

STANDARD OPERATING PROCEDURE (SOP)

FOR

GIC Re PROCUREMENT GUIDELINES 2010

(Applicable to OSD only)

Tender Process

This SOP is Part of and to be read in conjunction with GIC Re Procurement Guidelines 2010

This process shall apply to all types of procurements in GIC of India. Procurements shall be done keeping in mind requirements of the Corporate office as also the representative/other offices in India who do not have independent infrastructure for doing this job themselves. The basic principle behind all the processes given is to display utmost transparency and fairness.

1.0 Definitions:

1.1 Procurements: would include Printing & Stationery, Continuous Stationery, Furniture & fixtures, Computers/laptops and peripherals thereof, Software, Miscellaneous articles, Security Services, Catering contracts, Courier Services, Transportation services, Office Upkeep contracts, any other facility management service contracts, consultancies etc. As far as possible, only articles manufactured in India and /or services offered by vendors based in India should be procured. Exceptions, if any, may be with the approval of the Board of GIC only.

1.2 Tender Value: To arrive at the value of the tender in contracts, the total estimated outgo for the total proposed period of the contract is to be taken. E.g. If tender is for 2 years, then the total estimated value of outgo for two years would be taken for this purpose. As the estimated rate is a vital element in establishing the reasonableness of prices, it is important that the same be worked out in a realistic and objective manner on the basis of prevailing market rates, last purchase prices, economic indices for the raw material/ labour and other input costs.

1.3 Bidders: this term shall include all contractors, architects, vendors, manufacturers, companies, consultancies, agencies etc. who participate in the tender process.

1.4 Procurement Committee: (hereinafter referred to as the "Committee") shall mean the Committee duly constituted in the manner prescribed hereunder to discharge the functions under this Process. The senior most member of the Committee will be termed as "Chairperson" and the others will be "Members":

There may be the following committees-

i) Tender Committee

ii) Stationery Committee

iii) Sale-Purchase Committee

All Committees shall be constituted by the General Manager (OSD) and shall consist of five officers not below the rank of Deputy Managers of whom one shall be not below the rank of Assistant General Manager and one shall be not below the rank of Chief Manager. The minimum quorum for the meeting shall be three members of which at least one officer shall be of the rank of Assistant General Manager. Recusal of interested party is must as per CVC's circular. Any member having any such interest or connection should voluntarily recuse himself/herself from serving on the Committee for that particular tender. The competent authority to permit such recusal shall be the authority that appoints the committee.



1.5 Rate Contract: is a contract for supply of specified item of stores at specified rates during the period covered by the contract. No quantities are mentioned in the contract and the contractor is bound to accept any order for the specified item at the rate specified within the contract period. As a reciprocal condition, GIC undertakes to place orders for the requirement of the specified items covered by the contract with the contractors only subject to certain reservations for dividing the contract between one or more contractors, when necessary.

1.6 E-procurement is transacting purchase and sale of goods and services as also Engineering Contracts, using the medium of internet and other electronic networks and e-tendering means floating of tenders through electronic media, i.e. inviting tenders, processing and finalizing, through Internet/e-mails.

2.0 Limits of Authority

2.1 The powers of the various officers with regard to procurement shall be as per the Financial Standing Orders of GIC as amended from time to time, subject to relevant budgets for the year. Where necessary, provision for the amount intended to be spent in the next financial year may be duly made.

3.0 Types of Tender:

3.1.1 Limited Tender: As per "GIC Re Procurement Guidelines 2010" Limited Tenders shall be invited only from among the firms / vendors in the approved panel as per the following limit

S.No.	Description	Limit upto (INR)
1.	New works	10,00,000
	Repair works	25,00,000
2.	Identification of consultants by way of formal/informal enquiries from other companies	25,00,000
3.	Outsourcing of services	10,00,000
4.	Disposal of goods	5,00,000

The empanelment will be separate for each such category of procurement, viz. supply of stationery, printing, etc.

