

SECTION II- INSTRUCTION TO BIDDRES (ITB)

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INSTRUCTIONS TO BIDDERS (I T B)

A. INTRODUCTION

1. Source of funds

- 1.1 The expenditure to be incurred for this intended purchase will be met from the funds available with the Purchaser named in the **Schedule of Requirements**, hereinafter referred to as “the purchase”.

2. Eligible bidders

- 2.1 This invitation forbids is open to all suppliers, who full fill the eligibility criteria as well as the qualification criteria, incorporated in this document.

3. Cost of bidding

- 3.1 The bidder shall bear all costs associated with the preparation and submission of its bid including samples, drawings, literatures etc., if any. The purchaser will in no case be responsible or liable any such cost, regardless of the conduct or outcome of the bidding process.

B. THE BIDDING DOCUMENTS

4. Content of bidding documents.

- 4.1 The goods required, bidding procedures and contract terms are prescribed in the bidding documents. In addition to the invitation forbids, the bidding documents include.

- a. Instruction to Bidders (ITB).
- b. General Conditions of Contract (GCC).
- c. Schedule of Requirements.
- d. Technical Specification and quality control Requirements
- e. Questionnaire.
- f. Bid Form and Price Schedules.
- g. Bank Guarantee Form for Bid Security.
- h. Manufacturer's Authorization Form
- i. Bank Guarantee Form for Performance Security.
- j. Contract Form.

- 4.2. In case of any contradiction between the stipulations made in ITB & GCC and Schedule of Requirements the stipulations incorporated in the Schedule of Requirements will prevail over the corresponding stipulations constrained in the ITB and /or GCC.

- 4.3 The bidder is expected to examine all instructions, forms, terms and specifications ion the bidding documents. Failure to furnish all information required by the bidding documents or submission of a bid not substantially responsive to the bidding documents in every respect will beat the bidder's risk and may resulting rejection of its bid.

5. Clarification of bidding documents.

- 5.1 A prospective bidder requiring any clarification in connection with the bidding documents may notify the purchaser in writing or by telex or cable at the purchaser mailing address indicated in the schedule of Requirements. The purchaser will respond in writing to any request for clarification of the bidding documents which it receives no later than 21 (twenty one) days prior to the deadline for submission of bids prescribed by the purchaser. The purchaser, at its discretion, may send the relevant text of this correspondence (without identifying the source of inquiry) to all the prospective bidders, which have received the bidding documents.

6. Amendment of bidding documents.

- 6.1 At any time prior to the deadline for submission of bids, the purchaser may, for reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the bidding documents by amendment.
- 6.2 The amendment will be notified in writing or by telex or cable to all prospective bidders, which have received the bidding documents and will be binding on them.
- 6.3 In order to provide the prospective bidders with reasonable time in which to take the amendment into account in preparing their bids, the purchaser may at its discretion, extend the deadline for the submission of bids and other allied time frame having linkage with that deadline.

C. PREPARATION OF BIDS

7. Language of bid.

- 7.1 The bid submitted by the bidder and all correspondence and documents relating to the bid exchanged by the bidder and the purchaser shall be written in English language. Supporting documents and printed literature furnished by the bidder may be written in other languages; provided they are accompanied by an English translation of their relevant passages in which case, for the purpose of interpretation of the bid, the English translation shall governs.
- 7.2 The bid submitted by the bidder and all correspondence and documents relating to the bid exchanged by the bidder and the purchaser, may also be written in Hindi language, provided that the same is accompanied by an English translation in which case, for the purpose of interpretation of the bid, the English translation shall govern.

8. Document constituting the bid.

- 8.1 The bid submitted by the bidder shall comprise of the following documents.
 - a. a bid form and a price schedule in accordance with ITB clauses 9,10 and 11.
 - b. documentary evidence established in accordance with ITB clause 13 that the bidder is eligible to bid and is qualified to perform the contract if its bids accepted,
 - c. documentary evidence established in accordance with ITB clause 14 that the goods and ancillary services to be supplied by the bidder conform to the bidding documents,
 - d. bid security furnished in accordance with ITB clause 15.
 - e. the questionnaires (attached as Annexure **Section-VI** with the bidding documents) duly filled in.

