

MODIFIED PURCHASE MANUAL

1.0 INTRODUCTORY:

This manual contains general instructions, guidelines and procedure to be followed / observed for procuring stores by the RVPN for works, operation & maintenance etc. This Purchase Manual is in supersession of previous manual, amendments thereof, various circulars, and notifications issued in the past. This Purchase Manual is also available on web site www.rajenergy.com & www.rvpn.co.in.

1.1. DEFINITION OF STORE:

The term 'Store' used in the manual applies generally to all articles and materials purchased or otherwise acquired for the use of the RVPN and includes not only consumable stores or articles utilized for operation, repairs and maintenance but also includes articles of permanent stock of the nature of plant, machinery, instruments, furniture, equipment, fixtures etc. but excluding books, publications, periodicals etc.

2.0 SHORT TITLE AND COMMENCEMENT:

This manual would be known as Rajasthan Rajya Vidyut Prasaran Nigam Ltd. Purchase Manual 2008 and would come into force from the date it is approved by the BOD.

3.0 DEFINITION OF VARIOUS TERMS USED IN THE MANUAL:

In this manual unless the context otherwise requires.

- 3.1 'Act' shall mean the Electricity Act 2003(Act 36 of 2003) for the time being in force and shall include any statutory amendments, modification or enactment thereof.
- 3.2 'Government' shall mean the Central/ State Government.
- 3.3 'RVPN' shall mean Rajasthan Rajya Vidyut Prasaran Nigam Ltd. constituted under Companies Act. 1956 and shall include its successors and assignees.
- 3.4 The 'CMD' shall mean the Chairman & Managing Director, Rajasthan Rajya Vidyut Prasaran Nigam Ltd.
- 3.5 (a) BOD shall mean Board of Directors of RVPN appointed by the State Government.
- 3.5 (b) WTDs shall mean Whole Time Directors of RVPN appointed by the State Government.
- 3.6 DOP shall mean the Delegation of Powers to the officers of RVPN.
- 3.7 The 'Purchaser' shall mean the Rajasthan Rajya Vidyut Prasaran Nigam Ltd. represented by Chairman & Managing Director and shall include their legal personal representative, successors and assignees. The 'RVPN' or 'Owner' or 'Customer' shall mean the 'Purchaser'.
- 3.8 'Purchase Authority' shall mean the 'RVPN' and/or such Authority/Committee to whom powers to sanction purchase of stores/equipments/T&P etc., have been delegated by the RVPN.
- 3.9 'Purchase/Purchasing Officer' shall mean the officer competent to place purchase orders after sanction of competent authority/committee.
- 3.10 'DGS&D' shall mean the Director General of Supplies and Disposal, Government of India.

- 3.11 'CSPO' shall mean Central Stores Purchase Organization of Government of Rajasthan.
- 3.12 'Rate Contract' shall mean the rate contract entered into and approved by the DGS&D and CSPO or concluded by the competent authority of the RVPN.
- 3.13 'Approved Bank' shall mean State Bank of Bikaner and Jaipur or any other nationalized or scheduled bank approved by the RBI.
- 3.14 'Appendix' shall mean the appendices appended with the manual.
- 3.15 'Schedule' shall mean the schedules as given in the manual.
- 3.16 (a) 'MM Wing' shall mean Material Management Wing of the RVPN entrusted with the work of purchasing of centrally purchased items and any other work assigned to it.
- 3.16 (b) PPM Wing shall mean Project, Planning and Monitoring Wing of the RVPN also entrusted with the work of purchasing of centrally purchased items for projects and any other work assigned to it.
- 3.17 'Inspecting Officer' shall mean the officer nominated/ authorized by the competent authority of the RVPN for carrying out testing and inspection of the Stores/ equipments/T&P etc. and also includes any other agency authorized for the purpose.
- 3.18 'Annual Requirement' shall mean the requirement of a financial year commencing from 1st. April of a year and ending on 31st March of next year.
- 3.19 'Consignee' shall mean and include the Assistant Controller of Stores, and or any other officer/official of the RVPN all over Rajasthan performing the duties of consignee.
- 3.20 'Contract' shall mean and include: Invitation to Tender, Instructions to Tenderers, Tender form including schedule of prices, Earnest Money Deposit, Letter of Intent and its acknowledgement, Performance Guarantee/ Manufacturer Warranty, Formal Work Order, Guaranteed Test Performance and Penalty, General Condition of Contract, Special Instructions, Site Conditions, Specification, specific conditions, schedules and drawings, addenda which may hereafter be issued by the purchase officer to the contractor in the form of letter and covering letters and schedule of prices as agreed between the contractor and the purchaser, the agreements to be entered into under clause 1.6 of the General Conditions of Contract.
- 3.21 'Contractor' shall mean the tenderer whose tender has been accepted by the 'Purchaser' and shall include the tenderer's heirs, legal representative, successors and assignees approved by the Purchaser.
- 3.22 'Contract price' shall mean the sum named in or calculated in accordance with the provisions of the contract/purchase or any amendments thereto. The contract price/value of order shall include the basic cost of equipment at manufacturer's works, test charges, excise duty, sales tax etc. at the time of order, and freight & insurance charges up to the stores.
- 3.23 The 'Engineer' shall mean the Chief Engineer, Addl. Chief Engineer, Dy. Chief Engineer, Superintending Engineer of RVPN or other Engineer or Officer for the time being or from time to time duly authorized and appointed in writing by the purchaser to act as Engineer or Inspector for the purpose of the contract. In case where no such Engineer has been so appointed, the word "Engineer" shall mean the purchaser or his duly authorized representative.
- 3.24 The 'Month' shall mean, English calendar month i.e. period of 30 days.
- 3.25 'Week' shall mean a period of 7 (seven) days.

- 3.26 'Plant' shall mean and include the plant and machinery to be provided by the contractor under the contract.
- 3.27 'Works' shall mean and include the works to be done by the contractor under the contract.
- 3.28 'Place of Delivery' shall mean the place of delivery at which the contractor is responsible to deliver the material as per directions of the purchase officer.
- 3.29 The 'Site' shall mean the place or places named in the contract and include, where applicable, the lands and buildings upon or in which the works are to be executed.
- 3.30 The 'Sub Contractor' shall mean the firm or the person named in the contract for any part of the work or any person to whom any part of the contract has been sublet with the consent in writing of the purchaser and shall include his heirs, legal representative, successors and assignees approved by the purchaser.
- 3.31 'Centrally purchased items' shall mean the items normally procured by the Material Management / PP&M Wing. The list of centrally purchased items is as detailed in Appendix- I.
- 3.32 'Non Centrally Purchased Items' shall mean all the items not included in Appendix-I.
- 3.33 'Successful Tenderer' shall mean the tenderer whose tender has been accepted.
- 3.34 Letter of Intent (LOI) / Letter of Acceptance (LOA) shall mean the RVPN's letter conveying its acceptance of the tender subject to such reservations / conditions as may be stated therein. This acceptance letter precedes the detail Purchase Order having detailed terms and conditions of the technical & financial parameters.
- 3.35 Head of Department shall mean an Authority declared to be such for the purpose of exercise of Administrative & Financial Powers as contained in the Delegations of Powers of the RVPN and referred in this Manual.

4. EXTENT OF APPLICATION:

- 4.1 The provisions of this purchase manual would be applicable for procuring stores, equipment, T&P, contract for conversion including re-rolling and fabrication of material where whole or part of store / material is supplied by the RVPN or for purchase of equipment(s) where fabrication, erection and associated civil works are also included in the contract for supply of equipment etc. in the RVPN. Procedure detailed out in the subsequent paragraphs would be followed by the officers of the RVPN in all the cases except works contract, civil contract, turnkey packages and labour contracts in which too the provisions of this manual shall be applicable till such time separate procedure/guidelines are issued to regulate the award of works contract, turnkey package and labour contracts. Provided where purchases are effected against loans / financial assistance / sanctioned / provided (made available) by Banks / financial institutions etc. the purchase procedure would be followed as per terms & conditions of loan / financial assistance agreement duly approved by the RVPN (to the extent the procedure agreed therein are different from those given in the manual).
- 4.2 Wherever on any matter the Delegation of Powers or the Purchase Manual is silent, the same shall be regulated as per provisions of GF&AR.

5. AMENDMENTS IN THE MANUAL:

In case any amendment(s)/change(s) in the Manual is required, the same shall be issued by the Company Secretary/ authorized officer of the RVPN with the approval of Board of Directors.

6.0 ASSESSMENT OF REQUIREMENT:

- 6.1 The principles/guidelines appearing here under will be generally followed.
- 6.2 Quantity of items to be purchased for maintenance work should be guided, as far as possible, by levels through material management i.e. minimum level, reordering level, maximum level and by value analysis i.e. A, B, C, values as well as movement analysis should also be kept in mind i.e. fast moving, slow moving and average moving items. The A,B,C value analysis will not be guiding factor for the items to be purchased for project/ planned works.
- 6.3 Item-wise annual requirement of centrally purchased items being purchased by MM wing for work(s) shall be furnished by ZCE(T&C), RVPN, Jaipur and finalized preferably before commencement of financial year by a committee comprising of Chief Engineer (MM) ,Chief Engineer(PP&M), Chief Engineer (T&C), Jaipur, Chief Controller of Accounts, Jaipur, Chief Accounts Officer(MM),Jaipur and concerned Superintending Engineer of MM wing. This committee while doing so, will keep in view the Physical targets set, Budget provision, Stock position in stores, physical balance available at site, quantity expected to be received during the year against pending orders and additional requirement for 1st quarter of subsequent financial year (25% of the annual requirements of new/ ongoing/ augmentation works only) for all the items except tower material/ structures material, steel sections, line material other than ACSR conductor, Earthwire, DC panel, battery Charger, LT panel and battery sets. The additional requirement for tower material/ structure material, steel sections, line material other than ACSR conductor, Earthwire, DC panel, battery Charger, LT panel and battery sets shall be worked out based on the following considerations:
- (i) Tower material, structure material for GSS, Power & Station Transformer, Control & Relay Panel, DC panel, battery chargers, Battery sets, LT panel and Steel sections should be procured equivalent to the requirement of two years,
 - (ii) Line material other than conductor and earthwire should be procured at least for one and half years requirement,
 - (iii) ACSR conductor & earthwire should be procured 5% extra than the requirement.
- The committee shall also consider slippage @ 15% while finalizing the net requirement.
- 6.4. Non-centrally purchased items including spares, may be purchased by the concerned officers as per Delegation of Powers after taking approval, for quantity to be purchased, from the next higher authority. However concerned Chief Engineer/ Head of Department will have full power to approve the requirement of non-centrally purchased items.
- 6.5 The requirement in respect of centrally purchased items pertaining to Direction offices shall be finalized at the level of concerned Head of Department taking into account the availability of Budget grant/provision and shall be furnished to the Chief Engineer (MM), RVPN, Jaipur for the procurement action.
- 6.6 The requirement for major project and works relating to Grid substations and lines shall however be drawn up by the designated project authority(ies) keeping in view the project reports, annual plan allocation, budget provision etc. and the purchases thereof, be made by the project authorities according to the powers delegated in this regard. In case of O&M items, budget provision will be taken into account while in case of capital works items, supplies will be regulated as per budget provision or annual Plan allocation-
- 6.7 The centrally purchased items shall not be purchased by offices other than Material Management / PP&M Wing of the RVPN. However, in case of emergent circumstances when the centrally purchased items (excluding items listed in Part A of Appendix I) value of which in each case not exceeding Rs.1,00,000/- are either not available with the stores organization of the RVPN or not receivable against the pending orders of the

Material Management wing of the RVPN within the required period, then the other purchasing authorities of the RVPN shall initiate purchase action for such centrally purchased items which are urgently required at their end after quantity approval from next higher controlling authority and after obtaining non-availability certificate from concerned Assistant Controller Of Stores, RVPN, after ascertaining position from MM wing. Assistant Controller of stores shall not issue NAC for item listed in Part A of Appendix I.

- 6.8 In case of non- centrally purchased items, non availability certificate shall not be required by the concerned Purchasing Authority from the concerned Asstt. Controller of Stores, except for the cases for which specific mention is there in the DOP.
- 6.9 Obtaining of non availability certificate shall not be necessary for the purchases by project authority as at Para 6.6 above. However before initiating purchase action, the concerned Purchasing Authority shall take into account the communication from other Project Authorities and the Stores Wing of the RVPN regarding surplus/spare equipment, machinery, Tools & Plants so that to the extent possible, such surplus/spare material may be utilized and fresh purchases thereof are avoided.

