

**e-BID ENQUIRY (RATE CONTRACT) DOCUMENT  
FOR SUPPLY OF**

**Temephos Granules 1%**

**Tender No.HLL/PCD/e-MCD-01/20-21**

*UNDER*

**South Delhi Municipal Corporation (SDMC)**



**Through**

**HLL Lifecare Limited**

**(A Government of India Enterprise)**

**Procurement & Consultancy Services Division**

**B-14 A, Sector-62, Noida-201 307**

**PHONE: 0120-4071500**

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**URL: [www.lifecarehll.com](http://www.lifecarehll.com)**

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# INDEX

<b>Section</b>	<b>Topic</b>	<b>Page No.</b>
Section I	– Invitation for e-Bid (IFeB) -----	01
Section II	– Instructions to Bidders (ITB) -----	04
Section III	– General Conditions of Contract (GCC) -----	16
Section IV	– Special Conditions of Contract (SCC) -----	26
Section V	– Schedule of Requirements -----	29
Section VI	– Technical Specifications -----	31
Section VII	– Qualification Criteria-----	36
Section VIII	- Formats	
	(i) Bid Form	
	(ii) Price Schedule	
	(iii) Contract Form	
	(iv) Bid Security Form (Bank Guarantee)	
	(v) Performance Security Form (Bank Guarantee)	
	(vi) Equipment & Quality Control Employed By manufacturer (Proforma ‘B’)	
	(vii) Performance Statement	
	(viii) Manufacturer’s Authorization Form	
	(ix) Consignee Receipt Certificate	
	(x) Acceptance Certificate	
	(xi) Certificate For Debarred / Deregistered/Blacklisted	
	(xii) Undertaking For Understanding of Terms & Conditions of Bid Document	
	(xiii) Certificate For Free Distribution	
Section IX	Consignee List	
Section X	Checklist	
Appendix A	DIPP Order	
Appendix B	Integrity Pact	

**SECTION I****INVITATION OF e-BIDS (IFeB)****from****HLL Lifecare Limited****(A GOVERNMENT OF INDIA ENTERPRISE)**

Procurement &amp; Consultancy Services Division

B-14 A, Sector-62, Noida-201 307

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Email: [pcd@hllhites.com](mailto:pcd@hllhites.com);URL: [www.lifecarehll.com](http://www.lifecarehll.com)**FOR****South Delhi Municipal Corporation (SDMC)****e-Bid Enquiry No.: HLL/PCD/e-MCD-01/20-21****Dated 18-12-2020****INVITATION OF e-BIDS (IFeB)**

- (1) South Delhi Municipal Corporation (SDMC) intends to finalise rate and supplier for the products/ items mentioned below for a period of ONE year through Procurement and Consultancy Services Division of M/s. HLL LIFECARE LTD (HLL), Noida.

Accordingly, Procurement and Consultancy Services Division of HLL Lifecare Limited, for and on behalf of SDMC invites e-Bids from the eligible and qualified bidders for supply of following items. The e-tender enquiry is a rate contract tender for finalization of the rate and selection of Supplier for the products/ items mentioned in Schedule of Requirements (SOR) of respective Bid enquiries. The rate and supplier shall be valid for ONE year from the date of issue of Letter of Award (LoA). The requirement of goods/stores indicated below is only approximate quantity. Orders will be placed based on the requirements of SDMC within the validity of rate contract at rate and terms & condition finalized.

Sl. No.	Tender ID	Brief Description of item	Consignee	Approximate Required Qty.	Bid Processing fee*(in Rupees)	Bid Security (In Rupees)
1	2020_HLL_64905	Temephos Granule 1%	SDMC	43,000 Kg	1,770/-	NA

**Note: \* Bid processing Fee is inclusive of GST @18% (Our GSTIN: 09AAACH5598K1ZZ)**  
**The quantities mentioned above are approximate quantities. However Supply order will be issued on the basis of actual requirement received from SDMC from time to time within the validity of the rate contract.**

(2)

Sl.	Description	Schedule
a	Pre-bid meeting date, time	<b>28-December-2020, 1400 hrs IST</b>
b	Closing date & time for submission of online	<b>11-January-2021, 1300 hrs IST</b>

	bids	
	Closing date & time for physical submission of <b>Bid Processing fee in physical form</b>	<b>11-January-2021, 1400 hrs IST</b> Bidders have to submit Original Bank Instruments viz. DD/BC/BG of Bid Processing fee within the above mentioned date and time.
c	Time and date of opening of online bids	<b>12-January-2021, 1430 hrs IST</b>
d	Venue for :- • Submission of Bid Processing fee in physical form. • E-Bid Opening-Tech Bid	HLL Lifecare Limited, (A Government of India Enterprise), Procurement & Consultancy Services Division, B-14 A, Sector-62, Noida-201307

**SPECIFIC Instructions for e-Bid Participation:-**

1. The bidders shall submit Bid Processing fee in physical form in favour of M/s. HLL Lifecare Ltd. (HLL), payable at New-Delhi, at the scheduled time and venue.
2. Interested bidders are advised to download the complete Tender Enquiry document from the websites of [www.lifecarehll.com](http://www.lifecarehll.com) or [www.eprocure.gov.in/cppp](http://www.eprocure.gov.in/cppp) for complete details.
3. Bidders shall ensure that their tender(s), complete in all respects, are submitted online through CPPP website: <https://etenders.gov.in/eprocure/app> only.
4. All prospective bidders may attend the Pre bid meeting. Purpose of the pre-bid meeting is to answer queries / provide clarification that the Bidders may have in connection with the Tender and to give them relevant information regarding the same. A bidder requiring any clarification or elucidation on any issue of the bid document may take up the same with the Procurement Agency in writing through email to [pcd@hllhites.com](mailto:pcd@hllhites.com) one day prior to the pre-bid meeting.
5. **Instruction for Pre Bid Video Conferencing:**  
Prospective bidder will be provided with the link for joining the online pre-bid video conference. It will be displayed on CPP Portal and HLL Website on the morning of the pre-bid date. Procurement Agency will not be responsible for poor connectivity/net availability issue etc.
6. The Bidder shall download the Bidding Document directly from the designated websites and shall not tamper/modify it including downloaded Price Bid template in any manner. In case if the same is found to be tempered/modified in any manner, Tender/Bid will be summarily rejected.
7. Bidders are advised to follow the instructions, for registering and online submission of their bid(s), as provided in the CPPP website and are requested to read them carefully before proceeding for bidding.
8. Bidders should be in possession of valid Digital Signature Certificate (DSC) of class III for online submission of bids. Prior to bidding, DSC need to be registered on the website mentioned above.
9. All the tender related documents to be scanned in .pdf format with lower resolution and 100% readability and submitted online. The bidders shall not submit any other documents in physical form other than the documents mentioned at point no 1 above.
10. Bidders may simulate bid submission (technical & financial) at least one week in advance of the bid submission deadline. No clarifications/troubleshooting regarding any problems being faced during online bid submission shall be entertained in the last week of bid submission.

**IMPORTANT NOTE** :- **Bid Processing fee** (As applicable) should be deposited in the Tender Box located at **HLL Lifecare Limited, Procurement and Consultancy Division, B-14 A, Sector-62, Noida-201307, Uttar Pradesh** on or before date and time specified above at para-2 above. **Submission beyond stipulated date & time would result in REJECTION of BID.**

**Head (PCD)**  
**HLL Lifecare Limited**

**TABLE OF CLAUSES**

<b>CLAUSE NO.</b>	<b>TOPIC</b>	<b>PAGE NO.</b>
1	CONTENT OF THE BIDDING DOCUMENTS	4
2	CLARIFICATION IN BIDDING DOCUMENTS	4
3	AMENDMENT OF BIDDING DOCUMENTS	5
4	LANGUAGE OF BID	5
5	DOCUMENTS COMPRISING THE BID	5
6	BID PRICE	7
7	DOCUMENTS ESTABLISHING BIDDERS ELIGIBILITY AND QUALIFICATION	8
8	DOCUMENT ESTABLISHING GOOD'S ELIGIBILITY AND CONFORMITY TO BIDDING DOCUMENTS	9
9	BID SECURITY	9
10	PERIOD OF VALIDITY OF BIDS	10
11	PREPARATION AND SIGNING OF BID	10
12	SUBMISSION OF BIDS	11
13	DEADLINE FOR SUBMISSION OF BIDS i.e. TECHNOCOMMERCIAL (UNPRICED) AND PRICE BID INCLUDING BID SECURITY	11
14	LATE BIDS AND MODIFICATIONS/ WITHDRAWAL OF BIDS	11
15	OPENING OF BIDS BY PROCUREMENT CONSULTANT	11
16	CLARIFICATION OF BIDS	12
17	PRELIMINARY EXAMINATION	12
18	EVALUATION AND COMPARISON OF BIDS	13
19	CONTACTING THE PROCUREMENT CONSULTANT	13
20	AWARD OF CONTRACT	13
21	DELETED	14
22	PROCUREMENT CONSULTANT'S RIGHT TO ACCEPT OR REJECT ANY OR ALL BIDS	14
23	LETTER OF AWARD AND SIGNING OF CONTRACT	14
24	PERFORMANCE SECURITY	14
25	LOCAL CONDITIONS	15
26	CORRUPT OR FRAUDULE PRACTICES	15

## **INSTRUCTIONS TO BIDDERS (ITB)**

This bid documents should be read in conjunction with the Press Tender Notice/IFeB No. HLL/PCD/e-MCD-01/20-21 Dated 18-12-2020 and all clauses to be read in conjunction with any other instruction given elsewhere in this document, on the same subject matter of the clause.

### **1. CONTENT OF BIDDING DOCUMENTS:**

1.1 The Goods / stores required, bidding procedures and Bid& contract terms are prescribed in this Bidding Document and includes

- (i) Section I (IFeB)
- (ii) Section II (ITB)
- (iii) Section III (GCC)
- (iv) Section IV (SCC)
- (v) Section V (Schedule of Requirements)
- (vi) Section VI (Technical Specifications)
- (vii) Section VII (Qualification Criteria)
- (viii) Section VIII containing various standardized forms/formats as stated in Sections II to VII (proforma for performance statement, Consignee receipt certificate, Manufacturer's Authorization Forms, Bid form, Price schedule, Contract Form, proforma for Bank Guarantee for bid security, Proforma for Bank Guarantee for performance security, Proforma B, Certificate for not being de-registered / debarred/ black listed)
- (ix) Section IX (consignee list)

1.2 The Bidders are expected to examine all instructions, terms, specification etc. in the Bidding Documents. Failure to furnish information as required in the Bidding Documents or submission of a Bid not in compliance to the Bidding Documents will be at the Bidder's risk and **may result in rejection of its Bid.**

### **1.3 COST OF BIDDING:**

The Bidder shall bear all costs associated with the preparation and submission of its Bid, and **HLL LIFECARE LIMITED (HLL) (Procurement Consultant) and SDMC**, hereinafter referred to as "The Purchaser" will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process

### **2. CLARIFICATION IN BIDDING DOCUMENTS:**

A prospective Bidder requiring any legitimate clarification of the Bidding Documents may notify the Procurement Consultant in writing at the Procurement Consultant's mailing address indicated in the Invitation for Bids. The Procurement Consultant will respond in writing to any request for clarification of the Bidding Documents which it receives not later than 15 days prior to the deadline for the submission of Bids prescribed by the Procurement Consultant. Written copies of the Procurement

Consultant's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Bidders who have received the Bidding Document.

**3. AMENDMENT OF BIDDING DOCUMENTS:**

- 3.1 At any time prior to the dead line of Submission of Bids, the Procurement Consultant may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder modify the Bidding Documents by amendment.
- 3.2 The amendment(s) to Bid Document will be notified on the websites followed by Courier or e-mail to all prospective Bidders. However, it is responsibility of the Bidders to frequently visit the aforesaid websites for any amendment(s) for this Tender.
- 3.3 In order to afford prospective bidders reasonable time to take the amendment into account in preparing their Bids, the Procurement Consultant may, at its discretion, extend the deadline for the submission of Bids.
- 3.4 A pre bid meeting will be held with the prospective bidders on the date, time & venue mentioned in IFeB. The authorized representative of prospective bidders, who choose to attend such pre-bid conference, may do so. The pre bid conference is intended to furnish all clarification, if required by the bidders, so as to ensure their participation in the bidding process without any doubt and obstacles.

**4. LANGUAGE OF e-BID:**

- 4.1 The Bid prepared by the Bidder and all correspondence and documents relating to the Bid exchanged by the Bidder and the Procurement Consultant, shall be written in the English Language, provided that any printed literature furnished by the Bidder may be written in another language so long as it is accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the Bid, the English translation shall govern.

**5. DOCUMENTS COMPRISING THE e-BID:**

The bid shall be submitted **ONLINE ONLY. However, original BID PROCESSING FEE**(in physical form) to be submitted as mentioned below.

The two part e-Bid, that is,

**Techno-commercial/ Technical bid** (Consisting of Eligibility Criteria & Technical Specifications viz. Product Specification Sheets/Brochures, Certificates etc.). Bidders may name the files indicating the nature of content in pdf format which would be required to be attached in e-Bid.

and

**Price bid** (Price Bid has to be submitted in the prescribed excel format provided with the tender enquiry. If any bidder quotes NIL charges / Consideration, the bid shall be treated as unresponsive and will not be considered).

**DO NOT'S**

Bidders are requested **NOT** to submit the hard copy of Financial Bid. In case the hard copy of financial bid is submitted in physical form, the bid shall be straightway rejected. Also, uploading of the price bid in prequalification bid or technical bid will **RESULT IN REJECTION** of the Bid.



a) **Techno-commercial/ Technical Bid (un-priced Bid):**

This should interalia include the following on an index referenced separately against each Sl. Nos. given below for easy identification. Bidders may name the files indicating the nature of content in pdf. format which would be required to be attached in e-Bid.

**Bidders shall furnish the following information along with technical Bid (in .pdf format):**

- i) Scanned copy of the instruments towards Bid Processing fee.
- ii) Price Schedule with details of items quoted (without indicating any price).
- iii) Statement of Deviations parameter wise from Bid Commercial conditions, if any (Please state 'Nil' if there is no deviation in commercial conditions)
- iv) Statement of Deviations, parameter wise from Bid Technical specifications, if any (Please refer to Technical Specification in Section VI).
- v) Authority Letter/ certificate from manufacturer (Please refer to Qualification Criteria in Section VII)
- vi) Bidders to indicate Name and Address of their Bankers;
- vii) Photocopy of their audited financial statements (Balance sheet and Profit & Loss Accounts) for the last three years duly attested by Chartered Accountant;
- viii) Documentary evidence in accordance with Clause 7 that the Bidder is qualified to perform the contract if it's Bid is accepted.
- ix) Documentary evidence established in accordance with Clause 8 that the Goods/ Stores and Ancillary to be supplied by the Bidder are eligible Goods/ stores and Services and conform to the Bidding Documents; and
- x) The Bidder shall complete the Bid Form furnished in the bidding documents, indicating the goods/ stores to be supplied, a brief description of the goods/ stores, their country of origin, without the prices.
- xi) The bidder shall furnish a brief write-up, packed with adequate data explaining and establishing their and their principal's available capacity/ capability (both technical and financial) to perform the contract (if awarded) within the stipulated time period, after meeting all its current/ present commitments. The bidder shall also furnish details of goods/ stores and quality control in the enclosed proforma "B" for both the bidder and principal/principal manufacturer (as may be applicable) duly signed respectively.
- xii) The bidder shall furnish a certificate that they have not been deregistered/ debarred/ blacklisted for any product or constituent of the product as per proforma enclosed in section VIII.
- xiii) Current ITCC/PAN may be enclosed along with the bid.
- xiv) The Bidder should furnish a certificate of registration from Central Insecticide Board (CIB) for the quoted product (As per the item quoted).
- xv) Deleted.
- xvi) The documents establishing the bidder's qualification as per the Section VII, Qualification Criteria of the Bid enquiry document.
- xvii) Deleted

- xviii) Performance certificates from the user departments for the items quoted.
  - xix) The bidder must certify that the rates quoted by them shall be fixed for the duration of the contract and shall not be subject to the adjustment on any account except for exemption specified at clause 6.1 (F) of ITB.
  - xx) **A certificate to the effect that the bidder has understood the terms and conditions of the bid document and has found no ambiguity /hindrance for participation in the bidding process as per proforma enclosed in Section VIII.**
  - xxi) **INTEGRITY PACT (Please refer to Appendix B)**
- b) **Price Bid:** The information given at Sl. No.5 (a),(ii) &(x) above should be reproduced but with prices indicated. The prices shall be all inclusive total unit prices as per description given at Clause No.6.
1. Prices are to be quoted in the attached Price Bid format online on e-portal in excel format & apply digital signature certificate. **Tempering of Excel files may tantamount to rejection of your bid.**
  2. The price should be quoted for the accounting unit indicated in the e-Bid document.

