transportation/clearance charges @ 2%.

11.7.3 Conditional tenders shall not be accepted.

11.7.4 No tender shall be technically rejected on flimsy grounds or such vague grounds as unsatisfactory service during earlier Purchases without providing any documentary proof.

11.7.5 Situations may arise when sufficient response has not been received or after bid evaluation there is only one responsive bidder. In such situations, the purchase committee/Technical & Purchase Committee is required to check whether, while floating/issuing the tender enquiry, all necessary requirements like standard tender enquiry conditions, industry friendly specification, wide publicity, sufficient time for formulation of tenders, etc. were fulfilled. If not, the tender is to be re-issued/re-floated after rectifying the deficiencies.

However, if after scrutiny it is found that all such aspects were fully taken care of and in spite of that the Institute ends up with one responsive bid only, then in such a situation Institute should go-in for a re-tender/snap bid. If even after re-tendering more than one bidder is not available, then the contract/Purchase Order may be placed on that bidder provided the quoted price is reasonable.

11.8 Reasonableness of Prices(ROP)

11.8.1 While existing procurement process ought to ensure reasonability of Prices, the same should be verified before placing the contract/Purchase Order on the lowest evaluated responsive tender (L1). The User /HOD must ensure that the price to be paid is reasonable.

11.8.2 The broad guidelines for judging the reasonableness of price are as under:

- i) Last Purchase price of same (or, in its absence, similar) goods
- ii) Current market price of same (or, in its absence, similar) goods
- iii) Receipt of competitive offers from different sources
- iv) Quantity involved
- v) Terms of delivery
- vi) Period of delivery
- vii) Economic indices of raw material/labour, wherever applicable
- viii) Other input cost and intrinsic value

11.8.3 In all the purchase cases, it is primarily the responsibility of the Department to certify that the quality and the prices for the items being procured, are good and reasonable since they best understand the product being procured. If L1's price is not reasonable, then, in the first place, the Store Purchase Committee has to review its own data & details to recheck whether the reasonable price so arrived is correct or not. If it is correct, the Institute may, strictly as an exception, negotiate the price only with the lowest evaluated responsive tender(L1) in an

attempt to bring down the same. If L1 reduces the price to the desired level, contract may be placed on it but it does not agree, then further action like re-tendering etc. may be decided by the TSEC/TACC depending on the merits of the case.

11.9 Negotiations

11.9.1 There should not be any negotiations. Negotiations if at all shall be an exception and only in the case of proprietary items or in the case of items with limited source of supply and items where there is suspicion of a cartel formation. Negotiations if at all required shall be held with the lowest (L-1) evaluated responsive bidder with the cogent reasons to be recorded.

11.9.2 Counter offers tantamount to negotiations and should therefore be avoided.

11.9.3 Negotiations can be recommended in exceptional circumstances only after due application of mind and recording valid, logical reasons justifying negotiations. In case L-1 backs out/withdraws his offer before the work order is placed, or before the supply or execution of work order takes place, there should be retendering in a transparent and fair manner. The competent authority may in such a situation call for limited or short notice tender if so justified in the interest of work and take a decision on the basis of lowest tender.

11.9.4 The evaluation report shall clearly bring out

- i) The technical acceptability of the offer
- ii) the reasonability of the price quoted
- iii) the reasonability of the delivery period offered

11.10 Comparative Statement

11.10.1 The Comparative Statement of administrative documents will be prepared by the concerned Store Section.

The comparative statement of price bids should be signed by the user faculty and HOD (in case of Departmental purchases); and ASO/SO of the concerned store to confirm correctness. In the Hospital/Centers this comparative statement is prepared by stores officials (in consultation with users) and checked by ASO/SO.

11.10.2 In case of two-bid system, the Chairman TSEC shall have a technical comparative statement of specifications prepared with the help of TSC strictly as per indented basket of items. Based on the recommendations of Purchase Committee or TSEC concerned on the technical evaluation, the financial bids shall be opened by purchase section and Comparative Statement of prices (CS) would then be prepared by user department/section taking the assistance of the concerned department, if required. Thereafter, recommendations of the concerned department and approval of Technical & Stores Purchase Committee (SPC) concerned should be obtained.

11.10.3 A certificate to the effect that the details of all quotations opened by the tender opening committee have been included in the CS of prices should be incorporated by the ASO and countersigned by SO in the CS. The CS of prices quoted must be signed by the ASO & SO in all cases and also by the indenter (in case of equipment only) to confirm correctness.

The Comparative statement shall be without any overwriting or deletions and shall neatly give the quoted price both in figures and in words.

11.10.4 When bids are received in different currencies, in case of single bid system, the comparative statement shall be prepared based upon the exchange rate, notified by RBI on the date of opening of bids. However, when two-bid system is adopted, then the exchange rate as notified by RBI on the date of opening the financial bid should be basis for preparing the comparative statement. The comparative statement shall indicate the exchange rate used for conversion and the quoted prices in Indian Rupee.

11.10.5 The comparative statement must include all the details as indicated above for bids received from within India and from abroad including the loading for comparison only along with details of specifications of the material offered by the tenderer, rates quoted (including taxes or otherwise), discount, if any, all other applicable components of cost, delivery schedule, earnest money deposit, validity of the offer, payment schedule etc.

11.10.6 The recommendations of the Indenting Officer(IO) must be obtained prior to referring the matter to Purchase Committee as the case may be and the offer selected along with details of the items should be encircled by the indenting officer/user HOD on the Comparative Statement(CS) duly signed.

11.11 Placement of order/Conclusion of Contract

Contract should be awarded to the lowest evaluated bidder whose bid has been found to be responsive and who is eligible and qualified to perform the contract satisfactorily as per the terms and conditions incorporated in the corresponding bidding document.

11.11.1 The entire process of scrutiny & evaluation of tenders, preparation of ranking statement and notification of award must be done within the original tender validity period. The validity period should not be unreasonably long as keeping the tender unconditionally valid for acceptance for longer period entails the risk of getting higher prices from the bidders. Generally, the validity period should not more than one year from the date of tender opening.

11.11.2 If due to some exceptional and unforeseen reasons, the Institute is unable to decide placement of the contract within the original validity period, it should request, before expiry of the original validity period, all the eligible bidders to extend their tenders up to a specified period. While asking for such extension, the bidders are also to be asked to extend their offers as it is, without any changes therein.

11.11.3 The bidder may also be requested to extend the validity of the BS/EMD for the corresponding additional period (which is to be specified in the request). A bidder may not agree to such a request and this will not tantamount to forfeiture of its BS. But the bidders, who agree to extend the validity, are to do so without changing any terms, conditions etc. of their original bid.

11.11.4 Once the proposal is recommended by the Stores Purchase Committee and the concerned sanctioning authority accords the expenditure sanction, official concerned in Stores & Purchase shall prepare the Purchase order and arrange to

send it to the vendor. However, the specifications embodied in the Purchase Orders should be vetted by the indenter before the Purchase order is issued especially in high value purchase and purchase involving technicalities.

11.11.5 The Purchase order shall contain the make and model of the items with description, rates, quantity ordered, amount and terms & conditions like /Delivery schedule, place of Delivery, Payment terms, taxes & duties, any other charges like packing, forwarding, transportation, insurance etc., discount offered by the firm, installation & commissioning if required, warranty period, training if any extra.

11.11.6 In case of imported equipment/items all standard conditions should be incorporated in the LC terms and conditions.

11.11.7 The purchase order/Notification of award once dispatched for communication shall constitute a binding contract between purchaser and the seller. Order for equipments shall be dispatched to the vendor in two copies one for local agent and another for original equipment manufacturer (OEM) with an instruction that the vendor has to return one copy duly signed as a token of acceptance of the order.

11.11.8 The copies of orders shall be sent to Stores, Indenting faculty/ Department/Officer-in charge Stores/Inspection committee and Finance as soon as the orders are placed.

11.11.9 For Purchases valuing more than Rs.25.00 lakhs, a formal contract should be executed, with all necessary clauses as per model format given the manual which can be altered suitably wherever felt necessary by the Institute to make it a self contained contract. If however, these are preceded by Invitation of Bid, General conditions of contract (GCC) & Special Conditions of Contract (SCC) with full details of scope & specifications, a simple one page contract can also be entered into by attaching copies of the GCC & SCC and details of scope and specifications, offer of the tenderer and letter of acceptance.

11.11.10 While entering into contracts, it should be ensured that;

- (a) The terms of contact are precise, definite and without any ambiguities and should not include an uncertain or indefinite liability.
- (b) No work of any kind is commenced without proper execution of a contract as given above.
- (c) Contract should include provision for payment of all applicable taxes by the contractor or supplier.
- (d) The terms of a contract, including the scope & specifications once entered into, should not be materially varied. Whenever material deviations becomes unavoidable, the financial & other effects should be examined and recorded and specific approval of the Purchases Committee concerned & other commitments must be obtained before varying the conditions.
- (e) Normally no extension of schedule delivery or completion dates should be granted except where events constituting force majeure, as provided in the contract, or any other convincing valid reasons. Extensions with or without penalty may be allowed through formal amendments to the contract only

with the approval of competent authority. Prior to invoking Penalty clause, due notice should be given to the supplier to execute the order/contract failing which penalty shall be imposed.

- (f) A warranty clause should be incorporated in every contract and all contracts for supply of goods should reserve the right to reject goods which do not conform to the specifications.
- (g) The contract effective date is invariably indicated as per the agreed terms and conditions.
- (h) In all case where a contract is to be signed on a stamp paper, a letter of intent (LOI) may be issued to the firm in advance of the contract. The LOI should specifically mention, interalia, the deadline for signing of the contract which should not normally be more than two weeks from the date of issuance of LOI.

11.12 Integrity pact:

In accordance with the CVC guidelines, vide their Order No.41/12/07, dated 4/12/2007 and their subsequent communications, in regard to Integrity Pacts, shall invariably be followed in all one-time major purchases exceeding Rs.5.0(Five) crores.

11.13 Cancellation of Contract and Risk Purchase

In case, supplier fails to submit performance security and/or does not satisfactorily execute the contract and administratively it is decided to cancel the contract, the actions regarding cancellation of contract and risk purchase should be taken in consultation with legal experts of the institute.

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CHAPTER - 12 CONTRACT MANAGEMENT

12.1 Introduction

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

12.2 Text of Contract

The very first requirement for ensuring a trouble free contract management is placement of contract with unambiguous and transparent terms & conditions, which have already been agreed to by both the purchaser and the supplier in black & white.

12.3 Performance Security

The purchaser is to ensure that the supplier 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.

12.4 Acknowledgement of Contract/Order :

The supplier should acknowledge and unconditionally accept the contract within the specified days from the date of issue of contract. While acknowledging the contract, the supplier may raise some issues and/or ask for some modifications against some entries in the contract; such aspects shall be immediately looked into for necessary action and, thereafter, supplier's unconditional acceptance of the contract 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.

12.5 Coordination

All the authorities, who are entrusted with some responsibilities and also to perform some duties in terms of the contract are to work in unison in a coordinated manner to ensure completion of the contract without any time overrun, cost overrun and related legal complication. It is, therefore, necessary for the purchase organization to keep a proper watch and coordinate all such activities to avoid any bottleneck or problem in the passage of the contract.

12.6 Amendment to Contract/Order :

Many a times, due to various reasons, changes and modifications are needed even in a duly concluded contract. Requests for such changes and modifications mostly emanate from the supplier. Immediately on receiving such a request, the purchase organization shall examine the same and take action as necessary with the approval of the competent authority.

Any amendment to contract terms requested by the supplier may have, inter alia, financial impact and/or technical impact and/or legal impact. Therefore, before agreeing to the request of the supplier, the purchase organization should scrutinize the issue on its merits to ensure that the requested amendment will not have any adverse effect on the purchase organization.

Financial concurrence should be obtained before issuing any amendment having

financial implications/repercussions. The Centres/Departments should process such issues, as deemed fit, depending on the merit of the case. In specific cases, if situation warrants, legal advice will be sought.

12.7 Payment to the Supplier

Finance Division shall ensure that all the payments due to the firm including release of performance security are made on priority basis without avoidable delay. An appropriate time schedule may be prescribed by the Departments / Centres for this purpose to be acted upon by the concerned officials.

12.8 Receipt of material:

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, Indenter next day. Similarly, information like transit of material, clearance from Air/Sea Port/transporter/vendors go-down, etc. has to be intimated to the user Departments. Heavy and large items can be got unloaded by the stores at the place of its final installation.

Stores should maintain a Daily Receipt Register (DRR) 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.

12.9 Monitoring of Securities and other Instruments

Proper procedure for safe custody and monitoring of bank guarantees and other instruments should be laid down by the Centres/Departments and followed accordingly. Para 7.8 of Chapter 7 also refers in this connection.

12.10 Closure of Purchase File

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 with the approval of the competent authority.

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 03 years from the completion of warranty and further entire CAMC period in case of M&E items. Cases which have some vigilance/audit objections / court case should not be disposed off till the requirement of these records. The old records should be weeded out from time to time as it occupies valuable space. The records should be weeded out at regular intervals at the end of each financial year after its retention period 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.

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CHAPTER - 13 SETTLEMENT OF DISPUTES

13.1 General

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

13.2 Mode of Settlement

Mode of settlement of such disputes/differences shall be through Arbitration. However, when a dispute/difference arises, both the purchaser and the supplier shall first try to resolve the same amicably by mutual consultation. If the parties fail to resolve the dispute by such mutual consultation within twenty-one days, then, depending on the position of the case, either the purchaser or the supplier shall give notice to the other party of its intention to commence arbitration as hereinafter provided:

When the contract is either with the domestic supplier or with the foreign supplier, the applicable arbitration procedure will be as per Indian Arbitration and Conciliation Act, 1996.

13.3 Venue of Arbitration

The venue of arbitration shall generally be the place from where the contract has been issued.

13.4 Applicable Law

The contracts shall be interpreted in accordance with the laws of the Union of India.

13.5 Legal Advice

While processing a case for arbitration, AIIMS may take legal advice, at appropriate stages from competent authorities like the Standing Legal Counsel (SLC).

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CHAPTER - 14

RATE CONTRACT

14.1 Definition

A Rate Contract (commonly known as RC) is an agreement between the purchaser and the supplier for supply of specified goods (and allied services if any) at specified price and terms & conditions (as incorporated in the agreement) during the period covered by the Rate Contract. While the estimated/tentative required quantity is indicated in the Rate Contract tender enquiry to enable participating bidders an approximate idea about the tentative requirement, no minimum drawal is guaranteed in the Rate Contract. The Rate Contract is in the nature of a standing offer from the supplier firm. The firm and/or the purchaser is entitled to withdraw/cancel the Rate Contract by serving an appropriate notice on each other as stipulated in the contract. However, once a supply 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 supply order becomes a valid and binding contract.

14.2 Merits of Rate Contract

The Rate Contract system provides various benefits to both the Purchaser (i.e. user) and the Supplier and the same are indicated below:

14.2.1 Benefit to Users

- a) Competitive and economical price due to aggregation of demands.
- b) Saves time, efforts, man-hours and related costs involved in time consuming as well as repetitive tendering process. It, thus reduces lead time for procurement.
- c) Availability of quality goods with full quality assurance back-up.
- d) Enables procurement as and when required and thus reduces inventory carrying cost.
- e) Advantageous even to small users.
- f) Provides one single point of contact to procure such items.

14.2.2 Benefit to Suppliers

- a) Reduces marketing cost and efforts.
- b) Eliminates repetitive tendering and follow-up actions with multiple authorities.
- c) Provides single point contact.
- d) Aggregation of demand leads to economic production.
- e) Leads to most competitive prices being offered.
- f) Lends credibility.
- g) Promotes quality discipline.

14.3 Rate Contracts concluded by Central Stores Department The Central Stores Department (DO) shall conclude rate contracts with the prospective suppliers, for goods of standard types, which are identified as common use items and are needed on recurring basis by various Centres/Departments. The Central Stores Department will furnish and update all the relevant details of the rate contracts in the Institute website. The Hospital /Centres / Departments should operate those rate contracts to the maximum extent possible. The Hospital / Centres /Departments should directly procure the rate contracted goods from the suppliers at the approved prices. The

Hospital/Departments /Centers may make its own arrangement for inspection and testing of such goods, wherever required. The Central Stores Department should post the descriptions, specifications, prices, samples if required and other salient details of all the rate contracted goods, appropriately updated to Hospital/Centres/Department for use by the procuring Centres/Departments.

14.4 Goods for which Rate Contracts are to be concluded by Central Stores Department

- a) Commonly used goods needed on recurring basis by various Centres /Departments.
- b) Goods for which prices are likely to be stable or where Rate Contracts could be finalized.
- c) Goods for which Rate Contract is convenient to operate and annual drawals are economical, say above Rs 25 lakhs.

NB: 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.

14.5 Bringing more and more common user items on the Rate Contract

It is enjoined upon the Central Stores Department (DO) to bring more and more common use items on rate contracts. For this purpose, regular interactions should be held by the CSD with the various user departments across the Institute. There shall be a duly constituted Committee, coordinated by Central Stores Department (DO), consisting of representatives of major indenting departments to consider bringing new items on rate contracts.

14.6 Period of Rate Contract

The period of a Rate Contract should normally be two years for stable technology products. 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 through out the year.

14.7 Criteria for award of Rate Contract

- a) Rate Contracts shall be awarded to the firms who fulfill the laid down eligibility and qualification criteria including availability of quality standards. Suitable stipulations should be incorporated in the tender enquiry documents to this effect. The award of such rate contracts will, however, be subject to the suppliers' satisfactory technical and financial capability.
- b) Some of the tenderers may also be holding current rate contracts and/or held past rate contracts for the required goods. Their performance against such earlier/current rate contracts shall be critically reviewed before they are considered for award of new rate contracts. Specific performance and achievement criteria as on a selected cut-off date is to be evolved for this purpose and incorporated in the tender enquiry document. The tenderers will be asked to furnish the relevant details (along with their tenders) to enable

the purchaser to judge their performance and achievement against the past/current rate contracts. These criteria are to be evolved and decided by the TSEC during procurement planning stage for incorporation in the corresponding tender enquiry documents.

14.8 Special Conditions applicable for Rate Contract

Some conditions of rate contract differ from the usual conditions applicable for ad hoc contracts. Some such important special conditions of rate contract are given below:

- i) Estimated Earnest Money Deposit (EMD) and Performance Bank Guarantee shall be based upon anticipated approximate requirement of the items, which shall be stipulated in the tender document.
- ii) In the Schedule of Requirement, no quantity is mentioned; only the anticipated drawal may be mentioned without any commitment.
- iii) The purchaser 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 in case of purchaser and 90 days in case of seller.
- (iv) The purchaser has the option to renegotiate the price with the rate contract holders.
- (v) In case of emergency, the purchaser may purchase the same item through adhoc contract with a new supplier.
- (vi) Usually, the terms of delivery in rate contracts are free delivery at institute.
- (vii) Supply 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.
- (viii) The purchaser and the authorized users of the rate contract are entitled to place supply orders upto the last day of the validity of the rate contract and, though supplies against such supply 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.
- (ix) The rate contract will be guided by "Fall Clause" (as described later in this chapter).

14.9 Parallel Rate Contracts

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

14.10 Conclusion of Rate Contracts including Parallel Rate Contracts

Techniques for conclusion of rate contract are basically identical to that of ad hoc contract (as discussed in Chapter 11 of the Manual). Identical tender documents may be utilized for conclusion of rate contracts subject to inclusion therein the special terms & conditions as applicable for rate contracts.

In the normal course, the rate contract is to be awarded to the lowest responsive tenderer (L1). However, depending on the anticipated demand of the item and capacity of the responsive bidders, it may become necessary to award parallel rate contracts also. For this purpose, suitable provisions to this effect should be incorporated in RC tender enquiry document. As a guiding principal, RC should be awarded to as many bidders as are just sufficient to meet the anticipated

demand. Moreover, in case RC is to be awarded to more than one firm because of capacity constraint of L-1 bidder, higher quoting firms should be asked to match the prices of L1 bidder. For the sake of transparency and to avoid any criticism, all such rate contracts are to be issued simultaneously.

14.11 Price Negotiation

Price Negotiation with the tenderers should be severely discouraged. However, in case the price quoted by the lowest responsive tenderer (L1) is not reasonable and acceptable, the price may be negotiated with L1 only and, if it reduces the price to the desired level, rate contract may be concluded with L1.

However, in case of single tender /proprietary item where there is no comparison of prices, negotiation should be carried out. This should aim at getting a reasonable price based on estimated cost of the item, comparison with earlier orders for same item from AIIMS / other government / reputed pvt. Institutes.

14.12 Cartel Formation / Pool Rates

Sometimes a group of tenderers quote identical rates against a rate contract tender. Such Pool/Cartel formation is against the basic principle of competitive bidding and defeats the very purpose of open and competitive tendering system. Such practices should be severely discouraged with strong measures. Suitable administrative actions like rejecting the offers, reporting the matter to Registrar of Companies, MRTP Commission/competition commission of India/ National Small Industries Corporation etc. should be initiated against such firms, on case to case basis, as decided by the competent authority. Hospital/Centres/Departments may also bring such unhealthy practice to the notice of the concerned trade associations like FICCI, ASSOCHAM, etc. requesting them, inter alia, to take suitable strong actions against such firms. The Hospital/Centres/Departments may also encourage new firms to participate in the tender for the subject goods to break the monopolistic attitude of the firms forming cartel.

14.13 Fall Clause

Fall clause is a price safety mechanism in rate contracts. The fall clause provides that if the rate contract holder reduces its price or sells or even offers to sell the rate contracted goods of identical specification and terms & conditions to that 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. Other parallel rate contract holders, if any, are also to be given opportunity to reduce their price as well, by notifying the reduced price to them and giving them 15 (fifteen) days time to intimate their revised prices, if they so desire, in sealed cover to be opened in public on the specified date and time and further action taken as per standard practice.

On many occasions, the parallel rate contract holders attempt to grab more orders by unethical means by announcing reduction of their price (after getting the rate contract) under the guise of Fall Clause. This situation is also to be dealt with in similar manner as mentioned in the preceding paragraph.

It is however, very much necessary that the purchase organizations keep special watch on the performance of such rate contract holders who reduce their prices on one pretext or other. If their performances are not upto the mark,

appropriately severe action should be taken against them including debarring them, suspending business deals with them, etc.

14.14 Performance Security

Depending on the anticipated overall drawal against a rate contract and, also, anticipated number of parallel rate contracts to be issued for an item, the Central Stores Department (DO) shall consider obtaining performance security of reasonable amount from the rate contract holders. A suitable clause to this effect is to be incorporated in the tender enquiry documents. Performance Security shall, however, not be demanded in the supply orders issued against rate contracts.

14.15 Renewal of Rate Contracts

It should be ensured that new rate contracts are made operative just before 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. Also, while extending the existing rate contracts, it shall be ensured that the price trend is not lower.

14.16 Placement of Supply Orders

Supplies are to be obtained against a rate contract by placing on the rate contracted firm supply order containing the quantity of the goods to be supplied and incorporating the prices and other relevant terms and conditions of the rate contract. The officials placing such supply orders should be duly competent and authorized to do so.

A supply order should generally contain the following important details:

- (a) Rate Contract No. and date.
- (b) Quantity. (Where there is more than one consignee, the quantity to be dispatched to each consignee is to be indicated).
- (c) Price.
- (d) Date of Delivery by which supplies are required.
(In the supply order, a definite delivery date based on the delivery period stipulated in the rate contract is to be provided. However, in emergent situation, the suppliers may be requested to supply the bearest minimum quantity within the shortest possible period and the remaining quantity as per the stipulated period as mentioned in the Rate Contract).
- (e) Full address of the purchase organization along with telephone. No., Fax No. and E. mail address.
- (f) Complete and correct designation and full postal address of the consignee(s)/goods receiving officer(s) along with telephone No., Fax No. and E-mail address.
- (g) Dispatch instructions
Copies of supply orders are to be endorsed to all concerned.

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Chapter-15

Delegation of Financial Powers

15. Procurement of Consumables

15.1.1 Consumable on Rate Contract. For the consumables, which are on rate contract, HODs of the Departments shall have full powers for procurement of these consumables subject to the condition that these consumables are procured as per consumption pattern of last one year. Further, at any point of time total inventory of individual item (item already in stock plus quantity ordered but yet to be received) should not exceed six months of proposed consumption. In case of special exigencies if the procurement is proposed to be made for quantity in excess of aforesaid six months, detailed justification should be recorded and approval of Director/Chiefs of Centre be obtained.

15.1.2 Consumable not on Rate Contract. For the consumables which are not on rate contract, the concerned HODs shall have financial powers for procurement of consumables upto Rs. 10 lakhs. However, the guidelines of six months inventory, as detailed above in para 1.2 should also be followed. Further, all these cases shall mandatorily be required to be routed through Store Officer/ASO concerned as the case may be. For cases beyond Rs. 10 lakh the approval of Director/Chief of the Centre, AIIMS as the case may be shall be obtained.

15.1.3 To expedite the procurement process and avoid repetitive bidding process, attempt should be made by to bring all the consumables on a regular rate contract.

15.2 Capital Equipment

15.2.1 For Capital equipment, concerned HODs shall have financial powers for purchase of equipments upto Rs. 5 lakhs through competitive bidding with at least three responsive bidders. The departments shall make its own arrangements for invitation of bids, evaluation of bids and award of contract. However, in case of imported stores, the required support for LC opening and custom clearance of the stores shall be provided by Store (DO) office. In case, any department feels that they did not have adequate resources or technical know how to handle the procurement activities, they may forward their requirement to Stores (DO)/Concerned store section, which shall handle all such cases as they shall be handling the cases of value more than Rs. 5 lakh.

15.2.2 For proprietary goods or goods with less than three responsive bidders, the approval of Director/ Chief of the Centres should be obtained, irrespective of value of stores.

15.2.3 Before undertaking any procurement for capital equipments, administrative approval for necessity of the equipment with detailed justification shall be obtained from Competent Authority i.e. concerned HOD for cases with estimated value less than Rs. 5 lakhs and Director/Chief's of the Centre for cases with estimated value exceeding Rs. 5 Lakhs.

15.3 Concerned HOD's may formulate requisite Technical and Financial Committees consisting of minimum three Faculty members from their department to undertake procurement activities within their delegated powers.

15.4 The purchases cases requiring approval of Director/Chiefs of Centre shall mandatorily be routed through SPC for its recommendations on "Technical and Commercial Bid Evaluation Report", "Financial Bid Evaluation Report", and before acceptance of bids after negotiations, if any.