7. SPECIFICATION OF STORES:

- 7.1 For Centrally Purchased Items, a self contained specification shall be finalized by a specification approval committee as per Appendix- XX for Stores, equipments, T & P items intended/ required to be purchased before initiating purchases. Specifications of the Stores/Equipments/T&P items, sub- stations, line material etc. shall be finalized and provided to the intending tenderers after obtaining prescribed cost thereof.
- 7.2 All equipment and Stores purchased shall be conforming to prescribed specification except for minor deviations specifically approved by the Competent Purchase Authority / Committee.
- 7.3 The Chief Engineer (PP&M) shall also intimate, from time to time to the Chief Engineer (MM) / Specification Approval Committee short circuit levels to which equipment of various voltage levels should conform after taking into account the fault level at various grid substations and prospective increase thereafter in future so as to effect finalization of specification of selected equipment accordingly.
- 7.4 While effecting changes in and standardization of technical specifications, due consideration would be given to the observations pointed out during inspections carried out in the past.

8.0 GUIDING PRINCIPLES/POLICY IN REGARD TO PURCHASE OF STORE / EQUIPMENT/T&P ETC.:

- 8.1 Keeping in view the policy of the Government to make purchases of stores for the public service in such a way so as to encourage the development of indigenous production of stores to the almost possible extent and to make the country self sufficient in the matter of its own requirements, the preference in making the purchases will be given in the following order:
- (i) articles which are produced in India in the form of raw materials or are manufactured in India from raw materials produced in India provided that the quality is sufficiently good for the purpose.
 - (ii) articles wholly or partially manufactured in India from imported materials, provided that the quality is sufficiently good for the purpose.
 - (iii) articles of foreign manufacture held in stock in India, provided that they are of suitable type and requisite quality.
 - (iv) articles manufactured abroad which need to be specially imported(preference to be given to offers received for supply through India based establishments.)

9.0 STANDARDS OF FINANCIAL PROPRIETY & GENERAL PRINCIPLES FOR PROCUREMENT/ CONTRACTS:

- 9.1 The responsibility and accountability of every officer in a committee delegated with financial powers to procure any store/equipment/T&P etc. or services on RVPN's account is total and indivisible. RVPN expects that the authority/ committee concerned will have the public/ RVPN interest utmost in its mind while making a procurement decision. This responsibility is not discharged merely by the selection of the technically and commercially acceptable cheapest offers in ascending order but the following yardsticks of financial propriety should also be kept in view:
- (a) Whether the offers have been invited in accordance with the governing rules and after following a fair and reasonable procedure in the prevailing circumstances.
 - (b) Whether the authority is satisfied that the selected offer will adequately meet the requirements, for which it is being procured,
 - (c) Whether the price of offer is reasonable in comparison to the prevailing market rate or as per previous prices and consistent with the quality required.
- 9.2 No contract shall be awarded/entered into by any authority/committee which has/have not been empowered to do so by or under the orders of the RVPN /Purchasing Authority.
- 9.3 The following general principles shall be observed by the authorities empowered to enter into contract(s) or agreement(s) involving expenditure from the RVPN / public funds:
- (i) The terms of a contract must be precise and definite and there must be no room for ambiguity or misconstruction thereof.
 - (ii) Standard forms of contracts shall be adopted wherever possible, the terms to be subjected to adequate prior scrutiny.
 - (iii) In case where standard forms of contracts are not used, legal and financial advice (if required) shall be taken in drafting of contracts before these are finally entered into.
 - (iv) The terms of a contract once entered into shall not be materially varied without the previous consent of the authority competent to sanction purchase. No payments to contractors/ suppliers by way of compensation, or otherwise outside the terms of the contract or in excess of the contract rates shall be authorized.
 - (v) No contract involving an uncertain or indefinite liability or any condition of an unusual character shall be entered into without prior approval of WTDs.
 - (vi) Contracts, whenever practicable and advantageous and in all cases required by the rules or orders of a competent authority, shall be placed only after tenders have been invited and in cases, where the lowest technically acceptable tender is not accepted, or order for entire quantity is not placed on the lowest technically acceptable tender, reasons shall be recorded by the purchase authority / committee.
 - (vii) Even in cases where a formal written contract is not made, no order for supplies etc. shall be placed without at least a written offer as to the prices and acceptance thereof.
 - (viii) Provision will be made in contract for safeguarding RVPN's property entrusted to a contractor.

- (ix) While selecting the tender to be accepted the financial status of the tendering firms/ tenderer shall also be taken into consideration in addition to all other relevant factors.
- (x) Purchaser reserves the right to cancel the contract at any time for non compliance and/or non execution/ delay of supplies by supplier.
- (xi) All contracts shall have a provision for recovery of the compensation for defaults on the part of the contractor unless any special instructions are issued by the competent authority.
- (xii) The question whether any sales tax, octroi and other local taxes and duties are to be paid and if so, by which party should be settled and cleared up before entering into any contract.
- (xiii) All contracts for purchases involving import of material from abroad shall as a rule provide for purchases, preferably on F.O.B. basis.
- (xiv) Where escalation in respect of excise duty, freight, raw materials, etc. is provided for in a contract, the basis for the calculation of the same shall be clearly indicated.
- (xv) Copies of all contracts and purchase orders shall be sent to the Accountant General (Audit), Rajasthan Commercial Taxes, Central Excise Deptt. and Controller of Internal Audit of the RVPN besides others, notified in future.
- (xvi) Liaisoning should be debarred altogether.

10.0 METHODS TO EFFECT PURCHASES:

10.1 TENDERS : Tenders shall be invited for supply of all articles unless the value of the order to be placed is small or the competent authority/committee is satisfied that sufficient reasons, which shall be recorded in writing, exist that it is not in the interest of the RVPN to call for the tenders or the demand is so urgent that any additional expenditure involved in the tender system must not be incurred or the sources of supply are definitely known and possibility of fresh source beyond those being tapped is remote or in cases where tenders are not received even after two attempts of invitation. The nature of urgency and circumstances under which the demand could not be anticipated and other causes shall be recorded and approval of the next competent authority/committee to dispense with the advertisement/call of tenders will be taken.

Note: Small orders as mentioned above would mean an order the total value of which does not exceed Rs. 5000/- or higher limit as may be fixed by WTDs in each case.

10.2.1 TWO PART BIDDING: The bidding, under open tendering, shall be in two parts, in general, in first part techno-commercial capability of the bidder(s) is assessed and thereafter price bid of techno-commercially qualified bidder(s) is opened. This could be done in following ways:

- (a) **Twin – envelope bidding:** In this method bidder is required to furnish complete bid in two separate sealed envelopes, one containing techno-commercial information, and second sealed envelope containing financial/price bid simultaneously. Sealed envelopes containing techno-commercial information shall be opened at the time of opening of the bids. The techno-commercial bids shall be evaluated based on qualifying requirements, technical data & performance details, test reports, commercial terms etc. as per requirement of specification. If any information / clarification is needed from the bidder the same shall be obtained to bring out firms on common footing as far as observance of technical / commercial terms are concerned. Thereafter price bids of only those firms, who are adjudged as techno-commercially qualified/ suitable would be opened, on a specified date in presence of representatives of such qualified bidders who wish to

be present at the time of opening of price bids. Price bids envelopes of other firms (not qualified) shall not be opened.

In general the twin-envelope bidding system shall be adopted for all purchase cases of two part bidding. The qualifying criteria for twin-envelope tendering process shall be specified in the specification.

- (b) Two stage bidding: In this second method only technical bids are obtained in the first instance and after firms are pre-qualified, on the basis of their technical strength, financial position, past experience etc, the financial bids (price bids) shall be obtained in the second instance from the qualified firms only. This method is to be adopted in case of consultancy services and where new technologies are introduced in RVPN, with the approval of WTDs. The two-stage bidding may also be preferred in situations where it is felt that technical bids are likely to have a number of technical, commercial deviations which may have to be removed to bring all tendering firms on equal footing. Some of the deviations may have bearing on the price.

In case of two stage bidding, for pre-qualification of bidders, evaluation criteria shall be determined in advance of opening of the bids. Such criteria shall be approved by the authority competent to make purchase/award the work and be kept in sealed cover under the custody of a senior official. The technical bids shall be evaluated on the basis of such predetermined/specified evaluation criteria and qualified firms brought on common footing as far as observance of technical specifications/commercial terms are concerned. Deviations are required to be removed and got confirmed. The price bids of from the qualified bidders shall be obtained and opened in the presence of their representatives who may wish to be present at the time of opening of price bid(s). If the quoted price of any or more firms is to be loaded for any gaps, the final comparative statement with such loading or otherwise shall be made known to the participating firms. In doing so, besides advantage of transparency, mistakes / misgivings if any, as regards the basis of loading, can be removed at that stage.

10.2.2 Two part bidding may be dispensed with in case of purchases/ work contracts where the value of the order is small say upto Rs. 50.00 lacs. There shall however, be no splitting of quantities so as to avoid pre qualification requirement. If the competent authority feels that certain firms responding to the NIT are not reliable or their offers are deficient in some material respects their offer could be ignored for consideration.

10.2.3 **AWARD CRITERIA:**

When it is felt by the competent committee that the L-1 firm can not supply the total quantity in required time schedule or it is not desirable to depend on single supplier the quantities can be distributed amongst those to whom counter offer is made at L-1 raters.

In the situation where firms decline to match the L-1 price and insist on higher prices the competent authority may in the larger interest of the organization place order at differential rates.

The distribution of the quantities may be done as far as possible in the following manner:-

- a) When offer of L-1 position is only considered- 100%
- b) When offers upto L-2 position are considered- 60:40
- c) When offers upto L-3 position are considered- 50:30:20
- d) When offers upto L-4 position are considered- 50:25:15:10

Note: (1) The L-1, L-2.....status of firms who have matched the counter offered prices may be in accordance with their position as per original ascending order.

(2) In case, there are more than one firm at any price level in original ascending order statement, then the sum total of quantities specified for that level together with the quantities available for allocation for successive levels (upto additional number at that position) as per award criteria, may be equally distributed. For example, if there are

three firms quoting equal price at L-2 level, then total quantity specified for L-2, L-3 and L-4 may be equally distributed.

(3) When carteling is observed, distribution of quantity as per award criteria may be decided by taking a draw on random basis in the presence of the bidders who wish to be present.

Where the bidders by indulgence in carteling quote unreasonably high price, the Nigam reserves the right to cancel the tenders with penal action against the defaulting firms such as severing of business relations with them as may be considered necessary by the appropriate authority.

(4) Where the firms are required to be identified by way of draw of lots, such draws would be taken at the level of respective purchase committee except that for purchase cases falling within the competence of corporate level purchase committee, such draw shall be made by CE Level committee.

10.3 SYSTEM / PROCEDURE OF TENDERS: Tenders shall be obtained in the following manners:

- i) Open tenders from manufacturers, sole distributors, sole selling agents and Authorised dealers (by advertisement in papers) in the cases where the estimated value of the tenders to be received is more than Rs. 1,00,000/- or higher limit as may be fixed by the WTDs.
- ii) Limited tenders (by direct invitation to a limited number of firms/shops dealing in the article to be purchased) in cases where the estimated value of the tenders to be received is more than Rs.5,000/- but up to Rs.1,00,000/-.
- iii) Single tenders/ quotation by invitation to one firm or supplier only in the cases where the estimated value of the purchase is upto Rs.5000/-. However, in case of items of proprietary nature, including spares, purchase on the basis of single tender can be effected from the manufacturer, or sole supplier/authorized dealer as per delegation of powers at mutually agreed terms and conditions.

Note: 1) In case only single responsive/qualified tender is received in response to open/limited tender enquiry the next higher authority/committee may decide to sanction or re-invite tender after recording reasons. The WTD Committee shall however be competent to decide itself.

2) In case two or more responsive or qualified tenders are received in response to open/limited tender enquiry the authority/committee competent to make purchase will decide the case.

3) In relaxation to the provisions at 10.3(i) above, the furniture for grid sub-stations and rest houses can be purchased as under:-

(a) The furniture of standard make for grid sub-stations under limited tender enquiry can be purchased subject to following conditions:-

- i) Purchase will be made by the committee(s) constituted by the CMD.
- ii) Purchase will be subject to budgetary allocations and
- iii) Furniture purchased will be of standard/reputed make/brand

(b) The material/ item for furnishing / renovation for Lal kothi and Chambal rest house and rest house located at other stations shall be purchased by the committee constituted vide order No.RVPN/AS/ GAD/ F&R/ F.3/ D.496 dt.27.05.2004 upto the limit of budget provisions by obtaining quotations from the authorized/ reputed dealers. The committee may negotiate the prices and do all other such matter that may be required.