**The bidder shall not submit hard copy of financial bid otherwise his Bid shall be straightway rejected. Also, uploading the price bid in prequalification bid or technical bid will result in rejection of the Bid.**

**Note:**

- **It is the responsibility of Bidder to go through the Bid Enquiry Document to ensure furnishing all required documents in addition to above, if any.**
- **Any deviation would result in REJECTION of Bid and would not be considered at a later stage at any cost by HLL**

**6. BID PRICE:**

- 6.1 (a) The Price should indicate all inclusive total unit price offered for the item(s)/ Schedule(s) indicating cost of the stores, freight, transit insurance, packing and forwarding, Sales Tax, Excise duty, Goods & Service Tax (GST). The prices are to be kept valid for acceptance up to 90 days from the date of the opening of bids. The unit prices should be firm and fixed throughout the contract period. No other charges in addition will be payable on any account over and above total unit price finalized in contract. The prices should be given both in figures and words. **Offers with price variation clause will not be accepted and the rates quoted in ambiguous terms such as “freight on actual basis” or “taxes as applicable extra” will render the bid liable for rejection.**

In the event of Letter of Award being issued, HLL shall issue a certificate as per Proforma given in Section VIII certifying that the consignments are meant for free distribution in the country under Anti Malaria Operations of South Delhi Municipal Corporation(SDMC)and not for sale, mentioning specific contract no. & date, Name of Supplier. In case such certificate is not acceptable to the concerned authorities, it will be the responsibility of the Supplier to timely apply and obtain necessary Road Permits or Octroi Exemption Certificates etc. from the concerned consignees directly. No benefit, charges or delay on this account shall be admissible to the supplier.

- 6.1 (b) The rates quoted should be for Free delivery at consignee’s site/ warehouse inclusive of all charges as indicated above.

6.1 (c) **Bid Currency**– The Prices shall be quoted in Indian Rupees.

6.1 (d) Deleted

6.1(e) Bidders in their own interest shall ascertain the eligibility of whatsoever concessions and exemptions eligible and applicable and shall bring it to knowledge of the Procurement Consultant and quote accordingly.

6.1(f) Additional information and instruction on Duties and Taxes:

(i) If the Bidder quotes a price inclusive of taxes GST etc. and also desires to be reimbursed for variation during the contract period, if any, as a result of statutory variation in above duty and taxes, the same must be specifically stated. In the absence of any such stipulation the price will be taken inclusive of such duties and taxes and no claim for the same will be entertained later.

(ii) Goods and Service Tax(GST):

If a Bidder quotes a price inclusive of GST and also desires to be reimbursed for variation, if any, in the GST during the time of rate contract/ supply, the bidder must clearly indicate the rate, quantum and nature of GST applicable and included in its price, separately. Failure to indicate all such details in clear terms may result in rejection of that bid.

The GST will be paid as per the rate at which it is liable to be assessed or has actually been assessed provided the transaction of sale is legally liable to GST, and is payable as per the terms of the contract. If any refund of Tax is received at a later date, the Supplier must return the amount forth-with to the Procurement Consultant.

6.2 The Procurement Consultant will evaluate bids based on all inclusive total Unit price quoted for the item in question at Consignee's site basis.

**7. DOCUMENTS ESTABLISHING BIDDER'S ELIGIBILITY AND QUALIFICATION:**

7.1 The Bidder shall, furnish, as part of its Bid, documents establishing the Bidder's qualifications to perform the contract.

7.2 The documentary evidence of the Bidder's qualifications to perform the contract if its Bid is considered for further scrutiny & evaluation, shall establish to the Procurement Consultant's satisfaction:

a) Deleted

b) The Procurement Consultant will determine to his satisfaction whether the Bidder selected is qualified as per requirement of minimum qualification criteria stipulated in Section VII, to satisfactorily perform the contract, if awarded. In support of this, data on past performance should be submitted as per proforma of performance certificate in Sec VIII.

c) The determination will also take into account the Bidder's financial, technical and production capabilities. It will be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidders as per the proforma of performance statement in Sec VIII as well as such other information as in clause 8 or elsewhere as the Procurement Consultant deems necessary and appropriate;

Notwithstanding anything stated above, the Procurement Consultant reserves the right to assess the capability and capacity of the Bidder to perform the contract, should the circumstances warrant such as assessment in the overall interest of the Procurement Consultant.

7.3 Techno-Commercial Bid and Price Bid should be complete in all respects without any ambiguity. Techno Commercial Bid incomplete in any respect will be rejected without further reference to the bidder and their Price Bid will be returned unopened.

7.4 No conditional Bid will be entertained/ considered.

**8. DOCUMENT ESTABLISHING GOOD'S ELIGIBILITY AND CONFORMITY TO BIDDING DOCUMENTS:**

8.1 The Bidder shall furnish, as part of its Bid, documents establishing the eligibility and conformity to the Bidding Documents of all Goods/ stores and services that the Bidder proposes to supply under the contract.

8.2 The documentary evidence of the Goods/ stores and Services conforming to the Bidding Documents may be in the form of literature, drawings and data, and shall comprise of

- a) a detailed description of the Goods/ stores essential technical and performance characteristics.
- b) a clause-by-clause commentary on the Purchaser's technical specifications demonstrating the Goods/ stores and Services' substantial responsiveness to those specifications or a statement of deviations and exceptions to the provisions of the Technical Specifications.

8.3 Deleted

8.4 If a bidder furnishes wrong and/ or misleading data, approvals/ certifications, statements etc. about the technical acceptability of goods/ stores and services offered by it, its bid will be liable to be ignored and rejected in addition to other remedies available to the Procurement Consultant in this regard.

**9. BID SECURITY**

Bid security is not applicable as per the OM No.F.9/4/2020-PPD dated 12.11.2020. However in place of Bid security, bidders have to submit a duly signed Bid securing declaration as mentioned below:

(Name of the bidder) here by accept that if we withdraw or modify our Bid during the period of validity, or if we are awarded the contract and we fail to sign the contract, or to submit a performance security before the deadline defined in the bid document, Procurement agency/Purchaser may suspended us for 90 days from being eligible to submit Bids for contracts with Procurement agency/Purchaser.

**A Bid without duly signed Bid securing declaration may be rejected by the Procurement Consultant and declared as non-responsive.**

**10. PERIOD OF VALIDITY OF BIDS:**

10.1 Bids shall remain valid for 90 days after the date of Bid opening prescribed by the Procurement Consultant, pursuant to Clause 13. **A Bid expressed to be valid for a shorter period may be rejected by the Procurement Consultant as non-responsive.**

10.2 In exceptional circumstances, the Procurement Consultant may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing.

**11. PREPARATION AND SIGNING OF BID:**

11.1 Deleted.

11.2 The Bid shall be typed or written in indelible ink and shall be signed by the Bidder or person(s) duly authorized to bind the Bidder to the contract. The letter of authorization shall be indicated by written Power-of-Attorney accompanying the Bid. All pages of the Bid, except for unamended printed literature, shall be initialled and stamped by the person or persons signing the Bid.

11.3 The Bid shall contain no inter-lineations, erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such corrections shall be initialled by the person or persons signing the Bid.

**12. SUBMISSION OF BIDS.**

**The Bid shall be submitted online only.** The Bidders must ensure that they submit the on-line bids not later than the closing time and date specified for submission of Bids in Clause 2 of IFeB in Section-1.

12.1 The techno-commercial bid comprising all relevant document with respect to pre-qualification, technical compliance as mentioned in clause no.5 above along with copy/ proof of Bid Processing fee. The Bid shall be submitted online on or before the time specified.

12.2 The instruments/document i.e. Demand Draft or Bank Guarantee, as applicable, with respect to Bid Processing fee, shall be submitted in original before the time and venue specified in Clause 2 of IFeB, in Section-1.

**12.3 PRICE BID (Only Online):**

The Bidders must ensure that the price bid submitted on-line in the format recommended in Sec VIII, not later than the closing time and date specified for submission of Bids.

12.4 There is NO PROVISION of uploading late bid beyond stipulated date & time in the e-Bidding system.

12.5 Deleted

**12.6 Telex, Cable or facsimile bids will be rejected.**

**13 DEADLINE FOR UPLOADING OF BIDS i.e., TECHNO-COMMERCIAL/TECHNICAL (UNPRICED) AND PRICE BID AND BID PROCESSING FEE**

13.1 As indicated in the IFeB.

13.2 In the event of due date of opening being declared a closed holiday then the due date for opening of Bids will be the following working day at the appointed time.

13.3 The Procurement Consultant may at its discretion extend this deadline for the submission/uploading of Bids by amending the Bidding Documents in accordance with clause 3, in which case all rights and obligations of the Procurement Consultant and Bidder previously subject to the deadline will thereafter be subject to the deadline as extended.

**14 Deleted**

**15. OPENING OF BIDS BY PROCUREMENT CONSULTANT;**

15.1 Bids will be opened in the presence of Bidder's representatives who choose to attend. Authorized representatives of the Bidders, who have submitted/uploaded bids on time may attend the Bid opening provided they bring with them letters of authority from the competent authority

corresponding Bidders

- 15.2 The Procurement Consultant will open the Techno-commercial/ Technical bid only, in the presence of Bidder's representatives who choose to attend, in HLL Lifecare Ltd. office, on the due date and time as mentioned in the IFeB.

The Bid opening official(s) will prepare a list of the representatives attending the Bid opening. The list will contain the representatives' names & signatures and corresponding Bidders' names and addresses

- 15.3 Two - Bid system as mentioned in Para 5 above will be as follows. The **Techno - Commercial Bids** are to be opened in the first instance, at the prescribed time and date as indicated in IFeB. These Bids shall be scrutinized and evaluated by the competent committee/ authority with reference to parameters prescribed in the Bid Enquiry document. During the Techno - Commercial Bid opening, the Bid opening official(s) will read the salient features of the Bids like brief description of the goods offered, delivery period, and any other special features of the Bids, as deemed fit by the Bid opening official(s).
- 15.4 Thereafter, in the second stage, the Price Bids of only the Techno - Commercially acceptable offers (as decided in the first stage) shall be opened for further scrutiny and evaluation on a date notified after the evaluation of the Techno – Commercial Bids. The prices, special discount if any of the goods offered etc., as deemed fit by Bid opening official(s) will be read out
- 15.4 **Bids that are not opened and read out at bid opening shall not be considered further for evaluation irrespective of the circumstances.**

**16. Clarification of Bids:**

- 16.1 If during the preliminary examination, the Procurement Consultant find any minor informality and/ or irregularity and/ or non-conformity in a Bid, the Procurement Consultant may waive the same provided it does not constitute any material deviation and financial impact and, also, does not prejudice or affect the ranking order of the bidders. Wherever necessary, the Procurement Consultant will convey its observation on such 'minor' issues to the bidder by registered/speed post etc. asking the bidder to respond by a specified date. If the bidder does not reply by the specified date or gives evasive reply without clarifying the point at issue in clear terms, that Bid will be liable to be ignored.

**17. PRELIMINARY EXAMINATION:**

- 17.1 The Procurement Consultant will examine the Bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, stamped and whether the Bids are generally in order.
- 17.2 Arithmetical errors will be rectified on the following basis:-If there is a discrepancy between the unit prices and the total unit price that is obtained by adding up price components of unit prices as mentioned in the price schedule, the add-up total unit price shall prevail and the total price shall be corrected If the supplier does not accept the correction of the errors, its Bid will be rejected. If there is a discrepancy between words and figures, the amount in words will prevail.
- 17.3 Deleted
- 17.4 Prior to the detailed evaluation, pursuant to ITB Clause 18, the Procurement Consultant will determine the substantial responsiveness of each bid to the bidding documents. For purposes of these Clauses, a substantially responsive bid is one, which conforms to all the terms and conditions

of the bidding documents without material deviations. Without prejudice to the generality of the foregoing deviations from or objections or reservations to critical provisions such as those concerning Performance Security (GCC Clause 6), Warranty (GCC Clause 25), Bid Security (Clause 9 of ITB) Force Majeure (GCC Clause 17), Applicable law (GCC Clause 22) and Taxes & Duties (GCC Clause 24), will be deemed to be material deviation. The Procurement Consultant's determination of a bid's responsiveness is to be based on the contents of the bid itself.

17.4.1 The following are some of the important aspects, for which a Bid shall be declared non-responsive and will be summarily ignored;

- (i) Bid form as per Section VIII (signed and stamped) not enclosed
- (ii) Bid is unsigned.
- (iii) Bid validity is shorter than the required period.
- (iv) Required Bid Security Declaration have not been provided.
- (v) Deleted
- (vi) Bidder has not agreed to give the required performance security.
- (vii) Goods/ stores offered are not meeting the Bid enquiry specification.
- (viii) Bidder has not agreed to other essential condition(s) specially incorporated in the Bid enquiry like terms of payment, liquidated damages clause, warranty clause, Terms of delivery, Delivery period clause, dispute resolution mechanism, applicable law & Jurisdiction (Clause 26 of GCC).
- (ix) Poor/ unsatisfactory past performance.
- (x) Bidders who stand deregistered/ banned/ blacklisted by any Govt. Authorities.
- (xi) Bidder is not eligible as per ITB Clauses 7.
- (xii) Deleted.
- (xiii) Deleted.
- xiv) Bids do not meet the qualification criteria as prescribed in Section VII of Bid Enquiry document.
- (xv) Deleted
- (xvi) All bidders are bound to comply with the integrity pact clauses. Bids submitted without signing the integrity pact will be ab initio rejected without assigning any reason. (Refer Appendix-B)**

**17.5 If a bid is not substantially responsive, it will be rejected by the Procurement Consultant.**

**18. EVALUATION AND COMPARISON OF BIDS:**

The Procurement Consultant will evaluate and compare the Bids on the basis of techno commercial / technical evaluations followed by price bid evaluation as per Clause 6.2.

**19. CONTACTING THE PROCUREMENT CONSULTANT:**

19.1 Subject to Clause 16, no Bidder shall contact the Procurement Consultant on any matter relating to its Bid from the time of the Bid opening to the time the contract is awarded.