15.5 The cost of goods, inclusive of all duties and taxes, delivered at AIIMS New Delhi will be basis for determining the competent authority for Purchase.

15.6 Purchase cases costing more than Rs. 5.0 Crores shall be placed before SFC. With the recommendations of SFC, these cases costing more than Rs. 5.0 Crores shall be placed before President, AIIMS for approval before placement of purchase order.

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CHAPTER - 16

INVENTORY MANAGEMENT

16.1 Receipt procedure: The suppliers send the goods to the respective stores. The Delivery Challan sent with the goods is first checked by the concerned Store Keeper/JSO/ASO, reconciled with the concerned supply order and accepted for inspection by the Committee. The stores to be inspected are kept outside the store in an inspection area. There will be Inspection Committee constituted by the Medical Superintendent /Chief of the Centres /HODs that inspects the goods. After the inspection and approval of quality and quantity of goods as per supply order by the competent Inspection Committee for this purpose, the goods will be taken into the store and taken on charge by the storekeeper. An inspection note will be prepared by the Store Keeper, which is signed by the concerned ASO/SO and thereafter duly countersigned by the Officer-in-charge of respective stores. The inspection note is then sent to the Stores Accounts Department, by the concerned Stores Officer. The inspection note is a financial document on the basis of which payment is released to the vendor. One copy of inspection note is forwarded to the concerned Stores Officer (who is in-charge of the procurement) and the concerned firm submits the bill along with copy of Inspection note to the Store Accounts Section for payment.

16.2 Receipt / issue of goods and materials from internal divisions of the same organization:

- (1) The indenting officer requiring goods and materials from internal division(s) of the same organization should project an indent in the prescribed form for this purpose. While receiving the supply against the indent, the indenting officer shall examine, count, measure or weigh the materials as the case may be, to ensure that the quantities are correct, the quality is in line with the required specifications and there is no damage or deficiency in the materials. The indenting officer to the division sending the materials shall also give an appropriate receipt to this effect.
- (2) In the case of issue of materials from stock for departmental use, the Officer-in-charge of the stores shall see that the indenting officer has projected an appropriate indent, in the prescribed form. A written acknowledgement of receipt of material issued shall be obtained from the indenting officer or his authorized representative at the time of issue of materials in case of manual indent.
- (3) If the Officer-in-charge of the stores is unable to comply with the indent in full, he should make the supply to the extent available and make suitable entry to this effect in the indenter's copy of the indent. In case alternative materials are available in lieu of the indented materials, a suitable indication to this effect may be made in the document.
- (4) The process of computerization as per the Standard Module has been made operational for most patient care areas at AIIMS. In case of online indents the process mentioned in the module will be followed.

16.3 Custody of goods and materials: The Store Keeper under the supervision of concerned Store Officer/ASO/ Officer In-charge will be responsible for custody of goods and materials, especially valuable and / or combustible articles and shall take appropriate steps for arranging their safe custody,

proper storage, accommodation, including arrangements for maintaining required temperature, dust free environment etc.

16.4 Lists and Accounts:

- (1) The Store Keeper under the supervision of the concerned ASO/SO/ OI/C of stores shall maintain suitable item-wise lists and accounts and prepare accurate returns in respect of the goods and materials in his/her charge making it possible at any point of time to check the actual balances with the book balances. The form of the stock accounts mentioned above shall be determined with reference to the nature of the goods and materials, the frequency of the transactions and the special requirements of the concerned Departments.
- (2) Separate accounts shall be kept for
 - (i) Fixed Assets such as plant, machinery, equipment, furniture, fixtures etc. in the Form GFR – 40 by the concerned Store Wing.
 - (ii) Consumables such as office stationery, chemicals and maintenance, spare parts, etc. in Form GFR - 41.
 - (iii) Library books in the Form GFR 35
 - (iv) Assets of historical / artistic value held by museum / govt. departments in the Form GFR - 42.

Note: Departments can supplement these forms with additional details as required.

16.5 Transfer of charge of goods, materials etc: In case of transfer of Store Keeper of the Concerned Stores, the transferred officer shall see that the goods or material are made over correctly to his successor. A statement giving all relevant details of the goods, materials etc., in question shall be prepared and signed with date by the relieving officer and the relieved officer. Each of these officers will retain a copy of the signed statement.

16.6 Maintenance of Register of Non-consumable items by the concerned Departments/Sections/Units/ Offices:

Stock Ledger of Non-consumable items should be maintained by the concerned Departments/Sections/ Units/Offices and should be periodically updated.

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CHAPTER - 17
MISCELLANEOUS
(Specific Conditions)

17.1 Buy Back Offer

At times, the user department submits a request for replacement of an existing equipment with an improved version of the same equipment. In such cases the following conditions must be examined before processing the case:

- a) The existing equipment must have completed / nearly completed its useful life, as verified by OEM. This implies that the warranty and post Warranty period/CAMC/AMC period should have been completed.
- b) For high value equipment costing more than 30 lakh, global tender should be floated to ensure wide competition.
- c) Upgradation of existing equipments, should be discouraged unless it is provided at a reasonable cost with justification of price to be submitted by the department with signatures of atleast 3 faculty members.
- d) The proposal for upgrade should be accompanied with a cost effectiveness analysis proposal, duly signed by a committee of at least 3 senior Faculty Members.

When it is decided with the approval of the competent authority to replace some existing old goods with their newer and better versions/substitutes, the department may trade the existing old goods while purchasing the new ones. For this purpose, suitable clauses are to be incorporated in the tender enquiry document so that the interested tenderers formulate and submit their tenders accordingly. Provision should also be kept in the tender documents to permit the interested tenderers to inspect the old goods to be traded through this transaction.

Depending on the value and condition of the old goods to be traded, the time frame for as well as the mode of handing them over to the successful tenderer should be decided and relevant details in this regard suitably incorporated in the tender document. The original value of the item to be written off from the book of the respective Centres /Hospital/Departments after following due condemnation procedure.

17.2 Maintenance Contract (CAMC/AMC)

17.2.1 Some goods, especially sophisticated equipment and machinery need proper maintenance for trouble free service. For this purpose, the purchase organization may enter into maintenance contract. It must however be kept in mind that maintenance contract is to start after the expiry of the warranty period, during which period the equipment are to be maintained free of cost by the supplier.

17.2.2 Maintenance contract may be entered into either with the original equipment manufacturer/authorized distributor /service provider of the goods or with a competent and eligible firm. The AIIMS should decide this aspect on case to case basis on merit. 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 equipment are also to be added in the evaluated tender value on overall basis to decide the inter se financial ranking of the responsive tenderers. An equipment with a lower quoted price may carry a higher maintenance liability. Therefore, total cost on purchase and maintenance of the equipment over its projected lifecycle should be assessed to consider its suitability for purchase.

However, in exceptional cases 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. Here, the supplier of the goods may also quote and its quotation, if received, is to be considered along with other quotations received.

17.2.3 The details of the services required for maintenance of the goods, the required period and type of maintenance (CAMC/AMC) and other relevant terms & conditions including payment terms are to be incorporated in the tender enquiry 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 are made on half-yearly or quarterly basis, in arrears.

17.2.4 A suitable provision should be incorporated in the tender enquiry 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.

17.2.5 Sometimes, the maintenance contractor may have to take the goods or some components of the goods to its factory for repair etc. On such occasions, before handing over the goods or components, specific recommendations of the user Department/HOD shall be obtained depending upon the past performance of the supplier with the approval of the competent authority. On such occasions, before handing over the goods or components, suitable bank guarantee is to be obtained from the firm to safeguard the interest of the Institute.

17.2.6 Sometimes, during the tenure of a maintenance contract, especially with a longer tenure, it may become necessary for the purchase organization to withdraw the maintenance contract due to some unforeseen reasons. To take care of the same, there should be a suitable provision in the tender document and in the resultant contract. A model clause to this effect is provided below:

“The purchaser reserves its right to terminate the maintenance contract at any time without assigning any reason. The contractor will not be entitled to claim any compensation against such termination. 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 would 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.

17.3 Turnkey Contract

A turnkey contract is a mix of goods contract and works contract. Generally, in the tender enquiry documents for a turnkey contract, the purchase organization specifies the performance and output required from the plant proposed to be set up and broadly outlines the various parameters it visualizes for the desired plant. The inputs and other facilities, which the purchase organization will provide to the contractor are also indicated in the tender enquiry document. The contractor is to design the plant and quote accordingly. The responsibility of the contractor will include supplying the required goods, machinery, equipment etc. needed for the plant; assembling, installing and erecting the same at site as needed; commissioning the plant to meet the required output etc., as specified in the tender enquiry documents.

While entering into a turn-key contract, Hospital/Centres/ Departments have to follow the relevant instructions prescribed in the Purchase Manual for Goods; It is the responsibility of the user department to ensure that the pre-requisites for installation of equipment such as space, power, water supply and manpower requirement etc. are made available before the arrival of the costly equipments in the Institute in order to obviate any delay in installation of such equipment within the stipulated time frame. In addition, the Bill of Quantities for construction related items (civil, electrical, A/C, telecom, computer, ..) must be got verified by the concerned division of the Institute. A duly constituted committee of all stakeholders should be formed for proper monitoring.

17.4 Disposal of Surplus Goods

With the passage of time, many of the goods purchased by the Centres/Departments become unserviceable or obsolete. Such goods are classified as surplus goods. The Centres /Departments should dispose off such surplus goods at the earliest, to avoid unnecessary inventory carrying cost, decrease in resale price of those goods etc.

Detailed comprehensive instructions for disposal of surplus goods are available under Rules 196 to 202 of General Financial Rules-2005, as provided under Annexure 'V' of this manual. The Hospital/Centres/Departments are to follow the same for this purpose.

17.5 Computerization of Purchase Work

Hospital/Every Centre/Department should attempt to computerize all the areas of purchase management to the maximum extent possible and develop a suitable package for these purpose through a competent IT firm. This will ultimately result in better efficiency, more speed in performing the duties and, also, reduction in the overall expenditure.

17.6 Training

Purchase management is a specialized subject and, therefore, the officials entrusted with purchase work should be adequately trained at the entry level itself to avoid mistakes in tender evaluation, placement of contract, contract management etc., because any mistake in public procurement may cause financial repercussions, operational hold-ups, and unwarranted legal complications for the Ministries/Departments.

In addition to entry level training, the purchase officials should also be sent for in-service training periodically to keep them abreast with the changing scenario and latest techniques of Purchase Management taking place within as well as outside the country.

17.7 Purchase of Vehicles :

Purchase of Vehicles should be dealt separately as per the norms framed by the Central Govt., as amended from time to time, as per the delegation of powers by Competent Authority from time to time.

17.8 Beyond the Manual

The important and significant areas of Public Buying have been covered in this Manual. A situation may, however crop up in a purchase case for which no solution may be readily available in this Manual. In such a situation, the Centres/Departments may seek advice and guidance from the Main Stores Purchase Committee and appropriate action may be taken accordingly with the approval of the competent authority.

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CHAPTER – 18

OUTSOURCING OF SERVICES

18.1. OUTSOURCING OF SERVICES:

AIIMS or its constituent's centers etc. may hire external professionals, consultancy firms or consultants (referred to as consultant hereinafter) for a specific job, which is well defined in terms of content and time frame for its completion or outsource certain services.

This chapter contains the fundamental principles applicable to AIIMS or its constituent's centers etc. regarding engagement of consultant(s) and outsourcing of services. Detailed instructions to this effect may be issued by the concerned Ministries or Departments. However, the Ministries or Departments shall ensure that they do not contravene the basic rules contained in this chapter.

18.2 Identification of Work/Services required to be performed by

Consultants: Engagement of consultants: Engagement of consultants may be resorted to in situations requiring high quality services for which the concerned Ministry/Department does not have requisite expertise. Approval of the competent authority should be obtained before engaging consultant(s).

18.3 Preparation of scope of the required work/service: AIIMS or its constituent's centers etc. should prepare in simple and concise language the requirement, objectives and the scope of the assignment. The eligibility and pre-qualification criteria to be met by the consultants should also be clearly identified at this stage.

18.4 Estimating reasonable expenditure: AIIMS or its constituent's centers etc. proposing to engage consultant(s) should estimate reasonable expenditure for the same by ascertaining the prevalent market conditions and consulting other organizations engaged in similar activities.

18.5 Identification of likely sources:

- i) Where the estimated cost of the work or service is upto Rupees twenty-five lakhs, preparation of a list of potential consultants may be prepared on the basis of formal or informal enquiries from other Hospitals or Departments or Organizations involved in similar activities.
- ii) Where the estimated cost of the work or service is above Rupees twenty-five lakhs, in addition to (i) above, an enquiry for seeking 'Expression of Interest' from consultants should be published in at least one national daily and the AIIMS web site. The web site address should also be given in the advertisements. Enquiry for seeking Expression of Interest should include in brief, the broad scope of work or service, inputs to be provided by the AIIMS or its constituents centers etc. eligibility and the pre-qualification criteria to be met by the consultant(s) and consultant's past experience in similar work or service. The consultants may also be asked to send their comments on the objectives and scope of the work or service projected in the enquiry. Adequate time should be allowed for getting responses from interested consultants.

18.6 Short listing of consultants: On the basis of responses received from the interested parties, consultants meeting the requirements should be short listed for further considerations. The number of short listed consultants should not be less than three.

18.7 Preparation of Terms of Reference (TOR): The TOR should 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 the AIIMS or its constituents centers etc. to facilitate the consultancy.
- v) The final outputs that will be required of the Consultant:

18.8 Preparation and issue of Request for Proposal (RFP): RFP is the document to be used by the AIIMS or its constituents centers etc. for obtaining offers from the consultants for the required work/service. The RFP should be issued to the shortlisted consultants to seek their technical and financial proposals. The RFP should contain:

- i) A letter of invitation
- ii) Information to Consultants regarding the procedure for submission of proposal.
- iii) Terms of Reference (TOR)
- iv) Eligibility and pre-qualification criteria in case the same has not been ascertained through Enquiry for Expression of Interest.
- v) List of key position whose CV and experience would be evaluated.
- vi) Bid evaluation criteria and selection procedure.
- vii) Standard formats for technical and financial proposal.
- viii) Proposed contract terms.
- ix) Procedure proposed to be followed for midterm review of the progress of the work and review of the final draft report.

18.9 Receipt and opening of proposals: Proposals should ordinarily be asked for from consultants in 'Two-bid' system with technical and financial bids sealed separately. The bidder should put these two sealed envelopes in a bigger envelope duly sealed and submit the same to the Ministry or Department by the specified date and time at the specified place. On receipt, the technical proposals should be opened first by the Ministry or Department at the specified date, time and place.

18.9.1 Late Bids: Late bids i.e. bids received after the specified date and time of receipt, should not be considered.

18.9.2 Evaluation of Technical Bids: Technical bids should be analyzed and evaluated by a Consultancy Evaluation Committee (CEC) constituted by the Ministry or Department. The CEC shall record in detail the reasons for acceptance or rejection of the technical proposals analysed and evaluated by it.

18.9.3. Evaluation of Financial Bids of the technically qualified bidders: The Ministry or Department shall open the financial bids of only those bidders who have been declared technically qualified by the Consultancy Evaluation Committee as per Rule mentioned above for further analysis or evaluation and ranking and selecting the successful bidder for placement of the consultancy contract.

18.9.4 Consultancy by nomination: Under some special circumstances, it may become necessary to select a particular consultant where adequate justification is available for such single-source selection in the context of the overall interest of the AIIMS or Department AIIMS may follow the detailed guidelines contained in the 'Manual of Policies and Procedure of Employment of Consultants' issued by Ministry of Finance.

18.9.5 Monitoring the Contract: The Ministry/Department should be involved throughout in the conduct of consultancy, preferably by taking a task force approach and continuously monitoring the performance of the consultant(s) so that the output of the consultancy is in line with the Ministry/Department's objectives.

18.9.6. Outsourcing of Services: A Centre or Department may outsource certain services like Advt. of tenders in the Press, Hiring of Transport Services, Deployment of Man power, Security Services, Parking facility, Commercial establishments, etc. in the interest of economy and efficiency with full justification and it may prescribe detailed instructions and procedures for this purpose without, however, contravening the following basic guidelines.

18.9.7. Identification of likely contractors: The Centre or Department should prepare a list of likely and potential contractors on the basis of formal or informal enquiries from other Centres or Departments and Organisations involved in similar activities, scrutiny of 'Yellow pages', and trade journals, if available, web site etc.

18.9.8. Preparation of Tender enquiry: Centre or Department should prepare a tender enquiry containing, inter alia :

- (i) The details of the work or service to be performed by the contractor;
- (ii) The facilities and the inputs which will be provided to the contractor by the Centre or Department;
- (iii) Eligibility and qualification criteria to be met by the contractor for performing the required work / service; and
- (iii) The statutory and contractual obligations to be complied with by the contractor.

18.9.9. Invitation of Bids:

- (a) **For estimated value of the work or service upto Rupees ten lakhs or less:** The Centre or Department should scrutinise the preliminary list of likely contractors as identified as per Rule 18.2.2 above, decide the prima facie eligible and capable contractors and issue limited tender enquiry to them asking for their offers by a specified date and time etc. as per standard practice. The number of the contractors so identified for issuing limited tender enquiry should not be less than six.

(b) For estimated value of the work or service above Rupees ten lakhs:
The Centre or Department should issue advertised tender enquiry asking for the offers by a specified date and time etc. in at least one popular largely circulated national newspaper and web site of the Centre or Department.

18.9.9.1 Late Bids: Late bids i.e. bids received after the specified date and time of receipt, should not be considered.

18.9.9.2. Evaluation of Bids Received: The Centre or Department should evaluate, segregate, rank the responsive bids and select the successful bidder for placement of the contract.

18.9.9.3. Outsourcing by Choice: Should it become necessary, in an exceptional situation to outsource a job to a specifically chosen contractor, the Competent Authority in the Centre or Department may do so in consultation with the Financial Adviser. In such cases the detailed justification, the circumstances leading to the outsourcing by choice and the special interest or purpose it shall serve shall form an integral part of the proposal.

18.9.9.4. Monitoring the Contract: The Centre or Department should be involved throughout in the conduct of the contract and continuously monitor the performance of the contractor.

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(Ref. Para 8.13 of Chapter 8)

**MODEL AMENDMENT LETTER FOR EXTENSION OF DELIVERY PERIOD FOR
FOB/FAS/CIF CONTRACT**

Registered Acknowledgement Due

Address of the purchaser

To

M/s

Sub : This office contract no..... dated placed on you for supply of

Ref : Your letter no..... dated Dear Sirs,

You have failed to deliver the goods / entire quantity of the goods within the contract deliver period/delivery period as last extended up to _____. In your above referred letter, you have asked for extension/ further extension of time for delivery. In view of the circumstances stated in your above referred letter, the time of delivery is extended from _____ (last delivery period) to _____ (presently agreed delivery period).

2. Please note that in terms of clause..... of the contract, a sum equivalent to% (..... per cent) of the delivered price of the delayed goods for each week of delay or part thereof (subject to the ceiling as provided in the aforesaid clause) beyond the original contract delivery date/the last unconditionally re-fixed delivery date (as & if applicable) viz. zzz will be recovered from you as liquidated damages.

3. The above extension of delivery date will also be subject to the further condition that, notwithstanding any stipulation in the contract for increase in price on any ground, no such increase, whatsoever, which takes place after zzz shall be admissible on such of the said goods as are delivered after the said date. But, nevertheless, the purchaser shall be entitled to the benefit of any decrease in price on any ground (including the impact of the price variation clause, if incorporated in the contract), which takes place after the expiry of the above mentioned date namely zzz.

4. You are also required to extend the validity period of the performance guarantee for the subject contract from (present validity date) to (required extended date) within fifteen days of issue of this amendment letter.

5. Please intimate your unconditional acceptance of this amendment letter within ten days of the issue of this letter failing which the contract will be cancelled at your risk and expense without any further reference to you.

All other terms & conditions of the contract remain unaltered.

Yours faithfully,
(.....)
for and on behalf of.....
Copy to :
.....
.....
.....
(All concerned)

zzz Original delivery date or the last unconditionally re-fixed delivery date (as the case may be)

NB : The entries which are not applicable for the case under consideration are to be deleted.

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**MODEL AMENDMENT LETTER FOR EXTENSION OF DELIVERY PERIOD FOR
CONTRACT OTHER THAN FOB/FAS/CIF CONTRACT**

Registered Acknowledgement Due
Address of the purchase office
To

M/s

Sub : This office contract no..... dated Placed on you for supply of

Ref : Your letter no..... dated Dear Sirs,

You have failed to deliver the goods / entire quantity of the goods within the contract deliver period/delivery period as last extended up to _____. In your above referred letter, you have asked for extension/ further extension of time for delivery. In view of the circumstances stated in your above referred letter, the time of delivery is extended from _____ (last delivery period) to _____ (presently agreed delivery period).

2. Please note that in terms of clause..... of the contract, a sum equivalent to% (..... per cent) of the delivered price of the delayed goods for each week of delay or part thereof (subject to the ceiling as provided in the aforesaid clause) beyond the original contract delivery date/the last unconditionally re-fixed delivery date (as & if applicable) viz. zzz will be recovered from you as liquidated damages.

3. The above extension of delivery date will also be subject to the following further conditions:-

- i) That no increase in price on account of any statutory increase in or fresh imposition of custom duty, excise duty, sales tax or on account of any other tax or duty leviable in respect of the goods specified in the said contract, which take place after zzz shall be admissible on such of the said goods as delivered after the said date.
- ii) That notwithstanding any stipulation in the contract for increase in price on any ground, no such increase whatsoever, which takes place after zzz shall be admissible on such of the said goods as are delivered after the said date.
- iii) But nevertheless, the purchaser shall be entitled to the benefit of any decrease in price on account of reduction in or remission of custom duty, excise duty, sales tax or on account of any other tax or duty or any other ground whatsoever, including the impact of price variation clause (if incorporated in the contract), which takes place after the expiry of the above mentioned date namely zzz.

4. You are also required to extent the validity period of the performance guarantee for the subject contract from(existing date) to (required extended date) within fifteen days of issue of this letter.

5. Please intimate your unconditional acceptance of this amendment letter, to reach this office within ten days of issue of this letter, failing which the contract will be cancelled at your risk and expense without any further reference to you.

All other terms & conditions of the contract remain unaltered.

Yours faithfully,

(.....)
for and on behalf of.....
Copy to :

.....
.....
.....
(All concerned)

zzz Original delivery date or the last unconditionally re-fixed delivery date (as the case may be)
NB : The entries which are not applicable for the case under consideration are to be deleted.

----- x -----

(Ref. Para 8.14 of Chapter 8)

MODEL FORMAT FOR PERFORMANCE NOTICE

Registered Acknowledgement Due

To

M/s _____

Sub : Contract No..... dated placed on you for supply of

Dear Sirs,

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

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

3.

4.

5.

6.

Details of outstanding goods.

Yours faithfully,

-----)

for

----- x -----

(Ref. Chapter 8)

MODEL FORMAT FOR CORRESPONDENCE WITH SUPPLIER AFTER BREACH OF CONTRACT

Registered Acknowledgement Due

To

M/s _____

Sub: Contract No.....dated.....for supply of.....

Dear Sirs,

The date of delivery of the subject contract expired on _____. As supplies against the same have not yet been completed, there is a breach of the contract on your part. As information is required regarding past supplies against this contract, you are requested to send the particulars regarding the quantity so far supplied and, also, the quantity so far inspected but not yet dispatched and the quantity so far not tendered for inspection before the expiry of the date of delivery. The above information is required for the purpose of verification of our records and is not intended to keep the contract alive and does not waive the breach.

This is without prejudice to the rights and remedies available to the purchaser in terms of the contract and law applicable in this behalf.

Yours faithfully,

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(Ref. Para 17.4 of Chapter 17)

EXTRACTS FROM GFR-2005 ON DISPOSAL OF SURPLUSGOODS

Rule 196. Disposal of Goods.

- (i) An item may be declared surplus or obsolete or unserviceable if the same is of no use to the Ministry or Department. The reasons for declaring the item surplus or obsolete or unserviceable should be recorded by the authority competent to purchase the item.
- (ii) The competent authority may, at his discretion, constitute a committee at appropriate level to declare item(s) as surplus or obsolete or unserviceable.
- (iii) The book value, guiding price and reserved price, which will be required while disposing of the surplus goods, should also be worked out. In case where it is not possible to work out the book value, the original purchase price of the goods in question may be utilized. A report of stores for disposal shall be prepared in Form

GFR - 17

- (iv) In case an item becomes unserviceable due to negligence, fraud or mischief on the part of a Government servant, responsibility for the same should be fixed.

Rule 197. Modes of Disposal :

- (i) Surplus or obsolete or unserviceable goods of assessed residual value above Rupees Two Lakh should be disposed of by:
 - a) obtaining bids through advertised tender or
 - b) public auction.
- (ii) For surplus or obsolete or unserviceable goods with residual value less than Rupees Two Lakh, the mode of disposal will be determined by the competent authority, keeping in view the necessity to avoid accumulation of such goods and consequential blockage of space and, also, deterioration in value of goods to be disposed of.
- (iii) Certain surplus or obsolete or unserviceable goods such as expired medicines, food grain, ammunition etc., which are hazardous or unfit for human consumption, should be disposed of or destroyed immediately by adopting suitable mode so as to avoid any health hazard and/or environmental pollution and also the possibility of misuse of such goods.
- (iv) Surplus or obsolete or unserviceable goods, equipment and documents, which involve security concerns (e.g. currency, negotiable instruments, receipt books, stamps, security press etc.) should be disposed of / destroyed in an appropriate manner to ensure compliance with rules relating to official secrets as well as financial prudence.

Rule 198. Disposal through Advertised Tender.

- (i) The broad steps to be adopted for this purpose are as follows
 - a) Preparation of bidding documents.
 - b) Invitation of tender for the surplus goods to be sold.
 - c) Opening of bids.
 - d) Analysis and evaluation of bids received.
 - e) Selection of highest responsive bidder.
 - f) Collection of sale value from the selected bidder.