4) In relaxation to the provisions at 10.3(i) above, the WTDs may purchase the vehicle from the manufacturer/ authorized dealers which are not available on DGS & D rate contract on their quoted terms and conditions as per DOP.

10.4 PURCHASES FROM DGS&D/CSPO RATE CONTRACT:

Items available on DGS&D and/or CSPO rate contract or on rates controlled/approved by the Govt. of India or any other statutory agency shall normally be purchased from the firms holding the rate contract or manufacturers/principal dealers on the approved rates. Purchase of items on the rate contract with DGS&D/CSPO shall be made by the competent purchasing authority outside the scope of rate contract, but on rate contract prices in such a way that their terms and conditions are not less favorable to the RVPN than those provided for in the DGS & D rate contract.

10.5 RVPN'S RATE CONTRACTS FOR THE ITEMS APPROVED BY THE WTDs:

The Chief Engineer (MM), RVPN Jaipur with the approval of WTDs and or committee constituted for the purpose may enter into rate contracts with the bonafide manufacturer/ authorized sole distributors, after calling competitive tenders. Such rate contracts shall be operated by MM wing or by circle SE if so authorized by WTDs.

10.6 EMERGENT PURCHASES: Notwithstanding anything contained in this manual, emergent purchases to the extent of the powers delegated to the different authorities as per delegation of powers and conditions given there under may be made depending upon exigencies and after satisfying reasonability of rates and keeping in view the other provisions as provided in the delegation of powers. A register be maintained for recording all such sanctions/purchases issued/made by respective offices.

11.0 TIME LIMIT FOR RECEIPT OF TENDERS:

11.1 The minimum time to be given for receipt of tenders from the date of publication of the notice inviting tender shall be as under:-

- (i) Where the estimated value is above Rs. 1,00,000/- and up to Rs. 5,00,000/- - minimum 10 days.
- (ii) Above Rs. 5,00,000/- and upto Rs. 50,00,000/- minimum 15 days.
- (iii) Above Rs. 50,00,000/- minimum 30 days

Note: (a) Extension in the original date of tender opening shall also be published in the same News Papers/Magazine.

(b) Concerned Purchase Officer shall send NITs to PR wing for publication with a view to ensure that the intending tenderers at least get minimum prescribed time for submission of tenders.

11.2 SHORT TERM TENDER NOTICE:- In case of emergent circumstances, which shall be recorded in writing, the period of publicity of open tender may be reduced to half by the purchase officer with the approval/orders of the competent authority/purchase committee.

12.0 PUBLICATION OF TENDER NOTICE IN NEWS PAPERS FOR ELECTRICAL WORKS, CIVIL WORKS, TURNKEY WORKS AND PURCHASES:

The notice for inviting tenders shall be got published through the PR wing, RVPN, Jaipur in the news papers approved by the RVPN in the manner indicated as under:-

| S. No | Amount of Purchase. | Time Limit | Mode of Publication. |
|-------|---------------------|------------|----------------------|
|-------|---------------------|------------|----------------------|

| | | | |
|----|--|---------|---|
| 1 | Above Rs. 1,00,000/- but upto Rs. 5.00 lacs | 10 days | <ol style="list-style-type: none"> 1. Notice Board of the offices of concerned Zonal CE/SE/XEN and copy to Contractor/ Vendor's Association*. 2. One regional Newspaper being published from that District. If no such Regional Newspaper is available in the concerned District(s) then this item shall not apply. 3. One State level Newspaper (all editions) by rotation. |
| 2. | Above Rs. 5.00 lacs but upto Rs. 50.00 lacs. | 15 days | <ol style="list-style-type: none"> 1. Notice Board of the offices of concerned Zonal CE/SE/XEN and copy to Contractor/ Vendor's Association*. 2. One regional Newspaper being published from that District. If no such Regional Newspaper is available in the concerned District(s) then this item shall not apply. 3. One State level Newspaper (all editions) by rotation. 4. One National level newspaper (all editions) from amongst The Hindustan Times, Times of India, Indian Express(including New Indian Express) and The Hindu by rotation. |
| 3. | Above Rs.50.00 lacs | 30 days | <ol style="list-style-type: none"> 1. Notice Board of office of PPM/ MM/ ZCE/ CE. 2. Two State level Newspapers (all editions) by rotation. 3. Two National level newspaper (all editions) from amongst The Hindustan Times, Times of India, Indian Express(including New Indian Express) and The Hindu by rotation. 4. www.rajenergy.com/ www.rvpn.co.in. |

* In case of works the copy of NIT may be sent to Contractor's Association and in case of purchases the same may be sent to Vendor's/ Supplier's Association.

NOTE:

1. When the single tender notice is published in newspapers for more than one item then, the combined publication for all the items shall be arranged in the Newspapers as according to above category depending upon the highest estimated value of one particular item.
2. Publication can also be had in other paper in addition, if considered necessary.
3. In respect of the purchases to be made by MM/PPM wings the NIT shall also be published in the India Trade Journal, Kolkata.
4. Copies (Hard copy as well as Soft copy) of all tender notices shall also be provided to S.E.(400 kV Design),Jaipur who will be responsible for placing the same on RVPN's website .

13. PROCEDURE FOR INVITING LIMITED TENDERS :

- 13.1 Limited tenders shall be obtained from the SSI units/whole- sellers/ producers/ manufacturers, original equipment manufacturers/ sole distributors/sole selling agent /marketing agent/ sub-distributors, authorized dealers, retail shops of manufacturers, authorized stockiest, retailers of known reliability and who are bonafide dealers in stores/articles to be purchased as applicable for individual case.
- 13.2 Tender notice shall be given to sufficient number of firms to avail competitive rates.
- 13.3 A minimum period of 7 days shall be allowed to the firms to offer their rates.

Note: The tenders (open/limited/single) shall be invited by the concerned purchase officers after finalization of the requirement of stores required during the financial year and

fulfillment of the condition for obtaining non-availability certificate from the Asstt. Controller of Stores/Controller of Stores as the case may be

14.0 PROCEDURE FOR ISSUING TENDER NOTICES:-

14.1. The tender notice so issued, whether for open, limited or single tender shall be chronologically entered in a register of Enquiries/tender Notices in Appendix-XV to be maintained in the respective office, and a specific serial number shall be allotted to each tender enquiry/Notice.

14.2.1 The notice inviting tender to be published in newspaper (Appendix-II A) shall contain the following details invariably:-

- (i) Name and address of the purchasing office.
- (ii) Tender Notice No.
- (iii) Brief description of the stores to be purchased/ works to be executed.
- (iv) For details about quantity, tender specification Cost, EMD and the date of submission, opening of tender may visit website www.rajenergy.com or www.rvpn.co.in

14.2.2 The notice inviting tender to be listed on the website (Appendix-II B) shall contain the following information invariably:

- (i) Name and address of purchasing office.
- (ii) NIT number.
- (iii) Brief description of the stores to be purchased/ works to be executed.
- (iv) Quantity to be purchased/ -----
- (v) Cost of tender specification/ mode of its remittance and the address of the office from where tender specification can be purchased.
- (vi) Amount of requisite Earnest Money/ class of vendor registration.
- (vii) The Due date, time and place of receipt and opening of tenders
- (viii) Pre qualification requirement, if any.

14.2.3 The tenders must be opened during office hours only in the presence of tenderers/their authorised representatives who wish to be present.

15. SALE OF TENDER DOCUMENT

15.1 The cost of tender specification shall be as under:-

| | | |
|-----|--|--------|
| (a) | In case of limited tender enquiry | Nil. |
| (b) | Above Rs 1.0 lac and upto Rs 2.0 lacs | 150/- |
| (c) | Above Rs. 2.0 lacs and upto Rs. 25 lacs. | 500/- |
| (d) | Above Rs. 25 lacs and upto Rs. 100 lacs. | 1000/- |
| (e) | Above Rs. 100 lacs and upto Rs 500 lacs. | 2000/- |
| (f) | Above Rs.500 lacs | 5000/- |

Note: Where the purchase officer considers that the tender documents are quite bulky and so many drawings are to be attached, the cost of such drawings/ additional documents may be charged in addition to the cost mentioned above.

15.2 On remittance of the cost of specification against open tenders the following documents shall be provided to the prospective tenderer duly signed at the top by the officer concerned and its account would be kept properly in the register to be maintained in the proforma at Appendix III appended with the Manual.

| | | |
|--------|---|-------------------|
| i. | Instructions to tenderers as Prescribed in Section-I of the specification. | Schedule- I |
| ii. | General conditions of contract as prescribed in Section-II of the specification. | Schedule- II |
| iii. | Technical specification in Section-III of the Specification which shall cover, requirement, manufacture, testing supply and delivery of material/equipment etc. | Schedule- III |
| iv. | Tender form/ schedule of price | Schedule- IV |
| iv (a) | Details of offered equipment/ tendered quantity | Schedule- IV(A) |
| v. | Statement of Guaranteed technical particulars and other performance data. | Schedule- V |
| vi | Form of departure from technical and commercial specification. | Schedule-VI (A&B) |
| vii. | Form for indicating the past performance (list of past supplies). | Schedule-VII |
| viii. | Form for indicating the delivery(Delivery schedule) | Schedule-VIII |

15.3 The tenderers shall be asked to quote their rates as well as schedule of delivery for each item included in the N.I.T. and to furnish the tender form duly signed on each page thereof. Where necessary, purchase officer can ask tenderers to furnish more No. of copies of the same.

16.0 RECEIPT OF TENDERS:

16.1 All tenders shall be received up to the scheduled time and date preferably in a Locked Tender Box which shall be kept in the office of purchase officer.

16.2 In case of non-availability of tender box/ bulky size of tenders which cannot be put in locked tender box or if tenders are delivered personally by the vendors, a receipt will be given to them.

16.3 All the tenders received whether personally or through postal delivery or dropped by the tenderers directly in the locked tender box shall be entered in the Tender Receipt Register in proforma at Appendix-IV.

16.4 **TENDER RECEIPT REGISTER:** All tenders received un-sealed or in torned/damaged condition through post or by personal delivery shall be so marked on the cover by the person responsible for receiving the same and put in fresh cover and re-seal, if so warranted. Thereafter, the tenders will be placed in locked tender box or immediately entered in Tender Receipt Register, as applicable. All entries of the Tender Receipt Register shall be attested by the officers/ officials opening the tenders.

16.5 (i) The tender box shall be sealed at the scheduled time prescribed for the purpose by the concerned officers/officials.

(ii) The Tender Receipt Register shall also be closed at the scheduled time prescribed for the purpose by the concerned officers/officials with dated initials mentioning the number of tenders received in time.

16.6 Modification and withdrawal of Bids :

16.6.1 The fact of submission of tender to the purchaser shall be deemed to constitute an agreement between the tenderer & the purchaser whereby such tender shall remain open for acceptance by the purchaser and tenderer shall not have option to withdraw his bid after its submission.

16.6.2 The bidder may modify its price bid on lower side after the bid's submission provided that written notice of the modification is received by the purchase officer prior to the deadline prescribed for submission/ opening of techno-commercial bid.

In case bidder modifies the price bid after bid submission and prior to the dead line prescribed for bid submission/opening of techno-commercial bid, then the original bid shall not be returned and both the price bids(original & modified) of the qualified bidder shall be opened. The bidder is allowed only to reduce as lump sum amount or percentage below originally quoted rates.

16.6.3 The bidder's modification notice shall be prepared, sealed, duly marked as "modified bid" and despatched in accordance with the provisions of clause 1.02.

16.6.4 The Price bid may not be modified subsequent to the dead line for submission/ opening of techno-commercial bid.

16.6.5 Withdrawal of bid after its submission and modification of a price bid after opening of the techno-commercial bid & during validity period of the bid may result in the rejection of the bid and bidder may also be debarred from submission of tenders to RVPN at least for one year besides forfeiting his earnest money deposit.

16.6.6 If the tenderer is notified during the period of validity of tender that his bids/ tender is accepted by the purchaser, he shall be bound by the terms of agreement constituted by his tender and such acceptance thereof by the purchaser ,until formal contract of the same tender has been executed between him and purchaser in replacement of such agreement.

17.0 OPENING OF TENDERS:

17.1 The tenders received up to the prescribed date and time shall be opened on due date and time by a standing Committee consisting of following members to be nominated by the purchase officer.

- 1) Executive Engineer.
- 2) Assistant Engineer
- 3) Representative of Accounts & Finance Wing not below the rank of A.A.O/Accountant.