**19.2 Any effort by a Bidder to influence the Procurement Consultant in the Procurement Consultant's bid evaluation, bid comparison or contract award decisions may result in the rejection of the Bidder's Bid.**

**20. AWARD OF CONTRACT:**

**20.1 AWARD CRITERIA**

Subject to Clause 22, the successful Bidder, whose Bid has been determined to be techno-commercially/ technically acceptable and lowest, provided further that the Bidder is determined to be qualified to perform the contract satisfactorily.

**21.** Deleted

**22. PROCUREMENT CONSULTANT'S RIGHT TO ACCEPT OR REJECT ANY OR ALL BIDS:**

**The Procurement Consultant reserves the right to accept or to reject any Bid and annul the Bidding process or to reject all Bids at any time prior to award of contract, without thereby incurring any liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders on the grounds of the Procurement Consultant's action. The Procurement Consultant is not bound to accept the lowest or any bid.**

**23. LETTER OF AWARD (LoA) AND SIGNING OF CONTRACT:**

**23.1** Prior to the expiry of the period of Bid Validity, the Procurement Consultant will notify the successful Bidder by registered post/ Fax/ Courier that its Bid has been accepted followed by enclosing detailed LoA/Contract Form in duplicate. This will be deemed to be a contract and date of the contract shall be the date of LoA. The rate contract shall be valid for one year from the date of issue of LoA, keeping the unit price, Consultant and other terms and conditions of the LoA fixed during the same tenure. During this period the consultant shall place supply orders for and on behalf of the Procurement Consultant / client i.e. SDMC based on Procurement Consultant's requirement, as and when required.

**23.2** Deleted.

**23.3** The successful bidder will have to execute a formal contract with HLL within two weeks of issue of LoA in the prescribed Proforma on a non-judicial stamp paper of Rs. 100/- after the issue of Letter of Award.

**23.4** The rate contract shall be awarded by the Procurement consultant i.e HLL Lifecare Ltd. and goods procured thereunder shall be through HLL Lifecare Ltd. only.

**24. PERFORMANCE SECURITY:**

**24.1** Successful bidder had to submit bid security in the form of Account Payee Demand Draft drawn on any Scheduled bank in India or Bank Guarantee issued by a Scheduled bank in India, within 10 days of the date of issue of Supply order for an amount equal to three percent(3%) of the total value of the contract. Performance security shall be furnished in the form of Crossed account payee demand draft drawn in favor of HLL Lifecare Ltd, payable at New Delhi or Bank Guarantees (in the prescribed Proforma given in the Section VIII issued by any of the scheduled banks).

The performance security should be valid upto 5/6<sup>th</sup> of the shelf life of the final supply made under the Supply Order. However, initially the performance security shall be valid upto 36 months from the date of LoA.



24.2 Failure of the successful Bidder to comply with the requirement of Clause 23 and Clause 24 shall constitute sufficient grounds for the annulment of the award and the Contract and forfeiture of the Bid Security, in which event the Procurement Consultant may make the award to the next lowest Bidder or call for new Bids.

**25. LOCAL CONDITIONS:**

It will be imperative on each Bidder to fully acquaint himself of all the local conditions and factors which would have any effect on the performance of the contract and cost of the Goods/ stores. The Procurement Consultant shall not entertain any request for clarifications from the Bidder regarding such local conditions. No request for the change of price, or time schedule of delivery of Goods/ stores & Services shall be entertained after the Bid is accepted by the Procurement Consultant.

**26 CORRUPT OR FRAUDULENT PRACTICES**

26.1 Bidders/ Suppliers/Contractors are required to observe the highest standard of ethics during the procurement and execution of the contracts. In pursuance of this policy, the Procurement Consultant

- (a) defines for the purposes of this provision, the terms set forth below as follows:
  - (i) “corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution and
  - (ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procurement Consultant, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non competitive levels and to deprive the Procurement Consultant of the benefits of free and open competition.
- (b) will reject a proposal for award if it determines that the Bidder recommend for award has engaged in corrupt or fraudulent practices in competing for contract in question.
- (c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a contract if at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, a contract.

**SECTION III****GENERAL CONDITIONS OF CONTRACT (GCC)**

<b>CLAUSE NUMBER</b>	<b>CLAUSE</b>	<b>PAGE NO.</b>
1	DEFINITIONS	17
2	APPLICATION	17
3	STANDARDS	17
4	USE OF CONTRACT DOCUMENTS AND INFORMATION	17
5	INTELLECTUAL PROPERTY RIGHTS	18
6	PERFORMANCE SECURITY (SECURITY DEPOSIT)	18
7	INSPECTION AND TESTS	18
8	PACKING	20
9	DELIVERY	20
10	INSURANCE	21
11	TRANSPORTATION	21
12	PAYMENT	21
13	PRICES	21
14	DELAYS IN SUPPLIER PERFORMANCE	21
15	LIQUIDATED DAMAGES	22
16	TERMINATION FOR DEFAULT	23
17	FORCE MAJEURE	23
18	TERMINATION FOR INSOLVENCY	23
19	TERMINATION FOR CONVENIENCE	23
20	RESOLUTION OF DISPUTES	24
21	GOVERNING LANGUAGE	24
22	APPLICABLE LAW	24
23	NOTICES	24
24	TAXES AND DUTIES	24
25	WARRANTY	25
26	JURISDICTION	25
27	WITHHOLDING AND LIEN IN RESPECT OF SUMS CLAIMED	25

## **GENERAL CONDITIONS OF CONTRACT**

### **1. DEFINITIONS**

- 1.1 In this contract, the following terms (whether or not spelled with an initial capital letter) shall unless the context otherwise requires be interpreted as indicated:
- a) "The contract" (or "this contract") means the agreement entered into between the Procurement Consultant and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein AND INCLUDES THE Instructions to Bidders (ITB).
  - b) "The Contract Unit Price / All inclusive total Unit Price" means the Unit price payable to the supplier under the contract for the full and proper performance of its contractual obligations;
  - c) "The Goods/ stores" means all of the materials which the Supplier is required to supply to the Purchaser under the contract;
  - d) "Services" means services ancillary to the supply of the Goods/ stores, such as transportation and insurance and any other incidental services such as installation, commissioning, provision of technical assistance, training and other such obligations of the supplier covered under the contract;
  - e) "The Purchaser" means the organization purchasing the Goods /stores i.e. South Delhi Municipal Corporation (SDMC).
  - f) Procurement consultant means HLL Lifecare Ltd.
  - g) "The Supplier" means the individual or firm supplying the Goods/ stores and services under this contract and includes its successors or assignees; and
  - h) "Consignee" means the In charge of SDMC warehouse where the Goods/ stores are required to be delivered.

### **2. APPLICATION:**

- 2.1 The General "Conditions" shall apply to the extent they are not superseded by provisions in other parts of the contract.

### **3. STANDARDS**

- 3.1 The Goods/ stores supplied under this contract shall conform to the standards mentioned in the Technical Specifications, and, when no applicable standard is mentioned, to the authoritative standard appropriate to the Good's country of origin and such standards shall be the latest issued by the concerned institution.

### **4. USE OF CONTRACT DOCUMENTS AND INFORMATION**

- 4.1 The Supplier shall not, without the Procurement Consultant's prior written consent, disclose the contract or any provision thereof or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procurement Consultant in connection there with, to any person other than a person employed by the Supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 4.2 The Supplier shall not, without the Procurement Consultant's prior written consent, make use of any documents or information enumerated in clause 4.1 except for purposes of performing the contract.

4.3 Any document, other than the contract itself enumerated in clause 4.1 shall remain the property of the Procurement Consultant and shall be returned (in all copies) to the Procurement Consultant on completion of the Supplier's performance under the contract if so required by the Procurement Consultant.

**5. INTELLECTUAL PROPERTY RIGHTS**

5.1 The Supplier shall indemnify the Procurement Consultant against all third party claims of infringement of Intellectual Property Rights, including patents, trade mark, or industrial design rights arising from use of the Goods/ stores or any part thereof in the Procurement Consultant's country.

**6. PERFORMANCE SECURITY (SECURITY DEPOSIT):**

6.1 Within 10 days of issuing the supply order, the supplier shall furnish performance Security to the Procurement Consultant for the amount and validity as specified in ITB Clause 24.1.

6.2 The Performance Security as deposited by the Supplier shall be used by the Procurement Consultant as compensation for any loss or any dues recoverable from the Supplier (including liquidated damages where applicable) resulting from the Supplier's failure to complete its obligations under the contract. The Procurement Consultant may retain the whole or such part of it as it considers to be sufficient compensation for such loss. In such an event the balance amount (if any) shall be returned to the supplier not later than the period stated in clause 6.3.

6.3 The performance Security deposited under GCC Clause 6.2 becomes liable to be refunded when the Contractor/ Supplier duly performs and completes the contract in all respects and presents an absolute No-Demand Certificate.

6.4 In the event of any contract amendment, the supplier shall within 15 days of such amendment furnish the amendment to the performance security rendering the same valid for the contract as amended.

**7. INSPECTION AND TESTS**

7.1 The Procurement Consultant or its representatives including consignees shall have the right to inspect and/or to test the Goods/ stores to confirm their conformity to the contract. The Special Conditions of Contract and/or the Technical Specifications specify what inspection and tests the Procurement Consultant requires and where they are to be conducted then such specification shall be complied with for the Goods/ stores to which it applies. The Procurement Consultant may notify the Supplier in writing of the identity of any representatives retained for these purposes, if any.

7.2 The inspections and tests may be conducted on the premises/ godowns of the Supplier prior to dispatch of Goods/ stores or at point of delivery and/or at the Good's final destination. When conducted on the premises of the Supplier, all reasonable facilities and assistance, including access to drawings and production data shall be furnished to the inspectors at no charge to the Procurement Consultant.

7.3 Consequence of rejection-

If the stores being rejected by the inspector or consignee at the supplier's premises or at consignee site and the supplier fails to make satisfactory supplies/offer for inspection within the stipulated period of delivery the Procurement Consultant shall be at liberty to –

- i) require the supplier to replace the rejected stores forthwith but in any event of later than a period of 10 days from the date of rejection and the supplier shall bear all cost of such replacement, including freight, if any, on such replacing and replaced stores but without being entitled to any extra payment on that or any other account.

- ii) purchase the quantity of the stores rejected or stores of similar description without notice to the supplier at his risk and cost and without affecting the supplier's liability as regards to the supply of any further installment due under the contract, or
  - iii) Cancel the contract and purchase the store of the similar description at the risk and cost of the supplier. In the event of action being taken under sub clause (ii) above or this sub clause the provisions of GCC clause 15 shall apply as far as applicable.
- 7.4 The Procurement Consultant's right to inspect, test and, where necessary, reject the Goods/ stores after the Good's delivery to the Consignee shall in no way be limited or waived by reason of the Goods/ stores having previously been inspected, tested and passed by the Procurement Consultant or its representative prior to the Good's shipment.
- 7.5 Nothing in clause 7 shall in any way release the Supplier from any warranty or other obligations under this contract.
- 7.6 Deleted
- 7.7 The following inspection and sampling procedure shall be followed by the Procurement Consultant or his representative while Inspection is carried out at Manufacturer's premises / warehouse.
- a) The entire quantity against each item of the Contract should be offered for Inspection and sampling preferably in one lot and in no case exceeding two lots.
- The manufacturer shall furnish at the time inspection to the inspecting authority's authorized representative(s) the following documents:-
- i. Valid manufacturing license.
  - ii. Valid CIB Registration for the product.
  - iii. Packing list containing batch details of item to be supplied.
  - iv. Quality Test Certificate for incoming raw materials.
  - v. Batch manufacturing record.
  - vi. Internal Quality Assurance report for each batch.
  - vii. Batch release certificate.
- b) Three sets of samples of required quantity shall be drawn at random from each batch of product offered for inspection by the Procurement Consultant's inspector at manufacturer's premises and sealed before dispatch.
  - c) One set of sealed samples will be sent to a Government approved independent laboratory selected by the Procurement Consultant for conducting the required test as per specifications and give a report within 3 weeks to confirm whether the samples conform to the prescribed specification. One set of sealed sample will be retained with the manufacturer as counter sample and another set will be retained by the inspector of Procurement Consultant.
  - d) The sample retained with manufacturer & inspector will be retained till the end of the shelf life of the item.
  - e) Inspection note will be issued by the inspecting authority of Procurement Consultant on the basis of test report, accepting or rejecting the batch as the case may be. The Inspector's decision as regards the rejection shall be final and binding on the supplier.
  - f) The Goods/Stores will be dispatched only after the above inspection procedure has been followed and inspection note issued to accept the consignment.

g) The samples drawn from each batch at the time of sampling have to be replenished by the supplier from the respective batches at no extra cost to the Procurement Consultant.

**8. PACKING**

8.1 The Supplier shall provide such packing of the goods/ stores as is required to prevent their damage or deterioration during transit to their final destination as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperature, salt and precipitation during transit and open storage. Packing case size and weights shall be taken into consideration, where appropriate, the remoteness of the Goods/ stores final destination and the absence of heavy handling facilities at all points in transit. All primary packaging containers which come in contact with the Goods/ stores content shall strictly conform to the specifications included in the relevant standards to protect the quality and integrity of the goods/ stores.

8.2 The packing, marking shall show the description of quantity of contents, the name of the consignee and address, the gross weight of the packages, the name of the supplier with a distinctive number of mark sufficient for purposes of identification.

Each package shall contain:

- a) A packaging note quoting the name of the Procurement Consultant
- b) The number and date of order
- c) Nomenclature of the goods/ stores
- d) Schedule of parts for each complete equipment giving part number with reference to assembly.

8.3 Notwithstanding anything stated in this clause, the supplier shall be entirely responsible for loss, damage, deterioration, and depreciation of the goods/ stores due to faulty protective & Insecure packing and shall arrange for prompt replacement.

8.4 In addition to the above, the packing and marking will be complied as indicated in schedule of requirement and technical specifications.

**9. DELIVERY**

9.1 Delivery of the Goods/ stores shall be made by the Supplier within the period stipulated in the Schedule of Requirements and consequently stipulated in the resultant Award/ contract. The time for and the date of delivery of the goods stipulated in the schedule shall be deemed to be the essence of contract and the delivery must be completed not later than the date(s) as specified in the contract.

9.2 Within 24 hours of shipment, the supplier shall notify the Procurement Consultant and the insurance company by cable/telex/fax/e-mail the full details of shipment including contract number, Railway Receipt/Lorry Receipt/Goods Receipt number and date, description of Goods/ stores, quantity, consignee etc. The supplier shall dispatch the following documents to the Procurement Consultant with a copy of each of the documents to the insurance company by courier service:

- (i) 3 copies of the supplier's invoice showing a description of the goods/ stores, quantity, unit price, total amount;
- (ii) Acknowledgement of receipt of Goods/ stores from the consignee(s);
- (iii) Insurance certificate;
- (iv) Supplier's/manufacturer's warranty;

(v) Inspection certificate issued by the nominated inspection Consultant and the supplier's/ manufacturer's factory inspection report; and

(vi) Certificate of origin.

**10. INSURANCE**

10.1 The Goods/ stores supplied under the contract shall be fully insured including transit insurance against various risks as required or approved by the Procurement Consultant arising out of transportation, storage, delivery, erection, installation, testing and commissioning at his cost up to delivery at site.

10.2 For delivery of goods/ stores to site, the insurance shall be obtained by the supplier in an amount equal to 110% of ex-works value of goods/ stores from "Warehouse to warehouse" (final destination) on "all risks" basis including war, risks, strikes, erection, storage, etc. In any event the Goods/ stores are at the suppliers risk until delivery to sites.

**11. TRANSPORTATION**

To be arranged by the supplier up to consignees end duly insured.

**12. PAYMENT**

Both for Indian origin goods/ stores and for import origin finished goods/ stores. (To be read in conjunction with clause 6 of ITB.)

12.1 The Supplier's request(s) for payment shall be made to the Procurement Consultant in writing, accompanied by an invoice describing as appropriate, the Goods/ stores delivered and Services performed and by shipping documents, such Goods/ stores to be duly certified and wherever applicable supported with documentary evidence in support thereof satisfactory installation duly certified by authorized personnel of consignees, shall accompany for release of balance payment.

Three copies of supplier's invoice indicating Bill to Consignee through M/s HLL Lifecare Limited and Ship to Place of supply, showing contract number, goods description, quantity, unit price and total amount. Invoices should be raised by the supplier in the name of consignee with their GSTN only.

12.2 (i) 90% of the invoice values will be made within 30 days of documentary proof of receipt of the invoiced goods/ stores as per the consignee receipt certificate provided in Section VIII and other documents as in clause 9.2 above.

(ii) Balance 10% payment will be made within 120 days of documentary proof of receipt of the invoiced goods/ stores as per the acceptance certificate provided in Section VIII.

**13. PRICES**

13.1 Prices charged by the Supplier for Goods/ stores delivered and services performed under the contract shall not vary from the prices quoted by the Supplier in its Bid.

**14. DELAYS IN THE SUPPLIERS PERFORMANCE**

14.1 The time and date specified in the Contract for the delivery of the Goods/ stores shall be deemed to be the essence of the Contract.

14.2 Delivery of the Goods/ stores and performance of Services shall be made by the Supplier in accordance with the time schedule specified by the Procurement Consultant.

14.3 Any unexcused delay by the Supplier in the performance of its delivery obligations shall render the Supplier liable to any or all of the following sanctions, forfeiture of its Performance Security in

accordance with Clause 6.2, imposition of liquidated damages and/or termination of the Contract for default as per GCC clause 16.

14.4 If at any time during the performance of the Contract, the Supplier or its sub- Suppliers(s) should encounter conditions impeding timely delivery of the Goods/ stores and performance of the Services, the Supplier shall promptly notify the Procurement Consultant in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Procurement Consultant shall evaluate the situation and may at its discretion extend the supplier's time for performance, by such period as the Procurement Consultant shall consider fair and reasonable. Clause 14.1 stands extended to include this.

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

(a) The Procurement Consultant/Consignee shall recover from the supplier, under the provisions of the clause 15 of the General Conditions of Contract, liquidated damages on the goods/ stores and services, which the Supplier has failed to deliver within the delivery period stipulated in the contract.

(b) That no increase in price on account of any ground, whatsoever, including any stipulation in the contract for increase in price on any other ground and, also including statutory increase in or fresh imposition of Customs duty, Goods & Service Tax(GST) or on account of any other tax or duty which may be levied in respect of the goods/ stores and services specified in the contract, which takes place after the date of delivery stipulated in the contract shall be admissible on such of the said goods/ stores and services as are delivered and performed after the date of the delivery stipulated in the contract.

(c) But nevertheless, the Procurement Consultant/ Consignee shall be entitled to the benefit of any decrease in price on account of reduction in or remission of customs duty, GST or any other duty or tax or levy or on account of any other grounds, which takes place after the expiry of the date of delivery stipulated in the contract.

14.6 The supplier shall not dispatch the goods/ stores after expiry of the delivery period. The supplier is required to apply to the Procurement Consultant/Consignee for extension of delivery period and obtain the same before despatch. In case the supplier dispatches the goods/ stores without obtaining an extension, it would be doing so at its own risk and no claim for payment for such supply and / or any other expense related to such supply shall lie against the Procurement Consultant. In the event the goods/ stores are accepted by the consignee after the expiry of the delivery period, the right of the Procurement Consultant to levy liquidated damages on delayed supplies will not be forfeited.

**14.6.1 Passing of Property:**

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

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

**15. LIQUIDATED DAMAGES**

15.1 Subject to force – majeure events, if the Supplier fails to deliver any or all of the Goods/ Supply Order stores or perform the Services within the time period(s) specified in the Contract/ the Procurement Consultant shall, without prejudice to its other remedies under the Contract, or extended under Clause **14.4**, the Procurement Consultant shall without prejudice to its other



remedies under the contract deduct from the respective Supply Orders Price, as Liquidated Damages, a sum equivalent to 0.5 percent of the price of the delayed Goods/ stores or unperformed Services for each week of delay or part thereof until actual delivery or performance(cumulative delay in weeks considering delay in offering for inspection and delay in delivery of goods after issue of inspection note as mentioned in Schedule of Requirement: Section V), up to a maximum deduction of 10 (ten) percent of the respective Supply Orders Price. Once the maximum is reached, the Procurement Consultant may consider termination of the contract/ Supply Order.

*Since the Liquidated damages are in virtue of non-performance of services, it will attract GST or any other applicable taxes which in turn shall be deducted from the bidder.*

**16. TERMINATION FOR DEFAULT**

16.1 The Procurement Consultant may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, terminate the Contract in whole or in part:

(a) if the Supplier fails to deliver any or all of the Goods/ stores within the time period(s) specified in the Contract or any extension thereof granted by the Procurement Consultant pursuant to Clause 14,

or

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

16.2 In the event the Procurement Consultant terminates the Contract in whole or in part, pursuant to clause 16.1, and without prejudice to the Procurement Consultant's other remedies, the Procurement Consultant may procure, upon such terms and in such manner as it deems appropriate, Goods/ stores or Services similar to those undelivered or unperformed and the Supplier shall be liable to the Procurement Consultant for any excess costs for such similar Goods/ stores. However, the Supplier shall continue performance of the Contract to the extent not terminated.

**17. FORCE MAJEURE**

17.1 Notwithstanding the provisions of Clause 6,14,15,16, the Supplier shall not be liable for forfeiture of its Performance Security, liquidated damages or termination for default, if and to the extent that, its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

17.2 For purpose of this clause and clauses 14.3, 15.1 & 17.3 "Force Majeure" means an event beyond the control of the Supplier and not involving the supplier's fault of negligence and not foreseeable. Such events may include, but are not restricted to, acts of the Procurement Consultant either in its Sovereign or contractual capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.

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

**18. TERMINATION FOR INSOLVENCY**

18.1 The Procurement Consultant may at any time terminate the contract by giving written notice to the Supplier without compensation to the Supplier, if the Supplier becomes bankrupt or otherwise insolvent (which events shall of themselves be a breach of the Contract on the part of the Supplier),

provided such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Procurement Consultant.

**19. TERMINATION FOR CONVENIENCE**

- 19.1 The Procurement Consultant may, by written notice sent to the Supplier, terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Procurement Consultant's convenience, the extent to which performance of work under the contract is terminated, and the date upon which such termination becomes effective.
- 19.2 The goods/ stores that are complete and ready for shipment within 30 (thirty) days after the Supplier's receipt of notice of termination shall be purchased by the Procurement Consultant at the Contract terms and prices. For the remaining Goods/ stores, the Procurement Consultant may elect:
- a. to have any portion completed and delivered at the Contract terms and prices;  
and/or
  - b. to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods/ stores and for materials and parts previously procured by the Supplier.

**20. RESOLUTION OF DISPUTE**

- 20.1 The Procurement Consultant and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the Contract.
- 20.2 If the parties fail to resolve their dispute or difference by such mutual consultation within thirty days of its occurrence, then, unless otherwise provided in the SCC, either the Procurement Consultant/ Consignee or the supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided the applicable arbitration procedure will be as per the Arbitration and Conciliation Act, 1996 of India. In the case of a dispute or difference arising between the Procurement Consultant/ Consignee and a domestic Supplier relating to any matter arising out of or connected with the contract, such dispute or difference shall be referred to the sole arbitration of an officer, appointed to be the arbitrator by the Chairman and Managing Director of HLL Lifecare Limited. The award of the arbitrator shall be final and binding on the parties to the contract subject to the provision that the Arbitrator shall give reasoned award in case the value of claim in reference exceeds Rupees One Lac (Rs. 1,00,000/-)
- 20.3 Venue: The venue of arbitration shall be Delhi/New Delhi (India).

**21. GOVERNING LANGUAGE:**

- 21.1 The Contract shall be written in the language of the Bid (English Language), as specified by the Procurement Consultant. All correspondence and other documents pertaining to the Contract, which are exchanged by the parties, shall be written in that same language.

**22. APPLICABLE LAW**

- 22.1 The Contract shall be interpreted in accordance with the prevailing/subsisting laws of Union of India.

**23. NOTICES**

- 23.1 Any notice given by one party to the other pursuant to the contract shall be sent in Writing to the address specified for the purpose in the Special Conditions of Contract.

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

**24. TAXES AND DUTIES**

24.1 Supplier shall be entirely responsible for all taxes, stamp duties, license fees, Octroi, Road Permits etc. incurred until delivery of the contracted Goods/ stores to the Procurement Consultant.

**25. WARRANTY**

(i) The supplier warrants that the Goods/ stores supplied under this Contract will have remaining a minimum of five-sixths of the specified shelf life at the time of supply to the consignee, have 'overages' within the ranges set forth in the Technical Specifications and are not subject to recall by the applicable regulatory authority due to unacceptable quality or on adverse reaction, and in every other respect will fully comply in all respects with the Technical Specifications and with the conditions laid down in the contract. In the event any of the goods/ stores are recalled, the Supplier shall notify the Purchaser within 14 days.

(ii) This warranty shall remain valid up to shelf life after the Goods/ stores have been delivered to the final destination indicated in the Contract.

(iii) The Purchaser shall promptly notify the Supplier in writing of any claims arising under this warranty.

(iv) Upon receipt of such notice, the Supplier shall, with all reasonable speed, replace the defective Goods/ stores without cost to the Purchaser. The Supplier will be entitled to remove, at his own risk and cost, the defective Goods/ stores once the replacement Goods/ stores have been delivered. In the event of any replacement of defective goods/ stores during warranty period, the warranty for the replaced goods/ stores shall be extended to a further period up to shelf life of the replaced Goods/ stores.

(v) If the Supplier having been notified fails to replace the defective Goods/ stores within a reasonable period, the Purchaser may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Purchaser may have against the Supplier under the Contract.

**26. JURISDICTION:**

All disputes arising out of the contract shall (subject to clause 20) be subject to the Jurisdiction of the appropriate court at New Delhi only.

**27. Withholding and Lien in respect of sums claimed**

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

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

***SECTION IV***

**SPECIAL CONDITIONS OF CONTRACT (SCC)**

TABLE OF CONTENTS

<b>CLAUSE NO.</b>	<b>CLAUSE</b>	<b>PAGE NO</b>
<b>1</b>	<b>PERFORMANCE SECURITY</b>	<b>28</b>
<b>2</b>	<b>INSURANCE</b>	<b>28</b>
<b>3</b>	<b>IMPORTS</b>	<b>28</b>
<b>4</b>	<b>QUALIFICATION CRITERIA</b>	<b>28</b>
<b>5</b>	<b>PERFORMANCE STATEMENT</b>	<b>28</b>
<b>6</b>	<b>BID FORM</b>	<b>28</b>
<b>7</b>	<b>MISCELLANEOUS</b>	<b>28</b>

**SPECIAL CONDITIONS OF CONTRACT (SCC)**

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over the General Conditions of contract.

**1. PERFORMANCE SECURITY**

The performance Security deposited under GCC Clause 6.2 becomes liable to be refunded when the Contractor/Supplier duly performs and complete the contract in all respects and presents an absolute No – Demand Certificate.

**2. Deleted**

**3. IMPORTS:**

Deleted

**4. QUALIFICATION CRITERIA (QC):**

Bidders must satisfy the minimum requirement of **Qualification Criteria (QC)** as specified in Section VII. In support of this, data on past performance should be submitted as per proforma of performance given in Sec. VIII. (Refer Section – VII & Sec VIII)

**5. PERFORMANCE STATEMENT:**

Bidders should give performance statement for the orders received and executed successfully during last three years prior to date of Bid opening (As per format given in Section VIII). It will be considered for compliance to clause of “Qualification Criteria” in Sec VII.

**6. BID FORM:**

Signed Bid Form to be submitted by all bidders as per format attached at Section VIII.

**7. MISCELLANEOUS:**

- a) Bidders have to purchase only one set of bid document for all the item(s)/Schedule(s) under an IFeB number. The bidder is free to quote for all or any of the item(s)/ Schedule(s).
- b) While quoting for any Item(s)/ schedule(s), all components and quantities specified in the item/ schedule must be quoted. The Procurement Consultant will evaluate bid on an individual Item/schedule wise basis.
- c) Evaluation will be made on the basis of total all inclusive total unit price value offered of each item(s)/ schedule(s).
- d) The break up of “all inclusive total unit price” on any item/ schedule is also to be furnished in the price offered by bidder.

***SECTION V***

**SCHEDULE OF REQUIREMENTS (SOR)**

**SCHEDULE OF REQUIREMENTS (SOR)**

Sl. No.	Tender ID	Brief Description of item	Consignee	Approximate Required Qty.	Bid Processing fee (in Rupees)	Bid Security (In Rupees)
1	2020_HLL_64905	Temephos Granule 1%	SDMC	43000 Kg	1770/-	NA

Note: -

- 1) All the materials should be well packed in the sizes mentioned in the Technical specifications to avoid any breakage during transit.
- 2) **Terms of Delivery**- Free delivery at the consignees end i.e. freight and all other levies pre paid up to destination at consignees end.
- 3) **Delivery period**-
  - (a) The contractor/supplier shall offer the Goods/ stores mentioned above for inspection within 20 days from the date of issue of supply order.
  - (b) The contractor/ supplier shall deliver the inspected and acceptable Goods/stores within 10 days from the date of issue of inspection note.
- 4) Insecticide/Larvicide should be registered with CIB
- 5) Should be approved by NVBDCP for use as Insecticide/larvicide in NCR under Vector Borne Disease Control Programme
- 6) Available shelf life at the time of supply should be atleast 5/6<sup>th</sup> of CIB approved shelf life of the larvicide/insecticide.
- 7) Stores should be suitable for storage and use in Delhi.
- 8) Supply should be labelled as "SDMC supply- Not for Sale".
- 9) Consignee list is as enclosed at Section IX.



***SECTION VI***

**TECHNICAL SPECIFICATIONS**

## **TECHNICAL SPECIFICATIONS**

### **Sl. No.1**

**1 Description:-Temephos Granules 1% conforming to WHO/SIF/40.R1 Revised December 1999.**

**1.1 Description:** The material shall consist of a homogeneous mixture of technical temephos, complying with the requirements of the WHO specification WHO/SIT/19.R4, together with silica sand and any necessary formulants. It shall be in the form of dry free-flowing and essentially non-dusting granules.

**1.2 Chemical & physical requirements:** The material, sampled from any part of the consignment (see method WHO/M/1.R1), shall comply with the requirements of section 1.1 and with the following requirements:

1.2.1 Temephos content (g/kg basis) : The temephos content shall be declared as 10 g/kg and when determined by the method described in section 2.1, the average measured content shall not differ from that declared by more than  $\pm 25\%$ .

1.2.2 Sieving: Not less than 98% of the granules shall pass through a 1.25 mm sieve and not more than 2% shall pass through a 250  $\mu\text{m}$  sieve when tested by the method described in section 2.2.

1.2.3 Apparent density: The apparent density shall be not less than 1.30g/mL and not more than 1.60g/mL when tested by the method described in section 2.3.

**1.1 Packing & Marking of Packages :** The temephos sand granules shall be packed insuitable, clean, airtight containers as specified under. All packages shall bear, durably & legibly marked on the container, the following:

Manufacturer's Name  
Temephos sand granules  
Temephos Content  
Batch or reference number and date of test  
Net weight of contents  
Date of formulation  
Instruction for use

And the following minimum cautionary notice:

**“Temephos is an organ phosphorus compound that inhibits cholinesterase. Keep the material out of the reach of children and well away from food stuffs, animal feed, and their containers.”**

**Shelf life/Efficacy: One and half Years Life (Eighteen Months):**

The expiry date i.e. the date up to the insecticide shall retain its efficacy and toxicity shall be for a period of one and half years (Eighteen months). This shall be guaranteed by the firm and certificate in this regard shall have to be furnished along with the bid documents and also at the time when the stores are offered for inspection. The life of larvicide / insecticide should not have passed more than 1/6<sup>th</sup> of the effective life to the same counted from the date of manufacture at the time of delivery to the consignee & stores should not be offered for inspection or despatched more than two months after the manufacturing date.

**Packing & Marking: Packing: -**

The stores shall be packed in 1 kg Tin container. The tin container should be made of such materials that can retain the efficacy and toxicity of Temephos Granules 1% as mentioned in Shelf Life. The stores shall be packed as per the relevant BIS or where the specification have not been published by the Bureau of India Standards, according to the specification as indicated in the CIB registration certificate. The CIB registration certificate shall mention clearly the shelf life of the product as 1½ years (18 months). CIB registration certificate mentioning the shelf life as provisional shall not be considered and the bid may be summarily rejected. 1 kg tin pack with lid shall be provided along with 10 Nos of plastic scoops per 1 kg pack.

**Marking: -** The container shall be marked as follows:

**South Delhi Municipal Corporation (SDMC) supply-NOT FOR SALE**

In addition to the above, the container shall bear legibly & indelibly the above information and any other information as necessary under the insecticide Act & Rules.

The product should be registered with Central Insecticide Board (CIB) and the registration should be valid on the date of tender opening. Regarding source of Technical material the bidder shall prove with documents in compliance to CIB&RC notice No. F.No.11-1/2012-CIR-II dated 23.04.2015 & F.No.6-FI/9(3)/2007-CIR.II dated 16.08.2016.

**The Insecticides should be suitable for storage & use in Delhi.**

***SECTION VII***

**QUALIFICATION CRITERIA (QC)**

**QUALIFICATION CRITERIA (QC)**  
**(Refer to clause 7 of ITB & Clauses 4 & 5 of SCC)**

1. The bidder must declare whether they are quoting as a manufacturer or as the authorized agent of the manufacturer
  - a. If the bidder is participating as a manufacturer of the tendered goods, they should submit:
    - i. Manufacturing license for manufacturing the tendered goods, valid on the date of bid opening
    - ii. CIB registration certificate for the tendered goods, valid on the date of bid opening.
    - iii. If CIB registration is for importing and marketing but the bidder is classified as manufacturer under Indian Law for the tendered goods, certificate from principal manufacturer conforming to the same 'manufacturer and address' as specified in CIB Registration certificate shall be enclosed as per the format given in section VIII (Principal Manufacturer's Certificate: Form-I). The authorization by way of board resolution under common seal of company or by way of power of attorney, in favour of the person signing the authorization letter on behalf of manufacturer should be enclosed.
  - b. If the bidder is participating as an authorized agent on behalf of manufacturer they should submit
    - i. Valid manufacturing license of the manufacturer on whose behalf the bidder is participating as authorized agent.
    - ii. CIB registration certificate in the name of the agent for importing and marketing the tendered goods (from the manufacturer covered under (b i. above), valid on the date of bid opening. (For the Agent of the Foreign Manufacturer)

**OR**

- CIB registration certificate in the name of the domestic manufacturer as well as of agent for marketing the tendered goods (from the manufacturer covered under (b i) above), valid on the date of bid opening. (For the Agent of the Domestic Manufacturer)
      - iii. Manufacturer's authorization certificate from the manufacturer conforming to the same 'manufacturer and address' as specified in CIB Registration Certificate shall be enclosed as per the format given in section VIII (Manufacturer's Authorization Form-II). The authorization by way of board resolution under common seal of company or by way of power of attorney, in favor of the person signing the authorization letter on behalf of manufacturer should be enclosed.

**2. Deleted**

3. The bidder must have received and successfully executed the supply order in India to the extent of minimum **25%** of the approximate required quantity of Temephos Granule 1%{as detailed in Technical Specifications (Section VI)} indicated in Schedule of Requirements (Section V) in any one year during the last three years prior to the date of Bid opening viz. **12.01.2020 (first year from 11.01.2020 to**

**10.01.2019, 2<sup>nd</sup> year from 11.01.2019 to 10.01.2018 and 3<sup>rd</sup> year from 11.01.2018 to 10.01.2017).** In support of this, data on past performance should be submitted as per proforma in Section VIII. Supplies made to Whole Sale stockiest, Distributors, Own Agents, Sister Company will not be considered for counting 25% performance unless it reaches the end user, for which the performance certificate should be submitted as per the format provided at Section-VIII, Format A).

4. Only Class-I local Supplier and Class-II local Supplier shall be eligible to bid. Bidder has to submit a certificate regarding compliance to Make in India order.

As per OM No. P-45021/2/2017-PP(BE-II) dated 04 June 2020 (enclosed at Appendix-A), Class-I local Supplier and Class-II local Supplier are defined as:

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

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

Purchase preference, Local content, Margin of Purchase preference will be as per the OM No. P-45021/2/2017-PP(BE-II) dated 04 June 2020.

**Note:**

**The Bidders may please note that their bids will be rejected if they fail to comply with the Qualification Criteria as above.**

***SECTION VIII***

**PROFORMA-SAMPLE FORMS**

**BID FORM**

**To**

**The Head (PCD)  
HLL Lifecare Ltd  
B-14A, Sector – 62,  
Noida –201 307**

**Date:**

**Ph : 0120 – 4071500**

Fax: 0120 – 4071513

**IFeB No.:** .....

Dear Sir,

Having examined the Bidding Documents including Addenda nos....., the receipt of which is hereby acknowledged, we, the undersigned, offer to supply and deliver .... (Description of Goods/ stores and Services) in full conformity with said bidding documents for the sum(s) as stated in the Price Schedule attached or such other sums as may be determined in accordance with the terms & conditions of the contract and are made part of the this bid.

We undertake, if our bid is accepted, to deliver the goods/ stores in accordance with the delivery schedule specified in the Schedule of Requirements.

If our bid is accepted, we will submit performance security as per the terms mentioned in clause no 6 of GCC at section -III for the due performance of the contract, in the form and within times specified in the bidding documents.

We agree to abide by this bid for a period of 90 (ninety) days after the date fixed for bid opening and it shall remain binding upon us and may be accepted by you at any time before the expiration of that period.

Until a formal contract is prepared and executed between us, this bid, together with your written acceptance of the bid and your Letter of Award, shall constitute a binding contract between us.

We understand that you are not bound to accept the lowest or any bid you may receive against your above-referred Bid enquiry.

We confirm that we do not stand deregistered/banned/blacklisted by any statutory Authorities as per govt. Rules/procedures.

We confirm that we fully agree to the terms and conditions specified in above mentioned Bid document, including amendment/ corrigendum, if any.

We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will strictly observe the laws against fraud and corruption in force in India namely “ Prevention of Corruption Act 1988”.



Commissions or gratuities, if any, paid or to be paid by us to agents relating to this bid, and to contract execution if we are awarded the contract, are listed below:

<u>Name and address of agent Commission or</u>	<u>Amount in Indian Rupees</u>	<u>Purpose of gratuity</u>
.....	.....	.....
.....	.....	.....
.....	.....	.....

(If none, state "none")

Dated this.....day of....., 20

**Signature with date** .....

**In the capacity of (insert title or position)** .....

**Duly authorized to sign this Bid for and on behalf of**  
**(Insert: name of the bidder)** .....

**Full business address of the bidder** .....

**PRICE SCHEDULE**

Price to be filled in the relevant field of Price Format in Excel provided in the e-tendering portal.

**CONTRACT FORM**

THIS CONTRACT AGREEMENT is made

the [insert: number] day of [insert: month], [insert: year]

BETWEEN

[insert: Name of Procurement Consultant], a [ insert: description of type of legal entity], for example, an Consultant of the Ministry of.....of Government of [ insert: country of Procurement Consultant], or corporation incorporated under the laws of [ insert: country of Procurement Consultant], and having its principal place of business at [ insert: address of Procurement Consultant], (hereinafter called “the Procurement Consultant”),  
and

[insert: name of Supplier], a corporation incorporated under the laws of [ insert: country of Supplier] and having its principal place of business at [ insert: address of Supplier], (hereinafter called “the Supplier”).

WHEREAS the Procurement Consultant invited bids for certain Goods/ stores and ancillary services viz, [insert: brief description of Goods/ stores and Services] and has accepted a bid by the Supplier for the supply of those goods/ stores and services in the sum of [insert: contract unit price in the words and figures] (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSTH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Condition of Contract referred to.
2. The following documents shall constitute the Contract between the Procurement Consultant and the Supplier, and each shall be read and construed as an integral part of the Contract:
  - (a) This Contract Agreement
  - (b) Special Condition of Contract
  - (c) General Condition of Contract
  - (d) Technical Requirements (including Functional Requirements and Implementation Schedule)
  - (e) The Supplier’s bid and original Price Schedules
  - (f) The Schedule of Requirements
  - (g) The Procurement Consultant’s Letter of Award and supply order
  - (h) [ Add here: any other documents]
3. In consideration of the payments to be made by the Procurement Consultant to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Procurement Consultant to provide the Goods/ stores and Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Procurement Consultant hereby covenants to pay the Supplier in consideration of the provision of the Goods/ stores and Services and the remedying of defects therein, the Contract unit Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

SI NO.	BRIEF DESCRIPTION OF GOODS/ STORES	UNIT PRICE	DELIVERY TERMS

DELIVERY SCHEDULE:

For and on behalf of the Procurement Consultant

Signed: \_\_\_\_\_

in the capacity of [ insert: title or other appropriate designation]

in the presence of \_\_\_\_\_

For and on behalf of the Supplier

Signed: \_\_\_\_\_

in the capacity of [ insert: title or other appropriate designation]

in the presence of \_\_\_\_\_

CONTRACT AGREEMENT

date the [insert: number] day of [insert: month], [insert: year]

BETWEEN

[insert: name of Procurement Consultant], " the Procurement Consultant"

and

[ insert: name of Supplier], "the Supplier"

**BID SECURITY FORM (BANK GUARANTEE)**

Whereas .....(name of bidder) (hereinafter called "the bidder") has submitted his bid dated.....(date) for the supply of ..... (hereinafter called "the bid")KNOW ALL MEN by these presents that we ..... of .....having registered office at.....(hereinafter called "the bank") are bound unto the HLL LIFECARE Limited (hereinafter called "the Procurement Consultant") in the sum of.....for which payment will and truly to be, made to the said Procurement Consultant, the bank binds itself, its successors and assigns by these presents.

Sealed with the Common Seal of the said bank this.....day of.....20

THE CONDITIONS of this obligation are the following:

1. If, after the bid submission deadline, the bidder
  - a. withdraws its bid during the period of bid validity specified by the bidder in the bid form, or
  - b. does not accept the Procurement Consultant's corrections of arithmetic errors in accordance with the Instructions to Bidders, or
2. If the bidder, having been notified of the acceptance of its bid by the Procurement Consultant during the period of bid validity:
  - a. fails or refuses to sign the contract agreement when required; or
  - b. fails or refuses to furnish the performance security, in accordance with the Instructions to bidders;

We unconditionally and irrevocably undertake to pay to the Procurement Consultant up to the above amount upon receipt of its first written demand, without the Procurement Consultant having to substantiate its demand, provided that in its demand the Procurement Consultant will note that the amount claimed by it, is due to it, owing to the occurrence of any one of the two above named conditions, and specifying the occurred condition or conditions.

This guarantee will remain in force up to and including 45 (forty-five) days after the period of bid validity or as it may be extended by the Procurement Consultant, notice of which [extension(s)] to the bank is hereby waived and any demand in respect thereof should reach the bank not later than the above date.

For and on behalf of the Bank

Signed : \_\_\_\_\_

Date : \_\_\_\_\_

Place : \_\_\_\_\_

In the capacity of [insert: title or other appropriate designation]

Common Seal of the Bank

**PERFORMANCE SECURITY FORM (BANK GUARANTEE)**

To  
The Head(PCD)  
HLL Lifecare Ltd  
B-14A, Sector – 62,  
Noida –201 307

Ph : 0120 – 4071500

Fax : 0120 – 4071513

WHEREAS .....(name and address of the supplier) (hereinafter called “the supplier”) has undertaken, in pursuance of contract no.....dated.....20....to supply (description of goods/ stores and services (hereinafter called “the contract”)

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

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

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

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

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

This guarantee shall be valid for 36 months from the issue of Letter of Award.

Signature and seal of the guarantor

Place  
Date

**PROFORMA 'B'**

**Proforma for goods/ stores and quality control employed by the Indian manufacturer(s)**

IFB No.

Date of opening

Time

Name and address of the bidder:

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

01 Name of the **Indian** manufacturer

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

02 Plant and machinery details

03 Manufacturing process details

04 Monthly (single shift) production capacity of goods/ stores quoted for

- a. normal
- b. maximum

05 Total annual turn-over(value in Rupees)

06 Quality control arrangement details

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

07 Test certificate held

- a. type test
- b. BIS/ISO certification
- c. any other

08 Details of staff

- a. technical
- b. skilled
- c. unskilled

**Signature and seal of the bidder**

**Proforma for goods/ stores and quality control employed by the Principal Manufacturer abroad**

IFB No.

Date of opening

Time

Name and address of the bidder:

Note: All the following details shall relate to the **Principal Manufacturer abroad** for the goods/ store quoted for.

01 Name of the **Principal Manufacturer abroad**

- a. full correspondence address
- b. full address of the manufacturing premises
- c. telephone number
- d. Email address
- e. Website address
- f. fax number

02 Plant and machinery details

03 Manufacturing process details

04 Monthly (single shift) production capacity of goods/ stores quoted for

- a. normal
- b. maximum

05 Total annual turn-over(value in Rupees)

06 Quality control arrangement details

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

07 Test certificate held

- a. type test
- b. ISO certification
- c. any other

08 Details of staff

- a. technical
- b. skilled
- c. unskilled

**Signature and seal of the bidder**



**PERFORMANCE STATEMENT**

**(Refer Qualification Criteria –Sec vii & Clause 7 of ITB, clause 4 & 5 of SCC)  
(Proforma for Performance Statement (for a period of last three years from the date of Bid Opening))**

Name of item offered \_\_\_\_\_ Date of Opening \_\_\_\_\_  
Time \_\_\_\_\_ Hours \_\_\_\_\_

Name of the Bidder \_\_\_\_\_

Order placed by (full name and address of purchaser) A copy of purchase order must also be enclosed	Order No and date	Description and quantity of ordered stores	Value of order	Date of completion of delivery		Remarks indicating reasons for late delivery, if any	Has the stores been satisfactorily Supplied?	Attach a certificate from the Purchaser / Consignee)* In the format –A attached.
				As per Contract	Actual			
1	2	3	4	5		6	7	8

**Signature and seal of the bidder**

\*The certificate will be in English as per allocated format giving all information as indicated therein from the consignee / end user with cross reference of order no. and date (as given in the performance statement) in the certificate along with a notarized certification authenticating the correctness of the information furnished. If at any time, information furnished is **proved** to be false or incorrect, action as deemed fit by the Procurement Consultant may be taken. This certificate from a middleman namely retailer/dealer/distributor other than the actual end user / consignee will not be accepted.

**FORMAT 'A'**  
**FORMAT OF PERFORMANCE CERTIFICATE**

**To Whom It May Concern**

Date: \_\_\_\_\_

Certified that M/s \_\_\_\_\_ (Name & Address of the bidder) supplied us \_\_\_\_\_ (indicate quantity), \_\_\_\_\_ (indicate name of the goods/ stores) manufactured by \_\_\_\_\_ against order no. \_\_\_\_\_ dt. \_\_\_\_\_ (please indicate order no. & date) as figuring in the performance statement). The goods/ stores were supplied over to us and accepted by us on \_\_\_\_\_ (indicate date) to our entire satisfaction. A copy of contract is enclosed.

Signature & Name  
(Designation & Seal of the Purchaser)/Consignee

**NOTE:**

1. Please note that if performance statement do not contain any of the information referred above or if it is not in the format as given above, it is liable for rejection. For example if order reference is not given and if name, designation & seal of the purchaser/ Consignee is not endorsed, Performance Certificate will not be considered.
2. Performance certificate has to be notarized / attested by Gazetted Officer.
3. HLL has right to call for original to verify and also has right to cross verify from the issuer of the certificate / Organization of issuer.
4. **Purchaser here means Procurement Consultant purchasing on behalf of it's Client & for the client or purchaser purchasing directly for self consumption. Consignee means end user in Central Govt. /State Govt. /Municipal Corporation associated with Public Health Programme. Purchaser and consignee are same in case purchaser is purchasing for self consumption.**

**PRINCIPAL MANUFACTURER'S CERTIFICATE**  
**FORM-I**

No. \_\_\_\_\_

dated \_\_\_\_\_

To  
The Head(PCD)  
HLL Lifecare Ltd  
B-14A, Sector – 62,  
Noida –201 307

Ph : 0120 – 4071500,  
Fax: 0120 – 4071513

Dear Sir,  
**Reference: IFB No.**

We, M/s ..... hereby declare that we are the licensed manufacturer of tendered goods .....(mention name of the product offered in tender) .....

This product (product offered in the tender) is manufactured by:

- Name of the Manufacturing Company : .....
- Manufacturing address of the Principal manufacturer of the product offered in this tender, along with contact no, email etc. : .....

We further certify that M/s.....(Bidder's name)... is authorized importer for the offered goods in this tender in India against CIB registration No..... We confirm that we will supply the tendered goods to the bidders in case order is placed on them from the above name and address.

We hereby extend our full guarantee and warranty as per clause 25 of the General Conditions of Contract for the Goods/ stores and Services offered by the above Bidder against this IFB.

Yours faithfully,  
(Name)  
(Name of Manufacturer)

**Note:**

- (i) This certificate should be on the letter head of the manufacturer and should be signed by a person competent and having the power of attorney to bind the manufacturer. It should be included by the Bidder in its bid. The Power of Attorney/ Board Resolution and authorization letter both should be submitted along with the bid.
- (ii) Deleted.

**MANUFACTURER'S AUTHORISATION**  
**FORM-II**

No. \_\_\_\_\_ dated \_\_\_\_\_

To  
The Head (PCD)  
HLL Lifecare Ltd  
B-14A, Sector – 62,  
Noida –201 307

Ph : 0120 – 4071500, Fax: 0120 – 4071579

Dear Sir,

**Reference: IFB No.**

We, M/s ..... hereby declare that we are the licensed manufacturer of tendered goods .....(mention name of the product offered in tender) .....

This product (product offered in the tender) is manufactured by:

- Name of the Manufacturing Company : .....
- Manufacturing address of the product offered : .....  
In this tender, along with contact no, email etc.
- CIB registration certificate No: of the Domestic Manufacturer: .....

We further certify that M/s.....(mention bidder's name)... is our authorized agent for the offered goods in the tender in India against their CIB registration No.....

No company or firm or individual other than M/s..... are authorized to bid, and conclude the contract in regard to this business against this specific IFB.

We hereby extend our full guarantee and warranty as per clause 25 of the General Conditions of Contract for the Goods/ stores and Services offered by the above Bidder against this IFB.

We also hereby confirm that we shall supply tendered goods to our authorized agent in case order is placed on them and we would be responsible for the satisfactory execution of contract placed on the authorized agent.

We also confirm that the unit price quoted by our agent shall not be more than that which we would have quoted directly.

Yours faithfully,  
(Name)  
(Name of Manufacturer)

**Note:**

(i) This letter of authorization should be on the letter head of the manufacturer and should be signed by a person competent and having the power of attorney to bind the manufacturer. It should be included by the Bidder in its bid. The Power of Attorney/ Board Resolution and authorization letter both should be submitted along with the bid.

(ii) Deleted

**CONSIGNEE RECEIPT CERTIFICATE**

Received intact the entire material in full and good condition and the goods/ stores have been taken into account entering in the stock register. The details are certified as under;

1. HLL Order No. and date : \_\_\_\_\_
2. Name of supplier : \_\_\_\_\_
3. Name of Item & Quantity : \_\_\_\_\_
4. Inspection Note No. & Date : \_\_\_\_\_
5. Lorry Receipt No.& date : \_\_\_\_\_
6. Supplier's Invoice/Challan no. & date : \_\_\_\_\_
7. Date of receipt of Goods/ stores : \_\_\_\_\_
8. Stock register page no. & date : \_\_\_\_\_

**CONSIGNEE'S SIGNATURE WITH SEAL,  
NAME & FULL ADDRESS WITH PIN CODE AND PHONE NUMBER**

**ACCEPTANCE CERTIFICATE**

1. HLL Order No. and date : \_\_\_\_\_
2. Name of supplier : \_\_\_\_\_
3. Name of the item received in full and  
good condition (in units) with quantity  
and Batch number as under :

**ItemQuantityCorresponding Batch Number(s)**

**CONSIGNEE'S SIGNATURE WITH SEAL,  
NAME & FULL ADDRESS WITH PIN CODE AND PHONE NUMBER**

**CERTIFICATE**

**(To be submitted by the bidder in Company's letter head)**

To  
(Name of the Procurement Consultant)

**Sub: Certificate regarding de-registration/ debarred/ blacklisted/banning/ suspended for business etc.**

Ref. :IFeBNo..... due on .....

We certify that we have not been de-registered or debarred or blacklisted or banned/suspended for business for any product or constituent of the product we have quoted, by Central Insecticide Board (CIB) or Bureau of Indian Standards (BIS) or NVBDCP or MCD/SDMC/NDMC/EDMC, Directorate General of Health Services, Ministry of Health & Family Welfare, Govt of India, New Delhi or any other Relevant Country Authority till the due date of submission of bid as specified in the subject Bid. If we, at a later date, are found guilty of suppressing facts in this regard, such act on our part shall be considered a fraudulent practice in accordance with the Instructions to Bidders (ITB) and the Procurement Consultant shall be entitled to reject our Bid and forfeit the Bid Security for the product quoted, submitted by us against this IFeB.

We have also noted that after submission of Bid and before Award of Contract, if we are deregistered or debarred or blacklisted by any of the aforesaid organizations, our bid will be considered as **non-responsive**.

Date \_\_\_\_\_

Signature \_\_\_\_\_

Place \_\_\_\_\_

Print Name \_\_\_\_\_

Designation \_\_\_\_\_

Common Seal \_\_\_\_\_

**UNDERTAKING FOR UNDERSTANDING OF TERMS & CONDITIONS OF BID ENQUIRY**  
**DOCUMENT**

**(To be submitted by the bidder in Company's letter head)**

To \_\_\_\_\_  
(Name of the Procurement Consultant)

**Sub : Certificate regarding understanding of terms and conditions of TED.**

**Ref.: IfeB No. .... due on .....**

We certify that we have understood all the terms and conditions of above referred Bid. We also have understood all details required to be furnished along with Bid as read under Bid enquiry.

We have found no ambiguity/ hindrance for participation in the bidding process.

Date \_\_\_\_\_

Signature \_\_\_\_\_

Place \_\_\_\_\_

Print Name \_\_\_\_\_

Designation \_\_\_\_\_

Common Seal \_\_\_\_\_



**CERTIFICATE FOR FREE DISTRIBUTION**

**(On letter head of HLL)**

**TO WHOM IT MAY CONCERN:**

It is certified that the consignments vide Contract No ..... dated ..... Awarded on M/s ..... By HLL LIFECARE Limited on behalf of SDMC and NDMC and EDMC, for Malaria control are meant for Free distribution in India and not for sale.

**HLL LIFECARE Ltd**  
B-14A, Sector-62,  
Noida –201 307

**(Signature with seal & date)**

**SECTION IX**

**CONSIGNEE LIST**

Sl.No	Consignee
1	Central Malaria Store, Disaster Management office, Baba Ramdev Marg, Opposite B-3, AndhMahaVidhayala, Raghubir Nagar, New Delhi -110027

## **SECTION X** **CHECKLIST**

SI No.	Activity	Yes/No /NA	Page No. in the bidding document	Remark
1.	Have you enclosed Bid Processing fee of required amount as mentioned in IfeB? Unless exempted.			
2.(a)	Have you quoted as a manufacturer?			
(b)	If not, have you quoted as an Agent! If so, have you enclosed manufacturer's authorization certificate as per recommended format under section VIII?			
3(a)	Deleted			
(b)	Deleted			
(c)	In case Bank Guarantee is furnished, have you given the validity of Bank Guarantee as per clause 9 of ITB?			
4.(a)	Have you enclosed duly signed & sealed Bid Form?			
(b)	Have you enclosed Power of Attorney in favour of the signatory?			
5.(a)	Have you enclosed an attested copy of certificate of CIB Registration for the specific product?			
(b)	Are you registered with CIB with your manufacturer as an importer and marketing the product in India? If so, enclose the copy of the certificate.			
(c)	Do you hold a license for manufacturing the specific product valid on the date of Bid opening issued by any regulatory authority? If so, please attaché a copy of the license.			
6.	Whether your product is approved by NVBDCP? If yes, please enclose the necessary document.			
7.(a)	Have you enclosed clause-by-clause commentary on the compliance of goods/ stores to purchaser's Technical specifications?			
(b)	Have you enclosed statement of deviations/ exceptions on above			
8.	Have you kept validity of the offer as per the bid document?			
9.	Have you submitted satisfactory performance statement as per the Proforma for performance statement in Sec. VIII of Bidding Document in respect of orders executed along with documents as required and mentioned therein accompanied with end users certificate in Format-A?			
10.	Are you a SSI unit? If yes, have you enclosed certificate of registration issued by Directorate of Industries/ NSIC(for the Bided specific product & specification)			
11.	Have you submitted Manufacturing and Marketing experience as per the bid document?			
12.	Have you submitted an attested copy of certificate certifying that you have not been blacklisted and banned or debarred?			
13.	Have you submitted a certificate regarding actual annual production duly certified by chartered accountant?			
14.	Have you submitted copy of the order(s) and end user's/client's certificate of satisfaction for value and order nos. of contracts for each schedule to demonstrate having successfully completed the same?			

SI No.	Activity	Yes/No/NA	Page No. in the bidding document	Remark
15.	Have you submitted a certificate regarding average annual turnover duly certified by a chartered accountant?			
16.	Have you submitted a statement of installed manufacturing capacity duly certified by CA/CE?			
17.	Have you submitted copies of audited financial statement for the last three years?			
18.	Have you submitted details of onsite quality control laboratory facilities and services and range of test conducted?			
19.	Have you submitted a write-up on your production capabilities?			
20.	Have you submitted price of goods in the price schedule?			
21.	Have you confirmed that you agree with all terms and condition of the bid document?			
22.	Have you confirmed payment terms?			
23.	Have you confirmed delivery period as per bid document and terms of delivery at consignee site?			
24.	Have you submitted the certificate of incorporation?			
25.	Have you complied with the warranty declaration without any variation GCC Clause 25)?			
26.	Have you submitted the certificate/details of plant & machineries?			
27.	Have you indicated your PAN/ITCC			
28.	Have you intimated the name an full address of your Banker (s) along with your Account Number			
29.	Have agreed in all respect to clauses concerning:			
a.	Performance security (GCC Clause. 6)			
b.	Force majeure (GCC Clause 17)			
c.	Applicable law(GCC Clause 22)			
d.	Taxes & Duties (GCC Clause 24)			
e.	Resolution of dispute (GCC Clause 20) and Jurisdiction (GCC Clause 26)			
30.	Have you furnished documents establishing your eligibility & qualification as per clause 7 of ITB?			
31.	Have you enclosed a certificate as per format in Section VIII, certifying that you have understood all the terms & condition including all details required to be furnished along with Bid as read under Bid enquiry?			
32.	Whether integrity pact as per APPENDIX-A submitted?			

**Signature of the Bidder with Seal**

N.B. The bidder may go through the checklist and ensure that no column is vacant. If any column is not applicable, NA may be written under the relevant column. The signature of this statement automatically ensures the correctness of the information/ statement as above.

APPENDIX-A

No. P-45021/2/2017-PP (BE-II)  
Government of India  
Ministry of Commerce and Industry  
Department for Promotion of Industry and Internal Trade  
(Public Procurement Section)

Udyog Bhawan, New Delhi  
Dated: 04<sup>th</sup> June, 2020

To

All Central Ministries/Departments/CPSUs/All concerned

**ORDER**

**Subject:** Public Procurement (Preference to Make in India), Order 2017– Revision; regarding.

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

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

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

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

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

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions:** For the purposes of this Order:

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

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

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

.....Contd. p/2

- 2 -

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

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

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

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

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

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

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

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

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

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

#### **3A. Purchase Preference**

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

.....Contd. p/3

- 3 -

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

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

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

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

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

.....Contd. p/4

- 4 -

4. **Exemption of small purchases:** Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.
5. **Minimum local content:** The local content requirement to categorize a supplier as 'Class-I local supplier'/ 'Class-II local supplier'/ 'Non-local supplier' shall be as defined in the Para "2" of the Order. No change is permissible on this account. However, if any nodal Ministry/ Department finds that for any particular item, pertaining to their nodal ministry/department, the definition of Local Content, as defined in the Order, is not workable/ has limitations, it may notify alternate suitable mechanism for calculation of local content for that particular item.
6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20%.
7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.
8. **Government E-marketplace:** In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.
9. **Verification of local content:**
  - a. The 'Class-I local supplier'/ 'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for 'Class-I local supplier'/ 'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.
  - b. In cases of procurement for a value in excess of Rs. 10 crores, the 'Class-I local supplier'/ 'Class-II local supplier' shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
  - c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.

.....Contd. p/5



- 5-

- d. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.
- e. Nodal Ministries and procuring entities may prescribe fees for such complaints.
- f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.
- g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9h below.
- h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
  - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner.
  - ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s).
  - iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

**10. Specifications in Tenders and other procurement solicitations:**

- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of 'Class-I local supplier' / 'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.

.....Contd. p/6

- 6 -

- d. If a Nodal Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/ or other items relating to that Nodal Ministry. A copy of every instruction or decision taken in this regard shall be sent to the Chairman of the Standing Committee.
- e. For the purpose of sub-paragraph 10 d above, a supplier or bidder shall be considered to be from a country if (i) the entity is incorporated in that country, or ii) a majority of its shareholding or effective control of the entity is exercised from that country; or (iii) more than 50% of the value of the item being supplied has been added in that country. Indian suppliers shall mean those entities which meet any of these tests with respect to India.\*

**10A. Action for non-compliance of the Provisions of the Order:** In case restrictive or discriminatory conditions against domestic suppliers are included in bid documents, an inquiry shall be conducted by the Administrative Department undertaking the procurement (including procurement by any entity under its administrative control) to fix responsibility for the same. Thereafter, appropriate action, administrative or otherwise, shall be taken against erring officials of procurement entities under relevant provisions. Intimation on all such actions shall be sent to the Standing Committee.

**11. Assessment of supply base by Nodal Ministries:** The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.

**12. Increase in minimum local content:** The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.

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

**14. Powers to grant exemption and to reduce minimum local content:** The administrative Department undertaking the procurement (including procurement by any entity under its administrative control), with the approval of their Minister-in-charge, may by written order, for reasons to be recorded in writing,

- a. reduce the minimum local content below the prescribed level; or
- b. reduce the margin of purchase preference below 20%; or

.....Contd. p/7

- 7 -

- c. exempt any particular item or supplying entities from the operation of this Order or any part of the Order.

A copy of every such order shall be provided to the Standing Committee and concerned Nodal Ministry / Department. The Nodal Ministry / Department concerned will continue to have the power to vary its notification on Minimum Local Content.

15. **Directions to Government companies:** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.

16. **Standing Committee:** A standing committee is hereby constituted with the following membership:

Secretary, Department for Promotion of Industry and Internal Trade—Chairman  
 Secretary, Commerce—Member  
 Secretary, Ministry of Electronics and Information Technology—Member  
 Joint Secretary (Public Procurement), Department of Expenditure—Member  
 Joint Secretary (DPIIT)—Member-Convenor

The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. **Functions of the Standing Committee:** The Standing Committee shall meet as often as necessary, but not less than once in six months. The Committee

- a. shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
- b. shall annually assess and periodically monitor compliance with this Order
- c. shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
- d. may require furnishing of details or returns regarding compliance with this Order and related matters
- e. may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
- f. may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization
- g. may consider any other issue relating to this Order which may arise.

18. **Removal of difficulties:** Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.

.....Contd. p/8

- 8 -

**19. Ministries having existing policies:** Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1<sup>st</sup> January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.

**20. Transitional provision:** This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.



(Rajesh Gupta)

Director

Tel: 23063211

[rajesh.gupta66@gov.in](mailto:rajesh.gupta66@gov.in)

No. P-45021/2/2017-PP (BE-II)  
Government of India  
Ministry of Commerce and Industry  
Department of Industrial Policy and Promotion  
(Public Procurement Section)  
\*\*\*\*

Dated 28<sup>th</sup> May, 2018  
Udyog Bhawan, New Delhi

To  
All Central Ministries/Departments/CPSUs/All concerned

**ORDER**

**Subject: Public Procurement (Preference to Make in India), Order 2017 – Revision; regarding.**

**Department of Industrial Policy and Promotion, in partial modification of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017, hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' with immediate effect:-**

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

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

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

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

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions:** For the purposes of this Order:

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

*'Local supplier'* means a supplier or service provider whose product or service offered for procurement meets the minimum local content as prescribed under this Order or by the competent Ministries / Departments in pursuance of this order.

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

*'margin of purchase preference'* means the maximum extent to which the price quoted by a local supplier may be above the L1 for the purpose of purchase preference.

....Contd. p/2

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

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

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

**3. Requirement of Purchase Preference :** Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to local suppliers in all procurements undertaken by procuring entities in the manner specified hereunder"

- a. "In procurement of goods, services or works in respect of which the Nodal Ministry has communicated that there is sufficient local capacity and local competition, and where the estimated value of procurement is Rs. 50 lakhs or less, only local suppliers shall be eligible. If the estimated value of procurement of such goods or services or works is more than Rs. 50 lakhs, the provisions of sub-paragraph b or c, as the case may be, shall apply";
- b. "In the procurements of goods or works which are not covered by paragraph 3a and which are divisible in nature, the following procedure shall be followed":
  - i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract for full quantity will be awarded to L1.
  - ii. If L1 bid is not from a local supplier, 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the local suppliers, will be invited to match the L1 price for the remaining 50% quantity subject to the local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such local supplier subject to matching the L1 price. In case such lowest eligible local supplier fails to match the L1 price or accepts less than the offered quantity, the next higher local supplier within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on local suppliers, then such balance quantity may also be ordered on the L1 bidder.
- c. "In procurements of goods or works not covered by sub-paragraph 3a and which are not divisible, and in procurement of services where the bid is evaluated on price alone, the following procedure shall be followed":-
  - i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract will be awarded to L1.

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- ii. If L1 is not from a local supplier, the lowest bidder among the local suppliers, will be invited to match the L1 price subject to local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such local supplier subject to matching the L1 price.
  - iii. In case such lowest eligible local supplier fails to match the L1 price, the local supplier with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the local suppliers within the margin of purchase preference matches the L1 price, then the contract may be awarded to the L1 bidder.
4. **Exemption of small purchases:** Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.
5. **Minimum local content:** The minimum local content shall ordinarily be 50%. The Nodal Ministry may prescribe a higher or lower percentage in respect of any particular item and may also prescribe the manner of calculation of local content.
6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20% .
7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.
8. **Government E-marketplace:** In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.
9. **Verification of local content:**
  - a. The local supplier at the time of tender, bidding or solicitation shall be required to provide self-certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.
  - b. In cases of procurement for a value in excess of Rs. 10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
  - c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.

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- d. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.
  - e. Nodal Ministries and procuring entities may prescribe fees for such complaints.
  - f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(l)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.
  - g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9h below.
  - h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
    - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
    - ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
    - iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.
- 10. Specifications in Tenders and other procurement solicitations:**
- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
  - b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
  - c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.
  - d. If a Nodal Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/ or other items relating to that Nodal Ministry. A copy of every instruction or decision taken in this regard shall be sent to the Chairman of the Standing Committee.

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- e. For the purpose of sub-paragraph 10 d above, a supplier or bidder shall be considered to be from a country if (i) the entity is incorporated in that country, or (ii) a majority of its shareholding or effective control of the entity is exercised from that country; or (iii) more than 50% of the value of the item being supplied has been added in that country. Indian suppliers shall mean those entities which meet any of these tests with respect to India."
11. **Assessment of supply base by Nodal Ministries:** The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.
12. **Increase in minimum local content:** The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.
13. **Manufacture under license/ technology collaboration agreements with phased indigenization:** While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.
14. **Powers to grant exemption and to reduce minimum local content:** Ministries /Departments of Government of India and the Boards of Directors of Government companies or autonomous bodies may, by written order,
- reduce the minimum local content below the prescribed level;
  - reduce the margin of purchase preference below 20% ;
  - exempt any particular item or procuring or supplying entities or class or classes of items or procuring or supplying entities from the operation of this Order or any part of the Order.

A copy of every such order shall be marked to the Member-Convenor of the Standing Committee constituted under this Order.

15. **Directions to Government companies:** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.
16. **Standing Committee:** A standing committee is hereby constituted with the following membership:
- Secretary, Department of Industrial Policy and Promotion—Chairman
  - Secretary, Commerce—Member
  - Secretary, Ministry of Electronics and Information Technology—Member
  - Joint Secretary (Public Procurement), Department of Expenditure—Member
  - Joint Secretary (DIPP)—Member-Convenor

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The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. **Functions of the Standing Committee:** The Standing Committee shall meet as often as necessary but not less than once in six months. The Committee
- shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
  - shall annually assess and periodically monitor compliance with this Order
  - shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
  - may require furnishing of details or returns regarding compliance with this Order and related matters
  - may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
  - may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization
  - may consider any other issue relating to this Order which may arise.
18. **Removal of difficulties:** Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.
19. **Ministries having existing policies:** Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1<sup>st</sup> January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.
20. **Transitional provision:** This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.



(B. S. Nayak)  
Under Secretary to Government of India  
Ph. 23061257

10A

**F.No.31026/36/ 2016-MD**  
**Ministry of Chemicals & Fertilizers**  
**Government of India**  
**Department of Pharmaceuticals**

Dated 18<sup>th</sup> May, 2018  
Janpath Bhawan, New Delhi

**Subject: Guidelines for implementing the provisions of Public Procurement (Preference to Make in India) Order (PPO), 2017, related to procurement of Goods & Services in Medical Devices - reg.**

**No. 31026/36/2016-MD:** Whereas Department of Industrial Policy and Promotion (DIPP), pursuant to Rule 153(iii) of the General Financial Rules 2017, has issued Public Procurement(Preference to Make in India) Order (PPO), 2017 vide no. P-4502/2/2017-B.E.-II dated 15.06.2017.

Whereas DIPP, in order to facilitate the implementation of the PPO, 2017, vide D.O. No. P-45021/2/2017-BE-II dated 14.08.2017 has identified Department of Pharmaceuticals (DoP) as the Nodal Department for implementing the provisions of the PPO 2017 relating to goods & services related to Pharmaceuticals Sector. DIPP vide Office Memorandum no. P-45021/13/2017-PP Section BE-II dated 23.03.2018 has decided that the Nodal Ministry for product category Medical Devices shall be Department of Pharmaceuticals.

Whereas Para 3 of PPO, 2017 makes it mandatory for procuring entities to give purchase preference to local suppliers, Para 5 of PPO, 2017 empowers Nodal Ministry to prescribe percentage and the manner of calculation of minimum local content in respect of any particular item relating to medical devices and Para 9 of PPO, 2017 deals with verification of local content.

Now, therefore, DoP issues the following guidelines for implementation of the provisions of PPO, 2017 with respect to public procurement of Goods & Services in Medical Devices:

- Chauhan*
- 1) Percentage of Minimum Local Content:** Medical Device Industry (MDI) is a multi-product industry responsible for provisioning of wide variety of crucial medical products ranging from simple tongue depressors & glucometer strips to large radiology & electronic medical equipment. The medical devices industry can be broadly classified as consisting of (a) medical disposables and consumables; (b) medical electronics, hospital equipment, surgical instruments; (c) Implants; and (d) In-Vitro Devices/Diagnostic Reagents. Individually there are around 5000 different kinds of medical devices and it is not practical to prescribe the local content and percentage of preference in domestic procurement for each medical device.

Moreover, DoP needs accurate and reliable data regarding total capacity and production of various categories of medical devices in India, regarding the level

of competition in the market in different segment of medical devices and regarding the processes involved in the manufacture of medical devices for prescribing the percentage of minimum local content for each category of medical devices, for determining the manner of calculation of local content in the medical devices and for determining the purchase preference to be given to local suppliers in the procurement by the public agencies. The percentage of local content, the manner of calculation of the local content and the provision of supplies to be procured from local suppliers may be revised after relevant data in this regard becomes available.

However for the time being, based on the present level of understanding of the medical device market in India and discussion with various industry representatives, DoP in accordance with Para 5 of PPO, 2017 prescribes the following percentages of minimum local content for various categories of medical devices for preference in public procurement:

Category of Medical Devices	% of Minimum Local Content	% of Local Content proposed to be increased in phased manner over next three years
Medical disposables and consumables	50%	50% to 75%
Medical electronics, hospital equipment, surgical instruments	25%	25% to 45%
Implants	40%	40% to 60%
Diagnostic Reagents/IVDs	25%	25% to 45%

2) **Manner of calculation of Local Content:** DoP in accordance with Para 5 of PPO, 2017 prescribes the following manner of calculation of local content:

- i. Local content of Medical Device shall be computed on the basis of the cost of domestic components in the device/service compared to the total cost of the device/service. The total cost of product shall be the cost incurred for the production of the medical device including direct component i.e. material cost, manpower cost and overhead costs including profit but excluding taxes and duties.
- ii. The determination of local content cost shall be based on the following:
  - a) In the case of direct component (material), based on the country of origin
  - b) In the case of manpower, based on domestic manpower
- iii. The calculation of local content of the combination of several kinds of goods shall be based on the ratio of the sum of multiplication of local content of each goods with the acquisition price of each goods to the acquisition price of combination of goods.
- iv. Format of calculation of local content shall be as contained in **Enclosure-I**.

*Dulagala*

- 102
- 3) **Requirement of Purchase Preference:** Purchase preference shall be given to local suppliers by all procuring entities as per provisions laid down in para 3 of PPO, 2017. Further, as per provisions of Para 3(a) of the PPO 2017 i.e. in procurement of goods where sufficient local capacity and local competition exists and estimated value of procurement is Rs 50 Lakhs or less, a list of goods will be issued by this Department in due course. Till the time such a list is issued, provisions of para 3(b) or para 3(c) of PPO, 2017, as applicable, shall apply for all procurements without regard to value of procurement.
- 4) **Verification of Local Content:**
- a) The local supplier at the time of tender, bidding or solicitation shall be required to furnish self-certification of local content in the format as contained in **Enclosure-II**.
  - b) In cases of procurement for a value in excess of Rs. 10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
  - c) In each tender, procuring entity shall clearly mention the details of its competent authority which is empowered to look into procurement related complaints and the fees for such complaints, relating to implementation of PPO, 2017.
  - d) In case a complaint is received by the procuring entity against the claim of a bidder regarding domestic value addition in medical device, the procuring entity shall have full rights to inspect and examine all the related documents and take a decision. In case any clarification is needed, matter may be referred to DoP to the Grievance Redressal Committee consisting of the following:
    1. Chairman - Joint Secretary (Medical Device) in DoP
    2. Member - Director / Deputy Secretary (Medical Devices) in DoP
    3. Member - Representative (not below the rank of Deputy Secretary) from M/o Health & Family Welfare / CDSCO
  - e) Any complaint referred to the procuring entity shall be submitted along with all necessary documentation in support of the complaint regarding domestic value addition claimed in medical device and shall be disposed of within 4 weeks of the reference by the procuring entity.
  - f) In case, the complaint is referred to DoP by a bidder or procuring entity, the grievance redressal committee shall dispose of the complaint within 4 weeks of its reference and receipt of all documents from the bidder after taking in consideration, the view of the procuring entity. The bidder shall be required to furnish the necessary documentation in support of the local content claimed in medical devices to the grievance redressal committee under DoP within 2 weeks of the reference of the matter. If no information is furnished by the bidder, the grievance redressal committee may take further necessary action, in consultation with procuring entity to establish the bonafides of the claim.
  - g) In case of reference of any complaint by the concerned bidder, there would be a fee of Rs. 2 Lakh or 1% of the value of the medical devices being procured (subject to a maximum of Rs. 5 Lakh), whichever is higher, to be paid by way of a Demand Draft to be deposited with the procuring entity, along with the
- Okhanti*

complaints by the complainant. In case, the complaint is found to be incorrect, the complaint fee shall be forfeited. In case, the complaint is upheld and found to be substantially correct, deposited fee of the complainant would be refunded without any interest.

- 5) All other provisions of PPO, 2017 shall be applicable as such and shall be adhered to by all procuring agencies for procurement of any medical device.
- 6) These guidelines shall remain applicable for one year or until further orders from the date of its issuance.

  
(Dinesh Kapila)  
Economic Adviser  
Ph. 23381927

400

**Enclosure-I**

**Calculation of Local Content**

Name of manufacturer	Calculation by Manufacturer (Cost per unit of product)			
	Cost Component	Cost (Domestic Component) a	Total Cost b	Percentage of Local Content $c=(a/b)*100$
I. ....				
II. ....				
III. Total Cost (Excluding tax and duties)				

Note:

I. **Cost (Domestic Component):** Cost of domestic component may be calculated based on one of the followings depending on data available. Each of these calculations should provide consistent result.

a. Sum of the costs of all inputs which go into the product (including duties and taxes levied on procurement of inputs except those for which credit/ set-off can be taken) and which have not been imported directly or through a domestic trader or an intermediary.

b. Ex-Factory Price of product minus profit after tax minus sum of imported Bill of Material used (directly or indirectly) as inputs in producing the product (including duties and taxes levied on procurement of inputs except those for which credit/ set-off can be taken) minus warranty costs.

c. Market price minus post-production freight, insurance and other handling costs minus profit after tax minus warranty costs minus sum of Imported Bill of Material used as inputs in producing the product (including duties and taxes levied on procurement of inputs except those for which credit / set-off can be taken) minus sales and marketing expenses.

II. **Total Cost:** Total cost may be calculated based on one of the following depending on data available. Each of these calculations should provide consistent result.

a. Sum of the costs of all inputs which go into the product (including duties and taxes levied on procurement of inputs except those for which credit / set-off can be taken).

b. Ex-Factory Price of product minus profit after tax, minus warranty costs.

c. Market price minus post-production freight, insurance and other handling costs minus profit after tax, minus warranty costs minus sales and marketing expenses.

*Dulward*

**Enclosure-II****Format for Affidavit of Self Certification regarding Local Content in a Medical Device to be provided on Rs. 100/- Stamp Paper**

Date: \_\_\_\_\_

I \_\_\_\_\_ S/o,D/o,W/o \_\_\_\_\_, Resident of \_\_\_\_\_

do hereby solemnly affirm and declare as under:

That I will agree to abide by the terms and conditions of the policy of Government of India issued vide Notification No:

That the information furnished hereinafter is correct to best of my knowledge and belief and I undertake to produce relevant records before the procuring entity or any authority so nominated by the Department of Pharmaceuticals, Government of India for the purpose of assessing the local content.

That the local content for all inputs which constitute the said medical device has been verified by me and I am responsible for the correctness of the claims made therein.

That in the event of the domestic value addition of the product mentioned herein is found to be incorrect and not meeting the prescribed value-addition norms, based on the assessment of an authority so nominated by the Department of Pharmaceuticals, Government of India for the purpose of assessing the local content, action will be taken against me as per Order No. P-45021/2/2017-B.E.-II dated 15.06.2017 and Guidelines issued vide letter no. 31026/36/2016-MD dated 18.05.2018.

I agree to maintain the following information in the Company's record for a period of 8 years and shall make this available for verification to any statutory authority:

- i) Name and details of the Domestic Manufacturer (Registered Office, Manufacturing unit location, nature of legal entity)
- ii) Date on which this certificate is issued
- iii) Medical devices for which the certificate is produced
- iv) Procuring entity to whom the certificate is furnished
- v) Percentage of local content claimed
- vi) Name and contact details of the unit of the manufacturer
- vii) Sale Price of the product
- viii) Ex-Factory Price of the product
- ix) Freight, insurance and handling
- x) Total Bill of Material
- xi) List and total cost value of inputs used for manufacture of the medical device
- xii) List and total cost of inputs which are domestically sourced. Value addition certificates from suppliers, if the input is not in-house to be attached.
- xiii) List and cost of inputs which are imported, directly or indirectly



**For and on behalf of** \_\_\_\_\_ **(Name of firm/entity)**  
 Authorized signatory (To be duly authorized by the Board of Director)



**APPENDIX-B**

**APPENDIX-B**  
**INTEGRITY PACT**

HLL Lifecare Limited,  
Procurement and Consultancy Division,  
B-14 A, Sector-62, Noida-201307, Uttar Pradesh

Tender No: \_\_\_\_\_

**PRE-CONTRACT INTEGRITY PACT**

This Pre-Contract Integrity Pact (herein after called the Integrity Pact) is made on \_\_\_\_\_ day of the month of \_\_\_\_\_

**Between**

HLL Lifecare Limited, a Government of India Enterprise with registered office at HLL Bhavan, Poojappura, Thiruvananthapuram 695 012, Kerala, India. (Hereinafter called "HLL", which expression shall mean and include, unless the context otherwise requires, his successors in office and assigns) of the First Party.

**And**

M/s \_\_\_\_\_ with office at .....represented by Shri \_\_\_\_\_ , Chief Executive Officer (hereinafter called the "BIDDER/Seller"/Contractor which expression shall mean and include, unless the context otherwise requires, his successors and permitted assigns) of the Second Party.

**Preamble**

[Both HLL and BIDDER referred above are jointly referred to as the Parties]

HLL intends to award, under laid down organizational procedures, Purchase orders / contract/s against Tender /Work Order /Purchase Order No. .... HLL desires full compliance with all relevant laws and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder/s and Contractor/s.

NOW, THEREFORE,

To avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to:-

1. Enable HLL to obtain the desired materials/ stores/equipment/ work/ project done at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement; and
2. Enable the BIDDER to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and HLL will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The parties hereto hereby agree to enter into this Integrity Pact and agree as follows:

**Clause.1. Commitments of HLL**

- 1.1 HLL undertakes that HLL and/or its Associates (i.e. employees, agents, consultants, advisors, etc.) will not demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.
- 1.2 HLL will, during the tender process / pre-contract stage, treat all BIDDERS with equity and reason, and will provide to all BIDDERS the same information and will not provide any such information or additional information, which is confidential in any manner, to any particular BIDDER which could afford an advantage to that particular BIDDER in comparison to other BIDDERS in relation to tendering process or during the contract execution.
- 1.3 All the officials of HLL regarding this Integrity Pact will report to Chief Vigilance Officer of HLL (CVO), any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach shall not be permitted.
- 1.4 HLL will exclude from the process all known prejudiced persons and persons who would be known to have a connection or nexus with the prospective bidder.
- 1.5 If the BIDDER reports to HLL with full and verifiable facts any misconduct on the part of HLL's Associates (i.e. employees, agents, consultants, advisors, etc.) and the same is prima facie found to be correct by HLL, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by HLL. Further, such an Associate may be debarred from further dealings related to the contract process. In such a case, while an enquiry is being conducted by HLL the proceedings under the contract would not be stalled.

**Clause 2. Commitments of BIDDERS/ CONTRACTORS**

2. The BIDDER commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following:-
  - 2.1 The BIDDER will not offer, directly or indirectly (i.e. employees, agents, consultants, advisors, etc.) any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of HLL, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.
  - 2.2 The BIDDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of HLL or otherwise in procuring the contract or forbearing to do or having done any act in relation to obtaining or execution of the contract or any other contract with HLL for showing or forbearing to show favour or disfavor to any person in relation to the contract or any other contract with HLL.
  - 2.3 The BIDDER will not engage in collusion, price fixing, cartelization, etc. with other counterparty(s).
  - 2.4 The Bidder(s) will not pass to any third party any confidential information entrusted to it, unless duly authorized by HLL.

- 
- 2.5 The Bidder(s) will promote and observe ethical practices within its Organization and its affiliates.
- 2.6 BIDDER shall disclose the name and address of agents and representatives and Indian BIDDERS shall disclose their foreign principals or associates.
- 2.7 The Bidder(s) will not make any false or misleading allegations against HLL or its Associates.
- 2.8 BIDDERS shall disclose the payments to be made by them to agents/brokers or any other intermediary, in connection with this bid/contract.
- 2.9 The BIDDER further confirms and declares to HLL that the BIDDER is the original manufacture/integrator/authorized government sponsored export entity of the defense stores and has not engaged any individual or firm or company whether Indian or foreign to intercede, facilitate or in any way to recommend to HLL or any of its functionaries, whether officially or unofficially to award the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or company in respect of any such intercession, facilitation or recommendation.
- 2.10 The BIDDER while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he has made, is committed to or intends to make to officials of HLL or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.
- 2.11 The BIDDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 2.12 The BIDDER commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.
- 2.13 If the BIDDER or any employee of the BIDDER or any person acting on behalf of the BIDDER, either directly or indirectly, is a relative of any of the officers of HLL, or alternatively, if any relative of an officer of HLL has financial interest/stake in the BIDDER's firm, the same shall be disclosed by the BIDDER at the time of filing of tender.
- The term 'relative' for this purpose would be as defined in Section 2(77) of the Companies Act 2013.
- 2.14 The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of HLL.
- 2.15 The BIDDER will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract, and will not enter into any undisclosed agreement or understanding with other Bidders, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
- 2.16 The BIDDER will not commit any offence under the relevant Indian Penal Code, 1860 or Prevention of Corruption Act, 1988; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the HLL as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically. The BIDDER also undertakes to exercise due and adequate care lest any such information is divulged.

- 2.17 The BIDDER will not instigate third persons to commit offences outlined above or be an accessory to such offences.
- 2.18 The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly the Bidder(s)/Contractor(s) of Indian Nationality shall furnish the name and address of the foreign Principal(s), if any.
- 2.19 The Bidder(s) shall not approach the courts while representing the matters to IEM and the Bidder(s) will await their decision in the matter.

**Clause.3. Previous contravention and Disqualification from tender process and exclusion from future contracts**

- 3.1 The BIDDER declares that no previous contravention occurred in the last three years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in India or any Government Department in India that could justify BIDDER's exclusion from the tender process
- 3.2 The BIDDER agrees that if it makes incorrect statement on this subject, BIDDER can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.  
If BIDDER before award or during execution has committed a contravention through a violation of Clause 2, above or in any other form such as to put his reliability or credibility in question, HLL is entitled to disqualify the BIDDER from the tender process.

**Clause.4. Equal treatment of all Bidders /Contractors /Subcontractors**

- 4.1 The Bidder(s)/ Contractor(s) undertake(s) to demand from his Subcontractors a commitment in conformity with this Integrity Pact.
- 4.2 HLL will enter into agreements with identical conditions as this one with all Bidders and Contractors.
- 4.3 HLL will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

**Clause.5. Consequences of Violation / Breach**

- 5.1 Any breach of the aforesaid provision by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle HLL to take all or any one of the following action, wherever required:-
- i. To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue.
  - ii. If BIDDER commits violation of Integrity Pact Policy during bidding process, he shall be liable to compensate HLL by way of liquidated damages amounting to a sum equivalent to 5% to the value of the offer.
  - iii. In case of violation of the Integrity Pact after award of the contract, HLL will be entitled to terminate the contract. HLL shall also be entitled to recover from the contractor liquidated damages equivalent to 10% of the contract value or the amount equivalent to security deposit/ performance guarantee, whichever is higher.
  - iv. To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.

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- v. To recover all sums already paid by HLL, and in case of an Indian BIDDER with interest thereon at 2% higher than the prevailing Prime Lending Rate of State Bank of India, while in case of a BIDDER from a country other than India with interest thereon at 2% higher than the LIBOR. If any outstanding payment is due to the BIDDER from HLL in connection with any other contract for any other stores, such outstanding payment could also be utilized to recover the aforesaid amount.
  - vi. To encash the advance bank guarantee and performance guarantee /warranty bond, if furnished by the BIDDER, in order to recover the payments already made by HLL, along with interest.
  - vii. To cancel all or any other contract with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to HLL resulting from such cancellation/recession and HLL shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.
  - viii. To debar the BIDDER from participating in future bidding processes of HLL for a minimum period of five (5) years, which may be further extended at the discretion of HLL or until Independent External Monitors is satisfied that the Bidder(s) will not commit any future violation.
  - ix. To recover all sums paid in violation of this Pact by BIDDER(s) to any middleman or agent or broker with a view to securing the contract.
  - x. In cases where irrevocable Letters of credit have been received in respect of any contract signed by HLL with the BIDDER, the same shall not be opened.
  - xi. Forfeiture of performance guarantee in case of a decision by HLL to forfeit the same without assigning any reason for imposing sanction for violation of the pact.

5.2 HLL will be entitled to all or any of the actions mentioned in para 5.1(i) to (x) of this pact also on the commission by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER), of an offence as defined in Chapter IX of the Indian Penal Code, 1860 or Prevention of Corruption Act, 1988 or any other statute enacted for prevention of corruption.

5.3 The decision of HLL to the effect that a breach of the provisions of this Pact has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the BIDDER can approach the Independent External Monitor(s) appointed for the purposes of this Pact.

#### **Clause.6. Fall Clause**

The BIDDER undertakes that it has not supplied/is not supplying similar product/systems or subsystems OR providing similar services at a price / charge lower than that offered in the present bid in respect of any other Ministry/Department of the Government of India or PSU and if it is found any stage that similar product/systems or sub systems was supplied by the BIDDER to any to the Ministry/Department of the Government of India or a PSU at a lower price, then that very price, with due allowance for elapsed time will be applicable to the present case and the difference in the cost would be refunded by the BIDDER to HLL, if the contract has already been concluded.

#### **Clause .7. Independent External Monitor(s)**

- 7.1 HLL has appointed Independent External Monitor(s) (hereinafter referred to as IEM(s)) for this Pact in consultation with the Central Vigilance Commission. (Name and addresses of the Monitor(s) to be given).
- 7.2 The responsibility of the IEM(s) shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.

- 7.3 The IEM(s) shall not be subject to instructions by the representatives of the parties and perform their functions neutrally and independently.
- 7.4 Both the parties accept that the IEM(s) have the right to access all the documents relating to the project/ procurement, including minutes of meetings.
- 7.5 As soon as the IEM(s) notices, or has reason to believe, a violation of this pact, he will so inform the CVO.
- 7.6 The BIDDER(S) accepts that the IEM(s) have the right to access without restriction to all project documentation of HLL including that provided by the BIDDER. The BIDDER will also grant the IEM(s), upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to subcontractors engaged by the BIDDER. The IEM(s) shall be under contractual obligation to treat the information and documents of the BIDDER/ Subcontractor(s) with confidentiality.
- 7.7 HLL will provide to the IEM(s) sufficient information about all meetings among the parties related to the Project provided such meeting could have an impact on the contractual relation between the parties. The parties will offer to the IEM(s) option to participate in such meetings.
- 7.8 The IEM(s) will submit a written report to the CVO of HLL within 8 to 10 weeks from the date of reference or intimation to him by HLL/BIDDER.

**Clause.8.Criminal charges against violating Bidder(s)/ Contractor(s)/ Subcontractor(s)**

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

**Clause.9. Facilitation of Investigation**

In case of any allegation of violation of any provisions of this Pact or payment of commission, HLL or its agencies shall be entitled to examine all the documents, including the Books of Accounts of the BIDDER and the BIDDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

**Clause.10. Law and Place of Jurisdiction**

Both the Parties agree that this Pact is subject to Indian Law. The place of performance and hence this Pact shall be subject to Delhi/NCR Jurisdiction.

**Clause.11. Other legal Actions**

The actions stipulated in the Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

**Clause.12. Validity and Duration of the Agreement**

This Pact begins when both parties have legally signed it. It expires for the Contractor/Successful bidder 12 months after the last payment under the contract or the complete execution of the contract to the satisfaction of the both HLL and the BIDDER /Seller, including warranty period,

whichever is later, and for all other Bidders/unsuccessful bidders 6 months after the contract has been awarded.

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

**Clause. 13. Other provisions**

- 13.1 Changes and supplements as well as termination notices need to be made in writing. Both the Parties declare that no side agreements have been made to this Integrity Pact.
- 13.1 If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- 13.1 Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions

INWITNESS THEREOF the parties have signed and executed this pact at the place and date first above mentioned in the presents of following witnesses:

**HLL Lifecare Limited.**

**Bidder**

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\_\_\_\_\_

Witness

Witness

1.....

1.....

2.....

2.....

\* Provisions of these clauses would be amended /deleted in line with the policy of the HLL in regard to involvement of Indian agents of foreign suppliers.