- g) Issue of sale release order to the selected bidder.
 - h) Release of the sold surplus goods to the selected bidder.
 - i) Return of bid security to the unsuccessful bidders.
- (ii) The important aspects to be kept in view while disposing the goods through advertised tender are as under :-
- (a) The basic principle for sale of such goods through advertised tender is ensuring transparency, competition, fairness and elimination of discretion. Wide publicity should be ensured of the sale plan and the goods to be sold. All the required terms and conditions of sale are to be incorporated in the bidding document comprehensively in plain and simple language. Applicability of taxes, as relevant, should be clearly stated in the document.
 - (b) The bidding document should also indicate the location and present condition of the goods to be sold so that the bidders can inspect the goods before bidding.
 - (c) The bidders should be asked to furnish bid security along with their bids. The amount of bid security should ordinarily be ten per cent of the assessed or reserved price of the goods. The exact bid security amount should be indicated in the bidding document.
 - (d) The bid of the highest acceptable responsive bidder should normally be accepted. However, if the price offered by that bidder is not acceptable, negotiation may be held only with that bidder.
 - (e) In case the total quantity to be disposed of cannot be taken up by the highest acceptable bidder, the remaining quantity may be offered to the next higher bidder(s) at the price offered by the highest acceptable bidder.
 - (f) Full payment, i.e. the residual amount after adjusting the bid security should be obtained from the successful bidder before releasing the goods.
 - (g) In case the selected bidder does not show interest in lifting the goods, the bid security should be forfeited and other actions initiated including resale of the goods in question at the risk and cost of the defaulter, after obtaining legal advice.
- (iii) Late bids i.e. bids received after the specified date and time of receipt should not to be considered.

Rule 199. Disposal through Auction :

- (i) A Ministry or Department may undertake auction of goods to be disposed of either directly or through approved auctioneers.
- (ii) The basic principles to be followed here are similar to those applicable for disposal through ~~advertised~~ advertised tender so as to ensure transparency, competition, fairness and elimination of discretion. The auction plan including details of the goods to be auctioned and their location, applicable terms and conditions of the sale etc. should be given wide publicity in the same manner as is done in case of advertised tender.
- (iii) While starting the auction process, the condition and location of the goods to be auctioned, applicable terms and conditions of sale etc., (as already indicated earlier while giving wide publicity for the same), should be announced again for the benefit of the assembled bidders.
- (iv) During the auction process, acceptance or rejection of a bid should be announced immediately on the stroke of the hammer. If a bid is accepted, earnest money (not less than twenty-five per cent. of the bid value) should immediately be taken on the spot from the successful bidder either in cash or in the form of Deposit-at-Call-Receipt (DACR),

drawn in favour of the Ministry or Department selling the goods. The goods should be handed over to the successful bidder only after receiving the balance payment.

- (iv) The composition of the auction team will be decided by the competent authority. The team should however include an officer of the Internal Finance Wing of the department.

Rule 200. Disposal at scrap value or by other modes: If a Ministry or Department is unable to sell any surplus or obsolete or unserviceable item in spite of its attempts through advertised tender or auction, it may dispose off the same at its scrap value with the approval of the competent authority in consultation with Finance division. In case the Ministry or Department is unable to sell the item even at its scrap value, it may adopt any other mode of disposal including destruction of the item in an eco-friendly manner.

Rule 201. A sale account should be prepared for goods disposed of in Form GFR 18 duly signed by the officer who supervised the sale or auction.

Rule 202.

- (1) Powers to write off : All profits and losses due to revaluation, stock-taking or other causes shall be duly recorded and adjusted where necessary. Formal sanction of the competent authority shall be obtained in respect of losses, even though no formal correction or adjustment in government accounts is involved. Power to write off of losses are available under the Delegation of Financial Powers Rules, 1978.
- (2) Losses due to depreciation : Losses due to depreciation shall be analyzed, and recorded under following heads, as applicable :-
- (i) normal fluctuation of market prices;
 - (ii) normal wear and tear;
 - (iii) lack of foresight in regulating purchases; and
 - (iv) negligence after purchase.
- (3) Losses not due to depreciation: Losses not due to depreciation shall be grouped under the following heads:-
- (i) losses due to theft or fraud;
 - (ii) losses due to neglect;
 - (iii) anticipated losses on account of obsolescence of stores or of purchases in excess of requirements;
 - (iv) losses due to damage, and
 - (v) losses due to extra ordinary situations under 'Force Majeure' conditions like fire, flood, enemy action, etc.;

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(Ref. Para 6.19 of Chapter 6)

**MODEL FORMAT FOR HANDING OVER OPENED TENDERS
TO PURCHASE OFFICER**

**Regular Tenders which are to be opened on(date & time)..... against
Tender**

Enquiry no.

Total no. of regular tenders taken out from the tender box to be opened as
mentioned above _____ (in figures)

..... (in words)
Signatures

(Name & Designation)
Date
Time

(Name & Designation)
Date
Time

Received total (in figures/words) regular tender as above.

Signatures
(Name & Designation)
Date
Time

Signatures
(Name & Designation)
Date
Time

----- X -----

ANNEXURE -VII

**BRIEF DESCRIPTION OF DUTIES & RESPONSIBILITIES RELATED TO
VARIOUS OFFICIALS INVOLVED IN STORES & PURCHASE ACTIVITIES**

DUTIES OF THE STORE-KEEPER

The following are the main responsibilities of Store Keeper of the Institution:

- 1) The items on stores should be placed in such a way that these can be easily located to ensure the availability of products.
- 2) To maintain the stores premises neat and clean. Adequate storage and preservation should be provided.
- 3) Efficient and effective inventory control.
- 4) To ensure that materials are issued against authorized requisitions only.
- 5) To keep up-to-date record of materials issued, received and balances in stock.
- 6) To ensure implementation of various levels like Minimum Level, Re-order Level, Maximum Level, Buffer Stock, etc., as fixed by the Officer- in-charge (Stores).
- 7) Store keeper is the custodian of stores and is responsible for its safety and security.
- 8) To ensure implementation of automation of Stores activities like Inventory Control (Receipts and Issues of stores) as per the directions of Officer-in-Charge (Stores).
- 9) He is accountable for any variation in the quantities of stocks under his charge.

DUTIES OF JR. STORES OFFICERS

- 1) Timely Processing of Indents/Purchase Requisitions received with regard to all types of stores such as Drugs/Surgical/General/Linen Stores/Furniture's/ Machinery & Equipments/Imported Stores, etc.
- 2) To examine the specifications and to make them broad based wherever necessary.
- 3) To decide the method of procurement of each item after receiving such indents.
- 4) Invitation of Global/Open/Limited tenders and providing assistance in conclusion of running Rate Contracts for a specified period, according to the nature of items/rate fluctuations.
- 5) To maintain continuity of uninterrupted service.
- 6) To buy the best material at the most competitive price.
- 7) To maintain complete transparency.
- 8) To improve the quality of service.
- 9) To eliminate extra material cost.
- 10) To contribute towards standardization, variety reduction.
- 11) To increase savings/profit of the Institution.
- 12) To maintain good relationship & understanding with the inter departments, not sacrificing the scope, objective & importance of the purchase department.
- 13) To maintain good rapport with the suppliers in the interest of the institute.
- 14) To maintain good & cordial relationship with Statutory/taxation authorities.

- 15) To avoid any dispute, legal action.
- 16) To feed back information & data on the performance of the institution.
- 17) To meet the demands of the consuming departments by proper issues & account for the consumption.
- 18) To ensure good housekeeping so that material handling, material preservation, stocking, receipt & issue can be done adequately.
- 19) To assist the verification & provide supporting information for effective purchase action.
- 20) Also necessary steps to be taken to ensure that :-
 - i) The items are placed in such a way that these can be easily located.
 - ii) The stores premises are maintained neat and clean.
 - iii) Efficient & effective service to the institution.
 - iv) Materials are issued against authorized requisition only.
 - v) To keep up-to-date records.
 - vi) Planning & execution of stock checking activities.
 - vii) To maintain efficient & effective material handling system.
 - viii) To ensure smooth functioning of the institute through timely support.

Duties related to Asst. Stores Officers

- 1) Supervision and Monitoring the activities of Stores Cell.
- 2) Assisting the Store Officer in matters relating to examination and scrutiny of Referred Cases.
- 3) Organization & Methods involving improvement in control mechanisms to bring more common items of use/consumption under centralized rate contract system.
- 4) Control of incoming and outgoing DAK and periodical review of registers meant for recording of in-flow and out-flow of correspondence.
- 5) Interaction with other departments and outside agencies like bank, customs, etc.
- 6) Issue circulars from time to time to ensure smooth functioning.
- 7) Purchase orders to be placed after ensuring the following :
 - (i) Proper procedure is followed in accordance with Purchase Rules and G.F.R.
 - (ii) Obtaining approval and sanction from the competent authority.
 - (iii) Safety measures in effecting the supplies.
- 8) Timely follow-up action with regard to orders, L/Cs B/Gs, etc.
- 9) Assisting the Stores Officer in various occasions as and when situation warrants.

Duties related to Stores Officers

- 1) Matters relating to examination and scrutiny of Referred Cases.
- 2) Formulating terms & conditions for the Tenders(Open/Global) and contracts for various nature of stores like machinery & equipments, computers, general stores, etc. In accordance with GFR, DGS&D procedures.
- 3) Taking effective steps to standardize the specifications of stationery items in accordance with ISI standards; variety reduction in stationery items being used in the institute.

- 4) Issuing guidelines for condemnation of various stores in accordance with G.F.R.
- 5) Issuing guidelines for the inspection of various stores as applicable to govt. Departments.
- 6) Providing prompt & appropriate information to C.B.I. queries.
- 7) Providing prompt & timely reply to various parliamentary questions (starred & unstarred questions).
- 8) Providing timely & apt information to vigilance cell as and when required by them.
- 9) Properly coordinating with audit parties and provided required information / timely reply to the queries.
- 10) Periodically checking the outstanding balances and to bring down the outstanding balances considerably.
- 11) Taking timely action with the Dept. of Scientific & Industrial Research (DSIR) to obtain Customs Duty Exemption Certificate (CDEC) and Excise Duty Exemption Certificate (EDEC) as applicable to Public Funded Research Institutions.

RESPONSIBILITIES OF SR. STORES OFFICER

- 1) Same as of Stores Officer mentioned above
- 2) Framing Policies & formulating guidelines on the effective Stores Management.
- 3) Projection of budgetary requirements.

RESPONSIBILITIES OF OFFICER IN-CHARGE OF RESPECTIVE STORES

- 1) Planning and execution of stock checking activities.
- 2) Communicate the purchase department about requirements.
- 3) Maintain efficient and effective material handling system.
- 4) Guiding in Codification of material, standardization and its variety reduction.
- 5) Fixing of various levels like Minimum Level, Re-order Level, Maximum Level, Buffer Stock, etc., on the basis of average consumption of last three years.
- 6) Minimize obsolescence, surplus, scrap through proper codification, preservation and handling.
- 7) Automation of Stores activities like Inventory Control (Receipts and Issues of stores).
- 8) Co-ordination with other departments for various stores function activities including demand forecasting.

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RESPONSIBILITIES OF VARIOUS COMMITTEES:-

Stores Purchase Committee(SPC):-

This is an high power committee which is responsible for and will look into all the procedural aspects of procurement activities and will be advisory in nature to the competent authority in framing policies and guidelines of purchases and procurement activities in the institute in accordance with the directives and guidelines issued by the Govt. and other agencies such as CVC, etc. from time to time on various procurement issues. This committee will also be responsible for price justification and justification for recommending for negotiation with the selected vendors, wherever required on the merit of the case. The duration of this committee shall be ordinarily for three years.

Technical Specification Evaluation Committee(TSEC) :-

This committee is responsible for framing the tender specifications and terms and conditions, etc and also will be responsible for evaluation of the bids received against the tender on part of the technical parameters on the basis of the bid documents as well as the financial implications on the basis of the prevailing market rate and other factors as detailed in Manual. The duration of this committee shall be ordinarily for three years.

Drugs Selection Committee :-

This committee is responsible for to procure quality medicine at AIIMS the purchases are made from the reputed manufacturing firms. This committee is responsible for the shortlisting of medicines to be purchased at AIIMS and the names of the manufacturers of individual medicine with full justification after getting recommendations from the user HODs of the concerned discipline. The duration of this committee shall be ordinarily for three years.

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TECHNICAL SPECIFICATION & EVALUATION COMMITTEE (TSEC)

The following is the composition of the Technical Specification & Evaluation Committee for any equipment to be purchased above certain amount as under:

- 1. More than Rs.5 Lakhs upto Rs.50 Lakhs:**
 - a) Head of the Department
 - b) One representative of the Department (One faculty member)
 - c) Concerned faculty member
 - d) One faculty representative of related discipline to be nominated by Head of the Department of that discipline
 - e) MS or representative.

- 2. More than Rs.50 Lakhs upto Rs.1 Crore :**
 - a) Head of the Department
 - b) Medical Superintendent
 - c) Head of the Department of the related discipline
 - d) Representative of the Chief of Centres (if related)
 - e) Representative of Stores Purchase Committee
 - f) Concerned faculty member
 - g) Stores Officer
 - h) Financial Advisor

- 3. Rs.1 Crore & more:**
 - a) Head of the Department
 - b) Medical Superintendent
 - c) Head of the Department of the related discipline
 - d) An external expert to be nominated by the Directed (related to discipline)
 - e) Representative of Stores Purchase Committee
 - f) Concerned faculty member
 - g) Nominee of DGHS
 - h) Store Officer
 - i) Financial Advisor

This committee shall frame the specifications & allied technical details, evaluate the technical bids received, shortlist the vendors technically and give final recommendations after opening of the financial bids of the technically shortlisted firms and make comparative statements which shall be signed by the Accounts Officer concerned and sent to the concerned Stores Officer.

Note : Specification Committee for the equipments costing below Rs.5 Lakhs will be constituted by the Competent Authority on case to case basis, where atleast 3 faculties of same discipline, Stores and Finance will be members.

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Schedule of Requirements

- 1.1 The Schedule of Requirements shall be included in the bidding documents by the Purchaser, and shall cover, at a minimum, a description of the goods and services to be supplied and the delivery schedule. The delivery schedule shall clearly indicate the time period within which the successful bidder must deliver the consignment in full from the date of establishment of LC or from the date of contract or from the date of advance payment etc. It should also indicate separately the time period desired for installation and commissioning of the equipment after arrival of the consignment at the premises of the Purchaser.
- 1.2 The objective of the Schedule of Requirements is to provide sufficient information to enable bidders to prepare their bids efficiently and accurately, in particular, the Price Schedule, for which a form is provided in SECTION 5. In addition, the Schedule of Requirements, together with the Price Schedule, should serve as a basis in the event of quantity variation at the time of award of contract pursuant to ITB Clause 1.36.
- 1.3 The date or period for delivery should be carefully specified, taking into account
 - (a) The implications of delivery terms stipulated in the Instructions to Bidders pursuant to the Incoterms rules (i.e., EXW, or CIF, CIP, FOB, FCA terms—that “delivery” takes place when goods are delivered to the carriers), and
 - (b) The date prescribed herein from which the delivery obligations start (i.e., notice of award, contract signature, opening or confirmation of the letter of credit, date of releasing advance payment etc.).

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Specifications and allied Technical details

1. The purpose of the Technical Specifications (TS), is to define the technical characteristics of the Goods and Related Services required by the Purchaser. The Purchaser shall prepare the detailed TS take into account that:
 - (a) The TS constitute the benchmarks against which the Purchaser will verify the technical responsiveness of bids and subsequently evaluate the bids. Therefore, well -defined TS will facilitate preparation of responsive bids by bidders, as well as examination, evaluation, and comparison of the bids by the Purchaser.
 - (b) The TS shall require that all goods and materials to be incorporated in the goods be new, unused, and of the most recent or current models, and that they incorporate all recent improvements in design and materials, unless provided for otherwise in the contract.
 - (c) Standardizing technical specifications may be advantageous, depending on the complexity of the goods and the repetitiveness of the type of procurement. Technical Specifications should be broad enough to avoid restrictions on workmanship, materials, and equipment commonly used in manufacturing similar kinds of goods.
 - (d) Standards for equipment, materials, and workmanship specified in the Bidding Documents shall not be restrictive. Recognized international standards should be specified as much as possible. Reference to brand names, catalogue numbers, or other details that limit any materials or items to a specific manufacturer is not permitted,. When other particular standards or codes of practice are referred to in the TS, whether from India or from other countries, a statement should follow that other authoritative standards that ensure at least a equivalent quality, than the standards mentioned in the TS, will also be acceptable.
 - (e) Reference to brand names and catalogue numbers must be avoided .
 - (f) Technical Specifications shall be fully descriptive of the requirements in respect of, but not limited to the following:
 - (a) Standards of materials & workmanship required for production & mfg. of Goods.
 - (b) Detailed tests required.
 - (c) Other additional work &/or Related Services required to achieve full delivery/ completion.
 - (d) Detailed activities to be performed by Supplier & participation of the Purchaser thereon.
 - (e) List of detailed functional guarantees required to be covered by the Warranty and the specification of the penalty to be applied in the event that such guarantees are not met.
 - (g) The TS shall specify all essential technical and performance characteristics and requirements, including guaranteed or acceptable maximum or minimum values, as appropriate.
 - (h) When the Purchaser requests that the Bidder provides in its bid a part or all of the Technical Specifications, technical schedules, or other technical information, the Purchaser shall specify in detail the nature and extent of the required information and the manner in which it has to be presented by the Bidder in its bid.

- (i) Specifications should aim at procuring the latest technology and avoid procurement of obsolete goods. 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. Further, the specifications should not be too restrictive as the aim should be to attract reasonable number of competitive Tenderers. (j) The specifications must not contain any brand name, make or catalogue number of a particular manufacturer and if the same is unavoidable due to some compelling reasons, it should be followed by the words “or equivalent”.
- (k) All dimensions incorporated in the specifications shall be indicated in metric units.
- (l) Wherever necessary, the written specifications should be supplemented with drawings for additional clarity etc.

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**Qualification requirements
(Pre-Qualification/Eligibility Criteria)**

(Requirements not included in the text below shall not be used in the evaluation of the Bidder's qualifications. The qualification requirements should be judiciously chosen so as not to stifle competition amongst potential bidders depending upon the requirements, these may be modified, changed, replaced or new conditions added.)

- (a) Financial Capability: The Bidder shall furnish documentary evidence that it meets the following financial requirement(s): [list the requirement(s)]
- (b) Experience and Technical Capacity: The Bidder shall furnish documentary evidence to demonstrate that it meets the following experience requirement(s): [list the requirement(s)]
- (c) Usage Requirement: The Bidder shall furnish documentary evidence to demonstrate that the Goods it offers meet the following usage requirement: [list the requirement(s)]
- (e) The bidder shall furnish documentary evidence to demonstrate that the bidder satisfies the bidders' eligibility criteria.
- (f) The Bidder should be a manufacturer/authorized representative of a manufacturer who must have designed, manufactured, tested and supplied the equipment(s) similar to the type specified in the "Technical Specification". The MAF must be enclosed with the technical bid. Such equipments must be of the most recent series/models incorporating the latest improvements in design. The models should be in successful operation for at least one year as on date of Bid Opening.
- (g) The Indian Agents of foreign manufacturers/ suppliers quoting directly on behalf of their principals for items appearing in the restricted list of the current EXIM policy of the Govt. of India are registered with DGS&D.
- (h) To maintain sanctity of tendering system one Indian agent cannot represent two different foreign principals in one tender.

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Glossary of Terms Commonly Used In Stores & Purchase Functions

AAR	Abstract Asset Register
ACASH	Association of Corporation & Apex Society of Handloom
AD	Authorized Dealer
Admin	Administration
AMC	Annual Maintenance Contract
API	Application Programming Interface
AWB	Airway Bill
BC	Bankers cheque
BG	Bank Guarantee
B/L	Bill of Lading
BS	Bid security
BIS	Bureau of Indian standards
BPR	Business Process Reengineering
CA	Sanctioning Authority
CAG	Comptroller and Auditor General of India
CD	Compact Disk
CIF	Cost Insurance Freight
COSP	Controller of Stores & Purchase
COTS	Commercial Off The Shelf
CPF	Contributory Provident Fund
CPWD	Central Public Works Department
CRC	Central Receipt Cell
CS	Comparative Statement
CFR	Cost & Freight
CIF	Cost Insurance & Freight
COFA	Controller of Finance & Accounts
COA	Controller of Administration
CPT	Carriage Paid To
CIP	Carriage and Insurance Paid to
CTC	Certified True Copy
CTE	Chief Technical Examiner
CV	Curriculum Vitae
CVC	Central Vigilance commission
CVO	Chief Vigilance Officer
DA	Dealing Assistant
DA	Dearness Allowance
DAF	Delivered at Frontier
DES	Delivered Ex. Ship

DEQ	Delivered Ex Quay
DDU	Delivered Duty unpaid
DDP	Delivered Duty paid
DD	Demand Draft
DDO	Dealing Disbursing Officer
DO	Drawing officer
DGS&D	Directorate General of Supply and Disposal
DIR	Divisional Inventory Record
DMIS	Document Management Information System
DP	Decision Package
DSR	Daily Stock Register
DTP	Desk top Publishing
DU	Divisional Unit
DVD	Digital Video Disk
EC	Engineering Cell
EOI	Expression of Interest
ECF	External Cash Flow
ECS	Electronic Clearing System
EIS	Executive Information System
EMD	Earnest Money Deposit
EXIM	Export & import
EXW	Ex. works
ERP	Enterprise Resource Planning
ESD	Engineering Services Division
ESTB	Electronic Stamped Tender Box
F&A	Finance & Accounts
F&AO	Finance and Accounts Officer
FD	Fixed Deposit
FOR	Free on Rail
FOB	Free on board
FDD	Foreign Documents Division
FIFO	First In First Out
FCA	Free Carrier
FAS	Free alongside Ship
FOB	Free on Board
FP	Function Point
FPS	Foot-Pound-Second System of Measurement
FVC bill	Fully Vouched Contingent bill
GB	Gigabytes
GLP	Good Laboratory Practices
GMP	Good Manufacturing Practices
GB AIIMS	Governing Body AIIMS
GDA	Gross Deposits and advances
GFR	General Finance Rules

GOI	Government of India
Govt.	Government
GPF	General Provident Fund
GR	Goods Receipt
GCC	General Conditions of Contract
GUI	Graphical User Interface
HIW	Hardware
HOD	Head Of Division
HQ	Head Quarters
HR	High Rates
HRD	Human Resource Department
HTTP	Hyper Text Transfer Protocol
HVAC	Heating VentilatioOn and Air conditioning
ICR	Issue Control Register
ICT	Information an d Communication Technology
IDS	Intrusion Detection System/Server
IEEE	Institute of Electrical and Electronics Engineers
ILP	Inter Lab Projects
ISO	International Standards organization
IMPACT	Integrated Management and Project Accounting
INR	Indian Rupees
I0	Indenting Officer
IP	Integrity Pact
IGM	Import General Manifest
IPR	Intellectual Property Rights
ICC	International Chamber of Commerce
IEMs	Independent External Monitors
ISO	International Standards Organization
IST	Indian Standard Time
IT	Information Technology
ITJ	India Trade Journal
JMS	JAVA Message Service
JS	Joint Secretary
KVIC	Khadi & Village Industries commission
L1	Lowest Quote
L2	Second Lowest Quote
Centre	AIIMS Centre
LC	Letter of Credit
LTE	Limited Tender Enquiry
LIC	Life Insurance Corporation
LIFO	Last In First Out
LOI	Letter if Intent
LR	Low Rates
LTC	Leave Travel Concession

MAS	Material At Site
MOF	Ministry of Finance
MB	Megabytes
MIS	Management Information System
MLP	Major Lab Projects
NCCF	National Consumer Cooperative Federation
NDC	No Demand Certificate
NIT	Notice Inviting Tenders
NICSI	National Informatics Centre Services Inc.
NTFS	Windows NT File System
OEM	Original Equipment Manufacturer
OLP	Other Lab Projects
OM	Office Memorandum
OB	Objection Book
PAC	Proprietary Article Certificate
PC	Purchase Committee
PAN	Permanent Account Number
PIN	Postal index number
PIC	Pre Indent Conference
PBC	Pre bid conference
PAR	Problem Analysis Report
PBG	Performance Bank Guarantee
PDF	Portable Document Format
PF	Provident Fund
PS	Performance Security
PSU	Public Sector unit
PQ	Pre-qualification
PIR	Personal Inventory Record
PKI	Public Key Infrastructure
PL	Project Leader
PME	Project Monitoring and Evaluation
PO	Purchase Order
PP2002	Purchase Procedure 2002
R&D	Research & Development
R/C	Rate contract
RBI	Reserve Bank of India
RDBMS	Relational Data Base Management System
RFQ	Request for Quotation
RFP	Request for proposal
ROL	Re-Order Level
ROP	Reasonableness of prices
RR	Railway Receipt
SA	Sanctioning Authority
SBC	Specific Brand Certificate

S/W	Software
SCC	Special conditions of Contract
SPC	Stores Purchase Committee
SEI-CMM	Software Engineering Institute, Capability Maturity Model
SIV	Stores Issue Voucher
SLA	Service Level Agreement
SSI	Small Scale Industries
SMTP	Simple Mail Transfer Protocol
SO	Section Officer
SOP	Standard operating Procedure
STE	Single Tender Enquiry
SOAP	Simple Object Access Protocol
TSEC	Technical Specification and Evaluation Committee
T.O	Technical Officer
TOC	Tender opening Committee
TSC	Technical Sub-committee
UNCITRAL	United Nations Commission on International Trade Law

BIDDING DOCUMENTS

The enclosed tender document could be used by the Stores of Main Hospital / Centres in AIIMS as a model document. In case of discrepancy, if any, between the tender documents and AIIMS Purchase Manual, the latter shall prevail. The contents of the model tender document may be altered suitably by the concerned Stores Officers to suit their specific needs with the consent of the competent authority. This model tender document will ensure transparency and remove all ambiguities. It is expected that if this document is used by Stores Officers of Centres/Hospital, it may prove beneficial. The concerned Stores Officers are free to modify document depending upon the need and requirement within the spirit and frame work of this document and for any major change in the document at Stores level, Manual Committee/Competent Authority can be consulted.