Such panels would be valid for a period not exceeding three years. New vendors/providers may come in the market and existing ones may fade out/exit. The process may be initiated well before the end of the three years so that sufficient time is available for the process to be properly carried out.

An advertisement shall be placed in national newspapers having good local circulation (one English and one Hindi as also in one local language newspaper) and on the web site of GIC, calling for applications for empanelment (hereinafter referred to as AFE) with GIC.

In limited tender, price bids are to be called for from the empanelled vendors only.

3.1.2 The panel shall normally be valid for 3 financial years, including the year in which they were empanelled. It would be advisable to initiate the empanelment process before the third financial year ends. The GM (OSD) can extend the terms of the panel by a maximum of one year after the 3-year term, after recording the reasons for doing so. On receipt of such applications, the GM (OSD) shall direct the Procurement Committee to examine the applications and also inspect the premises, workshop, shop etc. of the applicants. After examination of the applications as well as onsite inspections, the Committee shall recommend to the GM (OSD) for the empanelment of firms etc. who are found suitable.



3.1.3 Blacklisting/Removal of the empanelled Firm from the panel: A firm empanelled can be blacklisted/removed during the validity period of the panel by the GM (OSD) with the recommendation of the Procurement Committee. Blacklisting can be either temporary (i.e. for specified period) or permanent, depending upon the circumstances under which the firm has been blacklisted/removed. Temporary blacklisting/removal can be confined to a specific job. Details of the firms permanently blacklisted/removed shall be circulated to all departments.

3.2 Nomination: (Supreme Court Order & CVC guidelines)/Single Tender

When the CMD is satisfied that no other firm is in a position to quote, (e.g. for strictly proprietary articles or there is an emergent need to procure from a particular source or any such technical reason to be recorded in writing, he/she may allow procurement through nomination or single tender. Single response to an open bid shall not be termed as Single Tender. If even after at least two attempts to obtain tenders, only one comes, the CMD may allow procurement through that single tender. All such cases should be brought to the notice of the Board at the earliest.

A relevant extract from the recent Supreme Court of India judgment in the case [SLP (civil) No. 10174 of 2006] is reproduced below to reinforce this point. [CVC Office Order No.23/7/07 dt. 5th July 2007]

"The law is well-settled that contracts by the State, its corporations, instrumentalities and agencies must be normally granted through public auction/ public tender by inviting tenders from eligible persons and the notifications of the public auction or inviting tenders should be advertised in well-known dailies having wide circulation in the locality with all relevant details such as date, time and place of auction subject matter of auction, technical specifications, estimated cost, earnest money deposit, etc. The award of Government contracts through public-auction/ public tender is to ensure transparency in the public procurement, to maximize economy and efficiency in Government procurement, to promote healthy competition among the tenderers, and to provide for fair and equitable treatment of all tenderers, and to eliminate irregularities, interference and corrupt practices by the authorities concerned. This is required by Article 14 of the Constitution. However, in rare and exceptional cases, for instance, during natural calamities and emergencies declared by the Government, where the procurement is possible from a single source only: where the supplier or contractor has exclusive rights in respect of the goods or services and no reasonable alternative or substitute exists; where the auction was held on several dates but there were no bidders or the bids offered were too low, etc., this normal rule may be departed from and such contracts may be awarded through 'private negotiations'."

3.3 Open Tender:

As per "GIC Re Procurement Guidelines 2010" Open Tenders shall be invited as per the following limit-

S.No.	Description	Limit over (INR)
1.	New works	10,00,000
	Repair works	25,00,000
2.	Identification of consultants by way of formal/informal enquiries from other companies	25,00,000
3.	Outsourcing of services	10,00,000
4.	Disposal of goods	5,00,000



As per "GIC Re Procurement Guidelines 2010" Tender Notice to be placed in at least one national English and one national Hindi language newspaper having wide circulation. Tender notice and all tender documents may be published on GIC website simultaneously. E Tendering, where feasible, may be done.