In offices where Executive Engineer/Assistant Engineers are not available, officers equivalent thereto may be nominated.

However, in the cases of purchases made at Divisional/Sub-divisional level, the tender shall be opened by the following:-

- 1) Divisional Level purchases - Concerned XEN & AAO/ Accountant of the Circle/Division.
- 2) Sub-divisional level purchases - Concerned AEN & one official to be nominated by the XEn concerned.

Note :- (a) In case of non availability/posting of AAO in the concerned Circle and Accountant in the concerned Sub-division, a representative of Accounts & Finance Wing not below the rank of Junior Accountant shall be nominated by the Circle A.O. concerned.

(b) The representative of accounts and finance wing will not be below the rank of AO in case of tenders of MM/PPM wing.

- 17.2 The tender shall be opened in the presence of such tenderers or their authorised representatives who may wish to be present at the time of tender opening.
- 17.3 The name of the tenderers shall be read-out and entered in the register named "Tender Opening Register" in the proforma at Appendix-V appended with the Manual. Rates as mentioned/quoted in the tender, details of delayed tenders, earnest money, samples asked for and received, discount/rebate, if any offered/ quoted and other details etc. as mentioned in the tender shall also be read-out.
- 17.4 The tender opening officers/officials shall put their dated initial on the envelopes as well as on all the pages of the tender papers/documents. The rates quoted by the tenderers by hand shall be encircled with their dated initials.
- 17.5 Alterations/corrections/additions/over-writings shall be initialed legibly to make it clear that such alterations, etc., were existing on the tender at the time of opening.
- 17.6 The tenders opened shall be numbered as A/B, where A" denotes the serial number of tender and "B" total number of tenders received.
- 17.7 In case prescribed date for receipt and opening of tenders happens to be a holiday, the tenders shall be received and opened on next working day at the specified time.
- 17.8 In case of unavoidable circumstances, if the tender can not be opened on the due date prescribed in the N.I.T., the date will be extended by the purchase officer and such extended date shall be notified to all concerned. The tenders shall, then be opened on the extended date, so notified.
- 17.9 In no case the due date for opening of tenders prescribed in the N.I.T. shall be advanced to an early date.
- 17.10 In case any tender is not accompanied with the prescribed earnest money deposit or exemption certificate, such tenders shall not be considered/ opened. However, in case sufficient tenders have not been received and it is considered desirable for recorded reasons to open the tenders without earnest money/ valid exemption certificate, the same may be resorted to but only after approval from the competent authority as per Delegation of Powers. In such cases such tendering firms would be asked to furnish earnest money/exemption certificate by a specified date before considering their offer for acceptance.
- 17.11 Such tenders which are not opened as per para 17.10 shall be kept in the safe custody for returning the same to the sender after decision of Purchase case.

18.0 DELAYED/LATE TENDER.

The tenders received after the prescribed time will not be considered.

19.0 CUSTODY OF TENDERS:

- 19.1 Tenders having been opened shall be properly tagged and filed alongwith the envelopes and all enclosures making the Sl. No. and the name of the tendering firm on the file cover alongwith particulars of tender notice and items in question, if any, duplicate and triplicate be filed separately in the same manner.
- 19.2 The tenders so tagged and filed shall be kept in safe custody of the officer/official as nominated by the purchase officer. In case of tenders of MM/PPM wing the techno-commercial bid shall be kept in the safe custody of Asstt. Engineer concerned and price bid envelopes shall be kept in the safe custody of concerned Sr. AO/AO. After

opening of price bids of the qualified firms, the price bids of such firms shall be kept in the safe custody of the Asstt. Engineer concerned.

20.0 PROCESSING OF TENDERS

20.1.1 In case of two-part bidding, the techno commercial part (Part-I) of the bid shall be opened in the first instance. On examination in case any deficiency/ short coming/ deviation is found in the techno commercial bid(s) of the firm(s) then and in order to complete the case and evaluate the bids on equal footing as per requirements of the bidding documents/ specifications, the purchase officer shall intimate such deficiencies/ shortcomings/ deviations to the respective bidder(s) asking them to rectify the deficiencies, furnish balance required details and withdraw the deviations within time specified.

20.1.2 After receipt of reply/details from the bidder(s), the statement of qualifying requirement, as well as techno commercial terms & conditions and deviation shall be prepared by the concerned AEn and checked by the concerned XEn. The statement of qualifying requirement and commercial terms & conditions/ deviations shall then be got checked/ vetted from the concerned AO.

20.1.3 After checking and vetting of the statements as above, analysis note on techno-commercial bids shall be prepared/finalized by the concerned XEn which shall generally contain information about the tender notices issued and time allowed to the tenderer(s) for furnishing tenders, due date of opening of tender, details of the firm(s) who had purchased the tenders/furnished the tenders, the details of firms whose techno-commercial bids opened/not opened alongwith the reasons for not opening of the same, details regarding furnishing EMD/ Vendor registration quantity for which NIT floated, quantity approved by quantity approval committee, estimated cost, status of offer of each firm with respect to the qualifying requirement, guaranteed technical particulars, commercial terms & conditions and techno-commercial deviation from the specification, if any, past supply and performance etc. The analysis note shall also contain information in respect of the committee competent to decide the case and validity of the offer(s). The analysis note shall be got checked/vetted from the CAO (MM). The analysis note duly checked/vetted by the accounts wing shall be circulated to the members of Techno-commercial Bid Evaluation Committee by the concerned XEn.

20.1.4 The Techno-commercial Bid Evaluation Committee shall consider the analysis note & judge the techno-commercial suitability/acceptability of the offers of the firms broadly on the basis of qualifying requirement, guaranteed technical particulars, commercial terms & conditions, past supply and performance etc. The Techno-Commercial Bid Evaluation Committee will decide about opening of the price bid at its level in respect of the cases falling within the competency of Circle/CE Level Purchase Committee of such firms whose offers have been adjudged to be meeting qualifying and techno-commercial requirements etc. In respect of the cases falling within the competency of CMD Level Committee, the Techno-Commercial Bid Evaluation Committee will make its recommendations regarding opening/non-opening of the price bids of the firms, for consideration of CMD Level Purchase Committee. In such cases CMD Level Purchase Committee will decide regarding opening of price bids of various firms or otherwise, for which agenda note prepared by CE, SE concerned and CAO (MM) on the basis of recommendations of Techno-commercial Bid Evaluation Committee shall be circulated by CE (MM) to the members of the CMD Level Purchase committee.

20.1.5 The concerned purchase officer will notify the date of opening of the price bids to such bidders whose offers have been found qualified for price bid opening by the competent committee as above.

Note: In case of purchases made/ contracts awarded by PP&M Wing, the techno-commercial analysis note will be prepared by the Executive Engineer concerned by adopting the procedure laid down in Clause No. 20.1.1 to 20.1.3 . Such analysis note will be checked / vetted by the concerned Sr. A.O./A.O. and thereafter it will be submitted to the

authority / committee competent to decide the purchase case for price bid opening. If the case falls within competence of Circle level committee, it will be submitted by the Executive Engineer to the Committee directly. If the purchase case falls within the competence of Chief Engineer level purchase committee, the Executive Engineer concerned will submit the case to the Superintending Engineer who in turn will put up to the Chief Engineer level committee. If the purchase case falls within the competence of C.M.D. level committee, the case will be submitted through Chief Engineer(PP&M) to the committee for decision on price bid opening of various firms.

20.1.6 After opening of the price bid, the comparative cum ascending order statement of the prices in respect of the qualified firms will be prepared by concerned AEn & checked by the concerned XEn. The same shall be got checked/vetted from the concerned AO.

20.1.7 After checking/vetting of the comparative cum ascending order statements of the prices as above, the analysis note shall be prepared/finalized by the concerned XEn which shall generally contain information about the quantity for which NIT floated, quantity approved by the quantity approval committee, the decision of the competent committee regarding opening the price bids of various firms, ascending order statement of prices, assumptions made in evaluating the prices of the firms, analysis of each firm starting from the lowest offer indicating the quantity quoted/qualified etc, comparison of the prices with the purchases made previously by RVPN/Erstwhile RSEB (in case purchases were not made by RVPN then with the prices of purchases made by other utilities). The tender analysis note will include the total financial implication involved on the basis of total cost of tendered quantity at the lowest FOR destination price of the acceptable offer at initial bid price mentioning the committee/authority competent to decide the purchase case and the date upto which the tenders are valid for guidance of the sanctioning authority to decide the purchase within the validity of tender. The analysis note shall be got checked/vetted from concerned AO in respect of the cases falling within the competency of circle level purchase committee and from CAO (MM) in respect of purchase cases falling within the competency of CE/CMD Level Purchase Committee.

20.1.8 Thereafter in respect of cases falling within the competency of circle level purchase committee, the analysis note prepared by the XEn concerned duly checked/vetted by the accounts and finance wing will be circulated to the members of circle level purchase committee by the concerned XEn for decision.

20.1.9 For the cases falling within the competency of CE level committee, agenda note prepared by SE concerned, CAO (MM) & XEn concerned on the basis of analysis note prepared by the XEn concerned and checked/ vetted by accounts & finance wing will be circulated by SE concerned to the members of CE Level Purchase committee for decision.

20.1.10 For the cases falling within the competency of CMD Level Purchase committee, agenda note prepared by CE, SE concerned & CAO (MM) on the basis of the analysis note prepared by the XEn concerned and checked/vetted by accounts & finance wing, will be circulated by CE (MM) to the members of CMD Level purchase Committee for decision.

Note: After opening of the price bid, the comparative-cum-ascending order statement of prices in respect of the qualified firm will be prepared by the concerned AEN & checked by the concerned XEN. Thereafter the same shall be got checked/ vetted from the concerned Sr.A.O./ A.O.. Based on this statement, the analysis note shall be prepared by concerned XEN, which shall be got checked/ vetted from the concerned Sr.A.O./ A.O. (as per procedure laid down in clause No.20.1.6 to 20.1.8). The checked/ vetted analysis note will be put up to SE's level purchase committee by the concerned XEN, to the CE's level purchase committee by the concerned SE & to the CMD level purchase committee by CE(PP&M) as per the competency of the case.

20.2 SINGLE PART BIDDING:

20.2.1 In case of single part bidding, after opening of the tenders, Comparative cum Ascending Order Statement of Prices, Comparative statement of technical particulars, qualifying requirement, if any, Comparative statement of commercial terms & conditions shall be prepared in respect of all the participating firms/tenderers by the dealing officer/official(s) entrusted with the job of purchase cases (in case of MM wing by AEn concerned). The next higher officer shall check the statements along with assumptions made for the purpose of loading to compute the FORD prices on equitable manner. Either of the above two i.e. the official/officer who prepared the statement or the officer who checked it, shall prepare an Analysis Note incorporating therein information in respect of each of the applicable items as given in clause No.20.9 (In case of MM wing dealing XEn will prepare the Analysis Note). The offers of all the participating firms/tenderers shall be analyzed/evaluated starting from the lowest as per Comparative Cum Ascending Order statement of prices, giving details of the tenderers regarding their status, capability, reputation, past experience and with regard to their technical suitability and acceptability, in terms of the provisions of specification and deviation, if any. The analysis note shall also contain the information about quantity quoted/qualified by each tenderer, total cost of tendered quantity at lowest FOR destination price and the authority competent to sanction the case with applicable D.O.P. item.

20.2.2 The complete note alongwith statements as above shall be got checked/vetted from the concerned Accounts authority for ensuring correctness and obtaining financial concurrence. After which the case shall be put up to the competent authority/committee for decision. In respect of cases of MM wing the Analysis Note/Agenda Note will be put up to the competent committee for decision as per the procedure at 20.1 b (ii) & (iv) above.

20.2.3 After opening the price bid of the tenders, comparative cum ascending order statement of prices will be prepared which would, interalia include commercial implications. While preparing comparative statement of prices, all adjusted F.O.R. destination prices per unit are required to be worked out so as to make comparison of rates in fair and equitable manner on one and the same basis. The comparative statement shall indicate the ex-works prices as well as other charges on account of excise duty, sales tax (as may be applicable i.e. Central/State) or any other statutory tax/duty, packing, forwarding, freight insurance charges, capitalization of losses and loading for deficiencies so as to work out F.O.R. destination prices. In case any of statutory duty/tax is neither specifically mentioned in the tender form / text of tender nor in the concerned formats / information of the tender, the same shall be loaded on assumption basis without getting clarification from the supplier by taking highest of such charges demanded by other tenderers in the T.N. from same station/area and in absence, as deemed reasonable by the Purchase officer for only comparison purpose.