**ALL INDIA INSTITUTE OF MEDICAL SCIENCES, ANSARI NAGAR,
NEW DELHI-110 029, INDIA.**

S.NO. OF TENDER : _____
FILE NO. : _____
Name of the party in whose : _____
Favour the Tender form has : _____
been issued : _____

(SEAL OF THE OFFICER)



TENDER ENQUIRY DOCUMENT

PURCHASE OF _____

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SECTION-I



ALL INDIA INSTITUTE OF MEDICAL SCIENCES

ANSARI NAGAR, NEW DELHI-110 029

NOTICE INVITING TENDERS (NIT)

(1) F. NO. _____

On behalf of Director, AIIMS, Ansari Nagar, New Delhi-110 029, Stores Officer (____) invites sealed tenders in two bid system (Technical bid and financial bid) from reputed, eligible and qualified firms/manufacturer for supply of following Goods:

S. No.	Tender Enquiry Number	Brief Description of Goods (Item name)	Qty.	Tender fee (in Rs. or for an equivalent amount in foreign currency)	Amount of Bid Security (in Rs. or for an equivalent amount in foreign currency)
1.	_____	Purchase of _____	_____	_____	Rs. _____
Last date for sale of TE documents		_____			
Closing date & Time for Receipt of Bids:		On or before _____			
Date, Time and place for opening of technical bids:		_____ Committee Room of _____ AIIMS, New Delhi-110 029.			

(2) Tender Enquiry documents containing detailed specifications along with terms and conditions can be had from the office of ASO/Stores Officer/Sr.Stores Officer (____) from 14.30 hrs. to 16.30 hrs on all working days (Monday to Friday) and 11.00 hrs to 12.30 hrs on Saturday, till a day prior to the closing date of receipt of bid indicated above.

(3) Tender Enquiry Documents may be purchased on payment of non-refundable fee (as mentioned above in Indian currency or for an equivalent amount in foreign currency) by way of Demand Draft drawn favour of **'Director', AIIMS,/Chief of Concerned Centre** drawn payable at New Delhi. (Postal Orders/Cash are not acceptable).

(4) If requested, the Tender Enquiry Documents will be mailed by Registered Post/Speed Post to the domestic bidders and by international airmail to the foreign bidders, for which extra charges per set will be Rs.100/- for domestic post and Rs. 500/- or an equivalent amount in foreign currency for international airmail. The bidder is to add the applicable postage cost in the non-refundable fee mentioned in Para 3 above.

(5) The bidders may also download the tender documents directly from the website available at www.aiims.ac.in, www.aiims.edu. and www.tenders.gov.in. in such

case, the bidders are required to submit the tender cost fee of Rs.(as mentioned in NIT) (Non-refundable) by way of separate demand draft drawn in favour of **'Director', AIIMS,/Chief of Concerned Centre, payable at New Delhi** for each tender separately and the same should essentially be enclosed along with the techno commercial bid. The bidders should specifically superscribe, "downloaded from the website" on the top left corner of the outer envelope containing techno commercial bid & price bid separately. In no case, the tender cost fee should be mixed with EMD amount. The tenders not following the above procedure will be summarily rejected.

(6) It is the responsibility of the Bidders to ensure that their Bids, whether sent by post or by courier or by person, are dropped in the **Tender Box of _____, AIIMS, Ansari Nagar, New Delhi-110 029**" or received by the closing date and time stipulated above in the Para 2 for receipt of Bid, failing which the bid would be considered late and rejected. The bids dropped in the other section/departments/Centres of AIIMS, will not be considered for submission and such bids will be summarily rejected.

(7) The bid security as mentioned above will have to be deposited through Bank Guarantee./Demand Draft/FDR drawn in favour of the **"Director', AIIMS,/Chief of Concerned Centre** along with the tender (Technical Bid). No interest is payable on Bid Security.

(8) The Tender Enquiry document is not transferable.

(9) In the event of any of the above mentioned dates being declared as a holiday / closed day for AIIMS, the tenders will be sold/received/opened on the next working day at the prescribed venue and time.

Please visit our website at **www.aiims.edu, www.aiims.ac.in, &www.tenders.gov.in.** for further details of this tender.

(ASO/STORES OFFICER/SR.SO)

AIIMS, Ansari Nagar, New Delhi: 110 029.

Ph:

011-_____

SECTION - II

GENERAL INSTRUCTIONS TO TENDERERS (GIT) CONTENTS

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GENERAL INSTRUCTIONS TO TENDERERS (GIT)

A. PREAMBLE

1. Definitions and Abbreviations

1.1 The following definitions and abbreviations, which have been used in these documents shall have the meanings as indicated below:

1.2. Definitions:

- (i) "Purchaser" means the organization purchasing goods and services as incorporated in the Tender Enquiry document.
- (ii) "Tender" means Bids / Quotation / Tender received from a Firm / Tenderer / Bidder.
- (iii) "Tenderer" means Bidder/ the Individual or Firm submitting Bids / Quotation / Tender
- (iii) "Supplier" means the individual or the firm supplying the goods and services as incorporated in the contract.
- (iv) "Goods" means the articles, material, commodities, livestock, furniture, fixtures, raw material, spares, instruments, machinery, equipment, medical equipment, industrial plant etc. which the supplier is required to supply to the purchaser under the contract.
- (v) "Services" means services allied and incidental to the supply of goods, such as transportation, installation, commissioning, provision of technical assistance, training, after sales service, maintenance service and other such obligations of the supplier covered under the contract.
- (vi) "Earnest Money Deposit" (EMD) means Bid Security/ monetary or financial guarantee to be furnished by a tenderer along with its tender.
- (vii) "Contract" means the written agreement entered into between the purchaser and/or consignee and the supplier, together with all the documents mentioned therein and including all attachments, annexure etc. therein.
- (viii) "Performance Security" means monetary or financial guarantee to be furnished by the successful tenderer for due performance of the contract placed on it. Performance Security is also known as Security Deposit.
- (ix) "Consignee" means the Hospital (/Institute/Medical College's/person to whom the goods are required to be delivered as specified in the Contract. If the goods are required to be delivered to a person as an interim consignee for the purpose of dispatch to another person as provided in the Contract then that "another" person is the consignee, also known as ultimate consignee.
- (x) "Specification" means the document/standard that prescribes the requirement with which goods or service has to conform.
- (xi) "Inspection" means activities such as measuring, examining, testing, gauging one or more characteristics of the product or service and comparing the same with the specified requirement to determine conformity.
- (xii) "Day" means calendar day.

1.3 Abbreviations:

- (i) "TE Document" means Tender Enquiry Document
- (ii) "NIT" means Notice Inviting Tenders.
- (iii) "GIT" means General Instructions to Tenderers
- (iv) "SIT" means Special Instructions to Tenderers
- (v) "GCC" means General Conditions of Contract
- (vi) "SCC" means Special Conditions of Contract
- (vii) "DGS&D" means Directorate General of Supplies and Disposals
- (viii) "NSIC" means National Small Industries Corporation
- (ix) "PSU" means Public Sector Undertaking
- (x) "CPSU" means Central Public Sector Undertaking
- (xi) "LSI" means Large Scale Industry
- (xii) "SSI" means Small Scale Industry
- (xiii) "LC" means Letter of Credit
- (xiv) "DP" means Delivery Period
- (xv) "BG" means Bank Guarantee
- (xvi) "ED" means Excise Duty
- (xvii) "CD" means Custom Duty
- (xviii) "VAT" means Value Added Tax (xix) "CENVAT" means Central Value Added Tax
- (xx) "CST" means Central Sales Tax
- (xxi) "RR" means Railway Receipt
- (xxii) "BL" means Bill of Lading
- (xxiii) "FOB" means Free on Board
- (xxiv) "FCA" means Free Carrier
- (xxv) "FOR" means Free On Rail
- (xxvi) "CIF" means Cost, Insurance and Freight
- (xxvii) "CIP (Destinations)" means Carriage and Insurance Paid up to named port of destination. Additionally the Insurance (local transportation and storage) would be extended and borne by the Supplier from ware house to the consignee site for a period including 3 months beyond date of delivery.
- (xxviii) "DDP" means Delivery Duty Paid named place of destination (consignee site)
- (xxix) "INCOTERMS" means International Commercial Terms as on the date of Tender Opening
- (xxx) "MOH&FW" means Ministry of Health & Family Welfare, Government of India
- (xxxi) "Dte. GHS" means Directorate General and Health Services, MOH&FW.
- (xxxii) "CMC" means Comprehensive maintenance Contract (labour, spare and preventive maintenance)
- (xxxiii) "RT" means Re-Tender.

2. Introduction

- 2.1 The Purchaser has issued these TE documents for purchase of goods and related services as mentioned in Section – VI – "List of Requirements", which also indicates, *interalia*, the required delivery schedule, terms and place of delivery.

- 2.2 This section (Section II - “General Instruction Tenderers”) provides the relevant information as well as instructions to assist the prospective tenderers in preparation and submission of tenders. It also includes the mode and procedure to be adopted by the purchaser for receipt and opening as well as scrutiny and evaluation of tenders and subsequent placement of contract.
- 2.3 The tenderers shall also read the Special Instructions to Tenderers (SIT) related to this purchase, as contained in Section III of these documents and follow the same accordingly. Whenever there is a conflict between the GIT and the SIT, the provisions contained in the SIT shall prevail over those in the GIT.
- 2.4 Before formulating the tender and submitting the same to the purchaser, the tenderer should read and examine all the terms, conditions, instructions, checklist etc. contained in the TE documents. Failure to provide and/or comply with the required information, instructions etc. incorporated in these TE documents may result in rejection of its tender.

3. Availability of Funds

- 3.1 Expenditure to be incurred for the proposed purchase will be met from the funds available with the purchaser/consignee.

4. Language of Tender

- 4.1 The tender submitted by the tenderer and all subsequent correspondence and documents relating to the tender exchanged between the tenderer and the purchaser, shall be written in the English language, unless otherwise specified in the Tender Enquiry. However, the language of any printed literature furnished by the tenderer in connection with its tender may be written in any other language provided the same is accompanied by an English translation and, for purposes of interpretation of the tender, the English translation shall prevail.
- 4.2 The tender submitted by the tenderer and all subsequent correspondence and documents relating to the tender exchanged between the tenderer and the purchaser, may also be written in the Hindi language, provided that the same are accompanied by English translation, in which case, for purpose of interpretation of the tender etc, the English translations shall prevail.

5. Eligible Tenderers

- 5.1 This invitation for tenders is open to all suppliers who fulfil the eligibility criteria specified in these documents.

6. Eligible Goods and Services

- 6.1 All goods and related services to be supplied under the contract shall have their origin in India or any other country with which India has not banned trade relations. The term “origin” used in this clause means the place

where the goods are mined, grown, produced, or manufactured or from where the related services are arranged and supplied.

7. Tendering Expense

- 7.1 The tenderer shall bear all costs and expenditure incurred and/or to be incurred by it in connection with its tender including preparation, mailing and submission of its tender and for subsequent processing the same. The purchaser will, in no case be responsible or liable for any such cost, expenditure etc regardless of the conduct or outcome of the tendering process.

B. TENDER ENQUIRY DOCUMENTS

8. Content of Tender Enquiry Documents

- 8.1 In addition to Section I – “Notice inviting Tender” (NIT), the TE documents include:

- Section II – General Instructions to Tenderers (GIT)
- Section III – Special Instructions to Tenderers (SIT)
- Section IV – General Conditions of Contract (GCC)
- Section V – Special Conditions of Contract (SCC)
- Section VI – List of Requirements
- Section VII – Technical Specifications
- Section VIII – Quality Control Requirements
- Section IX – Qualification Criteria
- Section X – Tender Form
- Section XI – Price Schedules
- Section XII – Questionnaire
- Section XIII – Bank Guarantee Form for EMD
- Section XIV – Manufacturer’s Authorization Form
- Section XV – Bank Guarantee Form for Performance Security/CMC Security
- Section XVI – Contract Forms A & B
- Section XVII – Proforma of Consignee Receipt Certificate
- Section XVIII – Proforma of Final Acceptance Certificate by the consignee
- Section XIX – Instructions from Ministry of Shipping/ Surface Transport (Annexure 1 & 2)
- Section XX – Check List for the Tenderers
- Section XXI – Consignee List

- 8.2 The relevant details of the required goods and services, the terms, conditions and procedure for tendering, tender evaluation, placement of contract, the applicable contract terms and, also, the standard formats to be used for this purpose are incorporated in the above-mentioned documents. The interested tenderers are expected to examine all such details etc to proceed further.

9. Amendments to TE documents

- 9.1 At any time prior to the deadline for submission of tenders, the purchaser may, for any reason deemed fit by it, modify the TE documents by issuing suitable amendment(s) to it.
- 9.2 Such an amendment will be notified in writing by registered/speed post or by fax/telex/e-mail, followed by copy of the same by registered post to all prospective tenderers, which have received the TE documents and will be binding on them.
- 9.3 In order to provide reasonable time to the prospective tenderers to take necessary action in preparing their tenders as per the amendment, the purchaser may, at its discretion extend the deadline for the submission of tenders and other allied time frames, which are linked with that deadline.

10. Clarification of TE documents

- 10.1 A tenderer requiring any clarification or elucidation on any issue of the TE documents may take up the same with the purchaser in writing. The purchaser will respond in writing to such request provided the same is received by the purchaser not later than fifteen days (unless otherwise specified in the SIT) prior to the prescribed date of submission of tender.

C. PREPARATION OF TENDERS

11. Documents Comprising the Tender

- 11.1 The **Two Bid System**, i.e. “Techno – Commercial Tender” and “Price Tender” prepared by the tenderer shall comprise the following:

A) Techno – Commercial Tender (Un priced Tender)

- i) Earnest money furnished in accordance with GIT clause 19.1 alternatively, documentary evidence as per GIT clause 19.2 for claiming exemption from payment of earnest money.
- ii) Tender Form as per Section X (without indicating any prices).
- iii) Documentary evidence, as necessary in terms of clauses 5 and 17 establishing that the tenderer is eligible to submit the tender and, also, qualified to perform the contract if its tender is accepted.
- iv) Tenderer/Agent who quotes for goods manufactured by other manufacturer shall furnish Manufacturer’s Authorization Form. **While giving authorization to agent , to quote on their behalf, manufacturer has to give the reasons for not quoting directly against this tender.**
- v) Power of Attorney in favor of signatory of TE documents and signatory of Manufacturer’s Authorization Form.
- vi) Documents and relevant details to establish in accordance with GIT clause 18 that the goods and the allied services to be supplied by the tenderer conform to the requirement of the TE documents.
- vii) Performance Statement as per section IX along with relevant copies of orders and end users’ satisfaction certificate.

- viii) Price Schedule(s) as per Section XI filled up with all the details including Make, Model etc. of the goods offered with prices blank (without indicating any prices).
- ix) Certificate of Incorporation in the country of origin.
- x) Checklist as per Section XX.

B) Price Tender:

The information given at clause no. 11.1 A) ii) & viii) above should be reproduced with the prices indicated.

Note:

1. All pages of the Tender should be page numbered and indexed.
 2. It is the responsibility of tenderer to go through the TE document to ensure furnishing all required documents in addition to above, if any.
- 11.2 The authorized signatory of the tenderer must sign the tender duly stamped at appropriate places and initial all the remaining pages of the tender. Individuals signing the tender or other documents connected with a contract must specify whether he signs as:
- i. A 'Sole Proprietor' of the firm or constituted attorney of such Sole Proprietor.
 - ii. A partner of the firm ,if it be a partnership , in which case he must have authority to quote & to refer to arbitration dispute concerning the business of the partnership either by virtue of the partnership agreement or a power of attorney;
 - iii. Constituted attorney of the firm if it is a company.

Note:

1. In case of (ii) above, a copy of the partnership agreement or general power of attorney, in either ,case, attested by a Notary Public should be furnished, or affidavit on stamped paper of all the partners admitting execution of the partnership agreement or the general power of attorney should be furnished.
 2. In case of the partnership firms, where no authority to refer disputes concerning the business of the partnership has been conferred on any partner, the tender and all other related documents must be signed by every partner of the firm.
 3. A person signing the tender form or any documents forming part of the contract on behalf of another shall be deemed to warrantee that he has authority to bind such other persons and if, on enquiry, it appears that the persons so signing had no authority to do so, the purchaser may, without prejudice to other civil and criminal remedies, cancel the contract and hold the signatory liable for all cost and damages
- 11.3 A tender, which does not fulfill any of the above requirements and/or gives evasive information/reply against any such requirement, shall be liable to be ignored and rejected.
- 11.4 Tender sent by fax/telex/cable/electronically shall be ignored.

12. Tender currencies

- 12.1 The tenderer supplying indigenous goods or already imported goods shall quote only in Indian Rupees.
- 12.2 For imported goods if supplied directly from abroad, prices shall be quoted in any freely convertible currency say US Dollar, Euro, GBP or Yen. As regards price(s) for allied services, if any required with the goods, the same shall be quoted in Indian Rupees only if such services are to be performed /undertaken in India. Commission for Indian Agent, if any and if payable shall be indicated in the space provided for in the price schedule and will be payable in Indian Rupees only.
- 12.3 Tenders, where prices are quoted in any other way shall be treated as non-responsive and rejected.

13 Tender Prices

- 13.1 The Tenderer shall indicate on the Price Schedule provided under Section XI all the specified components of prices shown therein including the unit prices and total tender prices of the goods and services it proposes to supply against the requirement. All the columns shown in the price schedule should be filled up as required. If any column does not apply to a tenderer, same should be clarified as “NA” by the tenderer.
- 13.2 If there is more than one schedule in the List of Requirements, the tenderer has the option to submit its quotation for any one or more schedules and, also, to offer special discount for combined schedules. However, while quoting for a schedule, the tenderer shall quote for the complete requirement of goods and services as specified in that particular schedule.
- 13.3 The quoted prices for goods offered from within India and that for goods offered from abroad are to be indicated separately in the applicable Price Schedules attached under Section XI.
- 13.4 While filling up the columns of the Price Schedule, the following aspects should be noted for compliance:
 - 13.4.1 For domestic goods or goods of foreign origin located within India, the prices in the corresponding price schedule shall be entered separately in the following manner:
 - a) the price of the goods, quoted ex-factory/ ex-showroom/ ex-warehouse/ off-the-shelf, as applicable, including all taxes and duties like sales tax, CST VAT, CENVAT, Custom Duty, Excise Duty etc. already paid or payable on the components and raw material used in the manufacture or assembly of the goods quoted ex-factory etc. or on the previously imported goods of foreign origin quoted ex-showroom etc;
 - b) any sales or other taxes and any duties including excise duty, which will be payable on the goods in India if the contract is awarded;
 - c) charges towards Packing & Forwarding, Inland Transportation, Insurance (local transportation and storage) would be borne by the Supplier from ware house to the consignee site for a period including 3 months beyond date of delivery, Loading/Unloading and other local costs incidental to delivery of the goods to their final destination as specified in the List of Requirements and Price Schedule;

- d) the price of Incidental Services, as mentioned in List of Requirements and Price Schedule;
- e) the prices of Turnkey (if any), as mentioned in List of Requirements, Technical Specification and Price Schedule; and
- f) the price of annual CMC, as mentioned in List of Requirements, Technical Specification and Price Schedule.

13.4.2 For goods offered from abroad, the prices in the corresponding price schedule shall be entered separately in the following manner:

- a) The price of goods quoted FOB/FCA port of shipment, as indicated in the List of Requirements and Price Schedule;
- b) The amount of freight and insurance
- c) the price of goods quoted CIP (name port of destination) in India as indicated in the List of Requirements, Price Schedule and Consignee List;
- d) Deleted
- e) the charges for Insurance (local transportation and storage) would be extended and borne by the Supplier from ware house to the consignee site for a period including 3 months beyond date of delivery. Other local costs and Incidental costs, as specified in the List of Requirements and Price Schedule;
- f) the charges for Incidental Services, as in the List of Requirements and Price Schedule;
- g) the prices of Turnkey (if any), as mentioned in List of Requirements, Technical Specification and Price Schedule; and
- h) the price of annual CMC, as mentioned in List of Requirements, Technical Specification and Price Schedule.

13.5 Additional information and instruction on Duties and Taxes:

13.5.1 If the Tenderer desires to ask for excise duty, sales tax/VAT, Service Tax, Works Contract Tax etc. to be paid extra, the same must be specifically stated. In the absence of any such stipulation the price will be taken inclusive of such duties and taxes and no claim for the same will be entertained later.

13.5.2 Excise Duty:

- a) If reimbursement of excise duty is intended as extra over the quoted prices, the supplier must specifically say so also indicating the rate, quantum and nature of the duty applicable. In the absence of any such stipulation it will be presumed that the prices quoted are firm and final and no claim on account of excise duty will be entertained after the opening of tenders.
- b) If a Tenderer chooses to quote a price inclusive of excise duty and also desires to be reimbursed for variation, if any, in the excise duty during the time of supply, the tenderer must clearly mention the same and also indicate the rate and quantum of excise duty included in its price. Failure to indicate all such details in clear terms may result in rejection of that tender.

- c) Subject to sub clauses 13.5.2 (a) & (b) above, any change in excise duty upward/downward as a result of any statutory variation in excise duty taking place within contract terms shall be allowed to the extent of actual quantum of excise duty paid by the supplier. In case of downward revision in excise duty, the actual quantum of reduction of excise duty shall be reimbursed to the purchaser by the supplier. All such adjustments shall include all reliefs, exemptions, rebates, concession etc. if any obtained by the supplier.

13.5.3 Sales Tax:

If a tenderer asks for sales tax/ VAT, Service Tax and Works Contract Tax to be paid extra, the rate and nature of sales tax applicable should be shown separately. The sales tax / VAT, Service Tax and Works Contract Tax will be paid as per the rate at which it is liable to be assessed or has actually been assessed provided the transaction of sale is legally liable to sales tax / VAT, Service Tax and Works Contract Tax and is payable as per the terms of the contract. If any refund of Tax is received at a later date, the Supplier must return the amount forth-with to the purchaser.

13.5.4 Octroi Duty and Local Duties & Taxes:

Normally, goods to be supplied to government departments against government contracts are exempted from levy of town duty, Octroi duty, terminal tax and other levies of local bodies. However, on some occasions, the local bodies (like town body, municipal body etc.) as per their regulations allow such exemptions only on production of certificate to this effect from the concerned government department. Keeping this in view, the supplier shall ensure that the stores to be supplied by the supplier against the contract placed by the purchaser are exempted from levy of any such duty or tax and, wherever necessary, obtain the exemption certificate from the purchaser. The purchaser should issue the certificate to the supplier within 21 days from the date of receipt of request from the supplier.

However, if a local body still insists upon payment of such local duties and taxes, the same should be paid by the supplier to the local body to avoid delay in supplies and possible demurrage charges and obtain a receipt for the same. The supplier should forward the receipt obtained for such payment to the purchaser to enable the purchaser reimburse the supplier and take other necessary action in the matter.

13.5.5 Customs Duty:

The Purchaser will pay the Customs duty wherever applicable.

13.6 For transportation of imported goods offered from abroad, relevant instructions as incorporated under GCC Clause 10 shall be followed.

13.7 For insurance of goods to be supplied, relevant instructions as provided under GCC Clause 11 shall be followed.

13.8 Unless otherwise specifically indicated in this TE document, the terms FCA, FOB, FAS, CIF, CIP, DDP etc. for imported goods offered from abroad,

shall be governed by the rules & regulations prescribed in the current edition of INCOTERMS, published by the International Chamber of Commerce, Paris

- 13.9 The need for indication of all such price components by the tenderers, as required in this clause (viz., GIT clause 13) is for the purpose of comparison of the tenders by the purchaser and will no way restrict the purchaser's right to award the contract on the selected tenderer on any of the terms offered.

14. Indian Agent

- 14.1 If a foreign tenderer has engaged an agent in India in connection with its tender, the foreign tenderer, in addition to indicating Indian agent's commission, if any, in a manner described under GIT sub clause 12.2 above, shall also furnish the following information:
- a) The complete name and address of the Indian Agent and its permanent income tax account number as allotted by the Indian Income Tax authority.
 - b) The details of the services to be rendered by the agent for the subject requirement.
 - c) Details of Service outlets in India, nearest to the consignee(s), to render services during Warranty and CMC period.
 - d) A copy of agreement between the Agent & their principal detailing the terms & conditions as well as services and after sales services as above to be rendered by the agent and the precise relationship between them and their mutual interest in the business as laid out in section VII (Technical specifications).
 - e) Principal/ manufacturer's original proforma invoice with the price bid

15. Firm Price

- 15.1 Unless otherwise specified in the SIT, prices quoted by the tenderer shall remain firm and fixed during the currency of the contract and not subject to variation on any account.
- 15.2 However, as regards taxes and duties, if any, chargeable on the goods and payable, the conditions stipulated in GIT clause 13 will apply.

16. Alternative Tenders

- 16.1 Alternative Tenders are not permitted.
- 16.2 However the Tenderers can quote alternate models meeting the tender specifications of same manufacturer with single EMD.
- 16.3 If an agent submits bid on behalf of the Principal/OEM, the same agent shall not submit a bid on behalf of another Principal/OEM in the same tender for the same item/product. In a tender, either the Indian Agent on behalf of the Principal/OEM or Principal/OEM itself can bid but both cannot bid simultaneously for the same item/product in the same tender.

17 Documents Establishing Tenderer's Eligibility and Qualifications

- 17.1 Pursuant to GIT clause 11, the tenderer shall furnish, as part of its tender, relevant details and documents establishing its eligibility to quote and its qualifications to perform the contract if its tender is accepted.
- 17.2 The documentary evidence needed to establish the tenderer's qualifications shall fulfil the following requirements:
- a) in case the tenderer offers to supply goods, which are manufactured by some other firm, the tenderer has been duly authorised by the goods manufacturer to quote for and supply the goods to the purchaser. The tenderer shall submit the manufacturer's authorization letter to this effect as per the standard form provided under Section XIV in this document.
 - b) the tenderer has the required financial, technical and production capability necessary to perform the contract and, further, it meets the qualification criteria incorporated in the Section IX in these documents.
 - c) in case the tenderer is not doing business in India, it is duly represented by an agent stationed in India fully equipped and able to carry out the required contractual functions and duties of the supplier including after sale service, maintenance & repair etc. of the goods in question, stocking of spare parts and fast moving components and other obligations, if any, specified in the conditions of contract and/or technical specifications.

18. Documents establishing good's Conformity to TE document.

- 18.1 The tenderer shall provide in its tender the required as well as the relevant documents like technical data, literature, drawings etc. to establish that the goods and services offered in the tender fully conform to the goods and services specified by the purchaser in the TE documents. For this purpose the tenderer shall also provide a clause-by-clause commentary on the technical specifications and other technical details incorporated by the purchaser in the TE documents to establish technical responsiveness of the goods and services offered in its tender.
- 18.2 In case there is any variation and/or deviation between the goods & services prescribed by the purchaser and that offered by the tenderer, the tenderer shall list out the same in a chart form without ambiguity and provide the same along with its tender.
- 18.3 If a tenderer furnishes wrong and/or misguiding data, statement(s) etc. about technical acceptability of the goods and services offered by it, its tender will be liable to be ignored and rejected in addition to other remedies available to the purchaser in this regard.