Note: A bid, which does not fulfill any of the above requirements and/or gives evasive information/reply against any such requirement, shall be liable to be declared unresponsive and summarily rejected.

9. Bid Form

- 9.1 The bidder shall complete the bid form and the appropriate price schedule furnished in the bidding documents in section IX/I, indicating inter alia, for the goods to be supplied, a brief description of the goods, their country of origin, quantity and prices.

10. Bid Prices

- 10.1 The Bidder shall indicate on the Price Schedule the unit price and total bid prices of the goods it proposes to supply under the Contract. To this end, the Bidders are allowed the option to submit the bids for any one or more schedule specified in the schedule of Requirement and to offer discounts for combined schedules. **However, Bidders shall quote for the complete requirement to goods and services specified under each schedule on a single responsibility basis, failing which such bids (for the schedule in question) will not be taken into account for evaluation and will not be considered forward.**
- 10.2 Prices indicated on the price schedule shall be entered separately in the following manner:

1. For goods offered from within India.

- a) the price of the goods, quoted ex-factory, ex-showroom, ex-warehouse or off-the-shelf, as applicable, including customs, excise and any other duties and sales and other taxes already paid or payable on the components and raw material used in the manufacture or assembly of the goods quoted ex-factory or on the previously imported goods of foreign origin quoted ex-showroom, ex-warehouse or off-the-shelf,
- b) any sales or other taxes/duties including excise duty, which will be payable on the goods in India if the contract is awarded,
- c) charges for inland transportation, insurance and other local costs incidental to delivery of goods to their final destination. The final destination is specified in the schedule of requirements and.
- d) the price of incidental services as and if listed in **Schedule of Requirements**.
- e) Any element of cost, taxes, duties, levies etc. not specifically indicated in the bid, shall not be paid by the purchaser.

2. For goods offered from abroad.

- a) the price of goods shall be quoted CIF port of entry in India or CIP named place of destination in India as and if specified in the **Schedule of Requirements**. In quoting the prices, the bidder shall use ocean transportation through Indian flag vessels of Indian origin or through vessels of shipping conference lines in which India is a member country. Similarly, the bidder may obtain insurance services for many nationalized insurance company in India.
 - b) the price of goods shall be quoted FOB port of shipment, as and if specified in the Schedule of Requirements.
 - c) charges for inland transportation, insurance and other local costs incidental to delivery of the goods from the port of entry in India to their final destination, which is specified in the **Schedule of Requirements**.
 - d) the price of incidental services as and if listed in the Schedule of Requirements.
 - e) Any element of cost, taxes, duties, levies etc. not specifically indicated in the bid shall not be paid by the purchaser.
- 10.3 The terms FOB, CIF, CIP etc. shall be governed by the rules & regulations prescribed in the current edition of INCOTERMS, published by the international Chamber of Commerce, Paris.
- 10.4 The bidders separation of the price components in accordance with ITB clause 10.2 above will be solely for the purpose of facilitating the comparison of bids by the purchaser and will not in any way limit the purchaser right to contract on any of the terms offered.
- 10.5 Prices quoted by the bidder shall remain firm and fixed during the currency of the contract and not subject to variation on any account, unless otherwise specified in the **Schedule of Requirements**. If the requirement is for a fixed price bid a bid submitted with an adjustable price quotation will be treated as non-responsive and rejected, pursuant to ITB clause 23.

11. Bid currencies

- 11.1 For domestic goods prices shall be quoted in Indian rupees only Commission for Indian Agent, if payable, shall also be quoted in Indian Rupees only in a manners specified in ITB Clause No.12.2 For imported goods prices shall be quoted either in Indian rupees Orin the currency of the country of origin of goods, Bids, Bids, where prices are quoted in any other way shall be treated as non-responsive and rejected.

12. Indian Agent.

- 12.1 If foreign bidder has engaged in India in connection with its bid, it will be required to give the following information in the bid.
- i) The name and address of the Indian agent with their permanent income tax number.
 - ii) The details of the services the agent will render

- iii) The amount of remuneration for the agent, included in the FOB component of the bid price.
- 12.2 The agency commission shall be indicated in the space provided for the price schedule and will be paid to the bidder's agent in Indian rupees using the telegraphic transfer buying rate of exchange ruling on the date of award of contract and shall not be subject to any further exchange variation.

13. Documents establishing bidder's eligibility and qualifications

- 13.1 Pursuant to ITB clause 8, the bidder shall furnish, as part of its bid, documents establishing the bidder's eligibility to bid and its qualifications to perform the contract if its bid is accepted.
- 13.2 The documentary evidence of the bidders qualification to perform the contract if its bid is accepted, shall establish to the purchaser satisfaction:
- a) that in the case of a bidder offering to supply goods under the contract which the bidder did not manufacture or otherwise produce, the bidder has been duly authorized (as per authorization form in section VII/3.) by the good's manufacture or producer to supply the goods in India.
 - b) that the bidder has financial, technical and production capability necessary to perform the contract and, also, it meets the criteria indicated in the **Schedule of Requirements**.
 - c) that, in the case of bidder not doing business in India, the bidder is or will be (if successful) represented by an agent in India equipped and able to carry out the suppliers maintenance, repair and spare parts stocking obligations prescribed by the conditions of contract and/or technical Specifications.
 - d) that such an agent (w.r. to sub-para c above) is enlisted with Directorate General of Supplies & Disposals, Jeevan Tara Building, Sansad Marg, New Delhi-11000, under the scheme of Ministry of Finance, Govt. of India for compulsory enlistment of Indian Agent.
 - e) If an agent in its bid submits quotations on behalf of more than one manufacture, it is necessary that each such bid is accompanied by a separate bid form and bid security for each such quotation and authorization form the respective. Manufacturer (as per authorization form in section VII/3) otherwise **all quotations will be rejected as non-responsive**.

14. Documents establishing good's eligibility and conformity to bidding document.

- 14.1 Pursuant to clause 8, the bidder shall furnish, as part of its bid documents establishing the eligibility and conformity to the bidding documents of all goods and services offered which the bidder proposes to supply under the contract.
- 14.2 The documentary evidence for eligibility of the goods and services shall consist of statement in the price schedule, about the country of origin of the goods and services offered which shall be confirmed by a certificate of origin issued at the time of shipment.
- 14.3 The documentary evidence of conformity of the goods and services to the bidding documents may be in the form of literature, drawings, data etc. and shall consists of.
- a) a detailed description of the goods essential technical and performance characteristics,
 - b) a list giving full particulars, including available sources and current prices, of all spare parts, special tools, etc., necessary for the proper and continuing functioning of the goods for a period of 5 years(Five years) following commencement of the use of the goods by the purchaser; and
 - c) a clause –by-clause commentary on the purchaser's ' Technical Specification' demonstrating substantial responsiveness of the goods and services to those specification or a statement of deviations and exceptions to the provisions of the 'Technical Specifications'.
- 14.4 For purpose of the commentary to be furnished to ITB clause 14.3 c above, the bidder shall not that the standards of workmanship, material and equipment and references to brand names or catalogue numbers, if any designated by the purchaser in its ' **Technical Specifications**' are intended to be descriptive only and not restrictive. The bidder may substitute alternative standards, brand names and/ or catalogue numbers in its bid, provided that it demonstrates to the purchaser's satisfaction that the substitutions are **substantially equivalent or superior** to those mentioned in the '**Technical Specifications**'.

15 Bid Security

- 15.1 Pursuant to clause 8, the bidder shall furnish as part of its bid, a bid security of an amount specified in the **Schedule of Requirements**.
- 15.2 The bid security is required to protect the purchaser against risk of bidder's conduct, which would warrant the security's forfeiture, pursuant to ITB clause 15.7.
- 15.3 The bid security shall be denominated in the currency of the bid or in Indian Rupees and shall be in one of the following forms:
- a) Demand draft on a scheduled commercial bank in India, drawn in favour of the designated officer of the purchase organization and payable at a place as indicated by the purchaser in the **Schedule of Requirements**.
 - b) A bank guarantee issued by a scheduled commercial bank in India or a bank abroad, duly confirmed by a scheduled commercial bank in India in the form provided in the bidding documents under Section VII/2 and valid for 45 days beyond the validity of the bid.
- 15.4 Any bid from a bidder not secured in accordance with ITB clause 15.1 and 15.3 will be summarily rejected by the purchaser, as non-responsive, pursuant to ITB clause 24.
- 15.5 Unsuccessful bidders' bid security will be discharged/returned as promptly as possible after the expiration of the period of bid validity prescribed by the purchaser, pursuant to ITB clause 16, but, barring any unforeseen circumstances, not later than 45 days of the award of contract.
- 15.6 The successful bidder's bid security will be discharge/returned upon the bidder, signing and accepting the contract pursuant to ITB clause 33 and furnishing the performance security, pursuant to ITB clause 34.
- 15.7 The bid security may be forfeited:
- a) if a bidder:
 - i. withdrawn its bid or impairs or derogates from the bid in any respect during the period of bid validity specified by the bidder on the bid form or
 - ii. does not accept the correction of errors pursuant to ITB clause 24.2
 - b) in the case of successful bidder, if the bidder fails:
 - i. to accept and sign the contract in accordance with ITB clause 33; or
 - ii. to furnish performance security in accordance with ITB clause 34.

16. Period of validity of bids

- 16.1 Bids shall remain valid for acceptance for **90 (Ninety)** days after the date of bid submission prescribed by the purchaser, pursuant to ITB clause 19. A bid valid for a shorter period shall be rejected by the purchaser as non-responsive.
- 16.2 In exceptional circumstances the purchaser, may solicit the bidder's consent to an extension of the period of bid validity up to a specified period. The request and the response thereto shall be made in writing (or by facsimile or cable or telex, which will be followed by a signed confirmatory copy simultaneously). The bid security provided under ITB clause 15 shall also be suitably extended. A bidder may refuse the request without forfeiting its bid security. However, a bidder agreeing to the request will not be required nor permitted to modify its bid.
- 16.3 If the date up to which the bid is to remain valid happens to be a closed holiday for the purchaser, the bid shall automatically remain valid up to the next working day of that organization.

17. Format and signing of bid

- 17.1 The bidder shall prepare two copies of the bid, clearly making them "Original Bid" and "Duplicate copy of Bid" respectively. In the event of any discrepancy between them, the original shall govern.

- 17.2 The original and the copy of the bid shall be typed or written in indelible ink and shall be signed by the bidder or a person or persons duly authorized to bind the bidder to the contract. **All pages of the bid, except for un-amended printed literature, shall be initialed by the person or persons signing the bid.**
- 17.3 Any interlineations, erasures or overwriting in the bid shall be valid only if they are initialed by the person or persons signing the bid.
- 17.4 The front page of the bidding documents, containing the signature with date of the officials(of the purchase organization) selling/dispatching the documents and the seal of that office must be returned in original by the bidder along with the original copy of the bid, **failing which the bid is liable to be ignored.**

D. SUBMISSION OF BIDS

18. Sealing and marking of bids

- 18.1 The bidder shall seal the original and the duplicate copy of the bid in separate envelopes, duly marking the envelopes as "Original" and Duplicate" respectively. These envelopes shall then be sealed in an outer envelope.(In case more than two copies are required as per specific stipulation in the **Schedule of Requirements**, the copies of the bids shall be marked accordingly, like "Original" Duplicate" Triplicate" and so on. Each copy of the bid shall be sealed in a separate envelope and these envelopes shall then be sealed in an outer envelope).
- 18.2 The inner and outer envelopes shall be:
- a) addressed to the purchaser at the address given in the **Schedule of Requirement**.
 - b) bear the invitation for bids (IFB) number and the words "DO NOT OPEN BEFORE (The time and date of bid opening, as specified in the Bid Data Sheet shall be indicated here).
- 18.3 Each inner envelope shall indicate the name and address of the bidder to enable the bid to be returned unopened in case it is declared "Late" or if the invitation of bids (IFB) is cancelled.
- 18.4 If the outer envelope is not sealed and marked as required by ITB clause 18.2, the purchaser will not assume any responsibility for the bid's misplacement or premature opening.
- 18.5 **Bids sent by Telegram, Telex, cable or facsimile are not acceptable and will be rejected.**

19. Deadline for submission of bids

- 19.1 Bids must be received by the purchaser at the address specified under ITB clause 18.2 not later than the time and date specified in the **Schedule of Requirements** and the purchaser will provide a receipt (inter alia containing time and date of receipt) for the same. If that specified date happens to be a closed holiday for the purchaser, the bids will be received up to the appointed time on the next working day. If the **Schedule of Requirements** provides for receipt of bids through "tender Box" the bids shall be submitted accordingly as per the instruction given in the **Schedule of Requirements**.
- 19.2 The purchasers may at its discretion, extend this deadline for the submission of bids by amending the bidding documents in accordance with ITB clause 6, in which case all rights and obligations of the purchaser and bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

20. Late bids

- 20.1 Any bid received by the purchaser after the deadline for submission of bids prescribed by the purchaser, pursuant to ITB clause 19, will be rejected and/or returned to the bidder:

21. Modification and withdrawal of bids

- 21.1 The bidder may modify or withdraw its bid after submitting the same, provided that written notice of the modification or withdrawal is received by the purchaser prior to the deadline prescribed for submission of bids.
- 21.2 The bidder's modification or withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of ITB clause 18. A withdrawal notice may be sent by telex or cable or facsimile, but the same must be followed by a signed confirmation copy, postmarked not later than the deadline for submission of bids.
- 21.3 No bid may be modified subsequent to the deadline for submission of bids.
- 21.4 No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the bidder in the bid form. Withdrawal of a bid during this interval may result in forfeiture of the Bidder's bid security pursuant to ITB clause 15.7.

E. BID OPENING AND BID EVALUATION

22. Opening of bids by purchaser

- 22.1 The purchaser will open the bids in the presence of bidders' representatives, who choose to attend, at the time, date and the place specified in the **Schedule of Requirements**.

If the specified date of bid opening is declared a holiday for the purchaser, the bids shall be opened at the appointed time and location on the next working day.

- 22.2 The representative of a bidder, who intends to attend the bid opening, shall bring with him/her a letter of authority from the bidder on the bidder's letter head, duly authorizing him/her to attend the bid opening. In the absence of such a letter of authority, the representative(s) will not be allowed to enter and attend the bid opening. The bidders' representatives, who attend the bid opening, shall sign a register (which will be provided by the purchaser) evidencing their attendance.
- 22.3 The bidder's name, technical specifications of the goods offered, bid prices, discounts, the presence or absence of the requisite bid security and such other details as the purchaser at its discretion, may consider appropriate will be announced at the bid opening.
- 22.4 The purchaser will prepare appropriate minutes of the bid opening for its official record.

23. Clarification of bids

- 23.1 During scrutiny and evaluation of bids, the purchaser may, at its discretion, ask a bidder for a clarification of its bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

24. Preliminary examination of bids- unresponsive, substantially responsive & responsive bids.

- 24.1 The purchaser will examine the bids to determine whether they are complete, whether the required bid validity is available, whether any computational errors have been made, whether required bid security has been furnished, whether the documents have been properly signed, and whether the bids are generally in order. While examining the bids, the purchaser will also keep view the requirements as per ITB Clause 8.
- 24.2 Arithmetical errors, if any, in a bid will be rectified on the following basis, if there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected accordingly. If there is a discrepancy between the words and figures, the amount in words shall prevail. If the supplier does not accept the correction of such errors, its bid will be rejected.

- 24.3 Prior to the detailed evaluation pursuant to ITB clause 26, the purchaser will determine the substantial responsiveness of each bid to the bidding documents. A substantially responsive bid is one which conforms to all the requirements and terms & conditions of the bidding documents, including the specification and technical parameters of the goods as projected in the bidding document, without material deviations. Deviations from or objections or reservations to the bidding documents critical provisions, such as those concerning bid validity, technical specification, performance security, warranty obligations, Force Majeure, taxes & duties and applicable law (governing the contract) will be deemed to be material deviations. Bids from an agent without proper authorization from the manufacturer as per ITB clause 13.2 (a), shall be treated as non-responsive.

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

- 24.4 The purchaser may waive any minor infirmity, non-conformity or irregularity in a bid, which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any bidder.
- 24.5 The conclusion drawn by the purchaser as to the substantial responsiveness or otherwise of a bid or consideration of a minor infirmity or non-conformity or irregularity in a bid is final.
- 24.6 If a bid is determined as not substantially responsive, it will be rejected by the purchaser and may not subsequently be made responsive by the bidder by correction of the non-conformity.

25. Conversion to single currency

- 25.1 To facilitate evaluation and comparison of bids, the purchaser will convert all bid prices expressed in the amounts in various currencies in which the bid prices are payable, to Indian rupees at the BC selling market rate of exchange established by the Stat Bank of India for similar transactions as on the date of bid opening.

26. Evaluation and comparison of bids

- 26.1 The purchaser will evaluate and compare the bids, which have been determined to be substantially responsive, pursuant to ITB clause 24 for each **schedule separately**. The bid for a schedule will not be considered if the complete requirement covered in the schedule is not included in the bid. However, as stated in ITB clause 10, bidders are allowed the option to bid for any one or more schedule and to offer discounts for combined schedules. These discounts will be taken into account in the evaluation of the bids so as to determine the bid or combination of bids offering the lowest evaluated cost for the purchaser in deciding award(s) for each schedule.
- 26.2 The comparison shall be on CIP destination basis, duly delivered and commissioned (as the case may be) at the destination.
- 26.3 The purchaser's evaluation of a bid will include and take into account, in addition to bid price and price of the incidental services:
- a) in the case of goods manufactured in India or goods of foreign origin already located in India, sales tax & other similar taxes and excise duty & other similar duties, which will be payable on the goods if a contract is awarded to the bidder; and
 - b) in the case of goods of foreign origin offered from abroad, customs duties and other similar import duties/taxes, which will be payable on the goods if the contract is awarded to the bidder.
- 26.4 The purchaser's evaluation of bid will also take into account the following factors in the manner and to the extent specified in the **Schedule of Requirements** and amplified in ITB clause 26.5.
- a) cost of inland transportation, insurance and other costs within India incidental to delivery of the goods to their final destination as stipulated in the Schedule of Requirements.
 - b) delivery schedule offered in the bid,
 - c) the cost of components, spare parts and service,
 - d) the availability of spare parts and after- sale service in India for the goods offered in the bid.
 - e) the projected operating and maintenance cost during the life of the equipment.
 - f) specific additional criteria.

26.5 Pursuant to clause 26.4, following evaluation methods will be followed:

a) **Inland transportation, insurance and incidentals:**

Bidder shall quote separately for inland transportation, insurance and other incidentals for delivery of goods to the required destination as already indicated in the **Schedule of Requirements**. These costs, incurred in India, shall be quoted in Indian currency. Such costs will be added by the purchaser to the EXWCIF//CIP bid price.

b) **Delivery schedule:**

The purchaser requires that the goods mentioned in the Schedule of Requirement shall be delivered at the destination within the time schedule specified therein. As and if necessary, the estimated time of arrival of goods from ex-works/port of entry to the destination will be calculated by the purchaser for each bid after allowing for reasonable transportation time based on the published tariff of Railways, appropriate Road Transport Agencies etc. Bids offering deliveries (as worked out on above lines), which are later than the specified delivery but within the allowable range (as specified in the **Schedule of Requirements**) will be adjusted during the evaluation by adding a factor equal to the percentage specified in the Schedule of Requirements, to the EXW/CIF/CIP price per week of variation from the specified delivery schedule.

c) **Cost of components and spare parts:**

i) the list of items and quantities of major assemblies, components and selected spare parts, likely to be required during the initial period of operation as specified in the **Schedule of Requirements**; is annexed to the Technical Specification. The total cost of these items, at the unit prices quoted in each bid will be added to the bid price.

or

ii) the purchaser will draw up a list of high usage and high value items of components and spare parts, along with the estimated quantities of usage in the initial period of operation as indicated in the Schedule of Requirements. The total cost of these items and quantities will be computed from the corresponding unit prices quoted by the bidder and added to the bid price.

or

iii) the purchaser will estimate the cost of spare parts usage in the initial period of operation specified in the **Schedule of Requirements**, based on the information furnished by each bidder, as well as on the past experience of the purchaser or other purchases in similar situations. Such costs shall be added in the bid price for evaluation.

d) **Availability of spare parts and sales service facilities in India:**

The cost to the purchaser of establishing the required service facilities and parts inventories, as outlined in the **Schedule of Requirements** or elsewhere in the bidding documents, if quoted separately, shall be added to the bid price.

e) **The projected operating and maintenance cost during the life of the equipment:**

These costs, which form a major portion of the life cycle cost of the equipment, will be evaluated in accordance with the criteria specified in the Schedule of Requirements and /or in the Technical specifications.

f) **Specific Additional Criteria:**

Other specific additional criteria to be considered in the bid evaluation and the corresponding evaluation method shall be incorporated in the Schedule of Requirements and/or in the Technical Specifications.

27. Bidder's capability to perform the contract

- 27.1 The purchaser will determine to its satisfaction whether the bidder, which is selected as having submitted the lowest evaluated responsive bid, is qualified and prima facie capable to perform the contract satisfactorily.
- 27.2 The determination will take into account the bidder's financial, technical, and production capabilities for fulfilling all the requirements of the purchaser as specified in the bidding documents. This exercise will be based upon the examination of the documentary evidence of the bidder's qualifications submitted by the bidder, pursuant to ITB clauses 2 and 13, as well as such other allied information as the purchaser deems necessary and appropriate.
- 27.3 An affirmative determination will be a prerequisite for award of the contract to the bidder. A negative determination will result in rejection of the bidder's bid in which event the purchaser will proceed to the next lowest evaluated bid to make a similar determination of the bidder's capabilities to perform satisfactorily.

28. Purchaser's right to vary quantities at the time of award

- 28.1 The purchaser reserves the right at the time of awarding the contract to increase or decrease by up to 25%, the quantity of goods and services specified in the schedule of requirements without and change in the unit price or other terms and conditions.

29. Contacting the purchaser

- 29.1 From the time of the bid opening to the time of awarding the contract, if a bidder wishes to contact the purchaser on any matter related to the bid, it should do so in writing.
- 29.2 Any effort by a bidder to influence the purchaser, in the purchaser's decision on bid evaluation, bid comparison or contract award shall result in the rejection of the bidder's bid, besides other suitable administrative actions against the bidder, as deemed fit by the purchaser.

F. Award of Contract

30. Award criteria

- 30.1 Subject to ITB clause 28, the purchaser will award the contract to the successful bidder whose bid has been determined as the lowest evaluated bid, provided further that the bidder is determined to be qualified and prima facie capable to perform the contract satisfactorily.

31. Purchaser's right to accept any bid and to reject any or all bids

- 31.1 The purchaser reserves the right to accept or reject any bid and to annul the bidding process and reject all bids at any time prior to the award of contract, without thereby incurring any liability, whatsoever, to the affected bidder or bidders.

32. Notification of award

- 32.1 Before the expiry of the period of bid validity, the purchaser will notify the successful bidder in writing. By registered letter or by cable/fax/telegram/telex, to be confirmed in writing by registered letter, that its bid has been accepted. The schedule(s) of requirement and the corresponding quantity of the items(s) ordered, which have been accepted, will, inter-alia, be mentioned in the notification,

- 32.2 The notification of award will constitute the formation of the contract.
- 32.3 Upon the successful bidder's furnishing the performance security, pursuant to ITB clause 34, the purchaser will promptly notify each unsuccessful bidder and will discharge its bid security, pursuant to ITB clause 15.

33. Signing of Contract

- 33.1 At the same time as purchaser notifies the successful bidder that its bid has been accepted, the purchaser will send to the bidder by registered post or speed post, the contract form provided in the bidding documents, incorporating all agreements between the parties.
- 33.2 Within twenty-one (21) days of issue of the contract form by the purchaser, the successful bidder shall sign and date the contract and return it to the purchaser by registered post or speed post.

34. Performance security

- 34.1 Within twenty-one (21) days of the issue of notification of award by the purchaser, the successful bidder shall furnish the performance security in accordance with and as per the instructions incorporated in the general conditions of contract with regard to performance security.
- 34.2 Failure of the successful bidder to comply with the requirement of clause 33 or clause 34 shall constitute sufficient grounds for annulment of the award and forfeiture of the bid security, in which event the purchaser may make the award to the next lowest evaluated bidder or call for new bids.