However, in case any tenderer quotes F.O.R. Destination Prices inclusive of all applicable taxes and duties etc. no loading shall be made in the comparative statement but their details and breakup shall be obtained before deciding the purchase case.

The comparative statement would be prepared by the dealing officers or by any other officer/officials entrusted with the job of purchase cases. The assumptions made for the purpose of loading to compute FOR prices incorporated in the comparative statement shall be checked and approved by the next higher officer. Both the officers i.e. the officer/official who prepared the comparative statement and the officer who approved assumption to load the prices would sign the comparative statement.

20.2.4 **CHECKING OF COMPARATIVE STATEMENTS** : The comparative statement of prices and commercial terms and conditions as well as statement of ascending order of prices will be got checked/scrutinised from the concerned Accounts authority for ensuring correctness before preparing detailed analysis note by the concerned officer. The concerned Accounts authority, after exercising complete check would record a certificate on the comparative statement under his dated signature to the effect that it is checked and found correct. For the purpose of checking of comparative statement, commercial terms and conditions, statement of ascending order of prices etc. the concerned Accounts authorities would be as under:

- | | | |
|----|---|--|
| a) | For purchases made by MM wing | A.O. concerned |
| b) | For purchases made by the Zonal/Circle/Project authorities. | Sr.AO/AOs posted in the Zone/Circle/Project concerned. |
| c) | For purchases made at Divisional level. | AO/AAO of the circle |
| d) | For purchases made at sub-divisional level. | Accountant/ Junior Accountant posted in Division/Circle. |

Note: For other HODs/Direction offices, the concerned Accounts authority would be Sr.AO/AO/AAO posted with them.

20.3 In case where insurance and freight charges are not quoted by the tenderer, loading in respect of these items is to be done so as to have realistic comparison of the FOR destination prices. The loading should be made in the following order:-

- a) Freight & Insurance paid against previous orders placed in the recent past for such materials for supply from same station.
- b) Highest of such charges demanded by other tenderers of the same TN from the same station.
- c) Actual Railway freight for rail heads and insurance.
- d) Rates of Bank approved transporters for road heads & insurance.

20.4 Normally prices should be quoted on variable basis unless specifically asked to quote firm prices.

20.5 In the cases wherein variable prices without any ceiling are to be considered in order to avail the benefit of price variation on either side to the RVPN, no loading on account of price variation is to be made while preparing statements of ascending order of prices. However, it would be necessary to ensure that the base date for considering price variation should be the same in respect of all the offers included in the comparative statement for equitable comparison.

20.6 In the cases where specification provides for firm prices and if any bidder quotes variable prices, then the bidders quoting variable prices be ignored. Similarly where the specification provides for variable prices and if any bidder quotes firm prices then the bidder quoting firm prices may be ignored.

20.7 At project where suppliers/ manufacturers require mobilization advance with differential delivery period, the loading of interest in such cases should be at the rate of 15% per annum or rate of interest intimated by the RVPN from time to time.

20.8 In addition to comparative statement of prices, commercial terms and conditions and statement of ascending order of prices, statement of salient and relevant technical particulars, experience and capability shall also be prepared based on specification's requirement and details of deviations from technical particulars as mentioned in the tender.

20.9 **ANALYSIS NOTE:** In the analysis note, each of the offers starting from the lowest as per statement of ascending order of prices shall be analyzed for all the financial/technical aspects with reference to specifications. Analysis note shall be prepared in detail mentioning the following in particular:

- i) Justification of the requirement of individual item, if not already approved by the Quantity Approval Committee/Authority.
- ii) Administrative approval/sanction- not necessary in cases of MM Wing and procurement of material by PP&M wing in respect of projects approved by the

RVFN. However, where the cost of purchases by PP&M wing exceeds 10% of the originally approved estimates, revised administrative approval of the competent authority would be necessary.

- iii) Technical sanction is not necessary in cases of (i) MM Wing and (ii) procurement of material by PP&M wing in respect of projects approved by RVFN. However in respect of item (ii), the Chief Engineer (PP&M) will issue formal technical sanction.
- iv) Availability of Budget provision.
- v) The tender notice issued and the time allowed to the tenderers for furnishing tenders.
- vi) The due date of opening and the details of actual opening of the tender in terms of tenders received and opened, delayed/late received tenders.
- vii) The comparative statement of prices.
- viii) The comparative statement of technical particulars and qualifying criteria, required if any.
- ix) Reasonability of prices.
- x) The comparative statement of commercial terms and conditions.
- xi) Cost of purchase calculated on the basis of Lowest technically acceptable offer.
- xii) Validity of Tenders.

21.0 NEGOTIATION:

- 21.1 After opening of the price bids, the offer of L-1 firms should normally be approved, unless the competent authority, in its judgment, feels that the price tendered by the L-1 firm is higher, considering the price at which similar contract was awarded in the recent past or the prevailing prices at which similar contracts have been awarded by other organizations in the recent past or analysis of cost, etc. In that case, negotiations may be held with the L-1 firm and efforts made to seek such reduction in price as can be possibly secured. If the reduced/negotiated price is considered reasonable, contract for supply/work is shall be awarded.
- 21.2 In case reduced negotiated/revised prices of L-1 firm are considered higher, the competent Purchase Authority / Committee may decide for retendering or for obtaining fresh / revised sealed bids of price only. In later case all such qualified tenderers / bidders shall be informed by the Purchase Officer in writing by Fax / E-mails / couriers/ registered letters/ speed post and minimum time of 7 days shall be given to the concerned bidders. In case of urgency the competent Purchase Authority / Committee may reduce the time provided all the concerned bidders / tenderers get intimation and reasonable time, for which record shall be maintained by the concerned Purchase Officer.

22.0 IMPORTANT POINTS TO BE KEPT IN VIEW FOR TAKING DECISION TO EFFECT PURCHASES:

- 22.1 Purchases shall be made in the most economical manner.
- 22.2 Purchases in piecemeal (splitting) shall not be made to avoid sanction of higher authority/committee. This shall however not be applicable in case of indenting against rate contracts or emergency or errors in determining requirement (to be recorded with reasons) or wherever otherwise instruction/ provision exist.

- 22.3 Purchase shall not be made in excess of requirement so as to avoid blockade of funds except in case of spares required to be stored for meeting emergencies / breakdown.
- 22.4 Where it is possible to avail discount or rebate offered by the tenderer, efforts should be made to avail the same to the maximum possible extent.
- 22.5 Purchases would be subject to availability of budget provision, specifically or otherwise.
- 22.6 Unless WTDs direct, the Zonal/Circle/Division/Sub- division level purchase committee shall not sanction purchase on the rates and terms accepted by another Zonal/Circle/Division/Sub-Division level purchase committee for supply of the same stores or for execution of similar works without observing procedure laid- down in the manual.
- 22.7 In case of single part bidding, where it is not possible to accept technically suitable lowest offer (other than from black listed or business relation severed firms) for the reasons such as quality of stores/ equipments, past performance of lowest tenderers, unusual terms of payment or other similar reasons, purchases may be made from other than first lowest tenderer by the competent purchase authority/committee for which detailed reasons shall be recorded.
- 22.8 **TIME SCHEDULE FOR PLACEMENT OF ORDER:** Normally decision to place purchase orders should be taken within the original validity period of the tenders by following the time schedule for processing the purchase cases as mentioned below. However, if it is not possible to adhere to the following schedule due to unavoidable reasons, immediate steps shall be taken by the Purchase Officer to obtain extension in the validity period from the tenderers after recording reasons of delay.

TIME SCHEDULE FOR FINALISATION OF PURCHASE CASES FROM THE DATE OF OPENING OF TENDERS TILL PLACEMENT OF LETTER OF INTENT/PURCHASE ORDER FOR VARIOUS COMPETENT AUTHORITY/ COMMITTEES:

1. Purchase cases falling in the competency- 120 days.
of the committee at WTDs level,
CE Level and SE Level.
2. Purchase cases falling in the competency - 90 days
of the committee at all other levels
direction offices.

NOTE:(i) Cases requiring site inspection for assessing firm's capability, sample testing by Protection Wing etc., a further period, of 20 days may be allowed by the concerned CE.

(ii) The validity of rates of tenders for works shall remain open for acceptance for 120 days but the maximum period to sanction tender by various competent authorities shall be as under counting from the date of opening of bids.

- | | | |
|-----|--|---|
| (a) | For tenders to be accepted by XEN | -30 days |
| (b) | For tenders to be accepted by SE | -60 days |
| (c) | For tenders to be accepted by Dy.CE/ACE/CE | -90 days |
| (d) | For tenders to be accepted by WTDs | -120 days or as extended by the tenderer |

If any tender is not sanctioned by concerned competent authority within the above mentioned period, then it will be sanctioned only by the next higher authority depending upon time from the date of opening of bid. For example, if tender is in power of XEN but not sanctioned within 70 days, it will be sanctioned by Dy.CE/ACE/CE.

While recommending tender to the next higher authority, the reasons for not sanctioning tender in stipulated periods shall be indicated. In case where the tenders are to be processed by the office/ authority who is not competent to sanction the tenders, care must be taken that not much time is taken in processing of tenders by

such office/ authority and tenders duly processed and complete in all respect shall be forwarded to the competent authority at the earliest for timely finalization of the tenders.

(iii) The validity of the rates of tenders for purchases and works shall be asked for 120 days.

22.9 Where there is a difference of opinion between the members of the committee on any point concerning purchase, the matter should be referred to the next higher purchase committee for decision. The same procedure will apply to WTD level purchase committee where the final decision will be given by the BOD in the event of difference of opinion amongst the Whole Time Directors.

22.10 Advance for purchases of stores shall be allowed by the competent Authority where it is absolutely necessary and only in exceptional circumstances as per delegation of powers after taking necessary precautions and securing the RVPN against any loss as also to prevent this to become a general trend.

22.11 The Purchase of stores shall be regulated only under the relevant item(s) of the Delegation of Powers. The purchases of Tools & plants shall not be regulated under item 30(1) of Delegation of Powers by any purchase authority except the authorities of Material management wing. List of T&P is given at Appendix- VI.

22.12 Purchase of store shall not be regulated under item of delegation of power meant for execution of works if cost of the Store exceeds 40% of the total contract value.

22.13 Cognizance would not be given to the Photostat copies of documents unless these are duly attested by notary , self attested or attested by any gazetted officer / responsible officer of the RVPN on each and every page with name and dated signatures under official seal. Attestation will not be necessary wherever so considered by purchase officer.

22.14 PURCHASER'S RIGHT TO VARY QUANTITIES:

Competency for purchases shall be determined on the basis of total cost of NIT quantity at the lowest FOR destination prices of the acceptable offer at initial bid price. Quantity can be increased up to 25% of NIT quantity by competent purchasing authority / committee at the time of placement of order after recording reasons provided the cost of purchase including increased quantity remains within the competency of the committee.

22.15 TRIAL ORDER:

(i) Where the price offered by any qualified firm/ bidder which is new to RVPN is L-1 or lower than the price quoted by qualified regular supplier, such new bidder will be considered only for placement of trial order. The trial order for the particular item shall normally not exceed 10% of total quantity considered for placement of order.

However, in cases of purchase of any special/ un-common items where there are not many qualified regular suppliers or where only new bidder(s) get qualified for regular/common item or the regular bidder is not qualified for the NIT quantity/balance quantity after allocating the trial order quantity to new bidder, or has not quoted for NIT quantity, this ceiling restriction may be relaxed by the competent purchase authority/ committee.

(ii) The trial order for a particular item shall normally not exceed 10% of the total quantity considered for placement of order. This ceiling may, however, be relaxed by the corporate level committee. The firms executing trial order will be considered for placement of next order after it has satisfactorily executed the order for the trial order quantity within the schedule delivery period for the total ordered quantity

Note: The bidders getting qualified under the provision of the clause No.5 "Collaboration with other manufacturer" of the pre-qualifying requirement shall be considered for placement of order restricted upto 10% of the NIT quantity and in no case it will be

beyond the 10% of the NIT quantity. The next order will be placed on such bidders after adjudging the performance of the equipment/ material supplied by them for 12 months. Such bidder shall quote for maximum 10% of NIT quantity.

22.16 MINIMUM QUANTITY:

- (i) The bidder shall quote for minimum 20% of The NIT quantity failing which the offer may be considered non responsive.
- (ii) The bidders furnishing their bids under the provision of the clause NO.5 "Collaboration with other manufacturer" should quote for maximum 10% of the NIT quantity.