4.0 General Principles to be observed for the Tender/ AFE:

4.1 The Tender/ AFE Document must be carefully prepared and legally vetted before being published

4.1.1 There shall be conformity among nomenclature of items, specifications, drawings, general and special conditions.

4.1.2 Conditions that are not feasible to be operated shall not be stipulated.

4.1.3 Performance guarantee clause as well as Penalties shall be stipulated to eliminate non-serious bidders.

4.1.4 The company may decide to hold a briefing or pre-bid session before publishing the tender/request for all those who are interested,

- i) to bring clarity regarding spirit of various provisions &
- ii) to acquire a better understanding of prevailing market conditions, better options, technology or laws/rules etc.

The date, time and venue for such a meeting may be mentioned in the tender document. The pre-bid meeting shall be held at least 10 days before closing date of the bid.

4.1.5 It is very important to clarify all tender specification/ requirements while publishing or issuing tenders calling for Tenders/AFE so that there is clear, unambiguous understanding of all terms, conditions, specifications and requirements. The concerned department may do its groundwork/research thoroughly before launching into this exercise, to avoid embarrassments and delays later.

4.1.6 The technical and documentary requirements may not be changed or deviated from once the Tender/ AFE has been called for. If at all any changes or modifications or clarification are necessary due to changes in laws or in the company's requirements, such changes may be duly published in the same newspapers as the original advertisement and put on the website also by way of a corrigendum. In such a case, the same amount of time (at least) as allowed in the original advertisement (normally not less than 4-6 weeks), may be allowed from the date of publishing the changes.

Such changes/modifications/clarifications published shall become part of the Tender/AFE document. No changes or modification will be allowed thereafter.

4.1.7 Time lines for each stage of the process to be clearly spelt out in the advertisements and the website.

4.2 Inviting tenders

4.2.1 Adequate & wide publicity shall be ensured through well-circulated national and local newspapers are essential for greater transparency in open tenders. In addition to the existing rules and practices regarding publicity through newspapers, trade journals, the CVC vide their circular no.

2015
[Handwritten signature and initials]

98/ORD/1 dt.18.12.2003 has instructed for up loading the Notice Inviting Tender and also tender documents in a downloadable form on the website. The website publicity is to be given even in the case of limited tenders (CVC circular dated 8.6.2004). If required, notices may be published in the Indian Trade Journal, Kolkata, also. Copies of such notices may be mailed to existing / likely vendors.

4.2.2 Notice Inviting Tender (NIT) or for Application for Empanelment (AFE) should contain all the relevant information in an explicit and categorical manner like estimated value, EMD, tender sale and tender opening dates as applicable. It is important that sufficient time depending upon the magnitude and complexity of the project should be given to the bidders to submit their bids/applications to generate fair and adequate competition.

4.2.3 The tender sale (where applicable) should preferably be kept open till the date of tender opening or just one day prior to the date of tender opening.

4.2.4 A minimum of 4-6 weeks may be given for the submission of tender/applications.

4.2.5 The complete address of the place for tender/application submission shall be notified in the advertisement and on the website.

4.2.6 In case of both Technical and Price bids being called for together, the notice/advertisement should clearly mention that each i.e. technical and price should be in separate closed envelopes, suitably superscribed, which then may be enclosed in a single larger envelope also suitably superscribed with the wordings: "Tender for/Application for Empanelment for..."

5.0 Earnest Money Deposit (EMD)

5.1 Where the contracted amount is equal to or in excess of Rs.5 lacs, every tender would have to be accompanied by an Earnest Money Deposit, to ensure that non-serious tenderers do not participate in the tendering process. The amount of EMD shall be approximately equal to 2 to 5% of the valuation of the tender. The EMD will be payable by Demand Draft/Bankers Cheque/Purchase Order. In exceptional cases, GM concerned may waive the requirement of obtaining EMD for reasons to be recorded in writing. The EMD will not carry any interest.

5.2 The primary objective of submission of EMD is to establish the earnestness of the bidder so that he does not withdraw, impair or modify the offer within the validity of the bid. It also helps in restricting if not eliminating 'speculative', 'frivolous', or 'wait and see' bids. Since any relaxation regarding submission of EMD has financial implications besides giving encouragement to the bidders to submit frivolous bids as indicated above, the terms and conditions should clearly stipulate that the offers without EMD would be considered as unresponsive and rejected.

6.0 Tender Forms

6.1 The form in which a technical bid/AFE should be submitted shall be prescribed by the GM (OSD)/DGM (OSD)/AGM (OSD) or the GM in charge of the concerned department, from time to time having regard to the nature of the procurement. The fee to be charged for tenders shall also be prescribed by the same authority, having regard to the circumstances of each case, subject to minimum of INR 100/- wherever applicable.

DBS
202
202

6.2 All price tender forms may be sent to the empanelled firms by Registered Post AD/Speed Post/Courier/e-mail or by hand delivery.

7.0 Rejection of tender without any reasons

The acceptance/rejection of any bid should not be arbitrary but on justified grounds as per laid down specifications as the bidders spent lot of time and energy initially in preparing the bid besides financial costs. While the NIT/Notice for AFE may have a clause that the tender applications could be rejected without assigning any reason, this does not mean that the tender accepting authority is free to take decision in an arbitrary manner. The authority is bound to record clear, logical reason for any such action of rejection/recall of tender or notice for AFE on the file.

(Refer: -CVC Office Order No. 15/3/05 dated 24th March 2005 on "Notice inviting tenders-regarding").

8.0 Improving Vigilance Administration: Increasing Transparency in Procurement /Sales Etc.

Improving vigilance administration is possible only when system improvement is made to prevent the possibilities of corruption in order to bring about greater transparency. Details of website address where the said publication has been made/proposed to be made, may be given wide publicity to ensure maximum participation of the parties.

9.0 Technical Qualification (TQ)

- 9.1 Keep the TQ criteria neither too stringent nor too lax.
- 9.2 Prepare the TQ criteria specific to the requirement of the work in clear terms.
- 9.3 Specify the performance parameters and the technical evaluation criterion, if any, in unequivocal terms in the bidding document.
- 9.4 Clearly mention important clauses pertaining to earnest money deposit, completion schedule, testing of equipments, performance bank guarantee, payment terms, penalty for delayed completion, comprehensive insurance cover, contractor's liability, safety arrangements, statutory requirements for labour welfare, arbitration clause etc. in a proper and explicit manner.
- 9.5 Evaluate the bids exactly as per the notified criteria.
- 9.6 Retender if relaxation in TQ criteria is necessary.

10.0 Postponement of Tender Opening:

10.1 It is essential that tenders are finalized and contracts are awarded in a time bound manner within original validity of the tender, without seeking further extension of validity.





10.2 Cases requiring extension of validity should be rare. And in the exceptional situations where the validity period is sought to be extended, it should be imperative to bring on record in real time, valid and logical grounds, justifying extension of the said validity.

10.3 In order to give equal opportunity to all the bidders and to maintain sanctity of tendering system, it is of paramount importance that any change (if necessary) in the tender terms & conditions, specifications and tender opening date etc. be notified to all the bidders, sufficiently in advance of the revised opening date. Any such change in Dates/Timings etc. to be notified through the publication of corrigendum in the media and web site. (Refer 4.1.5 above)

(Refer: -CVC Circular No 31/11/08 dated 6th November 2008 on "Time bound processing of procurement")

11.0 Tender Receiving

11.1 All tenders/AFEs shall be submitted in sealed envelopes/covers only.

11.2 Suitable arrangements for receipt of sealed tenders at the scheduled date, time and location through conspicuously located tender boxes may be made.

11.3 The tender box or boxes should be locked (keys to be with authorized person only) and have sufficient space and wide enough opening to accept the expected papers

11.4 As soon as a tender/AFE is received, a proper Tender Received Register will be maintained by the concerned department either in manual form or electronically.

12.0 Safe Custody of Tenders and opening of Tenders

12.1 The tenders shall be kept in safe custody in closed condition in a Tender box by the authorised Officer till they are opened as set out hereinafter.

12.2 Tenders shall be opened on the same day / next working day, following the stipulated last date for receipt of tenders in front of bidders by at least two Officer not below the rank of Dy.Manager who shall be authorized in this behalf by the Chairperson of the Procurement Committee at such time and place as may be prescribed by the Procurement Committee.

12.3 The Officers who are authorized to open the Tenders/AFEs should see that the envelopes are pinned to the bid/application itself. As soon as the tender is opened, it should be stamped with the official stamp and date. The Officers so authorized to open the tenders/AFEs should arrange to number each tender/AFE serially in their presence and initial each tender indicating the time and date of the opening. Each page of the schedule attached to the tender, forwarding letter or any other enclosure should also be initialed by both officers. All tenders/AFEs received should be serially entered in a Tender Opening Register with all relevant details under signature of the authorized officers. The authorized officers shall, on the spot, prepare a statement containing full particulars of all the tenders including late receipts. Late tenders shall not be considered. Price Bids should not be opened at this stage.

12.4 The option shall be given to the tenderers/applicants for empanelment (one representative each) to remain present during technical bid/AFE opening session. The indication to the effect shall be given along with the date and time of opening of the technical bids/AFEs in the letter / advertisement



for invitation of the tenders. The signature of the representative of the tenderer shall be obtained in the tender opening register.

12.5 In case on opening a tender it is observed that there are alterations made therein like correction in figures, overwriting, etc. such alterations, if any, should be initialed legibly by the Officers authorized to open the tender/AFE by Chairperson of the Procurement Committee. The total number of alterations shall be recorded on the relevant pages and be initialed by the Officers authorized to open the tenders/AFEs. No amendment to a tender/AFE should be permitted on any account after the opening of the tender has commenced.

12.6 All Technical Bids/AFEs shall be opened in the first instance. All Financial Bids (received simultaneously under a two bid tender) shall be kept together in a large envelope and sealed. The OSD shall place before the Procurement Committee details of the analysis of the Technical Bid.

12.7 The committee shall evaluate the technical bids/AFEs strictly as per the notified criterion and shall place its finding along with recommendations to the competent authority. In case of AFEs, once the authority has approved the panel, it becomes valid and empanelment letters may be issued to the concerned vendors/agencies/entities.

12.8 The Procurement Committee or the authorized officers shall open the Financial Bids in respect of only such Technical Bids (under two-bid system) which have been approved/accepted by the authority. However, all price bids received from empanelled bidders (under limited tender) shall be opened. The schedule containing prices should be initialed separately by both officers, close to the typed, printed or handwritten matter. All the Financial bids should also be entered in the Tender Opening Register with signature. The officers/the Architect as the case may be shall prepare an analysis of the bids received with all relevant details.

12.9 The opened Bids along with the Register and the analysis should then be passed on to the Procurement Committee.

13.0 Acceptance of Tenders

13.1 On receipt of the Financial Bids and analysis, the Procurement committee shall verify that all have been duly entered in the register and all papers are duly signed etc.

13.2 In deciding upon the tender to be accepted, the Committee shall bear in mind that the lowest tender (L1) should be accepted. If, in any case, the Committee desires to recommend acceptance of a tender other than the lowest for any reason, it shall record its recommendations setting out the reasons thereof and submit it to the GM/DGM/AGM concerned for approval. In determining the Financial Bid, the Procurement Committee shall consider not only the price quoted for sale but should also consider the amount of Annual Maintenance Charges, wherever applicable. This evaluation may be objective and based strictly on the criterion/conditions laid down in the Tender.

13.3 The committee should establish the reasonableness of rates on the basis of estimated rates and the prevailing market rates before accepting the offer. Abnormally high or low rates offered should be identified and assessed with due caution.

13.4 If, in any particular case, the GM/DGM/AGM is unable to accept the recommendations of the Procurement Committee, he/she shall record the reason thereof in writing and give his/her decision which shall be final.



13.5 Such files may not be kept pending for decision by the approving authority after the recommendation of the tender committee has been received.

14.0 Post Tender Negotiations : There should normally be no post tender negotiations. If at all negotiations are warranted under exceptional circumstances, then it can be done by a special committee to be appointed by the GM concerned, with L1 only, with appropriate recording of the reasons for the same and duly approved by GM concerned as per guidelines of CVC in this regard. Similarly in case of disposal of unwanted items, the post tender negotiations are not be held except with H1 under exceptional circumstances, by following the similar procedure mentioned above.

15.0 Meetings of the Procurement Committee:

15.1 No business shall be transacted at a meeting of the Committee at which at least three members are not present (see 1.4 above). The proceedings of the Committee shall be recorded in a separate register to be maintained for the purpose. The pages of the register shall be numbered. The proceedings shall be duly recorded and pasted on successive pages of the register. If any page is left blank, it shall be crossed and initialed by the Chairperson of the Committee. Each page of the proceedings shall be initialed by all the members of the Procurement Committee present at the meeting and signed in full at the end.

15.2 The authority empowered to constitute the committee may review the working of the committee and if necessary, reconstitute the committee on the occurrence of the following events –

- a) Resignation/retirement/Transfer/Death of one or more members of the committee.
- b) One or more of the committee members becoming insolvent or against whom disciplinary action is initiated.

16.0 Repeat Orders: Repeat orders may be placed against a previous order within its validity period (as prescribed while inviting tenders), provided the officers empowered to place such orders satisfy themselves that there has been no downward trend in prices since the placing of the original order and that the total amount of the order (i.e. original order plus the repeat order) is within the limit of authority of the officer concerned.

17.0 Safe Custody of Documents: All tender documents and registers should be available for perusal when required by Audit/ Vigilance. The Officer-in-charge of the concerned Department or any other officer duly authorized in this regard and who does not deal with the purchase/ procurement of stores etc. shall be personally responsible for safe custody of the tender opening register, all tender documents and the Procurement Committee Meeting Register.

18.0 Rate Contract with D.G.S. & D

18.1 Wherever possible, arrangement may be made with the Director General of Supplies and Disposals for supply of articles at Government rate contract.



18.2 In cases where it is not possible to enter into a rate contract through the Director General of Supplies and Disposals, arrangements may be made for entering into rate contract with reputed dealers for the purchase of stores, which are frequently required in large quantities after inviting tenders from approved firms/dealers by following the normal tendering procedure.

19.0 Insurance of materials in the custody of contractors

19.1 Arrangement should be made for covering the materials belonging to the Corporation, which are in the custody of/being used by a contractor against the usual risks, through insurance. Those contractors, whose arrangements are considered inadequate, may be asked to take out insurance policy to cover GIC properties in their possession against the usual risks.

20.0 Payment of Bills: The Officer authorized to make payment in accordance with the limits of authority shall sanction the payment only on the basis of a certificate recorded to the effect that the stores supplied/services received are of the quality and quantity specified in the contract and that the quality/quantity does not fall below the contracted specifications. This certificate shall be issued by an officer duly authorized for the purpose by the AGM of the concerned department, after satisfying himself thoroughly regarding the material/services received. In case of breach or any lapse of contract or any losses incurred, the same shall be recovered from the pending bills of or from the security deposit provided by the vendor/provider.

21.0 Relaxations: No relaxation from this Process shall be permitted without the special sanction of the CMD only.

22.0 Award of work and signing of contract: In order to avoid any potential source of corruption, it should invariably be ensured that once the offer is found techno-financially acceptable, the work is awarded without any loss of time. All the necessary documents should be kept ready before hand and a formal contract agreement containing all the requisite documents forming part of the agreement should be signed by both parties immediately.

23.1 The contract should inter-alia provide for settlement of disputes that may arise in the execution of the rate contract before the Sole Arbitrator to be appointed by GIC.

23.2 Once the contract is awarded, this information may be posted on the website of the company.

(Refer: -CVC Office Order No. 13/3/05 dated 16th March 2005 and Circular No.17/7/09 dated 14th July 2009 on "Posting of details on award of tenders/ contracts on websites").

23.0 Security Deposits

23.1 Normally, it will be necessary to provide for security deposits where the quantum of the order placed exceeds Rs. 5 lac. The contract should provide that in the event of breach of any condition or the quality / quantity of stores supplied/services received do not confirm to the stipulations contained



in the contract, the security deposit shall be forfeited in addition to GIC seeking other relief which may be available as per law. Such securities may be demanded as a guarantee for the due performance of the contract awarded to a party or to safeguard the interest of GIC properties (raw material, machinery, etc.) entrusted to the Contractor. Security deposit in the nature of performance guarantee shall be payable by the successful bidder @ 10% of the contracted value. The performance security can be accepted either in the form of Demand Draft / Bankers Cheque/Purchase Order, or Bank Guarantees through Scheduled Banks. The deposits shall not carry any interest.

23.2 A proper register shall be maintained giving details of EMD, Security Deposits, and date of amount, MR/DD number and name of contractors/vendors/service providers etc.

24.0 Advance Payment and Bank Guarantees

24.1 Advance payments need to be generally discouraged except in specific cases, where prior approval of the Competent Authority as per FSO may be taken.

25.0 Performance Bank Guarantee

In order to safeguard the organization interest, it would be appropriate to take reasonable amount of Performance Bank Guarantee valid up to Defect Liability period for due performance of the contract. The date of submission for the BG should be clearly spelt out and adhered to at the time of the execution of the contract. The genuineness of the BGs should be checked from the issuing bank. The validity of the BG needs to be carefully monitored and whenever the time extension for contract is granted, the validity of BG should also be appropriately extended. PBG may be demanded for works contract if necessary.

26.0 Prevention of Corruption: An employee found to tamper with tenders or disclose quotations or indulge in corrupt practices or contravene this Process in any manner shall be liable for Disciplinary Action under GIC CDA rules. In case it is found that a supplier/provider tries to bribe any official of GIC to get favours, he shall be liable to be penalized by cancellation of contract and being banned/black listed from the panel.

27.0 Penalty Clause: While inviting tenders for purchase of items/services or for entering into contracts, from firms/dealers, the penalty clause shall be introduced, providing for recovery of penalty from the bills of the firm/dealers in case the items/services supplied falls below the contractual specifications with regard to the quality, quantity and time schedule of delivery of the items/services. The quantum of financial penalty, which shall be specified separately for each tender and shall form part and parcel of tender terms and conditions be fixed by the concerned GM. In addition to the financial penalty, the Officer in charge with the recommendations of the Procurement Committee, may cancel the tender/contract and/or remove/blacklist such firms/dealers from the list of approved firms.





28.0 Disposal of unwanted items: GM (OSD)/DGM (OSD) / AGM (OSD) may dispose of any unserviceable items of stores by following similar procedures as outlined above. For sale, H1 should be selected by the Sale-Purchase committee.

29.0 Guarantee/Warranty Terms: Detailed guarantee/warranty clause embodying all the safeguards should be incorporated in the tender enquiry and the resultant contract. It also needs to be ensured that in installation/commissioning contracts, the guarantee/warranty should reckon only from the date of installation/commissioning.

30.0 Laws/Government Orders/CVC guidelines: In case of any conflict with or in the event of any changes in, the laws of the land and or stipulations or guidelines issued by the Government or by the CVC, the said laws/stipulations/guidelines shall prevail/apply.

31.0 Adoption of Integrity Pact: As and when the Integrity Pact is adopted by the GIC shall be incorporated into the SOP.

32.0 Applicability of CVC guidelines: Any new or appended or amended CVC circulars/notices will have its impact on the SOP.

[Handwritten initials]

[Handwritten signature]

(A.K. Roy)
CMD

Date: 21.04.2015