19. Earnest Money Deposit (EMD)

- 19.1 Pursuant to GIT clauses 8.1 and 11.1 A (i) the tenderer shall furnish along with its tender, earnest money for amount as shown in the List of Requirements. The earnest money is required to protect the purchaser

against the risk of the tenderer's unwarranted conduct as amplified under sub-clause 19.7 below.

- 19.2 The tenderers who are currently registered and, also, will continue to remain registered during the tender validity period with Directorate General of Supplies & Disposals or with National Small Industries Corporation for the specific goods as per tender enquiry specification shall be eligible for exemption from EMD. In case the tenderer falls in these categories, it should furnish copy of its valid registration details (with DGS&D or NSIC, as the case may be).
- 19.3 The earnest money shall be denominated in Indian Rupees or equivalent currencies as per GIT clause 12.2. The earnest money shall be furnished in one of the following forms:
- i) Account Payee Demand Draft
 - ii) Banker's cheque and
 - iii) Bank Guarantee
- 19.4 The demand draft or banker's cheque shall be drawn on any commercial bank in India or country of the tenderer, in favour of the "Director AIIMS, New Delhi" payable at New Delhi. In case of bank guarantee, the same is to be provided from any commercial bank in India or country of the tenderer as per the format specified under Section XIII in these documents.
- 19.5 The earnest money shall be valid for a period of forty-five (45) days beyond the validity period of the tender. As validity period of Tender as per Clause 20 of GIT is 120 days, the EMD shall be valid for 165 days from Techno – Commercial Tender opening date.
- 19.6 Unsuccessful tenderers' earnest money will be returned to them without any interest, after expiry of the tender validity period, but not later than thirty days after conclusion of the resultant contract. Successful tenderer's earnest money will be returned without any interest, after receipt of performance security from that tenderer.
- 19.7 Earnest Money is required to protect the purchaser against the risk of the Tenderer's conduct, which would warrant the forfeiture of the EMD. Earnest money of a tenderer will be forfeited, if the tenderer withdraws or amends its tender or impairs or derogates from the tender in any respect within the period of validity of its tender or if it comes to notice that the information/documents furnished in its tender is incorrect, false, misleading or forged without prejudice to other rights of the purchaser. The successful tenderer's earnest money will be forfeited without prejudice to other rights of Purchaser if it fails to furnish the required performance security within the specified period.
- 19.8 In the case of Bank Guarantee furnished from banks outside India (i.e. foreign Banks), it should be authenticated and countersigned by any nationalised bank in India by way of back-to-back counter guarantee and the same should be submitted along with the bid.

20. Tender Validity

- 20.1 If not mentioned otherwise in the SIT, the tenders shall remain valid for acceptance for a period of **120 days** (One hundred and twenty days) after the date of tender opening prescribed in the TE document. Any tender valid for a shorter period shall be treated as unresponsive and rejected.
- 20.2 In exceptional cases, the tenderers may be requested by the purchaser to extend the validity of their tenders up to a specified period. Such request(s) and responses thereto shall be conveyed by surface mail or by fax/telex/cable followed by surface mail. The tenderers, who agree to extend the tender validity, are to extend the same without any change or modification of their original tender and they are also to extend the validity period of the EMD accordingly. A tenderer, who may not agree to extend its tender validity after the expiry of the original validity period the EMD furnished by them shall not be forfeited.
- 20.3 In case the day up to which the tenders are to remain valid falls on/ subsequently declared a holiday or closed day for the purchaser, the tender validity shall automatically be extended up to the next working day.

21. Signing and Sealing of Tender

- 21.1 The tenderers shall submit their tenders as per the instructions contained in GIT Clause 11.
- 21.2 Unless otherwise mentioned in the SIT, a tenderer shall submit two copies of its tender marking them as “Original” and “Duplicate”. Duplicate tenders may contain all pages including Technical Literature/Catalogues as per in Original tenders. Tenders are requested to submit tenders duly page numbered and in a binding form. **Tenders submitted in loose sheets will not be accepted.**
- 21.3 The original and duplicate copies of the tender shall either be typed or written in indelible ink and the same shall be signed by the tenderer or by a person(s) who has been duly authorized to bind the tenderer to the contract. The letter of authorization shall be by a written power of attorney, which shall also be furnished along with the tender.
- 21.4 All the copies of the tender shall be duly signed at the appropriate places as indicated in the TE documents and all other pages of the tender including printed literature, if any shall be initialled by the same person(s) signing the tender. The tender shall not contain any erasure or overwriting, except as necessary to correct any error made by the tenderer and, if there is any such correction; the same shall be initialled by the person(s) signing the tender.
- 21.5 The tenderer is to seal the original and duplicate copy of the tender in separate envelopes, duly marking the same as “Original”, “Duplicate”, and writing the address of the purchaser and the tender reference number on the envelopes. The sentence “NOT TO BE OPENED” before _____ (The tenderer is to put the date & time of tender opening) are to be written on

these envelopes. The inner envelopes are then to be put in a bigger outer envelope, which will also be duly sealed, marked etc. as above. If the outer envelope is not sealed and marked properly as above, the purchaser will not assume any responsibility for its misplacement, premature opening, late opening etc.

- 21.6 The document seeks quotation following **two Tender System**, in two parts. First part will be known as **'Techno - Commercial Tender'**, and the second part **'Price Tender'** as specified in clause 11 of GIT. Tenderer shall seal **'Techno - Commercial Tender'** and **'Price Tender'** separately and covers will be suitably super scribed. Both these sealed covers shall be put in a bigger cover and sealed and procedure prescribed in Paras 21.1 to 21.5 followed.

D. SUBMISSION OF TENDERS

22. Submission of Tenders

- 22.1 Unless otherwise specified, the bidders are to drop the tenders in the tender box of office of **ASO/SO/SR.Stores Officer, _____, at AIIMS New Delhi-110 029** or the same shall be submitted by the tenderer by hand to concerned dealing hand or nominee of Stores Officer (DO) on above mentioned address. The officer receiving the tender will give the tenderer an official receipt duly signed with date and time.
- 22.2 The tenderers must ensure that they deposit their tenders not later than the closing time and date specified for submission of tenders. It is the responsibility of the tenderer to ensure that their Tenders whether sent by post or by courier or by person, are dropped in the Tender Box by the specified clearing date and time. In the event of the specified date for submission of tender falls on / is subsequently declared a holiday or closed day for the purchaser, the tenders will be received up to the appointed time on the next working day.

23. Late Tender

- 23.1 A tender, which is received after the specified date and time for receipt of tenders will be treated as "late" tender and will be ignored.

24. Alteration and Withdrawal of Tender

- 24.1 The tenderer, after submitting its tender, is permitted to alter / modify its tender so long as such alterations / modifications are received duly signed, sealed and marked like the original tender, within the deadline for submission of tenders. Alterations / modifications to tenders received after the prescribed deadline will not be considered.
- 24.2 No tender should be withdrawn after the deadline for submission of tender and before expiry of the tender validity period. If a tenderer withdraws the tender during this period, it will result in forfeiture of the earnest money furnished by the tenderer in its tender.

E. TENDER OPENING

25. Opening of Tenders

- 25.1 The purchaser will open the tenders at the specified date and time and at the specified place as indicated in the NIT.
In case the specified date of tender opening falls on / is subsequently declared a holiday or closed day for the purchaser, the tenders will be opened at the appointed time and place on the next working day.
- 25.2 Authorized representatives of the tenderers, who have submitted tenders on time may attend the tender opening provided they bring with them letters of authority from the corresponding tenderers.
The tender opening official(s) will prepare a list of the representatives attending the tender opening. The list will contain the representatives' names & signatures and corresponding tenderers' names and addresses.
- 25.3 Two - Tender system as mentioned in Para 21.6 above will be as follows. The **Techno - Commercial Tenders** are to be opened in the first instance, at the prescribed time and date as indicated in NIT. These Tenders shall be scrutinized and evaluated by the competent committee/ authority with reference to parameters prescribed in the TE document. During the Techno - Commercial Tender opening, the tender opening official(s) will read the salient features of the tenders like brief description of the goods offered, delivery period, Earnest Money Deposit and any other special features of the tenders, as deemed fit by the tender opening official(s). Thereafter, in the second stage, the Price Tenders of only the Techno - Commercially acceptable offers (as decided in the first stage) shall be opened for further scrutiny and evaluation on a date notified after the evaluation of the Techno - Commercial tender. The prices, special discount if any of the goods offered etc., as deemed fit by tender opening official(s) will be read out.

F. SCRUTINY AND EVALUATION OF TENDERS

26. Basic Principle

- 26.1 Tenders will be evaluated on the basis of the terms & conditions already incorporated in the TE document, based on which tenders have been received and the terms, conditions etc. mentioned by the tenderers in their tenders. No new condition will be brought in while scrutinizing and evaluating the tenders.

27. Scrutiny of Tenders

- 27.1 The Purchaser will examine the Tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed stamped and whether the Tenders are generally in order.
- 27.2 The Purchaser's determination of a Tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence

27.3 Deleted

27.4 The tenders will be scrutinized to determine whether they are complete and meet the essential and important requirements, conditions etc. as prescribed in the TE document. The tenders, which do not meet the basic requirements, are liable to be treated as non-responsive and will be rejected.

27.5 The following are some of the important aspects, for which a tender shall be declared non-responsive during the evaluation and will be ignored;

- (i) Tender form as per Section X (signed & stamped) not enclosed.
- (ii) Tender is unsigned.
- (iii) Tender validity is shorter than the required period.
- (iv) Required EMD (Amount, validity etc.)/ exemption documents have not been provided.
- (v) Tenderer has quoted for goods manufactured by other manufacturer(s) without the required Manufacturer's Authorisation Form as per Section XIV.
- (vi) Tenderer has not agreed to give the required performance security of required amount in an acceptable form in terms of GCC clause 5, read with modification, if any, in Section - V - "Special Conditions of Contract", for due performance of the contract.
- (vii) Deleted
- (viii) Tenderer has not agreed to other essential condition(s) specially incorporated in the tender enquiry like terms of payment, liquidated damages clause, warranty clause, dispute resolution mechanism applicable law.
- (ix) Poor/unsatisfactory past performance.
- (x) Tenderers who stand deregistered/banned/blacklisted by any Govt. Authorities.
- (xi) Tenderer is not eligible as per GIT Clauses 5.1 & 17.1.
- (xii) Tenderer has not quoted for the entire quantity as specified in the List of Requirements in the quoted schedule.
- (xiii) Tenderer has not agreed for the delivery terms and delivery schedule.

28. Minor Infirmary/Irregularity/Non-Conformity

28.1 If during the evaluation, the purchaser find any minor informality and/or irregularity and/or non-conformity in a tender, , the purchaser will convey its observation on such 'minor' issues to the tenderer by registered/speed post/courier/e-mail/fax etc. asking the tenderer to respond by a specified date. If the tenderer does not reply by the specified date or gives evasive reply without clarifying the point at issue in clear terms, that tender will be liable to be ignored.

29 Discrepancies in Prices

29.1 If, in the price structure quoted by a tenderer, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless the purchaser feels that the

tenderer has made a mistake in placing the decimal point in the unit price, in which case the total price as quoted shall prevail over the unit price and the unit price corrected accordingly.

29.2 If there is an error in a total price, which has been worked out through addition and/or subtraction of subtotals, the subtotals shall prevail and the total corrected; and

29.3 If there is a discrepancy between the amount expressed in words and figures, the amount in words shall prevail, subject to sub clause 29.1 and 29.2 above.

29.4 If, as per the judgement of the purchaser, there is any such arithmetical discrepancy in a tender, the same will be suitably conveyed to the tenderer by registered / speed post. If the tenderer does not agree to the observation of the purchaser, the tender is liable to be ignored.

30. Discrepancy between original and copies of Tender

30.1 In case any discrepancy is observed between the text etc. of the original copy and that in the other copies of the same tender set, the text etc. of the original copy shall prevail. Here also, the purchaser will convey its observation suitably to the tenderer by register / speed post and, if the tenderer does not accept the purchaser's observation, that tender will be liable to be ignored.

31. Qualification Criteria

31.1 Tenders of the tenderers, who do not meet the required Qualification Criteria prescribed in Section IX, will be treated as non - responsive and will not be considered further.

32. Conversion of tender currencies to Indian Rupees

32.1 In case the TE document permits the tenderers to quote their prices in different currencies, all such quoted prices of the responsive tenderers will be converted to a single currency viz., Indian Rupees for the purpose of equitable comparison and evaluation, as per the exchange rates established by the Reserve Bank of India for similar transactions, as on the date of 'Price Tender' opening.

33. Schedule-wise Evaluation

33.1 In case the List of Requirements contains more than one schedule, the responsive tenders will be evaluated and compared separately for each schedule. The tender for a schedule will not be considered if the complete requirements prescribed in that schedule are not included in the tender. However, as already mentioned in GIT sub clause 13.2, the tenderers have the option to quote for any one or more schedules and offer discounts for combined schedules. Such discounts wherever applicable will be taken into account to determine the lowest evaluated cost for the purchaser in

deciding the successful tenderer for each schedule, subject to tenderer(s) being responsive.

34. Comparison of Tenders

34.1 Unless mentioned otherwise in Section – III – Special Instructions to Tenderers and Section – VI – List of Requirements, the comparison of the responsive tenders shall be carried out on Delivery Duty Paid (DDP) consignee site basis. The quoted turnkey prices and CMC prices will also be added for comparison/ranking purpose for evaluation. **“Net Present value (NPV) of the Comprehensive Annual Maintenance charges (CMC) quoted for 5 years after the warranty period shall be added to the bid price for evaluation and will be calculated after discounting the quoted price by a discounting factor of 10% per annum.”**

35. Additional Factors and Parameters for Evaluation and Ranking of Responsive Tenders.

35.1 Further to GIT Clause 34 above, the purchaser’s evaluation of a tender will include and take into account the following:

- i) In the case of goods manufactured in India or goods of foreign origin already located in India, sales tax & other similar taxes and excise duty & other similar duties, Service Tax, Works Contract Tax etc which will be contractually payable (to the tenderer), on the goods if a contract is awarded on the tenderer; and
- ii) in the case of goods of foreign origin offered from abroad, customs duty and other similar import duties/taxes, which will be contractually payable (to the tenderer) on the goods if the contract is awarded on the tenderer.

35.2 The purchaser’s evaluation of tender will also take into account the additional factors, if any, incorporated in SIT in the manner and to the extent indicated therein.

35.3 The Purchaser reserves the right to give the price preference to small-scale sectors etc. and purchase preference to central public sector undertakings as per the instruction in vogue while evaluating, comparing and ranking the responsive tenders.

- i. In exercise of powers conferred in Section 11 of the Micro, Small and Medium Enterprises Development (MSMED) Act 2006, the Government has notified a new Public Procurement Policy for Micro & Small Enterprises effective from 1st April 2012. The policy mandates that 20% of procurement of annual requirement of goods and services by all Central Ministries / Public Sector Undertakings will be from the micro and small enterprises. The Government has also earmarked a sub-target of 4% procurement of goods & services from MSEs owned by SC/ST entrepreneurs out of above said 20% quantity.
- ii. In accordance with the above said notification, the participating Micro and Small Enterprises (MSEs) in a tender, quoting price within the

band of L 1+15% would also be allowed to supply a portion of the requirement by bringing down their price to the L 1 price, in a situation where L 1 price is from someone other than an MSE. Such MSEs would be allowed to supply up to 20% of the total tendered value. In case there are more than one such eligible MSE, the 20% supply will be shared equally. Out of 20% of the quantity earmarked for supply from MSEs, 4% quantity is earmarked for procurement from MSEs owned by SC/ST entrepreneurs. However, in the event of failure of such MSEs to participate in the tender process or meet the tender requirements and the L 1 price, the 4% quantity earmarked for MSEs owned by SC/ST entrepreneurs will be met from other participating MSEs.

- iii. The MSEs fulfilling the prescribed eligibility criteria and participating in the tender shall enclose with their tender a copy of their valid registration certificate with District Industries Centres or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or any other body specified by Ministry of Micro and Small enterprises in support of their being an MSE, failing which their tender will be liable to be ignored.

36. Tenderer's capability to perform the contract

- 36.1 The purchaser, through the above process of tender scrutiny and tender evaluation will determine to its satisfaction whether the tenderer, whose tender has been determined as the lowest evaluated responsive tender is eligible, qualified and capable in all respects to perform the contract satisfactorily. If, there is more than one schedule in the List of Requirements, then, such determination will be made separately for each schedule.
- 36.2 The above-mentioned determination will, interalia, take into account the tenderer's financial, technical and production capabilities for satisfying all the requirements of the purchaser as incorporated in the TE document. Such determination will be based upon scrutiny and examination of all relevant data and details submitted by the tenderer in its tender as well as such other allied information as deemed appropriate by the purchaser.

37. Contacting the Purchaser

- 37.1 From the time of submission of tender to the time of awarding the contract, if a tenderer needs to contact the purchaser for any reason relating to this tender enquiry and / or its tender, it should do so only in writing.
- 37.2 In case a tenderer attempts to influence the purchaser in the purchaser's decision on scrutiny, comparison & evaluation of tenders and awarding the contract, the tender of the tenderer shall be liable for rejection in addition to appropriate administrative actions being taken against that tenderer, as deemed fit by the purchaser.

G. AWARD OF CONTRACT

38. Purchaser's Right to accept any tender and to reject any or all tenders.

38.1 The purchaser reserves the right to accept in part or in full any tender or reject any or more tender(s) without assigning any reason or to cancel the tendering process and reject all tenders at any time prior to award of contract, without incurring any liability, whatsoever to the affected tenderer or tenderers.

39. Award Criteria

39.1 Subject to GIT clause 38 above, the contract will be awarded to the lowest evaluated responsive tenderer decided by the purchaser in terms of GIT Clause 36.

40. Variation of Quantities at the Time of Award/ Currency of Contract

40.1 At the time of awarding the contract, the purchaser reserves the right to increase or decrease by up to twenty five (25) per cent, the quantity of goods and services mentioned in the schedule (s) in the "List of Requirements" (rounded of to next whole number) without any change in the unit price and other terms & conditions quoted by the tenderer.

40.2 If the quantity has not been increased at the time of the awarding the contract, the purchaser reserves the right to increase by up to twenty five (25) per cent, the quantity of goods and services mentioned in the contract (rounded of to next whole number) without any change in the unit price and other terms & conditions mentioned in the contract, during the currency of the contract.

41. Notification of Award

41.1 Before expiry of the tender validity period, the purchaser will notify the successful tenderer(s) in writing, by registered / speed post or by fax/ telex/cable (to be confirmed by registered / speed post) that its tender for goods & services, which have been selected by the purchaser, has been accepted, also briefly indicating therein the essential details like description, specification and quantity of the goods & services and corresponding prices accepted. The successful tenderer must furnish to the purchaser the required performance security within thirty days from the date of dispatch of this notification, failing which the EMD will be forfeited and the award will be cancelled. Relevant details about the performance security have been provided under GCC Clause 5 under Section IV.

41.2 The Notification of Award shall constitute the conclusion of the Contract.

42. Issue of Contract

- 42.1 Promptly after notification of award, the Purchaser/Consignee will mail the contract form (as per Section XVI) duly completed and signed, in duplicate, to the successful tenderer by registered / speed post.
- 42.2 Within twenty one days from the date of the contract, the successful tenderer shall return the original copy of the contract, duly signed and dated, to the Purchaser/Consignee by registered / speed post.
- 42.3 The Purchaser/Consignee reserve the right to issue the Notification of Award consignee wise.

43. Non-receipt of Performance Security and Contract by the Purchaser/Consignee

- 43.1 Failure of the successful tenderer in providing performance security and / or returning contract copy duly signed in terms of GIT clauses 41 and 42 above shall make the tenderer liable for forfeiture of its EMD and, also, for further actions by the Purchaser/Consignee against it as per the clause 24 of GCC – Termination of default.

44. Return of E M D

- 44.1 The earnest money of the successful tenderer and the unsuccessful tenderers will be returned to them without any interest, whatsoever, in terms of GIT Clause 19.6.

45. Publication of Tender Result

- 45.1 The name and address of the successful tenderer(s) receiving the contract(s) will be mentioned in the notice board/bulletin/web site of the purchaser.

46. Corrupt or Fraudulent Practices

- 46.1 It is required by all concerned namely the Consignee/Tenderers/Suppliers etc to observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, the Purchaser: -
 - (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) “corrupt practice” means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution; and
 - (ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Purchaser, and includes collusive practice among Tenderers (prior to or after Tender submission) designed to establish

Tender prices at artificial non-competitive levels and to deprive the Purchaser of the benefits of free and open competition;

- (b) will reject a proposal for award if it determines that the Tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;
- (c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a contract by the purchaser if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing the contract.

SECTION - III
SPECIAL INSTRUCTIONS TO TENDERERS
(SIT)

Sl. No.	GIT Clause No.	Topic	SIT Provision	Page No.
A	1 to 7	Preamble	No Change	8
B	8 to 10	TE documents	No Change	11
C	11 to 21	Preparation of Tenders	No Change	12
D	22 to 24	Submission of Tenders	No Change	21
E	25	Tender Opening	No Change	22
F	26 to 37	Scrutiny and Evaluation of Tenders	No Change	22
G	38 to 45	Award of Contract	No Change	27

**SPECIAL INSTRUCTIONS TO TENDERERS
(SIT)**

The following Special Instructions to Tenderers will apply for this purchase. These special instructions will modify/substitute/supplement the corresponding General Instructions to Tenderers (GIT) incorporated in Section II. The corresponding GIT clause numbers have also been indicated in the text below:

In case of any conflict between the provision in the GIT and that in the SIT, the provision contained in the SIT shall prevail.

A	Preamble	<u>No Change</u>
B	TE documents	<u>No Change</u>
C	Preparation of Tenders	<u>No Change</u>
D	Submission of Tenders	<u>No Change</u>
E	Tender Opening	<u>No Change</u>
F	Scrutiny and Evaluation of Tenders	<u>No Change</u>
G	Award of Contract	No Change

SECTION - IV

GENERAL CONDITIONS OF CONTRACT (GCC) TABLE OF CLAUSES

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GENERAL CONDITIONS OF CONTRACT (GCC)

1. Application

- 1.1 The General Conditions of Contract incorporated in this section shall be applicable for this purchase to the extent the same are not superseded by the Special Conditions of Contract prescribed under Section V, List of requirements under Section VI and Technical Specification under Section VII of this document.

2. Use of contract documents and information

- 2.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract or any provision thereof including any specification, drawing, sample or any information furnished by or on behalf of the purchaser in connection therewith, to any person other than the person(s) employed by the supplier in the performance of the contract emanating from this TE document. Further, any such disclosure to any such employed person shall be made in confidence and only so far as necessary for the purposes of such performance for this contract.
- 2.2 Further, the supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC sub-clause 2.1 above except for the sole purpose of performing this contract.
- 2.3 Except the contract issued to the supplier, each and every other document mentioned in GCC sub-clause 2.1 above shall remain the property of the purchaser and, if advised by the purchaser, all copies of all such documents shall be returned to the purchaser on completion of the supplier's performance and obligations under this contract.

3. Patent Rights

- 3.1 The supplier shall, at all times, indemnify and keep indemnified the purchaser, free of cost, against all claims which may arise in respect of goods & services to be provided by the supplier under the contract for infringement of any intellectual property rights or any other right protected by patent, registration of designs or trademarks. In the event of any such claim in respect of alleged breach of patent, registered designs, trademarks etc. being made against the purchaser, the purchaser shall notify the supplier of the same and the supplier shall, at his own expenses take care of the same for settlement without any liability to the purchaser.

4. Country of Origin

- 4.1 All goods and services to be supplied and provided for the contract shall have the origin in India or in the countries with which the Government of India has trade relations.
- 4.2 The word "origin" incorporated in this clause means the place from where the goods are mined, cultivated, grown, manufactured, produced or processed or from where the services are arranged.
- 4.3 The country of origin may be specified in the Price Schedule

5. Performance Security

5.1 Within fifteen (15) days from date of the issue of notification of award by the Purchaser/Consignee, the supplier, shall furnish performance security to the Purchaser/Consignee for an amount equal to ten percent (10%) of the total value of the contract, valid up to sixty (60) days after the date of completion of all contractual obligations by the supplier, including the warranty obligations, initially valid for a period of minimum ____ months from the date of Notification of Award

5.2 The Performance security shall be denominated in Indian Rupees or in the currency of the contract as detailed below:

It shall be in any one of the forms namely Account Payee Demand Draft or Fixed Deposit Receipt drawn from any Scheduled bank in India or Bank Guarantee issued by a Scheduled bank in India, in the prescribed form as provided in section XV of this document in favour of the Purchaser/Consignee. The validity of the Fixed Deposit receipt or Bank Guarantee will be for a period up to sixty (60) days beyond Warranty Period.

5.3 In the event of any failure /default of the supplier with or without any quantifiable loss to the government including furnishing of consignee wise Bank Guarantee for CMC security as per Proforma in Section XV, the amount of the performance security is liable to be forfeited. The Administration Department may do the needful to cover any failure/default of the supplier with or without any quantifiable loss to the Government.

5.4 In the event of any amendment issued to the contract, the supplier shall, within fifteen (15) days of issue of the amendment, furnish the corresponding amendment to the Performance Security (as necessary), rendering the same valid in all respects in terms of the contract, as amended.

5.5 The supplier shall enter into Annual Comprehensive Maintenance Contract as per the 'Contract Form - B' in Section XVI with respective consignees, 3 (three) months prior to the completion of Warranty Period. The CMC will commence from the date of expiry of the Warranty Period.

5.6 Subject to GCC sub - clause 5.3 above, the Purchaser/Consignee will release the Performance Security without any interest to the supplier on completion of the supplier's all contractual obligations including the warranty obligations & after receipt of Consignee wise bank guarantee for CMC security in favour of Head of the Hospital/ Institute/ Medical College of the consignee as per the format in Section XV.

6. Technical Specifications and Standards

6.1 The Goods & Services to be provided by the supplier under this contract shall conform to the technical specifications and quality control parameters mentioned in 'Technical Specification' and 'Quality Control Requirements' under Sections VII and VIII of this document.