23.0 ACCEPTANCE OF TENDERS AND ISSUE OF LETTER OF INTENT / PURCHASE ORDER:

- 23.1 Decision of the purchase committee may be recorded in a register on the date of the meeting itself indicating name of suppliers, quantity ordered and rates. This will be a brief resume of the minutes. This register will be maintained by concerned purchase officer and initials of members of the committee shall be taken in token of authenticity of decision. The LOI shall be placed immediately.
- 23.2 As soon as the sanction is accorded by the competent purchasing authority/committee for acceptance of a tender/tenders, intimation (letter of intent/acceptance) to this effect shall be conveyed promptly, by the concerned officer to whom power to execute contract has been delegated vide item No. 21 of the delegation of powers of the RVPN, to the respective tenderer(s). In cases where a specific stipulation has been made by a tenderer that he should be informed of the acceptance by a particular date and in a particular manner the same should be strictly followed and acceptance be conveyed. The acceptance to be conveyed would be got checked/ authenticated from the respective representative of Accounts and Finance wing.
- 23.3 The acceptance is completed as soon as it is posted/ faxed where the post is the medium of communication between the parties. Proper care shall be taken to address the letter or telegram correctly. All letters of intent / purchase orders shall be issued by Fax / E-mails/ Couriers/ Registered Post/ Speed post.
- 23.4 The detailed purchase order incorporating standard commercial terms and conditions as per General Conditions of Contract appended at Schedule-II with the Manual as well as accepted/approved technical specifications and guaranteed particulars shall be placed with the successful tenderer/tenderers after getting the same scrutinised/vetted from the concerned representative of Accounts and Finance wing of the RVPN within 15 working days of the approval of detailed minutes of meeting.
- 23.5 For deviation/relaxation in the standard commercial/ technical terms and condition of the RVPN specific sanction/ permission of the next competent purchasing authority/committee would be obtained and such terms and conditions would be incorporated in the detailed purchase order accordingly. Purchase authority/ committee would record reasons while approving deviations/ relaxation in the standard commercial/technical terms and conditions. However, sanction/permission of the next higher authority/committee shall not be required when the purchases are approved at the level of C.E./C.E. level/ CMD level purchase committee.
- 23.6 **CONTRACT AGREEMENT:** The successful tenderer shall be asked to execute contract agreement on a non judicial stamp paper of prescribed value at his cost within a period of 15 days from the date of receipt of detailed purchase order. The contract agreement is to be got executed in the proforma appended at Appendix-VII with the manual.
- 23.7 The contract agreement shall include all important conditions, counter conditions if accepted and all correspondence exchanged with the concerned firm.

- 23.8 The un-successful tenderers shall be informed and asked to collect their samples and earnest money, if any, after unconditional acceptance of letter of intent / purchase order is received from the successful tenderer(s).
- 23.9 In the cases where standard commercial terms and conditions of the RVPN have been accepted by the tenderer, the detailed purchase order shall be placed accordingly. In the cases where it is found that there is variance in the terms and conditions as stipulated in the specification and as offered by the concerned firm the same shall be got approved from the competent authority/ committee at the time of decision of the case and detailed purchase order shall be placed accordingly. No further changes in the terms and condition of the detailed purchase order are generally permissible and any request received in this regard from the concerned supplier should be generally rejected, making it clear that he is liable to supply goods exactly according to the agreed terms and conditions. However minor techno-commercial deviations after placement of the order may be accepted by the chief engineer in consultation with the accounts authority.
- 23.10 Any attempt by the supplier to back out of his commitment shall be considered as a serious lapse and in such cases earnest money/security deposit, as the case may be, shall be forfeited without prejudice to any further legal remedies open to the purchaser under the relevant laws and statutes in force. At no stage, in such an event, should the purchase order be rescinded nor any correspondence under taken except by the way of repeating the fact that the purchase order constituted a valid contract enforceable by law. Wherever, necessary, the cases of supplier backing out of the commitment should be put up through respective chief engineer/ head of the departments for consideration of suitable action/ administrative steps i.e. black listing/or severing of future business relations with the firm on account of non-execution of the order. Records relating to black listing/severing of the future business relations be maintained in the office of the respective chief engineer(s)/ head of the department.
- 23.11 The purchase authority reserves the right to increase the tendered quantity by 25% at the time of placement of order. Purchase authority also reserves the right to drop the tender enquiry or to reduce the tendered quantity to any extent at its discretion.

The purchase authority reserves the right to sanction placement of repeat order on the same supplier(s) for quantity equal to 15% of the originally ordered quantity after recording reasons and obtaining approval of Quantity Approval Committee/ officer provided such order(s) shall not be given after expiry of six months from the date of completion of stipulated delivery schedule for the total ordered quantity subject to condition that the prices have since not reduced and original purchases were made after calling of tenders through wide publicity. Prices for the supplies against additional orders, if placed, as well as remaining/ balance supplies against previous/ old orders would be regulated as per provisions of para No. 26.24 of the Manual wherever applicable. WTDs shall, however, have full powers to approve purchase of any additional quantity but upto quantity of original orders for reasons to be recorded in writing.

23.12 PURCHASES BY REPEAT ORDERS

Repeat order may be considered with prior consent of the supplier under special circumstances where the need is urgent or to cut down the lead-time in procurement.

24.0 ACCEPTANCE OF MINOR TECHNO-COMMERCIAL DEVIATIONS:

- 24.1 In case the tenderer does not accept the commercial terms and conditions stipulated in the specification and insists for deviations in commercial terms and conditions and minor deviations in technical and constructional features, the same may be accepted by the purchase committee/ authority, if considered generally acceptable under the circumstances. However, committees below the CE Level purchase committee will get the deviations approved from the next purchase committee/ higher authority.

25.0 EARNEST MONEY AND SECURITY DEPOSIT:

- 25.1 Earnest money will not be taken in case of emergent petty purchases and limited tenders. However, in case of purchases made by adopting limited tender in place of open tender, prescribed earnest money deposit shall be taken.
- 25.2 In case of open tenders, earnest money would be 2% of the estimated value of purchase rounded to nearest one hundred rupees. In case of Purchases affected by Material Management Wing and 400 kV Design Circle/ P&P Circle, earnest money will be charged as per Appendix-XVII. In case of turnkey construction contracts for EHV works earnest money would be 2% of the estimated value of the contract. The bidders will have option to furnish full EMD in cash or 20% in cash and 80% in the form of Bank Guarantee.
- 25.3 Every tenderer, if not exempted, participating against open tender enquiry shall be required to furnish the earnest money deposit specified in the notice inviting tender in the form of a demand draft or cash or in the form of such other security endorsed in favour of the RVPN, as may stand approved by the RVPN.
- 25.4 Earnest money will not be required to be taken from the following:
- i) Firms registered with the respective wings/offices under the scheme for registration of firms/contractor on furnishing in original or Photostat copy duly attested by notary public/ an officer of the RVPN regarding registration with the name of item for which registered. If the tenderer is not registered for the material under tender enquiry, he would not be entitled for exemption from earnest money.
 - ii) Government undertaking/corporation and company.
 - iii) For purchase of articles up to the value of Rs. 1,00,000/-
- 25.5 Receipt of earnest money deposited or registration certificate or certificate that the tenderer is a Government undertaking/ Corporation/Company as mentioned above shall necessarily accompany the sealed tender without which the tender shall be rejected forthwith.
- 25.6 The competent authority as per DOP may exempt any other firm from payment of earnest money deposit in view of its reputation, standing or in respect of proprietary nature of items. Reasons will be recorded in such cases.
- 25.7 Earnest money deposit of a tenderer lying with the respective offices of the RVPN in respect of other tenders awaiting decision will not be adjusted towards earnest money deposit for the fresh tenders. The earnest money originally deposited may, however, be taken into consideration in case tenders are reinvited.
- 25.8 Earnest money deposit furnished with the tender in the form of a cheque or in any other form not specifically approved by the RVPN, shall not be accepted under any circumstances.
- 25.9 The earnest money deposit of unsuccessful tenderers shall be refunded soon after final acceptance of tender.
- 25.10 In case of successful tenderers, the Earnest Money will be adjusted in arriving at the amount of the Security Deposit referred in the General Conditions of Contract on the request of the firm and remaining security deposit if any, would be furnished either in cash or in the form of bank guarantee (if BG is furnished for full amount, EMD shall be refunded).
- 25.11 Security deposit shall be furnished by the successful tenderer equal to 2% of the value of the contract in the cases where either the 5%/10% balance payments are agreed for retention up to the prescribed guarantee period or performance bank guarantee equivalent to 5% value of the contract by established suppliers and 10% value of

contract by other suppliers is furnished valid for the guarantee period. Alternatively, composite bank guarantee equal to 7% value of the contract from the established suppliers and 12% value of the contract from other suppliers shall be obtained in the proforma as at Appendix-X appended with the manual in lieu of Security Deposit and Performance Bank Guarantee.

Note: The established suppliers are those suppliers who have successfully executed three tenders in past of same item in RVPN.

25.12 Transfer of cash security deposit from one purchase order/contract to another may be permitted only in special cases after ascertaining from the purchasing officer and the Accounts Officer concerned that the security deposit proposed to be so transferred is free from all encumbrances and that the relevant contract from which it is being transferred has been completed and closed to the entire satisfaction of the RVPN including the redemption of warranty and further that all drawings, samples or other property belonging to the RVPN as were issued for satisfactory execution of the purchase order/contract have been returned by the concerned tenderer/ firm/contractor in good condition.

25.13 The earnest money deposit taken from the tenderer shall be forfeited in the following cases:

- i) When the tenderer withdraws or modifies his offer except as permitted as per clause No.1.16.4 of Instructions to Tenderers.
- ii) When he does not execute the agreement, if any, after placement of order within the specified time.
- iii) When he fails to commence the supply of the Stores as per purchase order within the time prescribed
- iv) When the tenderer does not deposit the security money after the purchase order is placed.
- v) To adjust any dues against the firm from any other contract.

25.14 Security deposit shall be forfeited in the following cases:

- i) When any terms and condition of the contract is infringed.
- ii) When the tenderer fails to commence supply.
- iii) To adjust any dues against the firm from any other contract.

25.15 Proper notice will be given to the tenderer with reasonable time before earnest money/security deposit is forfeited.

25.16 Forfeiture of earnest money/security deposit shall be without prejudice to any right of the RVPN to claim any other damages as admissible under the law as well as to take such action against the tenderer/supplier such as severing future business relation or black listing etc.

25.17 Where the other provisions of purchase order have been complied with, but the supplier stops making the supplies after partially executing the purchase order, the security deposit shall be retained and adjusted against any loss that may be caused to the RVPN or any other recovery or damages recoverable from the supplier under the terms of the contract or against any other dues under the contract or other contracts.

25.18 In the event of a breach of contract in any manner, the security deposit shall be forfeited and adjusted against the claims of the RVPN against the supplier for any recovery/ damages or for any loss sustained by the RVPN on account of such breach.

- 25.19 The successful tenderers who are registered with the RVPN shall be exempted from furnishing of security deposit for the specific item for which they are registered
- 25.20 The security deposit shall be refunded to the suppliers after 3 months of the successful completion of the contract to the entire satisfaction of the RVPN.
- 25.21 In the contracts involving arranging/providing RVPN's materials/equipments to the contractors, additional security deposit to safe-guard the RVPN's interest will be obtained.
- 25.22 No interest would be payable by the RVPN on the amount of earnest money/security deposit.

26.0 INCORPORATION OF TERMS AND CONDITIONS IN THE PURCHASE ORDERS:

26.1 On finalization of the purchase of stores including their terms and conditions every purchase officer shall incorporate price structure and all the relevant terms and conditions including the following in particular:

- i) Description of the stores.
- ii) Price structure including taxes, duties, freight & insurance charges and price variation, if any.
- iii) Quantity ordered.
- iv) Technical requirements and specification.
- v) Delivery period and time for completion.
- vi) Recovery for late delivery.
- vii) Insurance.
- viii) Mode of transport.
- ix) Terms of payment.
- x) Mode of payment.
- xi) Security deposit.
- xii) Performance guarantee.
- xiii) Material testing and inspection.
- xiv) Sales tax.
- xv) Consignee.
- xvi) Dispatch instructions.
- xvii) Contract agreement.
- xviii) Jurisdiction of court.
- xix) Acceptance of order.
- xx) Quantity variation clause, if any.
- xxi) Price fall clause.
- xxii) Deferment clause.
- xxiii) Cancellation Clause.

26.2 The 'Description of Stores' shall be the same as mentioned in the tender and accepted/approved by the competent purchasing authority/committee including references of relevant ISS/BSS/ISI marked etc.

26.3 (a) The 'Price Structure' shall be the same as finally approved by the competent purchasing authority/committee. However, ex- works prices, prevailing rate of excise duty, exemption limit of excise duty, if any, rate of applicable Central/State Sales tax, packing, forwarding, Insurance charges and freight charges, if any, payable extra shall be incorporated so as to avoid any ambiguity. Wherever applicable the price escalation clause as approved by the competent Purchasing Authority/Committee shall also be incorporated. It would be ensured by the Purchasing Officers and concerned Accounts Authority that the unit Ex-works price and other charges do not exceed all adjusted F.O.R. destination rate/ price per unit approved/accepted by the competent Purchasing Authority/ Committee.

(b) Any upward or downward variation in the effective rate of existing taxes/duties or change in financial liability due to introduction of new taxes/duties or abolition of existing taxes/duties within stipulated completion period shall be to RVPN's account

and all taxes/duties shall be paid at actual. However suppliers shall have to furnish supporting document(s) in the form of gazette notification for approval before claiming any upward variation.

(c) In case bidder quotes taxes/duties “not applicable” or “Zero” or “NIL” or “-” or indicates the rates lower than the maximum applicable rate/concessional rate against any prevailing taxes/ duties, the bidder shall absorb the taxes/duties upto maximum applicable rate.

(d) In case bidder quotes any tax/duty inclusive in the ex-works price and does not indicate the applicable rate of tax/duty then no variation in tax/duty shall be allowed and all the statutory variation in tax/duty shall be to bidder's account.

(e) In case bidder quotes any tax/duty inclusive in the ex-works price and also indicate the applicable rate of tax/duty lower than maximum applicable rate against any prevailing taxes/ duties, the bidder shall absorb the taxes/duties upto maximum applicable rate.

(f) 'Entry Tax' under Rajasthan Tax on Entry of Goods into Local Areas Act, 1999 is payable on FORD prices on certain items purchased from outside Rajasthan. RVPN is registered under Section-11 of Rajasthan Tax on Entry of Goods into Local Areas Act, 1999, having certificate of Registration No. RET/1421/N/0315. As such amount of Entry Tax shall be borne and paid to Government of Rajasthan by RVPN. Any variation in rate of Entry Tax within stipulated delivery period shall be to RVPN's account.

26.4 The Quantity ordered to be incorporated in the purchase order would be the same as approved/decided by the competent Purchasing Authority/Committee.

26.5 The Technical Requirements & specification shall be incorporated / mentioned as per governing specification and guaranteed / other technical particulars furnished with the tender and accepted by the competent Purchasing Authority/Committee.

26.6 The Delivery Schedule/period accepted/decided by the competent Purchasing Authority/Committee and agreed by the successful tenderer will be incorporated in the Purchase Order.

26.7 DELAY IN DELIVERY:

26.7 (a) The time for and date of delivery specified shall be deemed to be the essence of the contract and supplies shall have to be completed not later than the date(s) specified. Should the supplier fail to deliver the material /equipment or any part thereof within the specific delivery period, the purchase officer shall be entitled for the following :

(i) To effect recovery in case of orders placed by MM wing or project related orders placed by PPM&R Wing for delay in delivery / execution @ 1/4th percent per week or part thereof for first four weeks and thereafter 1/2% per week or part thereof subject to a maximum of 5% of delayed/unexecuted supply/works. In case of orders placed by other wings of RVPN , recovery shall be effected for delay in delivery/ execution @ 1/2% per week or part there of subject to a maximum of 10% of delayed / unexecuted supply / works. The amount of recoveries will be worked out on the basis of ex-works price on the date on which delivery was due without including taxes, duties and freight etc. In cases where Ex-works prices have not been indicated then the recovery shall be worked out on the basis of FORD prices as shown in the purchase order. The extent of delay beyond 15 days notice for inspection shall be to the purchaser's account.

(ii) In case the supplier fails to deliver the material/equipment or any part thereof even after expiry of scheduled delivery period for the total ordered quantity, the order may be cancelled with levy of the maximum penalty as per contract. However the supplies after expiry of schedule delivery period for the total ordered quantity may be availed by the purchase officer at his discretion.

Note: The bidders who are defaulters for 25% or more quantity for more than six months or any quantity for more than 12 months in making the supplies against order placed as on the date of technical bid opening of subsequent tender beyond the overall delivery period for the total ordered quantity, the bid of such bidders will not be considered for opening of price bid.

26.7 (b) The adjustment in regard to the amount recoverable, if any, in terms of clause 26.7(a)(i) above shall be made from the cash deposits/ dues of the firm or by operating the Bank Guarantees as may be available with the RVPN and/ or in any other manner as may be deemed appropriate by the purchaser.

26.7 (c) Any additional financial liability due to increase in rate of existing taxes/duties and introduction of new taxes and duties arising consequent upon failure of the supplier to adhere to the stipulated delivery schedule shall have to be borne by the supplier. However any reduction in financial liability due to abolition of exiting taxes/duties or revision in the effective rates of taxes/duties after expiry of stipulated completion period shall be passed to RVPN. For this purpose, the net increase in financial liability shall be worked-out with reference to the rates prevailing on last day of the stipulated completion period.

26.7 (d) 'Entry Tax' under Rajasthan Tax on Entry of Goods into Local Areas Act, 1999 is payable on FORD prices on certain items purchased from outside Rajasthan. RVPN is registered under Section-11 of Rajasthan Tax on Entry of Goods into Local Areas Act, 1999, having certificate of Registration No. RET/1421/N/0315. However any increase in the rate of Entry Tax beyond stipulated delivery period shall be to the supplier's account and an amount equivalent to increase shall be deducted from the supplier's bills.

26.8 **INSURANCE:** The standard insurance clause of the General Condition of Contract shall be referred /incorporated where the insurance of stores is to be arranged by the successful tenderer. The position for the insurance charges payable extra or included in the quoted price shall also be incorporated/ mentioned in the Purchase Orders. However, in the cases where insurance is to be arranged by the RVPN, specific mention/stipulation for the same shall be incorporated / mentioned in the Purchase order. If the supplier/ contractor has not incurred the cost towards insurance charges, the same shall not be paid. When the material is supplied by the suppliers without insurance cover, utmost care should be taken by the consignee while receiving and verifying consignment before endorsing acknowledgement of receipt of material on the challans /bills. In such cases the quoted insurance charge or otherwise 0.2% of the FORD price shall be recovered.

However, The Chairman & Managing Director will be competent to relax the condition of insurance of material by supplier in deserving case.

26.9 PRICES AND TERMS OF PAYMENT:

26.9.1 PRICES: The prices shall be quoted for supply and delivery of the stores/ plant FOR destination. The prices shall be quoted in Indian Currency "Rupees only" on variable/ FIRM basis (whichever is applicable):

In case of the variable price the price- variation will be allowed as per price- variation formula given in the technical specification/ section –III of specification and as per the procedure laid down at clause no. 1.09.07 of "Instructions to tenderer" ,

26.9.2 PRICE VARIATION

a. Price Variation (PV) payment in a contract, wherever applicable, is released to the contractor / supplier on submission of bill along with documentary evidence in support of movement of relevant indices. The contractor is also required to submit the Price Variation claims alongwith authenticated indices and relevant documents so that payable/recoverable amount, on this account if any, is regularly paid / adjusted from other payments due to the contractor/ supplier.

- b. In case of downward movement of indices, a situation is often encountered that contractor/ supplier does not come forward with PV bills/calculation, apprehending considerable recovery on this account. In order to have a check on such occurrences, concerned purchase officer shall keep a close watch on the movement of indices governing contract price adjustment and make constant follow up with the contractor/supplier for submission of bills/calculation (irrespective of whether PV is positive or negative). In case the contractor/ supplier fails to submit details despite reminder issued at an interval of 15 days after the initial demand, then in case of negative PV adhoc amount shall be provisionally worked out on the basis of applicable indices and the payment to that extent shall be retained/ deducted from the payments due to the contractor/ supplier.
- c. In order to ensure that price variation claims are furnished by the contractor/suppliers, the 10% payments against supply of quantity included in the last lot as per the contractual delivery schedule be made after the complete claim for price variation against the order is furnished by the contractor/supplier and cleared by the purchase officer.

26.9.3 TERMS OF PAYMENT: The price shall be quoted for plants of Indian manufacturer only, however if due to unavoidable reasons some imported components are required the contractor/ supplier shall indicate the foreign currency required, for import of the components with CIF value, rate of customs duty and exchange.

The contractor/ supplier shall be entitled to receive payment for imported materials at the exchange rate prescribed by Government of India at the time of tender.

Bill shall be presented by contractor/supplier for each item of work separately as per schedule of prices. Subject to any deduction which the purchaser may be authorized to make in accordance with the terms of the contract, the contractor shall on presentation of bills and the certificate of the Engineer, be entitled to payment generally as follows:-

- (i) 95% payment of the cost of each consignment in case of established suppliers and 90% payment in case of others plus 100% taxes & duties, if payable extra, shall be made against receipted challans, subject to completion of the contractual formalities incorporated in the purchase order.
- (ii) 5% or 10% payment, as the case may be, after ascertaining satisfactory performance of the material/ equipment for the Guarantee Period of the equipment as specified in clause 1.40.2 of GCC or as per applicable guarantee period and after effecting recovery of all dues from the firm/ contractor under the contract.
- (iii) In case there is reason to believe that the suitability of supplies of stores can be determined by inspection of material after receipt of the same by the consignee without waiting for performance, the last 5% or 10% payment may be considered to be released after expiry of 30 days from receipt of material by consignee.
- (iv) In case the request of the successful tenderer for furnishing a performance bank guarantee from the nationalised/ scheduled bank equivalent to 5% or 10% of the contract value in the prescribed proforma, appended at Appendix-VIII, is accepted by the purchase officer in that case the balance 5% or 10% payment can be considered for release earlier.
- (v) The Bank commission charges, if any, shall be borne by the supplier.
- (vi) In the event, if the request of the successful tenderer for releasing 100% value of the equipment with full amount of taxes/ duties etc. against presentation of receipted challans is accepted by the purchase officer, subject to furnishing of performance bank guarantee and security deposit bank guarantee or composite bank guarantee in prescribed proforma as at Appendix-X appended with the manual for a value agreed to between the purchase officer and the supplier, the terms of payment clause in the purchase order shall be incorporated accordingly.

However, in case of supplier of established reputation having regular business contacts with Rajasthan Rajya Vidyut Prasaran Nigam Ltd. irrespective of whether a Bank guarantee is furnished, 100% advance payment could be released through Bank against dispatch documents/delivery of material.

- (vii) In case of purchase of spare parts of proprietary nature of plant, machinery and equipment from original manufacturer/ distributor/ authorized dealers of the respective manufacturers, or Indian agent in case of imported equipment, the payment as per their standard terms and conditions may be allowed by the respective purchase authority / committee.
- (viii) Suitable provisions in the purchase order shall also be incorporated for the following:-
 - (a) In the event of consignment/ material for which advance payment has been made is found defective/ damaged/ not according to prescribed specification if any, the balance payment will be withheld until the defective material has been replaced or advance payment in respect thereof recovered in full.
 - (b) In case any damage, shortage etc. are noticed on receipt of material by the consignee, claims shall be lodged with the supplier and the amounts due to be withheld or the bank guarantees shall not be released till the claims are satisfactorily settled by the supplier.
 - (c) As the Bank Guarantee is to remain valid for the entire currency of the contract including the currency of the contract guarantee period, the supplier should get validity of the Bank Guarantee suitably extended, on the advice of purchase officer for the amount so as to safeguard the RVPN's interest to cover any extension in the delivery period or guarantee / warranty period or where any claim of the RVPN against him is still pending.
 - (d) In case of defects/ damages etc. are noticed at any time including the guarantee period, claims shall be lodged with the supplier to make good the defects/ damages or replace the material within the reasonable period preferably not exceeding 45 days from the date of notification of defect to the supplier. When the supplier fails to do so, the damages/ defects may be got rectified by the RVPN and the cost be adjusted from the supplier's pending dues and/ or security deposit against this or any other contract in force and the balance if any be got made good by the supplier.

Alternatively, the RVPN may dispose of the damaged/ defective material and set off the sale proceeds against its claim against the supplier.