7. Packing and Marking

- 7.1 The packing for the goods to be provided by the supplier should be strong and durable enough to withstand, without limitation, the entire journey during transit including transshipment (if any), rough handling, open storage etc. without any damage, deterioration etc. As and if necessary, the size, weights and volumes of the packing cases shall also take into consideration, the remoteness of the final destination of the goods and availability or otherwise of transport and handling facilities at all points during transit up to final destination as per the contract.
- 7.2 The quality of packing, the manner of marking within & outside the packages and provision of accompanying documentation shall strictly comply with the requirements as provided in Technical Specifications and Quality Control Requirements under Sections VII and VIII and in SCC under Section V. In case the packing requirements are amended due to issue of any amendment to the contract, the same shall also be taken care of by the supplier accordingly.
- 7.3 Packing instructions:

Unless otherwise mentioned in the Technical Specification and Quality Control Requirements under Sections VII and VIII and in SCC under Section V, the supplier shall make separate packages for each consignee (in case there is more than one consignee mentioned in the contract) and mark each package on three sides with the following with indelible paint of proper quality:

- a. contract number and date
- b. brief description of goods including quantity
- c. packing list reference number
- d. country of origin of goods
- e. consignee's name and full address and
- f. supplier's name and address

8. Inspection, Testing and Quality Control

- 8.1 The purchaser and/or its nominated representative(s) will, without any extra cost to the purchaser, inspect and/or test the ordered goods and the related services to confirm their conformity to the contract specifications and other quality control details incorporated in the contract. The purchaser shall inform the supplier in advance, in writing, the purchaser's programme for such inspection and, also the identity of the officials to be deputed for this purpose. "The cost towards the transportation, boarding and lodging will be borne by the purchaser and/or its nominated representative(s) for the first visit. In case the goods are rejected in the first instance and the supplier requests for re-inspection, and if same is accepted by purchaser/consignee/PSA/PA, all subsequent inspections shall be at the cost of the supplier. The expense will be to and fro Economy Airfare, Local Conveyance, Boarding and Lodging of the inspection team for the inspection period."
- 8.2 The Technical Specification and Quality Control Requirements incorporated in the contract shall specify what inspections and tests are to be carried out and, also, where and how they are to be conducted. If such inspections and

tests are conducted in the premises of the supplier or its subcontractor(s), all reasonable facilities and assistance, including access to relevant drawings, design details and production data, shall be furnished by the supplier to the purchaser's inspector at no charge to the purchaser.

- 8.3 If during such inspections and tests the contracted goods fail to conform to the required specifications and standards, the purchaser's inspector may reject them and the supplier shall either replace the rejected goods or make all alterations necessary to meet the specifications and standards, as required, free of cost to the purchaser and resubmit the same to the purchaser's inspector for conducting the inspections and tests again.
- 8.4 In case the contract stipulates pre-despatch inspection of the ordered goods at supplier's premises, the supplier shall put up the goods for such inspection to the purchaser's inspector well ahead of the contractual delivery period, so that the purchaser's inspector is able to complete the inspection within the contractual delivery period.
- 8.5 If the supplier tenders the goods to the purchaser's inspector for inspection at the last moment without providing reasonable time to the inspector for completing the inspection within the contractual delivery period, the inspector may carry out the inspection and complete the formality beyond the contractual delivery period at the risk and expense of the supplier. The fact that the goods have been inspected after the contractual delivery period will not have the effect of keeping the contract alive and this will be without any prejudice to the legal rights and remedies available to the purchaser under the terms & conditions of the contract.
- 8.6 The purchaser's/consignee's contractual right to inspect, test and, if necessary, reject the goods after the goods' arrival at the final destination shall have no bearing of the fact that the goods have previously been inspected and cleared by purchaser's inspector during pre-despatch inspection mentioned above.

“On rejection, the supplier shall remove such stores within 14 days of the date of intimation of such rejection from the consignee's premises. If such goods are not removed by the supplier within the period mentioned above, the purchaser/consignee may remove the rejected stores and either return the same to the supplier at his risk and cost by such mode of transport as purchaser/consignee may decide or dispose of such goods at the suppliers risk to recover any expense incurred in connection with such disposals and also the cost of the rejected stores if already paid for.”

- 8.7 Goods accepted by the purchaser/consignee and/or its inspector at initial inspection and in final inspection in terms of the contract shall in no way dilute purchaser's/consignee's right to reject the same later, if found deficient in terms of the warranty clause of the contract, as incorporated under GCC Clause 15.
- 8.8 Principal/ Foreign supplier shall also have the equipment inspected by recognised/ reputed agency like SGS, Lloyd, Bureau Veritas, TUV prior to despatch at the supplier's cost and furnish necessary certificate from the said agency in support of their claim.

9. Terms of Delivery

- 9.1 Goods shall be delivered by the supplier in accordance with the terms of delivery and as per the delivery period specified in the schedule of requirement. Please note that the time shall be the essence of the contract.

10. Transportation of Goods

- 10.1 Instructions for transportation of imported goods offered from abroad:

The supplier shall not arrange part-shipments and/or transshipment without the express/prior written consent of the purchaser. The supplier is required under the contract to deliver the goods under CIP (Named port of destination) terms; the shipment shall be made by Indian flag vessel or by vessels belonging to the conference lines in which India is a member country through India's forwarding agents/coordinators. In case the forwarding agent/coordinators are unable to provide timely adequate space in Indian flag vessel or by vessels belonging to the conference lines, the supplier shall arrange shipment through any available vessel to adhere to the delivery schedule given in the contract.

In case of airlifting of imported goods offered from abroad, the same will be done only through the National Carrier i.e. Air India wherever applicable. In case the National Carrier is not available, any other airlines available for early delivery may be arranged.

- 10.2 Instructions for transportation of domestic goods including goods already imported by the supplier under its own arrangement:

In case no instruction is provided in this regard in the SCC, the supplier will arrange transportation of the ordered goods as per its own procedure.

11. Insurance:

- 11.1 Unless otherwise instructed in the SCC, the supplier shall make arrangements for insuring the goods against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the following manner:

- i) in case of supply of domestic goods on Consignee site basis, the supplier shall be responsible till the entire stores contracted for arrival in good condition at destination. The transit risk in this respect shall be covered by the Supplier by getting the stores duly insured for an amount equal to 110% of the value of the goods from ware house to ware house (consignee site) on all risk basis . The insurance cover shall be obtained by the Supplier and should be valid till 3 months after the receipt of goods by the Consignee.
- ii) in case of supply of the imported goods on CIP Named port of Destination Basis, the additional extended Insurance (local transportation and storage) would be borne by the Supplier from the port of entry to the consignee site for a period including 3 months beyond date of delivery for an amount equal to 110% of the overall expenditure to be incurred by the purchaser from ware house to ware house (consignee site) on all risk basis.

If the equipment is not commissioned and handed over to the consignee within 3 months, the insurance will have to be extended by the supplier at their cost till the successful installation, testing, commissioning and handing over of the goods to the consignee. In case the delay in the installation and commissioning is due to handing over of the site to the supplier by the consignee, such extensions of the insurance will still be done by the supplier, but the insurance extension charges at actuals will be reimbursed.

12. Spare parts

12.1 If specified in the List of Requirements and in the resultant contract, the supplier shall supply/provide any or all of the following materials, information etc. pertaining to spare parts manufactured and/or supplied by the supplier:

- a) The spare parts as selected by the Purchaser/Consignee to be purchased from the supplier, subject to the condition that such purchase of the spare parts shall not relieve the supplier of any contractual obligation including warranty obligations; and
- b) In case the production of the spare parts is discontinued:
 - i) Sufficient advance notice to the Purchaser/Consignee before such discontinuation to provide adequate time to the purchaser to purchase the required spare parts etc., and
 - ii) Immediately following such discontinuation, providing the Purchaser/Consignee, free of cost, the designs, drawings, layouts and specifications of the spare parts, as and if requested by the Purchaser/Consignee.

12.2 Supplier shall carry sufficient inventories to assure ex-stock supply of consumables and spares for the goods so that the same are used during warranty and CMC period.

13. Incidental services

13.1 Subject to the stipulation, if any, in the SCC (Section – V), List of Requirements (Section – VI) and the Technical Specification (Section – VII), the supplier shall be required to perform the following services.

- i) Installation & commissioning, Supervision and Demonstration of the goods
- ii) Providing required jigs and tools for assembly, minor civil works required for the completion of the installation.
- iii) Training of Consignee's Doctors, Staff, operators etc. for operating and maintaining the goods
- iv) Supplying required number of operation & maintenance manual for the goods

14. Distribution of Dispatch Documents for Clearance/Receipt of Goods

The supplier shall send all the relevant despatch documents well in time to the Purchaser/Consignee to enable the Purchaser/Consignee clear or receive (as the case may be) the goods in terms of the contract.

Unless otherwise specified in the SCC, the usual documents involved and the drill to be followed in general for this purpose are as follows.

- A) For Domestic Goods, including goods already imported by the supplier under its own arrangement

Within 24 hours of despatch, the supplier shall notify the purchaser, consignee, and others concerned if mentioned in the contract, the complete details of despatch and also supply the following documents to them by registered post / speed post / courier (or as instructed in the contract):

- (i) Four copies of supplier's invoice showing contract number, goods description, quantity, unit price and total amount;
- (ii) Consignee Receipt Certificate as per Section XVII in original issued by the authorized representative of the consignee;
- (iii) Two copies of packing list identifying contents of each package;
- (iv) Inspection certificate issued by the nominated Inspection agency, if any.
- (v) Certificate of origin;
- (vi) Insurance Certificate as per GCC Clause 11.
- (vii) Manufacturers/Supplier's warranty certificate & In-house inspection certificate.

- B) For goods imported from abroad

Within 24 hours of despatch, the supplier shall notify the purchaser, consignee, and others concerned if mentioned in the contract, the complete details of despatch and also supply the following documents to them by registered post / speed post (or as instructed in the contract). Any delay or demurrage occurred during the customs clearance on account of the non-availability of technical support/ clarifications /documents from the supplier shall be borne by the supplier:

- (i) Four copies of supplier's invoice showing contract number, goods description, quantity, unit price and total amount;
- (ii) Original and four copies of the negotiable clean, on-board Bill of Lading/Airway bill, marked freight pre paid and four copies of non-negotiable Bill of Lading/Airway bill;
- (iii) Four Copies of packing list identifying contents of each package;
- (iv) Insurance Certificate as per GCC Clause 11.
- (v) Manufacturer's/Supplier's warranty certificate;
- (vi) Inspection Certificate for the despatched equipments issued by recognized/ reputed agency like SGS, Lloyd, BEAUREU VERITAS, TUV prior to despatch
- (vii) Manufacturer's own factory inspection report;
- (viii) Certificate of origin
- (ix) Port of Loading;
- (x) Port of Discharge and
- (xi) Expected date of arrival.

15. Warranty

15.1 The supplier **warrants comprehensively** that the goods supplied under the contract is new, unused and incorporate all recent improvements in design and materials unless prescribed otherwise by the purchaser in the contract. The supplier further warrants that the goods supplied under the contract shall have no defect arising from design, materials (*except when the design adopted and / or the material used are as per the Purchaser's/Consignee's specifications*) or workmanship or from any act or omission of the supplier, that may develop under normal use of the supplied goods under the conditions prevailing in India.

15.2 **THE TENDERERS MUST QUOTE FOR FIVE YEARS COMPREHENSIVE WARRANTY (INCLUDING ALL SPARES AND LABOR) FROM THE DATE OF COMPLETION OF THE SATISFACTORY INSTALLATION. THE WARRANTY CHARGES SHALL NOT BE QUOTED SEPARATELY OTHERWISE THE OFFER SHALL BE SUMMARILY REJECTED.**

THE BIDDERS MUST SUBMIT THEIR QUOTE ALSO (RATES) FOR SUBSEQUENT FIVE YEARS COMPREHENSIVE AMC (INCLUDING ALL SPARES AND LABOR) IN THEIR PRICE BID. FAILURE TO COMPLY THIS CONDITION WILL ENTAIL THE REJECTION OF THE BIDS.

- a. The cost of CMC will be added for Ranking/Evaluation purpose
 - b. No conditional warranty will be acceptable.
 - c. Warranty as well as Comprehensive Maintenance contract will be inclusive of all accessories and Turnkey work and it will also cover the following wherever applicable:-
 - Any kind of motor.
 - Plastic & Glass Parts against any manufacturing defects.
 - All kind of sensors.
 - All kind of coils, probes and transducers.
 - Printers and imagers including laser and thermal printers with all parts.
 - UPS including the replacement of batteries.
 - Air-conditioners
 - d. Replacement and repair will be under taken for the defective goods.
 - e. Proper marking has to be made for all spares for identification like printing of installation and repair dates.
- 15.3 In case of any claim arising out of this warranty, the Purchaser/Consignee shall promptly notify the same in writing to the supplier. The period of the warranty will be as per G.C.C clause number 15.2 above irrespective of any other period mentioned elsewhere in the bidding documents.
- 15.4 Upon receipt of such notice, the supplier shall, within 8 hours on a 24(hrs) X 7 (days) X 365 (days) basis respond to take action to repair or replace the defective goods or parts thereof, free of cost, at the ultimate destination. The supplier shall take over the replaced parts/goods after providing their replacements and no claim, whatsoever shall lie on the purchaser for such replaced parts/goods thereafter. The penalty clause for non rectification will be applicable as per tender conditions

- 15.5 In the event of any rectification of a defect or replacement of any defective goods during the warranty period, the warranty for the rectified/replaced goods shall be extended till the completion of the original warranty period of the main equipment.
- 15.6 If the supplier, having been notified, fails to respond to take action to repair or replace the defect(s) within 8 hours on a 24(hrs) X 7 (days) X 365 (days) basis, the purchaser may proceed to take such remedial action(s) as deemed fit by the purchaser, at the risk and expense of the supplier and without prejudice to other contractual rights and remedies, which the purchaser may have against the supplier.
- 15.7 During Warranty period, the supplier is required to visit at each consignee's site at least once in 6 months commencing from the date of the installation for preventive maintenance of the goods
- 15.8 The Purchaser/Consignee reserve the rights to enter into Annual Comprehensive Maintenance Contract between Consignee and the Supplier for the period as mentioned in Section VII, Technical Specifications after the completion of warranty period.
- 15.9 The supplier along with its Indian Agent and the CMC provider shall ensure continued supply of the spare parts for the machines and equipments supplied by them to the purchaser for 10 years from the date of installation and handing over.
- 15.10 The Supplier along with its Indian Agent and the CMC Provider shall always accord most favoured client status to the Purchaser vis-à-vis its other Clients/Purchasers of its equipments/machines/goods etc. and shall always give the most competitive price for its machines/equipments supplied to the Purchaser/Consignee.

16. Assignment

- 16.1 The Supplier shall not assign, either in whole or in part, its contractual duties, responsibilities and obligations to perform the contract, except with the Purchaser's prior written permission.

17. Sub Contracts

- 17.1 The Supplier shall notify the Purchaser in writing of all sub contracts awarded under the contract if not already specified in its tender. Such notification, in its original tender or later, shall not relieve the Supplier from any of its liability or obligation under the terms and conditions of the contract.
- 17.2 Sub contract shall be only for bought out items and sub- assemblies.
- 17.3 Sub contracts shall also comply with the provisions of GCC Clause 4 ("Country of Origin").

18. Modification of contract

- 18.1 If necessary, the purchaser may, by a written order given to the supplier at any time during the currency of the contract, amend the contract by

making alterations and modifications within the general scope of contract in any one or more of the following:

- a) Specifications, drawings, designs etc. where goods to be supplied under the contract are to be specially manufactured for the purchaser,
- b) Mode of packing,
- c) Incidental services to be provided by the supplier
- d) Mode of despatch,
- e) Place of delivery, and
- f) Any other area(s) of the contract, as felt necessary by the purchaser depending on the merits of the case.

18.2 In the event of any such modification/alteration causing increase or decrease in the cost of goods and services to be supplied and provided, or in the time required by the supplier to perform any obligation under the contract, an equitable adjustment shall be made in the contract price and/or contract delivery schedule, as the case may be, and the contract amended accordingly. If the supplier doesn't agree to the adjustment made by the Purchaser/Consignee, the supplier shall convey its views to the Purchaser/Consignee within twenty-one days from the date of the supplier's receipt of the Purchaser's/Consignee's amendment / modification of the contract.

19. Prices

19.1 Prices to be charged by the supplier for supply of goods and provision of services in terms of the contract shall not vary from the corresponding prices quoted by the supplier in its tender and incorporated in the contract except for any price adjustment authorised in the SCC.

20. Taxes and Duties

20.1 Supplier shall be entirely responsible for all taxes, duties, fees, levies etc. incurred until delivery of the contracted goods to the purchaser.

20.2 Further instruction, if any, shall be as provided in the SCC.

21. Terms and Mode of Payment

21.1 Payment Terms

Payment shall be made subject to recoveries, if any, by way of liquidated damages or any other charges as per terms & conditions of contract in the following manner.

A) Payment for Domestic Goods Or Foreign Origin Located Within India.

Payment shall be made in Indian Rupees as specified in the contract in the following manner:

a) On delivery:

75% payment of the contract price shall be paid on receipt of goods in good condition and upon the submission of the following documents:

- (i) Four copies of supplier's invoice showing contract number, goods description, quantity, unit price and total amount;
- (ii) Consignee Receipt Certificate as per Section XVII in original issued by the authorized representative of the consignee;
- (iii) Two copies of packing list identifying contents of each package;
- (iv) Inspection certificate issued by the nominated Inspection agency, if any.
- (v) Insurance Certificate as per GCC Clause 11 and documents also to be submitted for payment of LC confirming that dispatch documents has already been sent to all concerned as per the contract within 24 hours;
- (vi) Certificate of origin.

b) On Acceptance:

Balance 25% payment would be made against 'Final Acceptance Certificate' as per Section XVIII of goods to be issued by the consignees subject to recoveries, if any, either on account of non-rectification of defects/deficiencies not attended by the Supplier or otherwise. FAC need to be issued by the designated consignee after installation, commissioning, testing and one to two weeks of successful trail run of the equipment.

B) Payment for Imported Goods:

Payment for foreign currency portion shall be made in the currency as specified in the contract in the following manner:

a) On Shipment:

Ninety (75)% of the net CIP price (CIP price less Indian Agency commission) of the goods shipped shall be paid through irrevocable, non-transferable Letter of Credit (LC) opened in favour of the supplier in a bank in his country and upon submission of documents specified hereunder:

- (i) Four copies of supplier's invoice showing contract number, goods description, quantity, unit price and total amount;
- (ii) Original and four copies of the negotiable clean, on-board Bill of Lading/ Airway bill, marked freight pre paid and four copies of non-negotiable Bill of Lading/Airway bill;
- (iii) Four Copies of packing list identifying contents of each package;
- (iv) Insurance Certificate as per GCC Clause 11 and documents also to be submitted for payment of LC confirming that dispatch documents has already been sent to all concerned as per the contract within 24 hours;
- (v) Manufacturer's/Supplier's warranty certificate;
- (vi) Inspection certificate issued by the nominated inspection agency, if applicable as per contract;
- (vii) Manufacturer's own factory inspection report and
- (viii) Certificate of origin by the chamber of commerce of the concerned country;
- (ix) Inspection Certificate for the despatched equipments issued by recognized/ reputed agency like SGS, Lloyd, BEAURU VARITUS and TUV prior to despatch.

b) On Acceptance:

Balance payment of 25% of net CIP price of goods would be made against 'Final Acceptance Certificate' as per Section XVIII to be issued by the consignees through irrevocable, non-transferable Letter of Credit (LC) opened in favour of the Foreign Principal in a bank in his country, subject to recoveries, if any. FAC need to be issued by the designated consignee after installation, commissioning, testing and one to two weeks of successful trail run of the equipment.

c) Payment of Indigenous Goods :

Payment of indigenous goods will be paid as per the applicable payment terms i.e. 75% on delivery and 25% on acceptance. Delivery of the indigenous goods should be in line with the imported equipment.

d) Payment of Incidental Costs till consignee site & Incidental Services (including Installation & Commissioning, Supervision, Demonstration and Training) will be paid in Indian Rupees to the Indian Agent on proof of final installation, commission and acceptance of equipment by the consignee.

e) Payment of Indian Agency Commission:

Indian Agency commission will be paid to the manufacturer's agent in the local currency for an amount in Indian rupees indicated in the relevant Price Schedule (as per prevailing rate of exchange ruling on the date of Contract) and shall not be subject to further escalation / exchange variation.

C) Payment of Turnkey, if any:

Turnkey payment will be made as indicated in the relevant Price Schedule (as per prevailing rate of exchange ruling on the date of Contract) and shall not be subject to further escalation / exchange variation.

D) Payment for Annual Comprehensive Maintenance Contract Charges:

The consignee will enter into CMC with the supplier at the rates as stipulated in the contract. The payment of CMC will be made on six monthly basis after satisfactory completion of said period, duly certified by the consignee on receipt of bank guarantee for an amount equivalent to 2.5 % of the cost of the equipment as per contract in the prescribed format given in Section XV valid till 2 months after expiry of entire CMC period.

- 21.2 The supplier shall not claim any interest on payments under the contract.
- 21.3 Where there is a statutory requirement for tax deduction at source, such deduction towards income tax and other tax as applicable will be made from the bills payable to the Supplier at rates as notified from time to time.
- 21.4 Irrevocable & non – transferable LC shall be opened by the respective consignees. However, if the supplier requests specifically to open confirmed LC, the extra charges would be borne by the supplier. If LC is required to be extended and/or amended for reasons not attributable to the purchaser/consignee, the charges thereof shall be borne by the supplier.
- 21.5 The payment shall be made in the currency / currencies authorised in the contract.

- 21.6 The supplier shall send its claim for payment in writing, when contractually due, along with relevant documents etc., duly signed with date, to respective consignees.
- 21.7 While claiming payment, the supplier is also to certify in the bill that the payment being claimed is strictly in terms of the contract and all the obligations on the part of the supplier for claiming that payment has been fulfilled as required under the contract.
- 21.8 While claiming reimbursement of duties, taxes etc. (like sales tax, excise duty, custom duty) from the Purchaser/Consignee, as and if permitted under the contract, the supplier shall also certify that, in case it gets any refund out of such taxes and duties from the concerned authorities at a later date, it (the supplier) shall refund to the Purchaser/Consignee forthwith.
- 21.9 In case where the supplier is not in a position to submit its bill for the balance payment for want of receipted copies of Inspection Note from the consignee and the consignee has not complained about the non-receipt, shortage, or defects in the supplies made, balance amount will be paid by the paying authority without consignee's receipt certificate after three months from the date of the preceding part payment for the goods in question, subject to the following conditions:
- (a) The supplier will make good any defect or deficiency that the consignee (s) may report within six months from the date of despatch of goods.
 - (b) Delay in supplies, if any, has been regularized.
 - (c) The contract price where it is subject to variation has been finalized.
 - (d) The supplier furnishes the following undertakings:

"I/We, _____ certify that I/We have not received back the Inspection Note duly receipted by the consignee or any communication from the purchaser or the consignee about non-receipt, shortage or defects in the goods supplied. I/We _____ agree to make good any defect or deficiency that the consignee may report within three months from the date of receipt of this balance payment.

22. Delivery

- 22.1 The supplier shall deliver the goods and perform the services under the contract within the time schedule specified by the Purchaser/Consignee in the List of Requirements and as incorporated in the contract. The time for and the date of delivery of the goods stipulated in the schedule shall be deemed to be of the essence of the contract and the delivery must be completed not later than the date (s) as specified in the contract.
- 22.2 Subject to the provision under GCC clause 26, any unexcused delay by the supplier in maintaining its contractual obligations towards delivery of goods and performance of services shall render the supplier liable to any or all of the following sanctions:
- (i) imposition of liquidated damages,
 - (ii) forfeiture of its performance security and
 - (iii) termination of the contract for default.

22.3 If at any time during the currency of the contract, the supplier encounters conditions hindering timely delivery of the goods and performance of services, the supplier shall promptly inform the Purchaser/Consignee in writing about the same and its likely duration and make a request to the Purchaser/Consignee for extension of the delivery schedule accordingly. On receiving the supplier's communication, the Purchaser/Consignee shall examine the situation as soon as possible and, at its discretion, may agree to extend the delivery schedule, with or without liquidated damages for completion of supplier's contractual obligations by issuing an amendment to the contract.

22.4 When the period of delivery is extended due to unexcused delay by the supplier, the amendment letter extending the delivery period shall, inter alia contain the following conditions:

- (a) The Purchaser/Consignee shall recover from the supplier, under the provisions of the clause 23 of the General Conditions of Contract, liquidated damages on the goods and services, which the Supplier has failed to deliver within the delivery period stipulated in the contract.
- (b) That no increase in price on account of any ground, whatsoever, including any stipulation in the contract for increase in price on any other ground and, also including statutory increase in or fresh imposition of customs duty, excise duty, sales tax/ VAT, Service Tax and Works Contract Tax or on account of any other tax or duty which may be levied in respect of the goods and services specified in the contract, which takes place after the date of delivery stipulated in the contract shall be admissible on such of the said goods and services as are delivered and performed after the date of the delivery stipulated in the contract.
- (c) But nevertheless, the Purchaser/Consignee shall be entitled to the benefit of any decrease in price on account of reduction in or remission of customs duty, excise duty, sales tax/ VAT, Service Tax and Works Contract Tax or any other duty or tax or levy or on account of any other grounds, which takes place after the expiry of the date of delivery stipulated in the contract.

22.5 The supplier shall not dispatch the goods after expiry of the delivery period. The supplier is required to apply to the Purchaser/Consignee for extension of delivery period and obtain the same before despatch. In case the supplier dispatches the goods without obtaining an extension, it would be doing so at its own risk and no claim for payment for such supply and / or any other expense related to such supply shall lie against the purchaser.

22.6 Passing of Property:

22.6.1 The property in the goods shall not pass to the purchaser unless and until the goods have been delivered to the consignee in accordance with the conditions of the contract.

22.6.2 Where there is a contract for sale of specific goods and the supplier is bound to do something to the goods for the purpose of putting them into a deliverable state the property does not pass until such thing is done.

22.6.3 Unless otherwise agreed, the goods remain at the supplier's risk until the property therein is transferred to the purchaser.

23. Liquidated damages

- 23.1 Subject to GCC clause 26, if the supplier fails to deliver or install /commission any or all of the goods or fails to perform the services within the time frame(s) incorporated in the contract, the Purchaser/Consignee shall, without prejudice to other rights and remedies available to the Purchaser/Consignee under the contract, deduct from the contract price, as liquidated damages, a sum equivalent to 0.5% per week of delay or part thereof on delayed supply of goods, installation, commissioning and/or services until actual delivery or performance subject to a maximum of 10% of the contract price. Once the maximum is reached Purchaser/Consignee may consider termination of the contract as per GCC 24.

During the above-mentioned delayed period of supply and/or performance, the conditions incorporated under GCC sub-clause 22.4 above shall also apply.

24. Termination for default

- 24.1 The Purchaser/Consignee, without prejudice to any other contractual rights and remedies available to it (the Purchaser/Consignee), may, by written notice of default sent to the supplier, terminate the contract in whole or in part, if the supplier fails to deliver any or all of the goods or fails to perform any other contractual obligation(s) within the time period specified in the contract, or within any extension thereof granted by the Purchaser/Consignee pursuant to GCC sub-clauses 22.3 and 22.4.
- 24.2 In the event of the Purchaser/Consignee terminates the contract in whole or in part, pursuant to GCC sub-clause 24.1 above, the Purchaser/Consignee may procure goods and/or services similar to those cancelled, with such terms and conditions and in such manner as it deems fit and the supplier shall be liable to the Purchaser/Consignee for the extra expenditure, if any, incurred by the Purchaser/Consignee for arranging such procurement.
- 24.3 Unless otherwise instructed by the Purchaser/Consignee, the supplier shall continue to perform the contract to the extent not terminated.

25. Termination for insolvency

- 25.1 If the supplier becomes bankrupt or otherwise insolvent, the purchaser reserves the right to terminate the contract at any time, by serving written notice to the supplier without any compensation, whatsoever, to the supplier, subject to further condition that such termination will not prejudice or affect the rights and remedies which have accrued and / or will accrue thereafter to the Purchaser/Consignee.

26. Force Majeure

- 26.1 Notwithstanding the provisions contained in GCC clauses 22, 23 and 24, the supplier shall not be liable for imposition of any such sanction so long the delay and/or failure of the supplier in fulfilling its obligations under the contract is the result of an event of Force Majeure.

- 26.2 For purposes of this clause, Force Majeure means an event beyond the control of the supplier and not involving the supplier's fault or negligence and which is not foreseeable and not brought about at the instance of , the party claiming to be affected by such event and which has caused the non – performance or delay in performance. Such events may include, but are not restricted to, wars or revolutions, hostility, acts of public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes excluding by its employees , lockouts excluding by its management, and freight embargoes.
- 26.3 If a Force Majeure situation arises, the supplier shall promptly notify the Purchaser/Consignee in writing of such conditions and the cause thereof within twenty one days of occurrence of such event. Unless otherwise directed by the Purchaser/Consignee in writing, the supplier shall continue to perform its obligations under the contract as far as reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.
- 26.4 If the performance in whole or in part or any obligation under this contract is prevented or delayed by any reason of Force Majeure for a period exceeding sixty days, either party may at its option terminate the contract without any financial repercussion on either side.
- 26.5 In case due to a Force Majeure event the Purchaser/Consignee is unable to fulfil its contractual commitment and responsibility, the Purchaser/Consignee will notify the supplier accordingly and subsequent actions taken on similar lines described in above sub-paragraphs.

27. Termination for convenience

- 27.1 The Purchaser/Consignee reserves the right to terminate the contract, in whole or in part for its (Purchaser's/Consignee 's) convenience, by serving written notice on the supplier at any time during the currency of the contract. The notice shall specify that the termination is for the convenience of the Purchaser/Consignee. The notice shall also indicate interalia, the extent to which the supplier's performance under the contract is terminated, and the date with effect from which such termination will become effective.
- 27.2 The goods and services which are complete and ready in terms of the contract for delivery and performance within thirty days after the supplier's receipt of the notice of termination shall be accepted by the Purchaser/Consignee following the contract terms, conditions and prices. For the remaining goods and services, the Purchaser/Consignee may decide:
- a) To get any portion of the balance completed and delivered at the contract terms, conditions and prices; and / or
 - b) To cancel the remaining portion of the goods and services and compensate the supplier by paying an agreed amount for the cost incurred by the supplier towards the remaining portion of the goods and services.

28. Governing language

- 28.1 The contract shall be written in English language following the provision as contained in GIT clause 4. All correspondence and other documents pertaining to the contract, which the parties exchange, shall also be written accordingly in that language.

29. Notices

- 29.1 Notice, if any, relating to the contract given by one party to the other, shall be sent in writing or by cable or telex or facsimile and confirmed in writing. The procedure will also provide the sender of the notice, the proof of receipt of the notice by the receiver. The addresses of the parties for exchanging such notices will be the addresses as incorporated in the contract.
- 29.2 The effective date of a notice shall be either the date when delivered to the recipient or the effective date specifically mentioned in the notice, whichever is later.

30. Resolution of disputes

- 30.1 If dispute or difference of any kind shall arise between the Purchaser/Consignee and the supplier in connection with or relating to the contract, the parties shall make every effort to resolve the same amicably by mutual consultations.
- 30.2 If the parties fail to resolve their dispute or difference by such mutual consultation within twenty-one days of its occurrence, then, unless otherwise provided in the SCC, either the Purchaser/Consignee or the supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided the applicable arbitration procedure will be as per the Arbitration and Conciliation Act, 1996 of India. In the case of a dispute or difference arising between the Purchaser/Consignee and a domestic Supplier relating to any matter arising out of or connected with the contract, such dispute or difference shall be referred to the sole arbitration of an officer in the Ministry of Law and Justice, appointed to be the arbitrator by the Director General (Health Services). The award of the arbitrator shall be final and binding on the parties to the contract subject to the provision that the Arbitrator shall give reasoned award in case the value of claim in reference exceeds Rupees One lakhs (Rs. 1,00,000/-)
- 30.3 Venue of Arbitration: The venue of arbitration shall be the place from where the contract has been issued, i.e., New Delhi, India.
- 30.4 Jurisdiction of the court will be from the place where the tender enquiry document has been issued, i.e., New Delhi, India

31. Applicable Law

The contract shall be governed by and interpreted in accordance with the laws of India for the time being in force.

32 Withholding and Lien in respect of sums claimed

Whenever any claim for payment arises under the contract against the supplier the purchaser shall be entitled to withhold and also have a lien to retain such sum from the security deposit or sum of money arising out of under any other contract made by the supplier with the purchaser, pending finalization or adjudication of any such claim.

It is an agreed term of the contract that the sum of money so withheld or retained under the lien referred to above, by the purchaser, will be kept withheld or retained till the claim arising about of or under the contract is determined by the Arbitrator or by the competent court as the case may be, and the supplier will have no claim for interest or damages whatsoever on any account in respect of such withholding or retention.

33. General/ Miscellaneous Clauses

- 33.1 Nothing contained in this Contract shall be constructed as establishing or creating between the parties, i.e. the Supplier/its Indian Agent/CMC Provider on the one side and the Purchaser on the other side, a relationship of master and servant or principal and agent.
- 33.2 Any failure on the part of any Party to exercise right or power under this Contract shall not operate as waiver thereof.
- 33.3 The Supplier shall notify the Purchaser/Consignee /the Government of India of any material change would impact on performance of its obligations under this Contract.
- 33.4 Each member/constituent of the Supplier/its Indian Agent/CMC Provider, in case of consortium shall be **jointly and severally liable** to and responsible for all obligations towards the Purchaser/Consignee/Government for performance of contract/services including that of its Associates/Sub Contractors under the Contract.
- 33.5 The Supplier/its Indian Agent/CMC Provider shall at all times, indemnify and keep indemnified the Purchaser/Government of India against all claims/damages etc. for any infringement of any Intellectual Property Rights (IPR) while providing its services under CMC or the Contract.
- 33.6 The Supplier/its Agent/CMC Provider shall, at all times, indemnify and keep indemnified the Purchaser/Consignee/Government of India against any claims in respect of any damages or compensation payable in consequences of any accident or injury sustained or suffered by its employees or agents or by any other third party resulting from or by any action, omission or operation conducted by or on behalf of the supplier/its associate/affiliate etc.
- 33.7 All claims regarding indemnity shall survive the termination or expiry of the contract.

SECTION – V

SPECIAL CONDITIONS OF CONTRACT (SCC)

The following Special Conditions of Contract (SCC) will apply for this purchase. The corresponding clauses of General Conditions of Contract (GCC) relating to the SCC stipulations have also been incorporated below.

These Special Conditions will modify/substitute/supplement the corresponding (GCC) clauses.

Whenever there is any conflict between the provision in the GCC and that in the SCC, the provision contained in the SCC shall prevail.

The warranty conditions will be as mentioned in the list of requirement as per section VI of the tender enquiry.

**SECTION - VI
LIST OF REQUIREMENTS**

Part I

Sl.No.	Name of Equipment	Department	Quantity per (No.)	Total Quantity (No.)	Warranty required	CC required
1	_____	_____	01	01	05 years	05 years

Part II: Required Delivery Schedule:

a) For Indigenous goods or for imported goods if supplied from India:

90 days from date of Notification of Award to delivery at consignee site. The date of delivery will be the date of delivery at consignee site. Tenderers may quote earliest delivery period.

Installation and commissioning shall be done within 45 days of receipt of the stores/ goods at site or within 45 days of handing over the site for installation, whichever is later.

b) For Imported goods directly from foreign:

90 days from the date of opening of L/C. The date of delivery will be the date of Bill of Lading/Airway bill. (Tenderers may quote the earliest delivery period).

Installation and commissioning shall be done within 45 days of receipt of the stores/ goods at site or within 45 days of handing over the site for installation, whichever is later.

For delayed delivery and/or installation and commissioning liquidated damages will get applied as per GCC clause 23.

Note: Deleted

Part III: Scope of Incidental Services:

Installation & Commissioning, Supervision, Demonstration, Trial run and Training etc. as specified in GCC Clause 13

Part IV: Turnkey (if any) as per details in Technical Specification.

Part V:

Warranty period as per details in general technical specification and as specified in Part I above. Warranty period will be 60 months from the date of installation, commissioning and acceptance.

Comprehensive Maintenance Contract (CMC) as per details in Technical Specification as specified in part I above

Required Terms of Delivery and Destination.

a) For Indigenous goods or for imported goods if supplied from India:

At Consignee Site(s)

b) For Imported goods directly from abroad:

The foreign tenderers are required to quote their rates on CIP Named Port of Destination Basis giving breakup of the price as per the Proforma prescribed in the Price Schedule. Purchaser will place the order on CIP Named Port of Destination basis.

The shipping arrangements shall be made in accordance with the instruction of Ministry of Shipping & Transport, New Delhi, India as detailed in Annexure 1 at Section XIX.

Insurance (local transportation and storage) would be extended and borne by the Supplier from ware house to the consignee site for a period including 3 months beyond date of delivery.

Destination/Consignee details are given in Section XXI.

Section – VII

**ALL INDIA INSTITUTE OF MEDICAL SCIENCES
ANSARI NAGAR: NEW DELHI: 110 029**

F. No. _____

Name of the Item: Purchase of _____

Technical Specification:-

GENERAL TECHNICAL SPECIFICATIONS

GENERAL POINTS:

1. Warranty:

- a) **The bidders must quote for Five years Comprehensive Warranty** as per Conditions of Contract of the TE document for complete equipment **(Including all spares & labour)** and Turnkey Work (if required) from the date of satisfactory installation, commissioning, trial run & handing over of equipment to the concerned user department.
- b) The warranty charges shall not be quoted separately.
- c) 95% up time Warranty of complete equipment with extension of Warranty period by double the downtime period on 24 (hrs) X 7 (days) X 365 (days) basis.
- d) All software updates should be provided free of cost during Comprehensive Warranty period.

2. After Sales Service:

After sales service centre should be available at the city of Institution on 24 (hrs) X 7 (days) X 365 (days) basis. Complaints should be attended properly, maximum within 8 hrs. The service should be provided directly by Bidder/Indian Agent. Undertaking by the Principals that the spares for the equipment shall be available for at least 10 years from the date of supply of equipment.

3. Training:

On Site training to Doctors/ Technicians/ staff is to be provided by Principal/Indian Agents (if they have the requisite know-how) for operation and maintenance of the equipment to the satisfaction of the user department.

4. Annual Comprehensive Maintenance Contract (CMC) of subject equipment:

- a) The cost of Comprehensive Maintenance Contract (CMC) which includes preventive maintenance including testing & calibration as per technical/ service /operational manual of the manufacturer, labour and spares, after satisfactory completion of Warranty period may be quoted for next **05** years on yearly basis for complete equipment **(including all spares and labour)**.
- b) The cost of CMC may be quoted along with taxes applicable on the date of Tender Opening. The taxes to be paid extra, to be specifically stated. In the absence of any such stipulation the price will be taken inclusive of such taxes and no claim for the same will be entertained later.
- c) **Cost of CMC will also be added for Ranking/Evaluation purpose.**
- d) Before commencement of CMC period, the suppliers shall furnish a Performance Bank Guarantee for 2.5 % of the cost of the equipment (as per Section XV) valid till 2 months extra after expiry of entire CMC period. The payment of CMC will be made on yearly basis after satisfactory completion of said period duly certified by end user. The

Performance Bank Guarantee for CMC will be applicable in case of equipment cost is more than Rs.10 lakhs.

- e) There will be 95% uptime warranty during CMC period on 24 (hrs) X 7 (days) X 365 (days) basis, with penalty, to extend CMC period by double the downtime period.
- f) All software updates should be provided free of cost during CMC.
- g) Failure of the above [4. f)] by the supplier, may lead to the forfeiture of the Bank Guarantee for Annual CMC.
- h) The payment of CMC will be made on annual basis after satisfactorily completion of said period.

5. UP TIME GUARANTEE:

The firm should provide uptime guarantee of 95%.

6. Downtime penalty Clause:

During the Guarantee/warranty period, desired uptime of 95% of 365 days (24 hrs) if downtime more than 5% the institute shall be entitled to impose penalty equal to amount of 0.5% of the total cost of the equipment per day for the first seven days will be payable by the vendor which will be doubled on subsequent weeks along with extension of warranty period by the excess down time period. The vendor must undertake to supply all spares for optimal upkeep of the equipment for at least FIVE YEARS after handing over the unit to the Institute. If accessories/other attachment of the system are procured from the third party, then the vendor must produce cost of accessory/other attachment and the AMC from the third party separately along with the main offer and the third party will have to sign the AMC with the Institute if required.

7. Turnkey:

Turnkey is indicated in the technical specification of the respective items, wherever required. The Bidder shall examine the existing site where the equipment is to be installed, in consultation with HOD of concerned user department. Turnkey details of each equipment are given at the end of Technical Specification, if applicable. The Bidders to quote prices indicating break-up of prices of the Machine and Turnkey Job of each equipment. The Turnkey costs may be quoted in Indian Rupee and the same will also be added for Ranking Purpose.

The taxes to be paid extra, to be specifically stated. In the absence of any such stipulation the price will be taken inclusive of such duties and taxes and no claim for the same will be entertained later.

The Turnkey Work should completely comply with AERB requirement, if any and if required.

Section – VIII
Quality Control Requirements

(Proforma for equipment and quality control employed by the manufacturer(s))
Tender Reference No.:
Date of opening:
Time :
Name and address of the Tenderer:

Note: All the following details shall relate to the manufacturer(s) for the goods quoted for.

- 01 Name of the manufacturer
 - a. full postal address
 - b. full address of the premises
 - c. telegraphic address
 - d. telex number
 - e. telephone number
 - f. fax number

- 02 Plant and machinery details

- 03 Manufacturing process details

- 04 Monthly (single shift) production capacity of goods quoted for
 - a. normal
 - b. maximum

- 05 Total annual turn-over (value in Rupees)

- 06 Quality control arrangement details
 - a. for incoming materials and bought-out components
 - b. for process control
 - c. for final product evaluation

- 07 Test certificate held
 - a. Type test
 - b. BIS/ISO certification
 - c. Any other

- 08 Details of staff
 - a. technical
 - b. skilled
 - c. unskilled

Signature and seal of the Tenderer

Section – IX
Qualification Criteria

1. The tenderer must be a manufacturer. In case the manufacturer does not quote directly, they may authorise their authorized agent as per proforma of Manufacturer authorization form as given in the tender enquiry document to quote and enter into a contractual obligation.
2. (a) The Manufacturer should have supplied and installed in last **Five** years from the date of Tender Opening, at least 33% of the quoted quantity of the similar equipment meeting major parameters of technical specification which is functioning satisfactorily.
2. (b) The Tenderers quoting as authorized representative of the manufacturer meeting the above criteria 2 (a) should have executed at least one contract in the last five years from the date of tender opening of similar equipment meeting major parameters of technical specification which is functioning satisfactorily, anywhere in India of the same manufacturer
- 2.(c) At time, AIIMS may procure certain items for the first time in the country, in such cases aforesaid requirement of having supplied certain minimum number of equipment shall not apply provided the manufacturer give an undertaking to the effect that similar equipment is being supplied first time in India.
Note:
 1. The tenderer shall give an affidavit as under:
“We hereby certify that if at any time, information furnished by us is proved to be false or incorrect, we are liable for any action as deemed fit by the purchaser in addition to forfeiture of the earnest money.”
 2. In support of 2 (a) & 2 (b), the Tenderer shall furnish Performance statement in the enclosed Proforma ‘A’.
The manufacturer (Tenderer) / Indian Agent shall furnish Satisfactory Performance Certificate in respect of above, duly translated in English and duly notarized in the country of origin, alongwith the tender.
 3. The Tenderer shall furnish a brief write-up, packed with adequate data explaining and establishing his available capacity/capability (both technical and financial) to perform the Contract (if awarded) within the stipulated time period, after meeting all its current/present commitments. The Tenderer shall also furnish details of Equipment and Quality Control in the enclosed Section VIII.
 4. Notwithstanding anything stated above, the Purchaser reserves the right to assess the Tenderer’s capability and capacity to perform the contract satisfactorily before deciding on award of Contract, should circumstances warrant such an assessment in the overall interest of the Purchaser.
 5. The Purchaser reserves the right to ask for a free demonstration of the quoted equipment at a pre determined place acceptable to the purchaser for technical acceptability as per the tender specifications, before the opening of the Price Tender.

PROFORMA 'A'

PROFORMA FOR PERFORMANCE STATEMENT

(For the period of last five years)

Tender Reference No. : _____

Date of opening : _____

Time : _____

Name and address of the Tenderer : _____

Name and address of the manufacturer : _____

Order placed by (full address of Purchaser/Consignee)	Order number and date	Description and quantity of ordered goods and services	Value of order (Rs.)	Date of completion of Contract		Remarks indicating reasons for delay if any	Have the goods been functioning Satisfactorily (attach documentary proof)**
				As per contract	Actual		
1	2	3	4	5	6	7	8

We hereby certify that if at any time, information furnished by us is proved to be false or incorrect, we are liable for any action as deemed fit by the purchaser in addition to forfeiture of the earnest money.

Signature and seal of the Tenderer

** The documentary proof will be a certificate from the consignee/end user with cross-reference of order no. and date in the certificate along with a notarized certification authenticating the correctness of the information furnished.

** The bidders are requested to submit the latest purchase order copies supplied to AIIMS, PGIMER, JIPMER, Institute of National importance for the specific model quoted along with the price bid.

Section – X
TENDER FORM

Date _____

To _____

**The ‘Director’
All India Institute of Medical Sciences
Ansari Nagar,
New Delhi-29
India.**

Ref. Your TE document No. _____ dated _____

We, the undersigned have examined the above mentioned TE document, including amendment/corrigendum No. _____, dated _____ (if any), the receipt of which is hereby confirmed. We now offer to supply and deliver _____ (Description of goods and services) in conformity with your above referred document **for the sum as shown in the price schedules attached herewith and made part of this tender.** If our tender is accepted, we undertake to supply the goods and perform the services as mentioned above, in accordance with the delivery schedule specified in the List of Requirements.

We further confirm that, if our tender is accepted, we shall provide you with a performance security of required amount in an acceptable form in terms of GCC clause 5, read with modification, if any, in Section - V – “Special Conditions of Contract”, for due performance of the contract.

We agree to keep our tender valid for acceptance as required in the GIT clause 20, read with modification, if any in Section - III – “Special Instructions to Tenderers” or for subsequently extended period, if any, agreed to by us. We also accordingly confirm to abide by this tender up to the aforesaid period and this tender may be accepted any time before the expiry of the aforesaid period. We further confirm that, until a formal contract is executed, this tender read with your written acceptance thereof within the aforesaid period shall constitute a binding contract between us.

We further understand that you are not bound to accept the lowest or any tender you may receive against your above-referred tender enquiry.

We confirm that we do not stand deregistered/banned/blacklisted by any Govt. Authorities.

We confirm that we fully agree to the terms and conditions specified in above mentioned TE document, including amendment/corrigendum if any

(Signature with date)

(Name and designation) Duly authorised to sign tender for and on behalf of

SECTION – XI PRICE SCHEDULE

A) PRICE SCHEDULE FOR DOMESTIC GOODS OR GOODS OF FOREIGN ORIGIN LOCATED WITHIN INDIA

1 Schedule	2 Brief Description of Goods	3 Country of Origin	4 Quantity (Nos.)	5 Price per unit (Rs.)							6 Total Price (at Consignee Site) basis (Rs.) 4 x 5(g)
				Ex - factory/ Ex-warehouse /Ex-showroom /Off - the shelf (a)	Excise Duty (if any) [%age & value] (b)	Sales Tax/ VAT(if any) [%age & value] (c)	Packing and Forwarding charges (d)	Inland Transportation, Insurance for a period including 3 months beyond date of delivery, loading/ unloading and Incidental costs till consignee's site (e)	Incidental Services (including Installation & Commissioning, Supervision, Demonstration and Training) at the Consignee's site (f)	Unit Price (at Consignee Site) basis (g) =a+b+c+d+e+f	

Total Tender price in Rupees: _____
In words: _____

Note: -

1. If there is a discrepancy between the unit price and total price THE UNIT PRICE shall prevail.
2. The charges for Annual CMC after warranty shall be quoted separately as per Section – XI – Price Schedule C

Place: _____
Date: _____

Name _____
Business Address _____
Signature of Tenderer _____
Seal of the Tenderer _____

B) PRICE SCHEDULE FOR GOODS TO BE IMPORTED FROM ABROAD

** To be paid in Indian Currency (Rs.)

Total Tender price in foreign currency: _____

1	2	3	4	5						6
Sch.	Brief Description of Goods	Country of Origin	Qty (Nos.)	Price per unit (Currency)						Total price on CIP Named Port of Destination + Insurance (local transportation and storage) 4X 5 (e)
				FOB price at port/ airport of Lading (a)	Indian Agency Commission (% of FOB)**	Net FOB (a)	Freight & Insurance (port of loading to port of entry) and other Incidental costs (b)	Incidental Services (including Installation & Commissioning, Supervision, Demonstration and Training) at the Consignee's site (c)	Extended Insurance (local transportation and storage) from port of entry to the consignee site for a period including 3 months beyond date of delivery** (d)	

In words: _____

Note: -

1. If there is a discrepancy between the unit price and total price THE UNIT PRICE shall prevail.
2. The charges for Annual CMC after warranty shall be quoted separately as per Section - XI - Price Schedule C
3. The Tenderer will be fully responsible for the safe arrival of the goods at the named port of entry in good condition as per terms of CIP as per INCOTERMS, if applicable
4. Custom duty @ 11.64% and 2% C& F charges will be added to the CIP price to arrive at the DDP price for evaluation purpose.

Indian Agent:

Indian Agency Commission - ___% of FOB

Signature of Tenderer _____

Place: _____

Date: _____

Name _____

Business Address _____

Signature of Tenderer _____

Seal of the Tenderer _____

C) PRICE SCHEDULE FOR ANNUAL COMPREHENSIVE MAINTENANCE CONTRACT AFTER WARRANTY PERIOD

1	2	3	4					5	6
Schedule No.	BRIEF DESCRIPTION OF GOODS	QTY (Nos.)	Annual Comprehensive Maintenance Contract Cost for Each Unit year wise*.					Total Annual Comprehensive Maintenance Contract Cost for Each Unit for 5 years (4a+4b+4c+4d+4e)	Annual Comprehensive Maintenance Contract Cost for 05 years (3 x 5)
			1 st	2 nd	3 rd	4 th	5 th		
			a	b	c	d	e		

* After completion of Warranty period

NOTE:-

- In case of discrepancy between unit price and total prices, THE UNIT PRICE shall prevail.
- The cost of Comprehensive Maintenance Contract (CMC) which includes preventive maintenance including testing & calibration as per technical/ service /operational manual, labour and spares, after satisfactory completion of Warranty period may be quoted for next 5 years on yearly basis for complete equipment and Turnkey (if any).
- The cost of CMC may be quoted along with taxes applicable on the date of Tender Opening. **“Whether service tax on CMC is inclusive or extra ,if extra, indicate the present rate.....”**.In the absence of any such stipulation the price will be taken inclusive of such taxes and no claim for the same will be entertained later.
- Cost of CMC will be added for Ranking/Evaluation purpose.
- The payment of CMC will be made as per clause GCC clause 21.1 (D).
- The uptime warranty will be 98 % on 24 (hrs) X 7 (days) X 365 (days) basis or as stated in Technical Specification of the TE document.
- All software updates should be provided free of cost during CMC period.
- The stipulations in Technical Specification will supersede above provisions
- The supplier shall keep sufficient stock of spares required during Annual Comprehensive Maintenance Contract period. In case the spares are required to be imported, it would be the responsibility of the supplier to import and get them custom cleared and pay all necessary duties.

Place: _____

Date: _____

Name _____
 Business Address _____
 Signature of Tenderer _____
 Seal of the Tenderer _____

D) PRICE SCHEDULE FOR TURNKEY

Schedule No.	BRIEF TURNKEY DESCRIPTION OF GOODS	CONSIGNEE CODE	Turnkey price

Note: -

1. The cost of Turnkey as per Technical Specification (Section VII) may be quoted on lump sum along with taxes applicable on the date of Tender Opening. The taxes to be paid extra, to be specifically stated. In the absence of any such stipulation the price will be taken inclusive of such taxes and no claim for the same will be entertained later.
2. Cost of Turnkey will be added for Ranking/Evaluation purpose.
3. The payment of Turnkey will be made as per clause GCC clause 21.1 (c).
4. The stipulations in Technical Specification will supersede above provisions

Place: _____
Date: _____

Name _____
Business Address _____
Signature of Tenderer _____
Seal of the Tenderer _____

SECTION – XII QUESTIONNAIRE

Fill up the Section XX – Check List for Tenderers and enclose with the Tender

1. The tenderer should furnish specific answers to all the questions/issues mentioned in the Checklist. In case a question/issue does not apply to a tenderer, the same should be answered with the remark “not applicable”.
2. Wherever necessary and applicable, the tenderer shall enclose certified copy as documentary proof/ evidence to substantiate the corresponding statement.
3. In case a tenderer furnishes a wrong or evasive answer against any of the question/issues mentioned in the Checklist, its tender will be liable to be ignored.

SECTION – XIII

BANK GUARANTEE FORM FOR EMD

Whereas _____ (hereinafter called the “Tenderer”) has submitted its quotation dated _____ for the supply of _____ (hereinafter called the “tender”) against the purchaser’s tender enquiry No. _____ Know all persons by these presents that we _____ of _____ (Hereinafter called the “Bank”) 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 of _____ 20____. 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:-

fails or refuses to furnish the performance security for the due performance of the contract or
fails or refuses to accept/execute the contract or
if it comes to notice that the information/documents furnished in its tender is incorrect, false, misleading or forged

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

This guarantee will remain in force for a period of forty-five days after the period of tender validity and any demand in respect thereof should reach the Bank not later than the above date.

.....
(Signature with date of the authorised officer of the Bank)
.....
Name and designation of the officer
.....

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

SECTION – XIV

MANUFACTURER'S AUTHORISATION FORM

The 'Director'
All India Institute of Medical Sciences
Ansari Nagar,
New Delhi-29
India.

Dear Sir,

Ref: Your TE document No _____ dated _____

We, _____ who are proven and reputable manufacturers of _____ (*name and description of the goods offered in the tender*) having factories at _____, hereby authorise Messrs _____ (*name and address of the agent*) to submit a tender, process the same further and enter into a contract with you against your requirement as contained in the above referred TE documents for the above goods manufactured by us.

We also state that we are not participating directly in this tender for the following reason(s):

(please provide reason here).

We further confirm that no supplier or firm or individual other than Messrs. _____ (*name and address of the above agent*) is authorised to submit a tender, process the same further and enter into a contract with you against your requirement as contained in the above referred TE documents for the above goods manufactured by us.

We also hereby extend our full warranty, CMC as applicable as per clause 15 of the General Conditions of Contract, read with modification, if any, in the Special Conditions of Contract for the goods and services offered for supply by the above firm against this TE document.

We also hereby confirm that we would be responsible for the satisfactory execution of contract placed on the authorised agent

We also confirm that the price quoted by our agent shall not exceed the price which we would have quoted directly”

Yours faithfully,

[*Signature with date, name and designation*]
for and on behalf of Messrs _____
[*Name & address of the manufacturers*]

- Note: 1. *This letter of authorisation should be on the letter head of the manufacturing firm and should be signed by a person competent and having the power of attorney to legally bind the manufacturer.*
2. *Original letter may be sent.*

SECTION – XV

BANK GUARANTEE FORM FOR PERFORMANCE SECURITY/ CMC SECURITY

Head of Hospital/Institute

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

AND WHEREAS it has been stipulated by you in the said contract that the supplier shall furnish you with a bank guarantee by a scheduled commercial bank recognised 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 up to 68 (Sixty Eight) months from the date of Notification of Award i.e. up to ----- (indicate date)

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

.....
Name and designation of the officer

.....
.....

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

SECTION – XVI

CONTRACT FORM - A

CONTRACT FORM FOR SUPPLY, INSTALLATION, COMMISSIONING, HANDING OVER, TRIAL RUN, TRAINING OF OPERATORS & WARRANTY OF GOODS

(Address of the Purchaser's/Consignee's
office issuing the contract)

Contract No _____ dated _____

**This is in continuation to this office's Notification of Award No _____
dated _____**

1. Name & address of the Supplier: _____
2. Purchaser's TE document No _____ dated _____ and
subsequent Amendment No _____, dated _____ (if any),
issued by the purchaser
3. Supplier's Tender No _____ dated _____ and subsequent
communication(s) No _____ dated _____ (if any),
exchanged between the supplier and the purchaser in connection
with this tender.
4. In addition to this Contract Form, the following documents etc,
which are included in the documents mentioned under paragraphs
2 and 3 above, shall also be deemed to form and be read and
construed as integral part of this contract:

- (i) General Conditions of Contract;
- (ii) Special Conditions of Contract;
- (iii) List of Requirements;
- (iv) Technical Specifications;
- (v) Quality Control Requirements;
- (vi) Tender Form furnished by the supplier;
- (vii) Price Schedule(s) furnished by the supplier in its tender;
- (viii) Manufacturers' Authorisation Form (if applicable for this
tender);
- (ix) Purchaser's Notification of Award

Note: The words and expressions used in this contract shall have the same meanings as are respectively assigned to them in the conditions of contract referred to above. Further, the definitions and abbreviations incorporated under clause 1 of Section II – 'General Instructions to Tenderers' of the Purchaser's TE document shall also apply to this contract.

5. Some terms, conditions, stipulations etc. out of the above-referred documents are reproduced below for ready reference:
 - (i) Brief particulars of the goods and services which shall be supplied/
provided by the supplier are as under:

Schedule No.	Brief description goods/services	Accounting unit	Quantity to be supplied	Unit Price	Total price	Terms of delivery

Any other additional services (if applicable) and cost thereof: _____

Total value (in figure) _____ (In words) _____

(ii) Delivery schedule

(iii) Details of Performance Security

(iv) Quality Control

(a) Mode(s), stage(s) and place(s) of conducting inspections and tests.

(b) Designation and address of purchaser's inspecting officer

(v) Destination and despatch instructions

(vi) Consignee, including port consignee, if any

6. Warranty clause

7. Payment terms

8. Paying authority

**(Signature, name and address
of the Purchaser's/Consignee's authorised official)**
For and on behalf of _____

Received and accepted this contract

(Signature, name and address of the supplier's executive
duly authorised to sign on behalf of the supplier)

For and on behalf of _____

(Name and address of the supplier)

(Seal of the supplier)

Date: _____

Place: _____

CONTRACT FORM – B

CONTRACT FORM FOR ANNUAL COMPREHENSIVE MAINTENANCE CONTRACT

Annual CM Contract No. _____ dated _____
Between _____

(Address of Head of Hospital)
And _____

(Name & Address of the Supplier)

Ref: Contract No _____ dated _____ (Contract No. & date of Contract for supply, installation, commissioning, handing over, Trial run, Training of operators & warranty of goods)

In continuation to the above referred contract

2. The Contract of Annual Comprehensive Maintenance is hereby concluded as under: -

1 Schedule No.	2 BRIEF DESCRIPTION OF GOODS	3 QUANTITY. (Nos.)	4 Annual Comprehensive Maintenance Contract Cost for Each Unit year wise*.					5 Total Annual Comprehensive Maintenance Contract Cost for 5 Years [3x (4a+4b+4c+4d+4e)]
			1 st	2 nd	3 rd	4 th	5 th	
			a	b	c	d	e	

Total value (in figure) _____ (In words) _____

- b) The CMC commence from the date of expiry of all obligations under Warranty i.e. from _____ (date of expiry of Warranty) and will expire on _____ (date of expiry of CMC)
- c) The cost of Annual Comprehensive Maintenance Contract (CMC) which includes preventive maintenance, labour and spares, after satisfactory completion of Warranty period may be quoted for next 5 years as contained in the above referred contract on yearly basis for complete equipment (including X ray tubes, Helium for MRI, Batteries for UPS, other vacuumatic parts, _____ & _____) and Turnkey (if any).
- d) There will be 98% uptime warranty during CMC period on 24 (hrs) X 7 (days) X 365 (days) basis, with penalty, to extend CMC period by double the downtime period.
- e) During CMC period, the supplier shall visit at each consignee's site for preventive maintenance including testing and calibration as per the manufacturer's service/ technical/ operational manual. The supplier shall visit each consignee site as recommended in the manufacturer's manual, but at least once in 6 months commencing from the date of the successful completion of warranty period for preventive maintenance of the goods.
- f) All software updates should be provided free of cost during CMC.

- g) The bank guarantee valid till _____ [(fill the date) 2 months after expiry of entire CMC period] for an amount of Rs. _____ [(fill amount) equivalent to 2.5 % of the cost of the equipment as per contract] shall be furnished in the prescribed format given in Section XV of the TE document, along with the signed copy of Annual CMC within a period of 21 (twenty one) days of issue of Annual CMC failing which the proceeds of Performance Security shall be payable to the Purchaser/Consignee.
- h) If there is any lapse in the performance of the CMC as per contract, the proceeds Annual CMC bank guarantee for an amount of Rs. _____ (equivalent to 2.5 % of the cost of the equipment as per contract) shall be payable to the Consignee.
- i) **Payment terms:** The payment of Annual CMC will be made against the bills raised to the consignee by the supplier on six monthly basis after satisfactory completion of said period, duly certified by the HOD concerned. The payment will be made in Indian Rupees.
- j) **Paying authority:** _____ (name of the consignee i.e. Hospital /**Institute/Medical College's** authorised official)

**(Signature, name and address
 of Hospital/Institute/Medical College's authorised official)
 For and on behalf of _____**

Received and accepted this contract

 (Signature, name and address of the supplier's executive
 duly authorised to sign on behalf of the supplier)

For and on behalf of _____

(Name and address of the supplier)

(Seal of the supplier)

Date: _____

Place: _____

SECTION – XVII
CONSIGNEE RECEIPT CERTIFICATE
(To be given by consignee’s authorized representative)

The following store (s) has/have been received in good condition:

- 1) Contract No. & date: _____
- 2) Supplier’s Name : _____
- 3) Consignee’s Name & Address with telephone No. & Fax No. : ____
- 4) Name of the item supplied : _____
- 5) Quantity Supplied : _____
- 6) Date of Receipt by the Consignee : _____
- 7) Name and designation of Authorized Representative of Consignee: _____
- 8) Signature of Authorized Representative of Consignee with date: _____
- 9) Seal of the Consignee: _____

SECTION – XVIII
Proforma of Final Acceptance Certificate by the Consignee

No _____

Date _____

To

M/s _____

Subject : Certificate of commissioning of equipment/plant.

This is to certify that the equipment(s)/plant(s) as detailed below has/have been received in good conditions along with all the standard and special accessories and a set of spares (subject to remarks in Para no.02) in accordance with the contract/technical specifications. The same has been installed and commissioned.

(a) Contract No _____ dated _____

(b) Description of the equipment(s)/plants: _____

(c) Equipment(s)/ plant(s) nos.: _____

(d) Quantity: _____

(e) Bill of Loading/Air Way Bill/Railway Receipt/ Goods Consignment Note no _____ dated _____

(f) Name of the vessel/Transporters: _____

(g) Name of the Consignee: _____

(h) Date of commissioning and proving test: _____

Details of accessories/spares not yet supplied and recoveries to be made on that account.

Sl. No.	Description of Item	Quantity	Amount to be recovered

The proving test has been done to our entire satisfaction and operators have been trained to operate the equipment(s)/plant(s).

The supplier has fulfilled its contractual obligations satisfactorily ## or

The supplier has failed to fulfil its contractual obligations with regard to the following:

- a) **He has not adhered to the time schedule specified in the contract in dispatching the documents/ drawings pursuant to ‘Technical Specifications’.**

- b) He has not supervised the commissioning of the equipment(s)/plant(s) in time, i.e. within the period specified in the contract from date of intimation by the Purchaser/Consignee in respect of the installation of the equipment(s)/plant(s).
- c) The supplier as specified in the contract has not done training of personnel.

The extent of delay for each of the activities to be performed by the supplier in terms of the contract is

The amount of recovery on account of non-supply of accessories and spares is given under Para no.02.

The amount of recovery on account of failure of the supplier to meet his contractual obligations is _____ (here indicate the amount).

(Signature)

(Name)

(Designation with stamp)

Explanatory notes for filling up the certificate:

- i) He has adhered to the time schedule specified in the contract in dispatching the documents/drawings pursuant to 'Technical Specification'.
- ii) He has supervised the commissioning of the equipment(s)/plant(s) in time, i.e. within the time specified in the contract from date of intimation by the Purchaser/Consignee in respect of the installation of the equipment(s)/plant(s).
- iii) Training of personnel has been done by the supplier as specified in the contract.
- iv) In the event of documents/drawings having not been supplied or installation and commissioning of the equipment(s)/plant(s) having been delayed on account of the supplier, the extent of delay should always be mentioned in clear terms.

**SECTION – XIX
ANNEXURES**

Annexure 1

**DETAILS OF SHIPPING ARRANGEMENT FOR LINER CARGOES IN RESPECT
OF
C & F/CIF/TURNKEY/F.O.R CONTRACTS FOR IMPORTS**

1. **(a) SHIPMENT FROM PORTS OF U.K INCLUDING NORTHERN IRELAND (ALSO EIRE), FROM THE NORTH CONTINENT OF EUROPE (GERMANY, HOLLAND, BELGIUM, FRANCE, NORWAY, SWEDEN, DENMARK, FINLAND AND PORTS ON THE CONTINENTAL SEABOARD OF MEDITERRANIAN (I.E. FRENCH WESTERN ITALIAN PORTS), TO PORTS IN INDIA.**

The Seller should arrange shipment of the goods by vessels belonging to the member lines of the India-Pakistan-Bangladesh Conference. If the Seller finds that the space on the 'Conference Lines' vessels is not available for any specific shipment, he should take up with India-Pakistan-Bangladesh Conference. Conferity House, East Grinstead, Sussex (UK), for providing shipping space and also inform the Shipping Co-ordination Officer, Ministry of Surface Transport, New Delhi, (Cable: TRANSCHART, NEW DELHI, Telex: VAHAN IN – 031 – 61157, 61158, 61159)

The Seller should arrange shipment through the Government of India's Forwarding Agents, M/s Schenker & Co., 2000-Hamburg (Cable: SCHENKER CO., HAMBURG) OR obtain a certificate from them to the effect that shipment has been arranged in accordance with instructions of the Ministry of Surface Transport, (TRANSCHART), New Delhi.

- (b) SHIPMENT FORM PORTS OF U.K. INCLUDING NORTHERN**

Goods under this contract would be shipped by the national shipping companies of the Contracting Parties operating bilateral shipping service and vessels under the flag of third countries in accordance with the Agreement between the Government of German Democratic Republic and the Government of the Republic of India in the Field of Merchant Shipping signed on 9.1.1979, as amended up-to-date.

- (c) ISHIPMENT FROM ADRIATIC PORTS OF EASTERN ITALY AND YUGOSLAVIA**

The seller should arrange shipment of the goods by vessels belonging to the following Indian member lines;

1. The Shipping Purchaser of India Ltd.
2. The Scindia Steam Navigation Co., Ltd
3. India Steamship Co., Ltd

For the purpose of ascertaining the availability of suitable Indian vessels and granting dispensation in the event of their non-availability, the Seller should give adequate notice about the readiness of each consignment from time to time at least six weeks in advance of the required position to M/s Schenker & Co. 2000 HAMBURG (Cable: SCHENKER CO., HAMBURG) and also endorse a copy thereof to the Shipping Co-

ordination Officer, Ministry of Surface Transport, New Delhi, (Cable: TRANSCHART, NEW DELHI, Telex: VAHAN IN - 031 - 61157, 61158, 61159)

The seller should arrange shipment through the Government of India's Forwarding Agents M/s Schenker & Co. 2000 HAMBURG (Cable: SCHENKER CO., HAMBURG) or obtain certificate from them to the effect that shipment has been arranged in accordance with the instructions of the Ministry of Surface Transport, (TRANSCHART), New Delhi.

(d) SHIPMENT FROM POLAND & CZECHOSLOVAKIA
(i) IMPORTS FROM POLAND

Shipment under this contract would be made by the National flag lines of the two parties and vessels of the third flag conference lines, in accordance with the agreement between the Govt. of the Republic of India and the Govt. of the Polish People's Republic regarding Shipping Co-operation dated 27.6.1960 as amended up-to-date.

(ii) IMPORTS FROM CZECHOSLOVAKIA

Goods under this contract would be signed by the National flag lines of the two parties and vessels of the third flag conference lines, in accordance with the Agreement Co-operation in shipping between India and Czechoslovakia signed on 3.11.1978 and ratified on 19.12.1979, as amended up-to-date.

Shipping arrangement should be made by the Sellers in consultation with Resident Representative of the Indian Shipping Lines in Gdynia, Co., Morska Agencja W. Gdyniul, Pulaskiego 8, P.O. Box 246, Gdynia (Poland) - Telex : MG PL. 054301, Tel.: 207621, to whom details regarding contract number, nature of cargo , quantity, port of lading, discharging, name of Government consignee, expected date of readiness of each consignment etc. should be furnish at least six weeks in advance of the required position, with a copy thereof endorsed to the Shipping Co-ordination Officer, Ministry of Surface Transport, (Chartering Wing), New Delhi, (Cable: TRANSCHART, NEW DELHI, Telex: VAHAN IN - 031 - 61157, 61158, 61159)

(e) SHIPMENT FROM U.S.S.R

Shipment under this contract should be made in accordance with the agreement between the Government of the Republic of India and the Government of U.S.S.R on Merchant Shipping 1976, as amended up-to-date, by vessels of Indo-Soviet shipping Service.

(f) SHIPMENT FROM JAPAN

The shipment of goods should be made of India vessels to the maximum extent possible subject to the minimum of 50%.

The Seller should arrange shipment of the goods in consultation with the Embassy of India in Japan, Tokyo to whom details regarding contract number, nature of cargo, quantity, port of loading/discharge, name of Govt. consignee, expected date of readiness of each consignment etc. should be furnished at least six weeks in advance of the required position.

Note: The copies of such contracts are to be endorsed both to the Attached (commercial) embassy of India in Japan, Tokyo, and the shipping Co-ordination Officer, Ministry of Surface Transport, New Delhi.

(g) SHIPMENT FROM AUSTRALIA, ALGERIA, BULGARIA, ROMANIA, EGYPT

The Seller shall arrange shipment of the goods by Indian flag vessels to the maximum extent possible subject to a minimum of 50 %. For the purpose of ascertaining the availability of suitable Indian vessels, the seller shall give adequate notice of not less than six weeks about the readiness of each consignment to the Shipping Purchaser of India Ltd., SHIPPING HOUSE, 245, Madame Cama Road, Bombay – 400 021 (CABLE: SHIPINDIA BOMBAY) and also endorse a copy thereof to the Shipping Co-ordination Officer, Ministry of Surface Transport, New Delhi, (Cable: TRANSCHART, NEW DELHI, Telex: VAHAN IN – 031 – 61157, 61158, 61159)

(h) SHIPMENT FROM PAKISTAN

The shipment of cargoes should be made by Indian vessels to the maximum extent possible subject to a minimum of 50 %.

Shipment arrangement should be made by the sellers in consultation with M/s Mogul Line Ltd., 16-Bank Street, Fort, Bombay – 400023 (Cable: MOGUL BOMBAY; Telex: 011 – 4049 MOGUL), to whom, details regarding contract number, nature of cargo, quantity, port of lading discharging, name of government consignee, expected date of readiness of each consignment etc. should be furnish at least six weeks in advance of the required position, with a copy thereof endorsed to the Shipping Co-ordination Officer, Ministry of Surface Transport, New Delhi, (Cable: TRANSCHART, NEW DELHI, Telex: VAHAN IN – 031 – 61157, 61158, 61159)

(i) SHIPMENT FROM U.S ATLANTIC & GULF PORTS

The Seller should arrange shipment of the goods by vessels belonging to the member lines of the India – Pakistan – Bangladesh – Ceylon and Burma Outward Freight Conference. If the Seller finds that the space of the ‘Conference Lines’ vessels is not available for any specific shipment he should take up with India – Pakistan- Bangladesh – Ceylon and Burma Outward Freight Conference, 19, Rector Street, New York, N.Y. 10006 USA, for providing shipping space and also inform the Shipping Co-ordination Officer, Ministry of Surface Transport, New Delhi, (Cable: TRANSCHART, NEW DELHI, Telex: VAHAN IN – 031 – 61157, 61158, 61159)

(j) SHIPMENT FROM ST. LAWRENCE AN EASTERN CANADIAN PORTS

The Seller should arrange shipment of the goods by vessels belonging to the following shipping lines;

1. The shipping Purchaser of India Ltd.
2. The Scindia Steam Navigation Co., Ltd

If the Seller finds that the space in the vessels of these Lines is not available for any particular consignments, he should inform the Shipping

Co-ordination Officer, Ministry of Surface Transport, New Delhi, (Cable: TRANSCART, NEW DELHI, Telex: VAHAN IN – 031 – 61157, 61158, 61159) immediately so that dispensation from the shipping lines concerned to use alternative lifting may be sought.

(k) SHIPMENT FROM WEST COAST PORTS OF U.S. CANADA AND OTHER AREAS NOT SPECIFICALLY MENTIONED ABOVE

The Seller should arrange shipment of the goods by Indian vessels to the maximum extent possible subject to a minimum of 50 %. For the purpose of ascertaining the availability of suitable Indian vessels and granting dispensation in the event of their non-availability, the Seller should furnish the details regarding contract number, nature of cargo, quantity, port of lading, discharging, name of government consignee, expected date of readiness of each consignment etc. to the Shipping Co-ordination Officer, Ministry of Surface Transport, New Delhi, (Cable: TRANSCART, NEW DELHI, Telex: VAHAN IN – 031 – 61157, 61158, 61159) at least six weeks in advance of the required position.

2. BILLS OF LADING

(i) C.I.F./C&F/TURNKEY SHIPMENTS

The Bills of lading should be drawn to indicate Shipper and 'Consignee' as under:

SHIPPER: The C.I.F (C&F)/TURNKEY SUPPLIERS concerned.

CONSIGNEE: As per consignee's particulars in the contract (The name and address of the 'Port Consignee' and 'Ultimate' both should be indicated).

(ii) F.O.R SHIPMENTS

The Bills of lading should be drawn to indicate shipper Consignee as under:

SHIPPER: The F.O.R suppliers Concerned

CONSIGNEE: Supplier's Indian Agent on order

Note:

1. *Moreover the name of the 'Purchaser' and 'Ultimate' Consignee should appear in the body of the Bills of Lading as the 'Notify' or as a remark.*
2. *Two non-negotiable copies of the Bills of Lading indicating the freight amount and discount, if any allowed, should be forwarded to The Shipping Co-ordination Officer, Ministry of surface Transport (Chartering Wing), New Delhi after the shipment of each consignment is effected.*
3. *The seller should avoid the use of over-aged vessels for the shipment of the goods under the contract and if so used the cost of additional. Insurance, if any, shall be borne by the seller.*

SECTION – XX
CHECKLIST

Name of Tenderer:

Name of Manufacturer:

Sl No.	Activity	Yes/ No/ NA	Page No. in the TE document	Remarks
1. a.	Have you enclosed EMD of required amount for the quoted schedules?			
b.	In case EMD is furnished in the form of Bank Guarantee, has it been furnished as per Section XIII?			
c.	In case Bank Guarantee is furnished, have you kept its validity 60 days beyond validity from Techno Commercial Tender Opening date as per clause 19 of GIT?			
2. a.	Have you enclosed duly filled Tender Form as per format in Section X?			
b.	Have you enclosed Power of Attorney in favour of the signatory?			
3.	Are you a SSI unit, if yes have you enclosed certificate of registration issued by Directorate of Industries/NSIC			
4. a.	Have you enclosed clause-by-clause technical compliance statement for the quoted goods vis-à-vis the Technical specifications?			
b.	In case of Technical deviations in the compliance statement, have you identified and marked the deviations?			
5. a.	Have you submitted satisfactory performance certificate as per the Proforma for performance statement in Sec. IX of TE document in respect of all orders?			
b.	Have you submitted copy of the order(s) and end user certificate?			
6.	Have you submitted manufacturer's authorization as per Section XIV?			
7.	Have you submitted prices of goods, turnkey (if any), CMC etc. in the Price Schedule as per Section XI?			

Sl No.	Activity	Yes/ No/ NA	Page No. in the TE document	Remarks
8.	Have you kept validity of 270 days from the Techno Commercial Tender Opening date as per the TE document?			
9. a.	In case of Indian Tenderer, have you furnished Income Tax Account No. as allotted by the Income Tax Department of Government of India?			
b.	In case of Foreign Tenderer, have you furnished Income Tax Account No. of your Indian Agent as allotted by the Income Tax Department of Government of India?			
10.	Have you intimated the name and full address of your Banker (s) along with your Account Number			
11.	Have you fully accepted payment terms as per TE document?			
12.	Have you fully accepted delivery period as per TE document?			
13.	Have you submitted the certificate of incorporation?			
14.	Have you accepted the warranty as per TE document?			
15.	Have you accepted terms and conditions of TE document?			
16.	Have you furnished documents establishing your eligibility & qualification criteria as per TE documents?			
17	Have you furnished Annual Report (Balance Sheet and Profit & Loss Account) for last three years prior to the date of Tender opening?			
18	Have you enclosed the latest purchase order copies supplied to AIIMS, PGIMER, JIPMER or Institute of National importance for the specific model quoted along with the price bid			

N.B.

1. All pages of the Tender should be page numbered and indexed.
2. The Tenderer may go through the checklist and ensure that all the documents/confirmations listed above are enclosed in the tender and no column is left blank. If any column is not applicable, it may be filled up as NA.

3. It is the responsibility of tendered to go through the TE document to ensure furnishing all required documents in addition to above, if any.

(Signature with date)

**(Full name, designation & address of the person duly authorised sign
on behalf of the Tenderer)
For and on behalf of**

(Name, address and stamp of the tendering firm)

**Section - XXI
Consignee List**

Consignee Code	Medical Institutions	Contact Address.	AirPort	Sea Port
AIIMS, New Delhi	All India Institute of Medical Sciences, New Delhi-29	Director, AIIMS, New Delhi-29 Ph : 011-26588500 Fax : 011-26588663/641	New Delhi	ICD Tuglakabad (for containerised shipments)

NB: The consignee will ensure timely issue of NMIC, CDEC, Octroi Exemption Certificates, Road Permits & Entry Tax Exemption Certificates, wherever applicable, to the suppliers.