- 26.10 The mode of payment clause in the purchase order shall be incorporated as per standard clause of the General Conditions of Contract. However, the payment making authorities shall be guided as per orders issued by the RVPN from time to time.
- 26.11 Incorporation in the purchase order for security deposit/Bank Guarantee shall be made keeping in view the provisions of the manual at para 25. In case the supplier is permitted to furnish security deposit Bank Guarantee, he shall be directed to furnish the same in the proforma as at Appendix- IX appended with the Manual.
- 26.12 The Clause for furnishing of performance Bank Guarantee shall be incorporated in the purchase orders keeping in view the stipulation of para at 26.9 of the manual and relevant provisions in General Conditions of Contract.
- 26.13.1 **INSPECTION AND TESTING:** The inspection and tests shall normally be arranged at the supplier's premises before the material is despatched to the RVPN, and a copy of the inspection/test report in such cases shall be attached by the supplier in original while forwarding Railway Receipt or the receipted goods challan as the case may be. For this purpose, the supplier shall be required to give at least fifteen days notice to the purchasing officer to arrange for the inspection of goods.

Provided that the inspection and / or tests may be waived off, in the circumstances considered justified by the purchasing authority/concerned Chief Engineer and the supplier authorised in writing to send the consignment or consignments without inspection. In such cases the supplier will furnish copy of the letter for such waiver of inspection with the RR or the receipted goods challan. Such material will, however, be subjected to inspection and test at the consignee's end if needed and defects, if any, noticed shall be notified promptly to the supplier for rectification, or replacement of material as may be necessary, under intimation to the Purchasing Officer.

26.13.2 Where the value of stores to be purchased is Rs 50 lacs and above, the supplier shall provide the following facilities to the inspecting officer(s):

- (i) Suitable accommodation to the Inspecting Officer(s) of RVPNL.
- (ii) Local conveyance between arrival point, place of stay, works & departure point.

NOTE:

- (1) The firm shall assist in arranging return ticket & reservation on the request of the Inspecting Officer(s) for which payment shall be made by the Inspecting Officer(s)
- (2) In case of joint inspection, single or shared double room accommodation shall be provided.

26.14 The material inspected/tested by the Inspecting Officer of the RVPN at the supplier's end shall be marked with a clearly distinguishable identification mark so as to ensure that the inspected material has actually been despatched by the supplier. Even so, if the material received is found to be defective/deficient at the consignee's end, the fact shall be brought to the notice of the supplier forthwith and the defect got rectified or the material got replaced as may be necessary. It shall be the duty of the consignee to report and pursue the deficiencies/defects not only to the supplier directly but also to the purchasing officer concerned. The Purchasing officer shall be responsible for ensuring that the payments made in respect of such material are adjusted/recovered in the event of the supplier's failure to rectify/replace the material.

26.15 In addition to the inspection and tests referred to in the foregoing paras, it may be necessary in certain cases to prescribe the submission of test certificates issued by the supplier's own laboratories or any other agency specifically mentioned in the purchase order. In such cases, the purchase officer shall further ensure that the prescribed certificate has been received and accepted by him before settling the supplier's claims.

26.16 **NOMINATION OF INSPECTING OFFICERS:** Necessary arrangements for deployment / nomination of Inspecting Officer(s) for carrying out inspection of material / stores/equipment etc. at supplier's premises / works shall be made by the CE(MM)/ CE(PPM) for the purchase cases pertaining to MM/ PPM wing and by the concerned Chief Engineer or purchase officer in other cases. The CE(MM) shall either depute the officer for inspection of material from the panel of inspecting officers approved by the WTDs or may ask the approved third party to arrange the inspection of material. The CE(PPM & R) may also ask the approved third party to arrange the inspection of material if so required by him. While issuing communications / letters to the inspecting officer(s) so nominated clear details like complete address of the supplier, item(s) of supply to be inspected, checks / tests to be carried out etc. shall be indicated. The purchasing officer shall take care to ensure that testing facilities necessary for carrying out inspection / testing are available at supplier's premises / works or shall be made available to the inspecting officer. The Officers who deals with the purchase case(s) or the concerned purchasing officer shall generally not be authorised to carry out inspection and testing at the premises / works of the supplier(s).

26.17 The Purchasing officer shall ensure that no consignment offered for inspection ahead of delivery schedule as per terms of Purchase order shall be accepted, except with prior approval of concerned Chief Engineer / HOD.

26.18 **REINSPECTION CHARGES:** On receipt of a notice from the supplier offering the material for inspection, the purchasing officer shall ensure that the material is inspected

normally within fifteen days from the date of receipt of such notice subject to availability of inspecting officers. At the time of inspection at firm's works, if it is found that :

- i) the material was not ready for inspection and the inspection notice given by supplier was infructuous.
or
- ii) quantity offered for inspection is short by more than 10 % from the quantity indicated in Inspection requisition.
or
- iii) Inspection is not arranged/not got carried out due to any reason on account of supplier.
or
- iv) material is found not conforming to provisions of purchase order/relevant ISS/Governing technical specification/GTP and thus rejected by Inspecting Officer.
or
- v) Manufacturing defects are observed during physical/visual inspection/checking.
or
- vi) Quantity (length/weight) of items not found as per provisions of Purchase order.

In such cases, an amount of Rs. 3000/- for supplier works located in Rajasthan State and Rs. 10,000/- for supplier works located outside Rajasthan State shall become payable by supplier as reinspection charges. The supplier will deposit the amount with the concerned Sr.Accounts Officer /Account Officer (), RVPN, ----- immediately under intimation to the purchasing Officer failing which the amount will be recovered from financial holds of the supplier.

26.19 **SALES TAX** : In the clause for 'Sales Tax ' the position for registration of the RVPN under Central Sales Tax Act and under Rajasthan VAT Act shall be incorporated along with the facts for concessional rate of Central Sales Tax and VAT as per rules/notification in force. The provision for issuing 'C' forms in case of Central Sales Tax and certificate in case of VAT by an authorised officer of the RVPN purchasing goods from a registered dealer for applicability/availing concessional rate of CST/VAT on goods required for the purpose of exclusive use in the Transmission of electricity shall be incorporated.

26.20 Name of 'consignee/consignees to whom material stores are required to be delivered by the suppliers shall be suitably incorporated mentioning therein the detailed name of the consignee, its location and full postal address.

26.21 **DESPATCH INSTRUCTIONS**: In the clause 'Despatch Instruction; to the suppliers incorporation shall be made for the following.

- i) Mode of Transportation i.e. Railway(s)/ road transport the name, place and location of consignee stores in case stores are despatched through Bank approved goods transporter(s)/ destination railway station in case stores are dispatched through railways.
- ii) In case prices are F.O.R. destination/for free delivery to the stores of the consignee, the instructions for despatching the material invariably on freight paid basis shall be incorporated. However, in the cases where the quoted prices are Ex-works/F.O.R. despatching station and freight is payable extra instructions for despatching the material on freight paid basis and reimbursement of charges to the suppliers shall be incorporated suitably.
- iii) In the cases where inspection and testing of stores are required to be conducted at the works of the supplier before despatch it should be incorporated in the Purchase Order that supplier shall despatch the goods only after inspection clearance from the authorised inspecting officer/inspecting agency of the RVPN. The cases where inspection is waived by the competent authority suitable instructions shall be communicated to the suppliers separately.

26.22 CONTRACT AGREEMENT: 'Contract Agreement' is a basic legal document to be referred in the matters of disputes between the Purchaser and Supplier, therefore, the clause for execution of contract agreement on the prescribed value of Non Judicial Stamp Paper of Rajasthan State or of equivalent value as applicable in the state from where non Judicial Stamp paper is purchased in the prescribed proforma appended at Appendix-VII of the manual shall invariably be incorporated in each purchase order valuing more than Rs 1,00,000/- .It shall be mentioned in the purchase Order that

- (a) the Contract would be governed by the terms and conditions mentioned in General Conditions of Contract. In case the terms and conditions incorporated in the General Condition of contract differ/ deviate from those incorporated in the Purchase Order, later shall prevail. However, if any applicable terms and conditions of General Condition of Contract have not been incorporated in the Purchase Order the respective/relevant terms and conditions given in the General Condition of Contract shall be applicable.
- (b) All disputes, differences, question whatsoever arising between the Purchaser and contractor upon or in relation to or in connection with contract shall be deemed to have arisen at the places of signing of contract Agreement in Rajasthan and no courts other than Rajasthan shall have jurisdiction to entertain the same, shall be incorporated in the Purchase Order.

26.23 ACCEPTANCE OF ORDER: For conveying acceptance of the order by the supplier, a maximum period of 10 days from the date of the receipt of the purchase order shall be incorporated in the Purchase order failing which it would be presumed that terms and conditions incorporated in the Purchase Order are acceptable to the Contractor.

26.24 PRICE FALL CLAUSE:

- (i) The "Price Fall Clause" will be applicable w.e.f. the date of opening of the 'Price-Bid' of the subsequent tender.
- (ii) The price fall clause shall be as under:
 - (a) In case delivery schedule is already over, pending supplies against previous order will be accepted at the price lower of the two i.e. prices payable as per provision of the old contract minus recovery due to delay in delivery or the prices payable under subsequent tender as per the provision of the subsequent tender and the tenderer agrees to it. If he is not agreeable, supply shall not be taken and the order for the balance supply shall be cancelled as per provisions of the purchase order.
 - (b) When delivery schedule is not over if any previous successful tenderer has also participated in the subsequent tender enquiry and accepted the lower rate as received in the price bid of subsequent tender then pending supply against previous order shall be taken at such lower rate as is received in the subsequent tender.
 - (c) If the supplier has not participated or participated in the subsequent tender but he is not agreeable to supply the balance quantity at lower rate received in the subsequent tender, the balance supply against previous order shall be acceptable to the extent of ordered quantity as per delivery schedule up to three months from the date of opening new tender (price bid) on the following conditions.
 - (i) The rate will be as per the purchase order against which supplies are to be made within the delivery schedule.
 - (ii) The back log, if any, of supplies according to delivery schedule on the date of opening of 'price bid' of the subsequent tender shall be acceptable on charging recovery for delay in supply beyond contractual delivery as per clause 1.24 (a)(i) of GCC, if leviable under the circumstances.

(iii) No supply in excess of quantity as per the delivery schedule during the 3 months period after opening of price bid of the subsequent tender shall be acceptable in any circumstances. No preponment of original delivery schedule will be made.

(iv) The old purchase order(s) in respect of balance un-supplied quantity shall stand cancelled after 3 months from the opening of price bid of the subsequent tender

Note: (a) If subsequent tender is decided on differential rates and a firm has also participated in subsequent tender, the price fall clause would be applicable, if the same firm has accepted lower price in the subsequent tender.

(b) In case, firm has not participated or not agreed to lower rates in subsequent tender, then price fall clause would be applicable with respect to highest differential price, decided under new tender, provided this highest price is lower than firm's previous updated price minus recovery due to delay in delivery.

(c) Price fall clause shall not be applicable based on the rates received in Company other than RVPN. In other words, price fall clause shall be applicable based on subsequent rates received within RVPN only.

(d) For the operation of price fall provision, the rates decided for procurement of material with World Bank assistance will not be considered.

(iii) The following items are excluded from the price fall clause

- (a) 132kV and above transformers including auto power transformers.
- (b) Control and relay panel.
- (c) Circuit breaker.
- (d) EHV current transformer.

In respect of above items which are excluded from the 'price fall clause' in case lower Prices are received in the subsequent tender, the supply of above items shall be obtained as per the prices and provisions of previous purchase order upto the scheduled delivery period of total ordered quantity. Thereafter supply may be obtained at the discretion of the purchaser.

26.25 **DEFERMENT OF SUPPLY:** Supplies due for delivery by a supplier against any purchase order can be deferred with the approval of Whole time Directors in unforeseen or unavoidable circumstances or force majeure conditions. During deferment, if there happens any price escalation, the same shall be considered as per price variation clause if so provided in the purchase order. For deferment of supply a seven days notice shall be served upon the supplier by the purchase officer. One month notice shall also be served for lifting the deferment intimating the date of deferment being lifted. Extension in delivery period equal to the period of deferment including notice period(s) shall be allowed. In case deferment extends beyond a period of three months then the supplier shall have option to get the order cancelled for the balance unsupplied quantity by giving a one month notice. In such cases the order for the balance quantity shall be cancelled by the purchaser without any financial liability beyond the date of issue of deferment notice by the RVPN.

26.26 **CANCELATION OF ORDER :** Purchase order placed can be cancelled by the purchase officer with the approval of competent purchase committee/ authority as per DOP on account of non fulfillment of technical/commercial terms and conditions of the purchase order, substantial delay in supplies, poor performance, failure during testing or in field etc.

26.27 The following time limit is prescribed for obtaining supplies beyond the delivery period for purchases made by MM/ PPM wing in relaxation to the provisions of DOP:

