



Government of Odisha

Odisha Integrated Irrigation Project for Climate Resilient Agriculture (OIIPCRA)

PROCUREMENT MANUAL



**ODISHACOMMUNITYTANKDEVELOPMENTANDMANAGEMENT SOCIETY
(OCTDMS)**

**Department of Water Resources
Government of Odisha**

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ABBREVIATIONA AND ACRONYMS

APC	Agriculture Production Comissioner
ATMA	Agriculture Technology Management Agency
BIS	Bureau of Indian Standards
BOQ	Bill of Quantitites
CQS	Consultant Qualification Based Selection
DAFE	Department of Agriculture and Farmers Empowerment
DC	District Collector
DLPMT	District Level Project Monitoring Team
DoF	Directorate of fisheries
DOWR	Department of Water Resources
DS	Direct Selection
EE/SE/CE/CoT	Executive Engineer/Superintending Engineer/Chief Engineer/Committee of Tender
FBS	Fixed Budget Selection
FIAC	Farm Information and Advisory
GOI	Government of India
GoO	Government of Odisha
IPF	Investment Project Financing
LCS	Least Cost Based Selection
OIIPCRA	Odisha Integrated Irrigation for Climate Resilient Agriculture
OCTMP	Odisha Community Tank Management Project
PIU	Project Implementing Unit
PP	Pani Panchayat
PDO	Project Development Objective
PSC	Project Steering Committee
QCBS	Quality and Cost Based Selection
REOI	Request for Expression of Interest
RFB	Request for Bid
RFP	Request for Proposal
RFQ	Request for Quotation
SO	Support Organization
SPD	Standard Procurement Document
SPMU	State Project Monitoring Team
ToR	Terms of Reference

1 INTRODUCTION

1.1 General

The Orissa community tank development and management society has been registered under the registration of societies Act XXI of 1860 through the certificate issued under No- 22390/118 of 2006-07 with the objective of improving tank-based livelihood and strengthening community management of selected tank systems”. The first project under taken by the society i.e. OCTMP (Odisha community tank management project) has been completed successfully and now again the body has undergone another agreement with World Bank for support to implement the OIIPCRA (Odisha Integrated Irrigation for Climate Resilient Agriculture)with an objective to “improve water use efficiency, enhance agriculture productivity and climate resilience in selected basins and sub-basins”. The state level society has full autonomy for the successful implementation of the project.

OIIPCRA project has four main components:

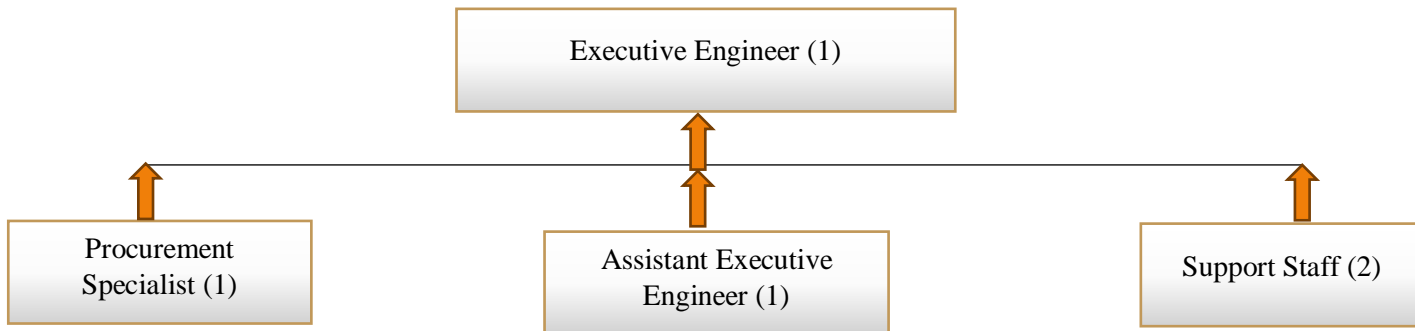
Project Components
1. Climate Resilient Intensification and Diversification of Production
2. Improving Access to Irrigation and Water Productivity
3. Institutional Capacity Strengthening
4. Project Management
5. Contingent Emergency Response

1.2 Procurement Agencies at Different Levels

State Level

The project plans to keep all the consultancy services at the SPMU level. SPMU will prepare specifications, TORs, call quotations/invite bids, evaluate, seek necessary approvals/clearances and award contracts, review performances and arrange for timely payment and ensure appropriate documentation/records management/audits/utilization of resources and will be accountable for these activities. This unit will also hire a human resource development agency for recruitment of staffs following standard procedure mentioned in the procurement manual. A major procurement will be done for civil works under this project and initial civil contracts will be carried out through e-procurement from SPMU and the rest will be carried out at district level under the supervision of SPMU. The three-line departments (DOWR, DAFE & DoF) will carry out their respective procurement of all low value items (contract order less than ₹60,00,000) by themselves and all high value items will be procured at the SPMU level with technical assistance from the experts of the line departments.

Staffing at SPMU:



District Level

DAFE & DoF

ATMA

At district level the major procurement will be for extension services (such as demonstrations, exposure visits which involves small procurements) and record keeping of the field level activities. Analysing the above requirements, the project plans to keep Agriculture/Horticulture/Fisheries manager to mobilize respective activities in their areas and if needed the district team can coordinate the Farm Information and Advisory Centre (FIAC) team to procure small value items at the field level. These officials will be trained by the Procurement specialist at the SPMU level on basic record keeping for the procurement activities and the tendering procedures.

DOWR

Executive Engineer

Civil contracts at the district will be executed by the respective EE office and all other recurring expenses and office furnishings and refurbishment will be procured with prior permission from SPMU.

Pani Panchayat/WUA

There are no planned activities for procurements at the Pani Panchayat level. If any low value procurement at this level is required, then it will be mainly by the RFQ method with prior approval from the DLPMT, with an intimation to SPMU. The formats will be prepared by the state procurement officer.

1.3 Role of the Project (Borrower)

The responsibility for the execution of the project and therefore for the award and administration of the contracts (goods, works, non-consulting and consulting services) under the Projects in accordance with agreed processes and procedures for Procurement with due attention to economy and efficiency, without regard to political or other non-economic influences or considerations rests with the Borrower i.e. project authorities and Implementing Agencies.

1.4 Objective of the manual

To provide standard guideline for procurement of goods, works and services by the state project monitoring unit, District ATMA office and FIAC unit out of the fund available to the society.

1.5 Scope of the Manual

Manual contains procedure to be followed for procurement of goods, works and services at different levels. Sample contract format, market survey format, formats for keeping accounts of materials etc are given in the manual. Checks and controls required to maintain the transparency in the selection procedure have been covered.

1.6 Conflict of Interest:

The effective participation and performance of high-quality firms and individuals is critical to achieve effective competition and Value for Money (VfM) throughout the whole Procurement Process. Firms and individuals participating in procurement in Bank IPF operations are responsible for complying with the requirements of the Procurement Documents and the contract which they may enter with the Borrower. The Bank requires that firms or individuals involved in Bank IPF procurement shall not have a conflict of interest. Any firm found to have a conflict of interest shall be ineligible for award of a contract.

1.7 Procurement-related Complaints:

- (a) Procurement-related complaints (Complaints) should be submitted to the Borrower in a timely manner, at the appropriate stage of the procurement process, and when so submitted, the Borrower shall address them promptly and fairly.
- (b) All Complaints shall be recorded by the Borrower in the appropriate tracking and monitoring system, as agreed between the Bank and the Borrower.
- (c) Those Complaints arising in connection with contracts for which the Bank's Standard Bidding Documents are required to be used, shall be administered and handled in accordance with provisions made in World Bank's 'Procurement Regulations'. The contracts where the Borrower shall use the Bank's SPDs shall be specified in the Procurement Plan for the project.
- (d) Whenever the Bank's SPDs are required to be used, a Standstill Period shall apply, unless otherwise provided as per 'Procurement Regulations'.
- (e) Complaints are to be handled by the SPMU/PIUs in accordance with the applicable complaint review rules and procedures as agreed by the Bank.
- (f) A Complaint that includes allegations of Fraud or Corruption may require special treatment. The SPMU and the Bank shall consult to determine any additional actions that may be necessary.

2 ABOUT THE PROJECT

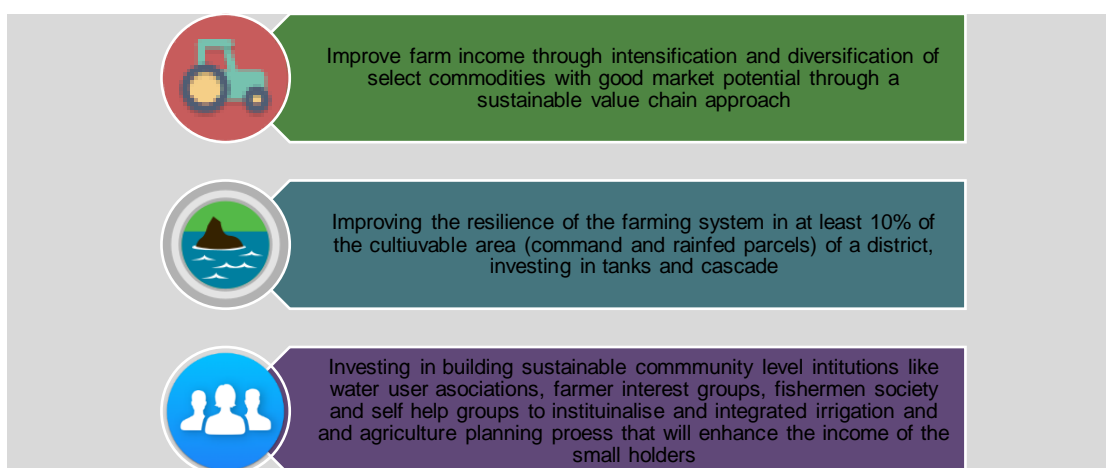
2.1 Project Description

Odisha economy, which is primarily agrarian, is undergoing rapid transformation. The per capita income of the state has increased by 30 percent between 2012-17 period. However, the most critical sector, agriculture, which is source of livelihood for more that 62 percent of the people, suffers some critical challenges. These includes (a) small landholding (b) less diversification (c) erratic monsoon (d) frequent extreme weather events, (e) price realisation of the produced commodities, (f) value addition of agricultural / horticultural commodities etc. To enhance productivity and to address climate variability and change for farm income stability, irrigation and water productivity management play a critical role. A good number of major, medium and minor irrigation projects have been constructed in the state during last six decades, thereby increasing irrigation facilities from 1.83 lakh hectares in 1951 to 38.15 lakh hectares in 2017. However, this has not been able to address the farm distress fully. Further the state government has taken steps to rationalize irrigation development in the state, through convergence of various schemes to provide irrigation facilities to at least 35% of the cultivable land in each block. The state has 314 blocks of which 198 have been targeted and of which 118 have been covered till 2017.

Government of Odisha, through this proposed Odisha Integrated Irrigation Project for Climate Resilient Agriculture (OIIPCR), is well-positioned to demonstrate considerable climate co-benefits, as many of its components explicitly address building resilience to current climate variability and enhancing adaptation and mitigation. GoO believes that market-oriented production system can be a viable and supportive approach to enhance farmer's income, benefiting particularly marginal and small farmers. The crop planning and production system can be designed in the command areas as well as in the rainfed part of a district (covering about 10 percent of the arable land in a district) based on the market demand. It is the reversal of traditional "Production to Marketing" approach and can benefit the farmers in both enhancing production and marketing. While adopting market-oriented agriculture production system, care is to be taken to address all the three critical components, i.e., (1) bringing water use efficiency (WUE) and water productivity (WP), (2) diversification in the present production system and product value addition, and (3) supply chain improvement and its efficient management.

2.2 Guiding Principles

Key **guiding principles** of this project shall be as follows:



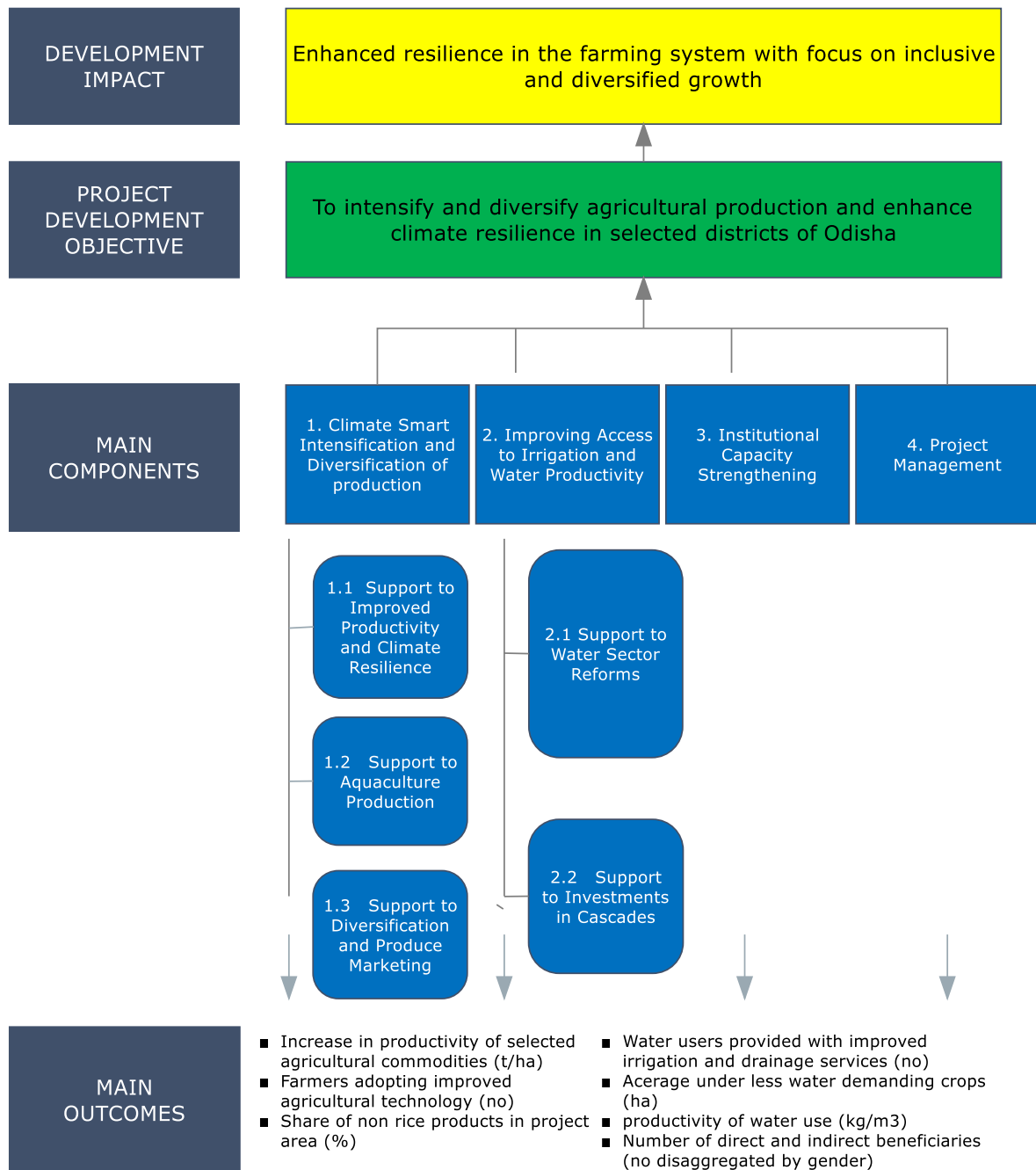
2.3 Project Development Objective

The **Project Development Objective** is to intensify and diversify agricultural production, enhance climate resilience and improve water productivity in selected districts of Odisha.

2.4 PDO Level Indicators

Proposed PDO level indicators include the following: (i) increase in productivity of selected agricultural commodities supported by the project (percent); (ii) share of non-paddy products in total production in project areas(percent); (iii) share of target beneficiaries with rating “Satisfied” or above on process and impact of project interventions (percent); (iv) farmers adopting improved agricultural technology (number); (v) increase in area under crops that are less water demanding (percent); and (vi) increase in productivity of water use at tank level (\$/m3).

2.5 Project Design Framework



2.5.1 Geographical Coverage

The project will cover 15 districts in the state with intensive focus for agricultural development and increase in the irrigation potentiality. The framed project activities will be implemented over a period of six years in a phased manner. The detailed district wise coverage has been given in **Error! Reference source not found.** and 2.

Table 1: Coverage of Block, GPs and MI Tanks in Project Districts

Project District	No of Blocks	No of GPs	No of MIP tanks
Balangir	10	17	21
Balasore	5	6	6
Bargarh	4	19	24
Bhadrak	5	12	13
Boudh	1	8	10
Gajapati	1	3	3
Ganjam	18	166	251
Jajpur	3	3	5
Kalahandi	10	30	36
Kandhamal	4	6	6
Keonjhar	11	39	49
Mayurbhanj	20	81	107
Nabarangpur	3	3	3
Nuapada	2	2	2
Subarnpur	1	1	2
Grand Total	98	396	538

Table 2: Designed CCA in Kharif & Rabi in Project Districts

Project Districts	No of MIPs	Designed CCA (Kharif)	Designed CCA (Rabi)
Balangir	21	4809	623
Balasore	6	456	0
Bargarh	24	2226	279
Bhadrak	13	1356	60
Boudh	10	755	0
Gajapati	3	351	121
Ganjam	251	18149.7	722
Jajpur	5	598	150
Kalahandi	36	3555	424
Kandhamal	6	452	50
Keonjhar	49	12015	3057
Mayurbhanj	107	11266	1049
Nabarangpur	3	125	8
Nuapada	2	86	0
Subarnpur	2	94	0
Grand Total	538	56293.7	6543

2.5.2 Project Beneficiaries

The project beneficiaries include small and marginal farmers, Water Users' Associations /Pani Panchayats, farmer producer organizations, Self-Help Groups, other agro-entrepreneurs, and state institutions (e.g. APC, DAFE, DoWR, and DoF).

2.5.3 Project Cost and Financing

The project will be financed through Investment Project Financing (IPF) of US\$235.74 million with an International Bank for Reconstruction and Development (IBRD) contribution of US\$164.00 million (70 percent of the project), and a counterpart contribution of US\$71.74 million (30 per cent). The project cost includes physical and price contingencies of about 5 per cent.

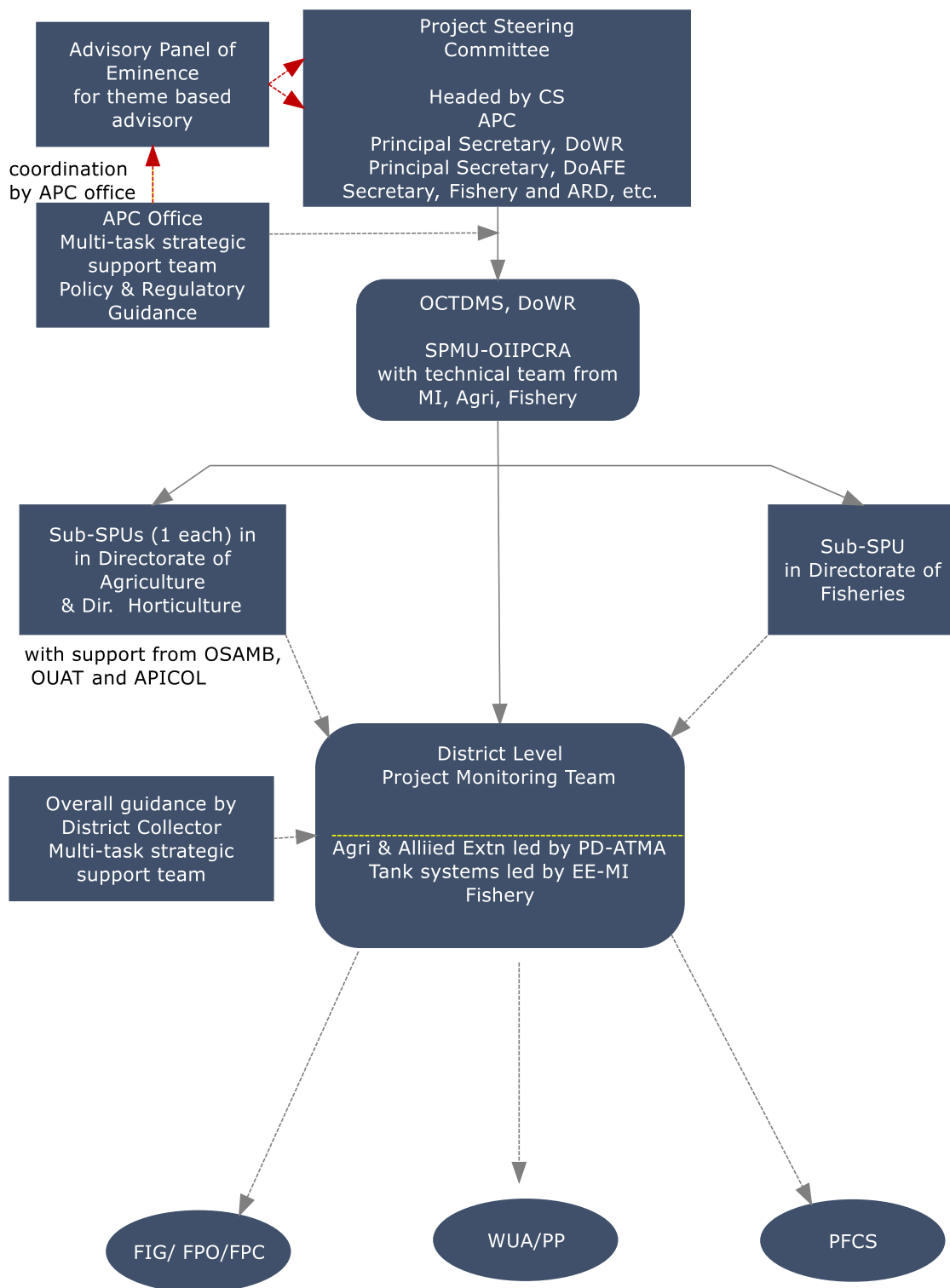
Project Costs by Component and Source of Financing (US\$, millions)

Project Components	Project Cost (USD)	IBRD Financing (USD)	Counterpart Funding (USD)
ClimateResilient Intensification and Diversification of Production	74.60	52.22	22.38
Improving Access to Irrigation and Water Productivity	137.90	96.53	41.37
InstitutionalCapacityStrengthening	9.7	6.79	2.91
Project Management	12.93	9.05	3.88
Contingent Emergency Response	0.00	0.00	0.00
Total Project Cost	235.13	164.59	70.54
Front end fees	0.41	0.41	
Total financing required	235.54	165.00	70.54

2.5.4 Institutional and Implementation Arrangement

OIIPCRA will be anchored through OCTDMS, a special purpose vehicle under the administrative control of the DoWR. OCTDMS, a society under Society Registration Act 1860, gives reasonable flexibility and autonomy to facilitate the implementation of this project. Considering the fact that, implementation of this project involves several line departments e.g. Agriculture, Fishery and ARD and even some tanks that come under a basin (medium irrigation tanks) and the tanks under PR department for the GCF linked components, a tight governance mechanism has been envisaged.

The project implementation arrangement has been given below:



3 PROCUREMENT POLICY PLAN AND STRATEGY

3.1 General

The aim of the Procurement is to obtain right quality of work, goods and services at the right time and at reasonable and competitive prices, giving equal opportunities to those individual / Companies/ firms/ Manufacturers/ Builders who are capable of delivering the goods, works and services. Procurement Policy also needs to provide incentive and encouragement for development of national institution, Consultancy firms, Manufacturers, Contractors etc. Following are the main principles Universally Accepted and followed:

- Economy and efficiency in the implementation of project.
- Economy and efficiency in the procurement of goods, works and services involved.
- Equal opportunity to all eligible bidders in providing goods and works by providing timely and adequate notification of bid documents.
- To encourage development of domestic contracting and manufacture industries and consulting firms.
- Importance of transparency in the procurement process.

Procurement of all goods, works, and services will be carried out in accordance with the World Bank's regulations.

The details pertaining to Procedures and methods to be followed for procurement contained in the manual are condensed for reference by all agencies. **In case of any constraints between these with Bank's procurement and consultancy guidelines, the bank's Guidelines as referred to above all will supersede.**

3.2 Procurement plan

Procurement plan/ Schedules including the description of goods, Works and services to be procured along with their value and consistent with technically and administratively approved estimate, are required to be prepared for the first and subsequent years, in accordance with the budgetary provision. The actual procurement is to follow the approved plans.

During preparation of the procurement plans, packaging should be appropriately done. Items of similar nature, which can be supplied by the same set of firms, should be packaged together to achieve economies of scale. They should be evaluated on slice cum package basis after taking into account cross discounts offered. Aggregate value of total package will form the basis for determining the procurement method as well as the review requirement of the World Bank.

The SPMU with involvement of line departments will prepare a tentative procurement plan for the first 18 months based on the projected activities in the Project Implementation Plan. The Procurement Plan will include description of goods, works and non-consultant and consultant services to be procured (year-wise over the implementation period) along with their values which are consistent with technically and administratively approved cost estimates and milestones for all procurement activities. List of goods works and services to be procured under the project year-wise, with estimated cost and method of procurement have been mentioned in the format specified by the Bank. The Procurement Plan including their updates shall set forth at a minimum the following:

- (i) a brief description of goods, works and non-consulting services/ or consulting services required for the project for which procurement action is to take place/ invitation for proposals are to be issued during the period in question
- (ii) the proposed methods of procurement/ selection as permitted under the Financing Agreement

- (iii) the Bank review requirement and thresholds
- (iv) the time schedule for key procurement activities
- (v) any provision for the application of domestic preference in case of goods & works procurement by International competition
- (vi) any other information that the Bank may reasonably require

3.3 Procurement Audit

Procurement audit refers to Post auditing of procurement files and document relating to contacts for procurement of goods, works and consultancy services, it will be conducted by an independent agency, either separately or along with financial audit, as per agreed schedule. Procurement audit is basically carried out to ascertain whether the procurement procedures were correctly and completely followed, both in letter and spirit. It brings out omission/ commission and lapses, whether on account of the pro understanding of the procedures or wilful negligence including likely fraud/ corruption reflected during the audit. The report and observation of the procurement audit therefore, also serves as a guide book for taking remedial measure to stream line and improve the procurement system.

Apart from external audit the project SPMU procurement unit will do a quarterly audit at district on sample basis.

3.4 Procurement Audit checklist

1. Whether the procurement Plan was Prepared?
2. Whether the procurement was made as per the procurement Plan?
3. Whether the method adopted for procurement was as per the threshold limits given in the procurement manual and/or Credit Agreement signed with the World Bank?
4. Whether the procurement Sub-committee was constituted and involved in the procurement procedure?
5. Whether the overall procurement was done within a reasonable time?
6. Whether there was any avoidable delay at any stage/ stages of the procurement process?
7. Whether the necessary approval was taken from appropriate authority wherever required?
8. Whether Proper and adequate documents relating to procurement were maintained?
9. Whether the technical and financial evaluation was done properly and in a fair manner?
10. Whether the Contracted firm, supplied the goods or executed the work as per the quality, quantity and price agreed upon?
11. Whether the goods were supplied, or work executed in time and properly recorded in stock books/ work registered after inspection?
12. Whether the payment was made to the supplier / Contractor in time? If not, reason for delay.

3.5 Threshold Values – Goods, Works, & Consultancies

Type of Procurement	Method threshold (Million US\$)	Prior Review Thresholds for Moderate Risk (million US\$)
Works	International Open Procurement \geq 40 National Open Procurement $<$ 40 National Request for Quotation \leq 0.1	15
Goods, IT and Non-Consulting Services	International Open Procurement \geq 3 National Open Procurement $<$ 3 National Request for Quotation \leq 0.1	4

Consultant Firms	CQS <0.8 LCS, FBS – in justified cases QCBS, QBS - in all other packages	2
Consultant Individual	As per section 7.34	0.4
Direct Selection	With prior agreement based on justification	0.1

3.6 Procurement – Risk mitigation plan:

The following actions are being taken by SPMU to mitigate the procurement risks.

1. **Procurement Manual:** This Procurement Manual has been prepared to provide clarity on procurement process and to ensure consistency. It describes all the steps in procurement procedures, i.e. preparation of bid documents/RFP, evaluation reports, pre-bid minutes, bid opening minutes, contract information, checklists etc.;
2. **Procurement plan:** All the PIUs/IPs will send their annual procurement plans to State procurement cell for review and vetting. Subsequently State procurement cell shall ensure its updating in STEP system for Bank clearance. The Bank clearance and coordination with PIUs/IPs shall be the responsibility of State procurement cell, SPMU.
3. **Procurement Trainings:** SPMU will arrange a series of procurement training programs by the procurement experts. This Training calendar will be agreed with PIUs and IPs to cover all the procurement staff & personnel involved in various PIUs/IPs.
4. **State level Procurement Cell:** The procurement cells at State level will constantly guide the PIUs/IPs procurement cells and periodically carry out review at the offices of the implementing units and provide guidance in regard to all procurement aspects including record maintenance. It will also be equipped with trained personnel, who will maintain the procurement MIS and also train the personnel involved in the procurement at PIU/IP level, as needed.
5. **Record Keeping:** State level Procurement cell will provide guidance to all PIUs/IPs, to ensure that all records regarding procurement activities under the project are kept in an indexed and safe manner and will be readily available for the Bank review.
6. **Disclosure Policy:** SPMU/PIUs/IPs will ensure the public disclosure policy as required under the Bank Regulations and State Government Policy;
7. **Grievance Redress Mechanism:** In order to deal with the complaints from bidders, contractors, suppliers, consultants and general public at large a complaint handling mechanism will be set up at the state level. The Complaint handling mechanism will be established in Project website. Immediate action will be initiated on receipt of complaints to redress the grievances. All complaints will be registered and handled at a level higher than that of the level at which the procurement process is being undertaken and the allegations made in the complaints will be thoroughly enquired into and if found correct, appropriate remedial measures will be taken by the concerned authorities. Till the module in MIS is prepared for complain handling mechanism, a register of complaints redress will be prepared and maintained by the administration unit at a given level. The MIS/register will contain the following information.
 - (i) Serial number of the complaint;
 - (ii) Date on which the complaint was made/received;
 - (iii) Particulars of the person making the complaint;
 - (iv) Name of the complainant;
 - (v) Brief details of the complaint;
 - (vi) Complaint against whom if against a person;

- (vii) Details of actions taken immediately and during subsequent follow-ups;
- (viii) Whether the complainant has been satisfied, if not why;
- (ix) Action taken against the guilty, if warranted;
- (x) Remarks.

3.7 Procurement Performance Indicators:

The performance of the procurement carried out for the Project by various entities can be assessed (reports from procurement MIS). An analysis of the performance indicators would lead to identify the risks involved and enable action to be taken to mitigate them.

- i) Percentage of contracts awarded against those planned (value & number of contracts).
- ii) Procurement method wise Average number of working days required for completing procurement process, (Advertisement to Award contract).
- iii) Procurement method-wise Percentage of Contracts (Number & Value of Procurement) procured through re-bidding.
- iv) Non-competitive contracts as a percentage of total number of contracts, including those where only one bid was received, direct contracting and single source selection.

3.8 Use of World Bank STEP for Systematic Tracking of Procurement

3.8.1 About STEP

- STEP is a web-based system which is to be used for submission and publication of procurement plan, notices, documents etc. by the IFP Borrowers of the Bank and the Project Officials shall use STEP initially to create and later to revise Procurement Plans under Investment Project Financing (IPF), and to monitor performance, manage and store related documentation for all steps in a procurement activity. This will include both activities that are prior reviewed by the Bank and contracts subject to post review. STEP portal enables Bank Team to view activities at several levels of aggregation, including activity, project, and portfolio levels.

3.8.2 Functions of STEP

- **Procurement notices:** The Project Official can use STEP to create and publish all procurement notices under the project, including
- **Procurement Planning:** STEP's procurement planning features allows the Project Officials to create and modify procurement plans. The Project Officials can create new procurement activities throughout the project and select specific approaches to market and procurement methods for each activity.
- **Tracking:** STEP allows Bank as well as the Project Officials to monitor and track all procurement activities. Clients will determine and record the original time estimates for each step/stage in a specific procurement plan.
- **Supplier Eligibility:** Verification of supplier/contractor/consultant eligibility is central to the Bank's fiduciary assurance process. STEP incorporates supplier/contractor/consultant verification at the time the Project Official selects a supplier/contractor/consultant and repeats this when the Project Official requests a no objection to a contract award.

3.8.3 STEP Implementation Arrangement

The project plans to give the STEP control to respective Procurement Specialist in SPMU. The Procurement Specialist at the SPMU will be solely responsible for the timely updating and proper tracking of the procurement activity through STEP by different line departments.

3.9 Delegation of Technical & Financial Powers in respect of Procurement:

Each Implementing Unit/Partner has full responsibility to prepare the Procurement Plan for procurement of works, goods, non-consulting and consulting services as per the activity/sub-activity-wise implementing procedures detailed in the Project Implementation Plan. The procurement committees of Implementing Partners shall follow the World Banks Procurement Regulations.

3.9.1 Financial Delegation

For implementation of project in a time-bound manner, the financial delegation of various authorities shall be as per the government norms which at present are as under:

For Works

State Project Unit

Amount	Technical Sanction by	Administrative Sanction by
Above Rs. 400 Lakhs	Chief Engineer	Project Director, SPMU

District Project Unit

Amount	Technical Sanction by	Administrative Sanction by
Up to Rs 100 Lakhs	Executive Engineer	Project Director, SPMU
Rs 100 Lakhs to Rs 400 Lakhs	Superintending Engineer	Project Director, SPMU

For other items

State Level

Type of delegation		Amount	Administrative Sanction by
Goods		Up to Rs 25 Lakhs	Project Director, SPMU
		Above Rs 25 Lakhs	Vice chairman, OCTDMS
Services (Including Consultancies)		Up to Rs 25 Lakhs	Project Director, SPMU
		Above Rs 25 Lakhs	Vice chairman, OCTDMS
		Above 50 Lakhs	Chairman, OCTDMS
Contingent Expenditure	Recurring expenditure	Up to Rs 6 Lakhs each case	Project Director, SPMU
		Above Rs 6 Lakhs each case	Vice chairman, OCTDMS
	Nonrecurring expenditure	Up to Rs 6 lakhs each case	Project Director, SPMU
		Above Rs 6 Lakhs each case	Vice chairman, OCTDMS

District Level

Type of delegation		Amount	Administrative Sanction by
Goods		Up to Rs 2 Lakhs	PD-ATMA
		Above Rs 2 Lakhs	Project Director, SPMU
Contingent Expenditure	Recurring expenditure	Any Amount	Project Director, SPMU
	Nonrecurring expenditure	Up to Rs 2 Lakh each case	PD-ATMA
		Above Rs 2 Lakh each case	Project Director, SPMU

In addition to this the State Project Director will have full powers for the Procurement of goods, works and services for the SPMU. He will also have full powers for works related to project activities, sanction of proposal, sanction and release of subsidies at the SPMU level and project implementing units. The financial powers are subject to availability of enough funds/provision of budget. Appropriate procurement method will be followed as per the manual.

Invitation of bids: Bids for all tank civil works will be invited by Project Director or, District (Executive Engineer) in the MI office, / SE in the office of the SE following the departmental norms.

Opening of Bids: All the bids will be opened at the specified place and date by the EE/SE as per the departmental norms.

Evaluation of Bids: All the Bids will be evaluated by the EE/SE of the department who is entitled for calling tenders. Tender Acceptance: -The acceptance of the tenders will be done by EE/SE/CE/CoT as per the financial powers of acceptance.

In case of consultancy a three-member committee constituting of EE (SPMU), Subject Matter Specialist and Accounts Manager for opening and evaluation of bids shall be formed for each consultancy which would be headed by the State Project Director. The State Project Director, SPMU will have the full power to choose the committee as per requirement and will have full power for allot of consultancies.

In case of purchase of Goods at SPMU, for each procurement, a three-member bid opening and evaluation committee consisting of SE (SPMU), Deputy Project Director and Accounts Manager shall be formed which would be headed by the State Project Director or his nominee. The State Project Director will have full power to accept the tender and its approval. All powers for procurement of Goods are vested with State Project Director, SPMU. The procurement of goods at the district shall be carried out following the departmental financial delegation of power.

In case of works, tenders will be called by EE or SE depending on the value of works using appropriate bid document in relation to cost and the terms and conditions thereof.

3.10 Important principles of procurement under bank funded project

- Equitable opportunity to all eligible bidders without regional preferences and all the bidders have the same information to compete in providing goods and works.
- No preference shall be given to any bidder other than domestic preference in case of international bidding; Open competition is the basis for efficient public procurement.
- Bids will not be rejected at the sole discretion of any authority. Reason for rejection must be disclosed to the bidders.
- There will be no requirement of registration with state department for participation in bidding process.
- Award of contract shall be made to the lowest evaluated responsive bidder, who is qualified and capable to perform and not necessarily to the lowest bidder.
- The result of the bidding process shall be disclosed to all bidders, through details placed on the website. Reasons for rejection of bid shall be given to the bidders.
- No exemption will be given to any organisation, from submission of bid security, a this amounts to unfair advantage to the beneficiary of such exception.

Works contract shall be awarded to competent and capable contractors and the contractor shall be responsible for supply of all materials. Contractor will not be forced to procure materials from any specified firm or agency.

3.11 Mis procurement

The Bank does not finance expenditure for goods, works and consultancy services, which have not been procured/ contracted in accordance with the agreed provision agreement and as further elaborated in procurement Plan agreed with the Bank. In such Cases, the Bank will declare mis procurement and it is the policy of the Bank to cancel that portion of credit allocated to the goods, works and consultancy services that have been mis procured. The Bank may in addition exercise other remedied provided for under the financing agreement. Even when contract is awarded after obtaining “no objection” from the Bank still declares mis procurement, if it concludes that “no objection was issued on the basis of incomplete, inaccurate, or misleading information furnished by the borrower or the terms and condition of the contract had been modified without Bank’s prior approval.

4 PROCUREMENT OF CONSULTANCY SERVICES

The expression “consulting services” defines services of an intellectual and advisory nature provided by the Consultants using their professional skills to study, design and organize specific projects, advice clients, conduct training and transfer knowledge.

4.1 Guiding principles for Selection of Consultants

- High quality of services;
- Economy and efficiency;
- Competition among qualified consultants from all eligible countries;
- Participation of national consultants; and
- Transparency in the selection process.

The responsibility of selecting, evaluating, awarding and supervising the performance of consultant under the assignment lies on the concerned implementing agency.

4.2 Contract Types for Procurement of Consultancy

3.3.1 Lump-Sum Contract

Where best suited: This type of contract is used mainly for assignments in which the scope and the duration of the services and the required output of the consultants are clearly defined. It is widely used for simple planning and feasibility studies, environmental studies, detailed design of standard or common structures, preparation of data processing systems, surveys and so forth, wherein external factors are not expected to influence the timeline of outputs/deliverables of the assignment.

Features: In case of lump-sum contracts, Payments are linked to clearly defined outputs (deliverables) such as reports, drawings and bills of quantities, bidding documents, and software programs. The contract shall include a fixed price for the activities to be carried out by the consultant. Lump-sum contracts shall not generally be subject to automatic price adjustment when their duration is expected to be less than 18 (eighteen) months, except for small-value multi-year contracts (for example with auditors). The price of a lump-sum contract may be exceptionally amended when the scope of the services is extended beyond what was contemplated in the original TOR and contract. Lump-sum contracts are easy to administer because they operate on the principle of fixed price for a fixed scope, and payments are due on clearly specified outputs and milestones. Under lump-sum contracts the Client agrees to pay to the Consultant a fixed sum of money for the services given such as preparation of study report, project design, tender document etc. to be delivered within a specified period. It is easy to assess the quality of the outputs. The risks of cost overruns are borne by the consultant.

3.3.2 Time-Based Contract

- (a) **Where best suited:** This type of contract is appropriate when it is difficult to precisely define or fix the scope and the duration of the services in the TOR (such as management of complex institutions or studies of new approaches); either because they are related to activities carried out by others for which the completion period may vary (e.g. supervision of implementation contracts - the duration and quantity of resources (staff months) depend on variables that are beyond the control of consultants or the services are related to the activities undertaken by third parties); or because the input of the consultants required for attaining the objectives of the assignment is difficult to assess (e.g. technical assistance, organization development, emergency situations in which the Client’s requirements can be known as the assignment progresses). It is widely used for complex studies, supervision of construction, advisory services, and most complex capacity building and training assignments.
- (b) **Features:** Payments are based on agreed hourly, daily, weekly, or monthly rates for experts (who are normally named in the contract) and on reimbursable items using actual expenses and/or agreed unit prices. The rates for experts include remuneration, social costs, overhead, profit, and where appropriate, special allowances. The contract shall include a ceiling amount of total payments to be made to the consultants, which is revised by mutual

agreement, with a change in scope of the services or the extension of the period of contract. This ceiling amount should include a contingency allowance for unforeseen services and duration and a provision for price adjustment for inflation. To adjust the remuneration rates (the staff month rates and unit rates of reimbursable expenses) in a time-based Contract for foreign and/or local inflation, a price adjustment provision shall be included in the contract if its duration is expected to exceed 18 (eighteen) months. Time-based Contracts of a shorter duration may include a provision for price adjustment when local or foreign inflation is expected to be high and unpredictable. Time-based contracts need to be closely monitored and administered by the client to ensure that the assignment is progressing satisfactorily and that payments claimed by the consultants are appropriate. Time-based contracts transfer cost risk to the Client. The Client shall monitor and control assignment progress and costs because the consulting firm would be keen to deploy staff for more period including senior staff and more number of units of reimbursable expenditures.

3.3.3 Other Types of Contract

Besides the lump-sum, and time-based contracts as discussed above, other three types of contracts are Percentage Contracts, Indefinite Delivery Contracts and Retainer and/or Contingency (Success Fee Contracts). It is envisaged that these three types of contracts may not be required under the Project. However, if required the corresponding procedures under the World Bank's Procurement Regulations for IPF Project Authorities shall apply.

4.3 Methods for Selection of Consultants

Consulting Services	Market Approach Options					
	Open	Limited	Direct	Inter-national	National	Shortlist
Selection methods						
Quality Cost Based Selection	✓	✗	✗	✓	✓	✓
Fixed Budget Based Selection	✓	✗	✗	✓	✓	✓
Least Cost Based Selection	✓	✗	✗	✓	✓	✓
Quality Based Selection	✓		✗	✓	✓	✓
Consultants Qualification Based Selection	✓	✓	✗	✓	✓	✗
Direct Selection	✗	✗	✓	✗	✗	✗
Selection Arrangements						
UN Agencies						
Non-profit Organizations	✓	✓	✓	✓	✓	✓
Selection Methods for Individual Consultants						
Selection of Individual Consultants	✓	✓	✓	✗	✗	✗

4.4 Quality and Cost Based Selection (QCBS)

QCBS uses a competitive process among shortlisted firms that takes into account the quality of the proposals and the cost of the services in the selection of the successful firm. The relative weight to be given to the quality and cost shall be determined for each case depending on the nature of the assignment. It is the most commonly recommended method for selection of consultant for most types of services to ensure proper addressing to main considerations of Bank's Policy in consultant selection process. Under QCBS the technical and financial proposals are submitted simultaneously in separate sealed envelopes (two- cover system). Proposals received after the deadline for submission are rejected. Evaluation of the proposals is done in two stages - first Quality (Technical) and then Cost (Financial). The envelopes containing the technical proposals are opened by a committee of officials of the Client immediately after the closing time for submission. The financial proposal envelopes remain sealed. The evaluation of the technical proposals is done as per criteria set out in the RFP. Technical scores of the technical proposals are notified publicly. The financial envelopes of those consultants who score more than the stipulated minimum qualifying technical score are opened in the presence of the consultants or their representatives wishing to attend. The financial proposals are then evaluated and the technical and financial scores are then combined according to the weights indicated in the RFP. The consultant obtaining the highest combined score is selected for award. He is then invited for negotiations. Because price is a factor of selection, the staff rates and other unit rates are not to be negotiated.

This method of selection is appropriate when:

- The scope of the work of the assignment can be defined with fair clarity and the Terms of Reference are clear and well specified;
- Client who hires the consultant as well as the consultant can estimate with reasonable precision the staff time, the assignment duration and the other inputs and costs required of the consultants;
- The risks of downstream impacts are quantifiable and manageable;
- The capacity building aspect of the assignment can be estimated with regard to duration and staff time effort

QCBS method of selection is normally adopted for following kind of assignment:

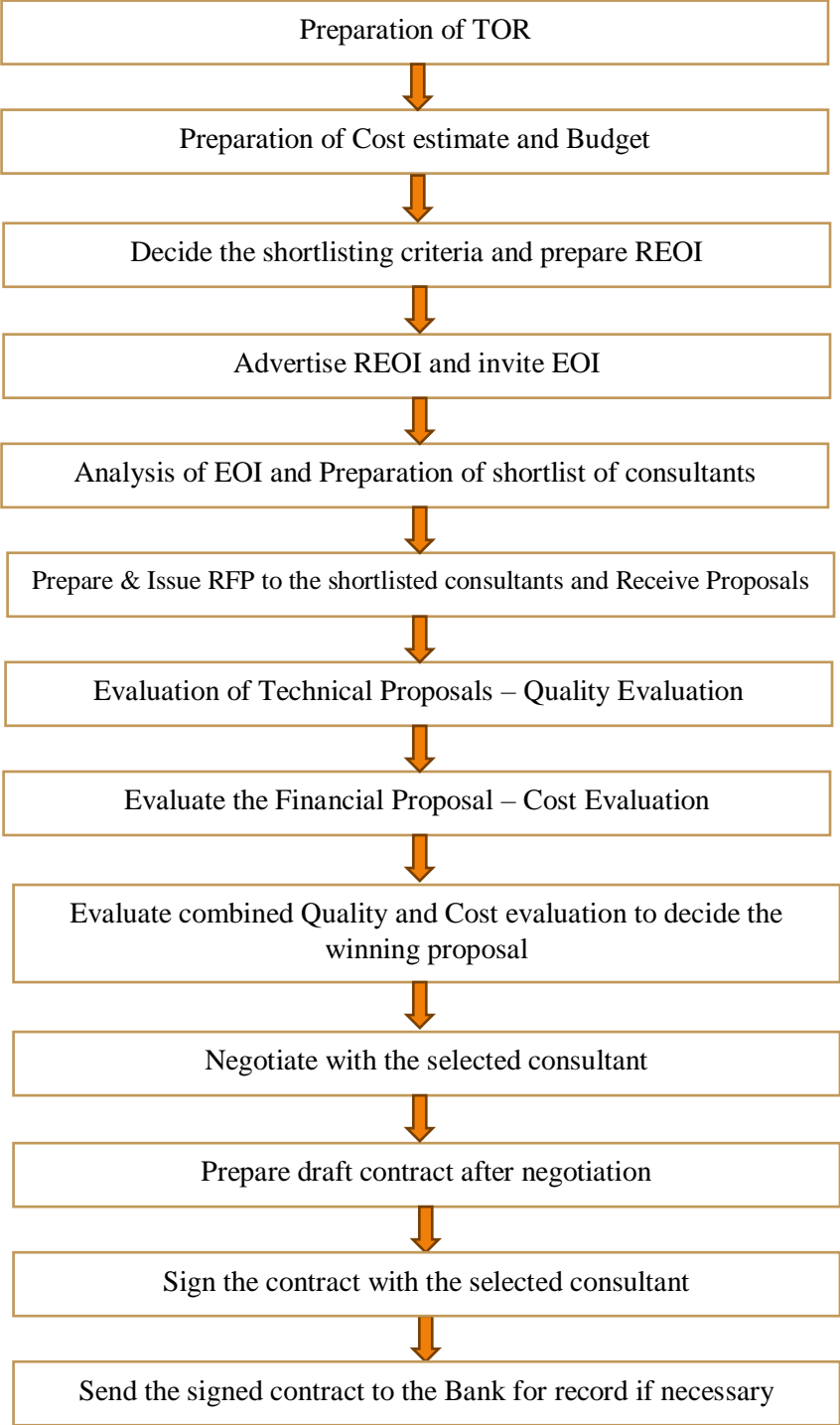
- Feasibility studies & designs where the assignment is simple and well defined;
- Preparation of bidding documents and detailed designs;
- Supervision of the construction of works and installation of equipment;
- Technical, financial or administrative services of a noncomplex nature;
- Procurement and inspection services

QCBS may not be appropriate for complex or specialized assignments in which the scope of the assignment is not well defined and staff time is difficult to estimate.

4.4.1 Steps involved in the procurement of consultants

The following steps will be followed once the assignment has been identified and a decision has been taken to procure the services of a consultant for the assignment. The flow chart shows the steps for quality and cost-based selection (QCBS).

Procurement process for selection of Consultants



4.4.2 Preparation of Terms of Reference

4.4.1.1 General

- (a) It is an important part of the REOI & RFP. It is required for understanding the assignment and its correct execution. It reduces the risk of unnecessary extra work, and additional

expenditure for us. It helps reduce the risk of ambiguities during the preparation of the consultant proposals, contract negotiations and execution of the services.

- (b) TOR shall be prepared by experts or by a firm specialized in the area of the assignment. The scope of the services described in the TOR shall be compatible with the available budget. TOR shall define clearly the objectives, goals, and scope of the assignment and provide background information (including a list of existing relevant studies and basic data) to facilitate the consultants' preparation of their proposals. If transfer of knowledge or training is an objective, it should be specifically outlined along with details of number of staff to be trained, and so forth, to enable consultants to estimate the required resources. TOR shall list the services and surveys necessary to carry out the assignment and the expected outputs (for example, reports, data, maps, surveys etc.).

The following considerations should guide preparation of the TOR;

- TOR should contain sufficient background information on the project to enable consultants to present responsive proposals.
- The scope of work in particular should be consistent with the available budget.
- TOR should take into account the organization of the Client and its level of technical expertise and institutional strength

4.4.1.2 Contents of TOR

TOR should contain sufficient information about the assignment and the project to enable invited consultants to prepare responsive proposals. Generally TOR includes the following:

No	Broad Contents of ToR	Typically may include details on
i)	Background information on the project and the assignment	<ul style="list-style-type: none"> • name of the Project Authorities ; • project location; • rationale of the project; • project history (works done so far and by whom); • list of relevant studies and basic data; • need for consultants in the project; • issues to be resolved; • activities to be carried out by the consultants; • source of financing for the assignment; and • Supervision arrangements.
ii)	Precise statement of the objectives of assignment	<ul style="list-style-type: none"> • preparation of development programs; • determination of project feasibility before an investment is made; • design of projects; • preparation of bidding documents; • supervision of works; • provision of training; • collection and analysis of data; and • Evaluation of Project Authorities assets for sale, such as in privatization projects.
iii)	An outline of the tasks to be carried out (Scope of services) including transfer of knowledge, if any.	<ul style="list-style-type: none"> • The scope of services should be consistent with the staff-month estimate or the estimated cost of the services. • definition, scope, limits, and criteria of acceptance of

No	Broad Contents of ToR	Typically may include details on
		<p>the assignment;</p> <ul style="list-style-type: none"> • desired level of detail (level of design, accuracy, composition of cost estimates, and so forth); • span of projections (time horizon, life span of project components, and so forth); • necessary comparison of the assignment with similar projects; • main issues to be addressed; • alternatives to be considered; • necessary surveys, special analyses, and models; • special equipment requirements; • institutional and legal framework of the project; • transfer of knowledge, objectives, and scope; • language requirements; • units of measurement to be used; • need for continuity, such as data gathering; • quality management requirements (if needed); • If applicable, types of training services; training approaches and methods and tools.
iv)	Schedule for completion of tasks	<ul style="list-style-type: none"> • The completion schedule to be consistent with payment terms and consultancy period.
v)	Description of key professionals whose CVs would be evaluated	<ul style="list-style-type: none"> • The list of key professionals who's CVs would be evaluated along with the required qualifications and experience for each key professional.
vi)	Outputs and Deliverables (List of reports, schedule of deliveries, period of performance etc.)	<ul style="list-style-type: none"> • Inception Report • Progress Reports • Interim Reports • Technical Design & Drawings • Data Sets • Final Report • Number of copies of reports • Schedule of deliveries of outputs
vii)	Data, services, personnel, and facilities to be provided by the Client	<ul style="list-style-type: none"> • Facilities may include office space, vehicles, survey equipment, office and computer equipment, and telecommunication systems. • Personnel may include Counterpart Staff
vii)	Composition of review committee to monitor consultants' work.	Institutional setup, Roles and responsibilities, Hierarchy and Authorities of Client's Personnel
viii)	Procedure for review of progress reports, inception, status, final draft and final reports	Review Timeline

4.4.1.3 Preparation of Cost Estimates and Budget

Preparation of a detailed cost estimate is essential if realistic budgetary resources are to be earmarked. The cost assessment will be based on the clients assessment of the resources needed to

carry out the assignment as per the TOR: expert's time, logistical support, and physical inputs (e. g. vehicles, laboratory equipment etc.).

The cost shall be divided into two broad categories:

- Fee or remuneration (according to the type of contract used)
- Reimbursable items. The cost of experts' time inputs shall be estimated based on a realistic assessment of required national expertise.

No	Broad items of Costs	Typically may include details on
i) Remuneration:		
a)	Fee or remuneration of various professional Staff/ Experts and support staff	<ul style="list-style-type: none"> • Total Fee (Considering Daily/ Monthly Rates and person-days/ months required); • Social Costs; • Consultancy Organization overhead.
ii) Reimbursable:		
a)	Mobilization & Demobilization costs, if necessary.	<ul style="list-style-type: none"> • Relocation expenses, travel, transport, temporary housing, storage, miscellaneous, etc.
b)	Communication, Surveys and training programmes	<ul style="list-style-type: none"> • The costs of these activities.
c)	Office Costs	<ul style="list-style-type: none"> • Office Rent • Office Supplies • Computer's/printers/fax/scanner operational cost • Communication, Telecommunication. Postage • Office Equipment's& Furniture costs (usage)
d)	Office visits, Field visits, Survey visits etc.	<ul style="list-style-type: none"> • Air Travel/ Rail Travel/ Local Travels • Vehicles/ motorcycles hiring • Staff allowances, per diem–lodging & boarding • Field equipment costs – for surveys, tests, etc. • Laboratory equipment's • Logistics support • Per Diem, staff allowances
e)	Report Preparation and submission	<ul style="list-style-type: none"> • Costs of Data sets/ maps etc. • Cost of data entry & analysis • Typing • Translation • Printing, Photocopying, binding
f)	Financial costs	<ul style="list-style-type: none"> • Insurance • Duties • Taxes
g)	Contingencies	

4.4.3 Preparation of Request for Expression of Interest (REoI)

For all consultancies to be selected through competitive process, SPMU should prepare REoIs using the template provided by World Bank. REoI should include brief information of the consultancy assignment and requesting the consultant to furnish detailed information adequate enough to compare the firms and prepare the short list. The information requested should be the minimum required to make a judgment on the firm's suitability and not be so elaborate as to discourage consultants from expressing interest. REoI shall at a minimum include the following

information applicable to the assignment: required qualifications and experience of the firm but not individual experts' bio data; short listing criteria; and conflict of interest provisions. The requested information should include the following:

- Details of the Consultancy Organization: Legal status, Nature of core business and years in business;
- Qualifications and experience of the Consultancy Organization in the field of the assignment along with brochures, description of similar assignments performed with details of clients, experience in similar conditions etc.;
- Technical and managerial capability of the Consultancy Organization: general qualifications and number of key professional staff.
- Financial Capability of the Consultancy Organization: Annual Turnover, Goss Income, etc. as per Annual Reports
- Other Short listing Criteria

4.4.1.4 Publication of Expression of Interest

SPMU shall first arrange for publication of a General Procurement Notice (GPN) including a list of expected consulting assignments, which is published by World Bank in the UN Development Business Online and also on the Bank's external website. Later on, for obtaining Expressions of Interest, advertisement of Request for Expressions of Interest (REOI) for each contract for consulting firms in at least one widely circulated national newspaper and in a freely accessible electronic portal (such as State website or any free Business to Business website). Also, a copy of the REOI should be sent to all the consultants who have initially responded to the GPN.

4.4.1.5 Clarification and addenda to the Request for Expression of Interest

Potential Consultants may request clarification to the REOI. If so clarification shall be issued in writing. Any modification to the issued REOI shall be in the form of written addendum. Clarification shall not divulge information that might give an unfair advantage. The addenda should be made available at the freely accessible website and be communicated to all the consultants who have approached for expressing their interest. If necessary, the deadline for submission of Proposal should be extended to give sufficient time to respond to the REOI with addenda.

4.4.4 Submission of Expression of Interest

Not less than 10 clear days from the date of advertisement should be provided for submission of EOI. Late submission of the expression of interest shall not be a cause for its rejection unless the shortlist has already been prepared of the qualified firms based on the EoIs received.

4.4.5 Preparation of short list

Open invitation for consultancy proposals, would be time consuming for the Client since it has to evaluate each of the proposals to select a consultant. Similarly open invitation of proposals will mean incurring a lot of expenditure by the consultants in preparing satisfactory and acceptable proposals. Hence the consultancy proposals are invited from a short list of selected consultants (who are assessed to be equally competent and qualified).

Based on the details of the consultants who have submitted expressions of interest in response to the advertisement (REOI) and from any other sources of reliable information, a short list of consultants is prepared and they are invited to submit the proposals. The Shortlist shall include not fewer than five (5) and not more than eight (8) eligible firms.

For small consultancy assignments PMU can prepare a short list of the consultants out of its own knowledge of reliable and well performing consultants in the area of operation. However, if there is more number of consultants available and the value of the assignment is considerable, the preparation of short list becomes a contentious issue and motives could be attributed. Hence

SPMU/PIUs/IPs shall seek expressions of interest by inserting an advertisement in the press. This will provide equal opportunities for all interested consultants to get short listed.

4.4.6 Process of short listing

- a) Based on the detailed information provided by the consultants through their Expressions of Interest in response to the advertisement and after due-diligence, a short list of not less than five (5) or not more than eight (8) consultants is prepared.
- b) Government owned enterprises or institutions in India may be considered in short list only if they can establish that they are: (i) legally and financially autonomous, (ii) operate under commercial law, and (iii) are not dependent agencies of the Project Authorities or Sub-Project Authorities.
- c) When the services of government owned universities or research centres or other institutions in India are of unique and exceptional nature including because of the absence of a suitable private sector alternative, and their participation is critical to project implementation, the Bank may agree on the hiring of those institutions on case to case basis. On the same basis university professors or scientists from research institutes can be contracted individually under Bank financing.
- d) The short list shall preferably comprise consultants of the same category, similar capacity and business objectives, corporate capacity, experience and field of expertise and that have undertaken assignments of similar nature and complexity. Consequently, the short list shall normally be composed of firms of similar experience or of not-for-profit organizations (NGOs, Universities, UN Agencies etc.) acting in the same field of expertise. If mixing is used, the selection should be made using Quality Based Selection (QBS) or Selection Based on the Consultant Qualifications (CQS) for small assignments usually equivalent. The short list should not include Individual Consultants. If the same firm is considered for inclusion in short lists for concurrent assignments, the Client shall assess the firm's overall capacity to perform multiple contracts before including it in more than one short list.
- e) These expressions of interest are then objectively evaluated by a committee of officials and a short list is prepared comprising five (5) to eight (8) consultants. Proposals are then invited from the short listed consultants.
- f) The criteria to be used for shortlisting (as specified in the REoI) may normally include: core business and years in business, relevant experience, technical and managerial capability of the firm. Key personnel are not evaluated at this stage.
- g) The final Shortlist is communicated to all firms that expressed interest, as well as any other firm or entity that requests this information. The invitation to Shortlisted firms to submit Proposals includes the names of all Shortlisted firms.
- h) Once the Bank has issued its no-objection to the Shortlist, the Borrower does not modify it without the Bank's no-objection.

4.4.7 RFP Document

- (a) The RFP document for procurement of consultants is what a tender document is for procurement for goods and works. RFP provides all the instructions and information necessary for the short listed consultants to prepare their proposals. Request for Proposal document should be prepared using the Banks applicable standard RFP document which includes the following:
 - Letter of Invitation (LOI) (providing the information of name of Client, source of fund, names of short listed consultants, name of the consulting assignment, method of selection, dates by which the proposals are to be submitted etc.);
 - Instructions to the Consultants (including evaluation process, evaluation criteria and sub-criteria and their relative weights, minimum qualifying marks, estimated staff man months, qualification and experience of key personnel etc.);
 - Standard Forms for submission of Technical Proposals;
 - Standard Forms for submission of Financial Proposals;

- Terms of Reference (TOR);
 - Standard Form of Contract either Lump-Sum or Time-Based (including General Conditions of Contract (GCC), Special Conditions of Contract (SCC) with Appendices).
- (b) SPMU shall use the applicable standard RFPs issued by the Bank with minimal changes, acceptable to the Bank, as necessary to address project-specific conditions. Any such changes shall be introduced only through the RFP data sheet. Project Authorities shall list all the documents included in the RFP. The Project Authorities may use an electronic system to distribute the RFP. If the RFP is distributed electronically, the electronic system shall be secure to avoid modifications to the RFP and shall not restrict access of short listed consultants to the RFP. The model RFP documents have been framed by World Bank and are available on the web sites of World Bank.

4.4.8 Letter of Invitation (LOI)

The LOI shall state the intention of the Project Authorities to enter into a contract for the provision of consulting services, the source of funds, the details of the client and the date, time, and address for submission of proposals. The borrower shall issue letter of Invitation to submit proposal along with RFP document to all the shortlisted forms.

4.4.9 Instructions to Consultants and Datasheet

- (a) The ITC shall contain all necessary information that would help consultants prepare responsive proposals, and shall bring as much transparency as possible to the selection procedure by providing information on the evaluation process and by indicating the evaluation criteria and factors and their respective weights and the minimum passing quality score.
- (b) The ITC shall indicate either an estimate of the key experts inputs (in person-months) required of the consultants or the estimated budget, but not both. Consultants, however, shall be free to prepare their own estimates of experts' time to carry out the assignment and to offer the corresponding cost in their proposals.
- (c) When, under time-based contracts, the services are of a routine nature or do not require an innovative approach, the Project Authorities may, subject to the Bank's no objection, require the consultants to include in their proposal the same level of experts' time inputs as indicated in the RFP, failing which their financial proposal shall be adjusted for the purpose of comparison of proposals and decision for award.
- (d) The ITC shall specify the proposal validity period, which should be adequate for the evaluation of proposals, decision on award, the Bank review, and finalization of contract negotiations.

4.4.10 Form of Contract RFP

- (e) Project Authorities shall use the appropriate Standard Form of Contract issued by the Bank with minimum changes, acceptable to the Bank, as necessary to address specific country and project issues.
- (f) Any such changes shall be introduced only through Contract Data Sheets or through Special Conditions of Contract and not by introducing changes in the wording of the General Conditions of Contract included in the Bank's Standard Form.
- (g) The standard forms of contract cover needs of the majority of consulting services. When these forms are not appropriate (for example, for pre-shipment inspection, procurement services, training of students in universities, advertising activities in privatization, or twinning) SPMU shall use other contract forms acceptable to the Bank

4.4.11 Clarifications on RFP document

Potential Consultants may request, In Writing, clarifications of the RFP documents issued. Response to a request for clarification shall not divulge information that might give an unfair advantage. All clarifications and addenda of request for proposals documents shall be In Writing and shall be sent simultaneously to each recipient of the original documents and all potential Consultants on record, in sufficient time to enable them to take appropriate action. Any

modification to issued RFP Documents shall be introduced in the form of an addendum which shall be In Writing. If necessary, the deadline for Proposal submission should be extended.

4.4.12 Receipt and Opening of Proposal

- (h) The PMU shall allow enough time for the consultants to prepare their proposals. The time allowed shall depend on the assignment, but normally shall not be less than four weeks or more than three months (for example, for assignments requiring establishment of a sophisticated methodology, preparation of a multidisciplinary master plan). During this interval, the firms may request clarifications about the information provided in the RFP. The PMU shall provide these clarifications in writing and copy them to all firms on the short list (who intend to submit proposals). If necessary, the PMU shall extend the deadline for submission of proposals.
- (i) The technical and financial proposals shall be submitted at the same time. No amendments to the technical or financial proposal shall be accepted after the deadline, although amended proposals may be submitted before such deadline. To safeguard the integrity of the process, the technical and financial proposals shall be submitted in separate sealed envelopes.
- (j) Except as otherwise provided in RFP as per the CQS/QBS/DS methods proposed, consultants shall neither be requested nor permitted to alter their proposals in any way after the deadline for the submission of proposals. While evaluating proposals, the Client shall conduct the evaluation solely on the basis of the submitted technical and financial proposals, and shall not ask consultants for clarifications, except for perfunctory queries with the prior no objection of the Bank

4.4.13 Opening of Technical Proposal

A committee of officials drawn by the PMU (technical, finance, legal as appropriate), shall open all technical proposals received by the deadline for the submission of proposals at the designated place stipulated in the RFP irrespective of the number of proposals received by such deadline. At the opening of technical proposals, in the presence of consultants wishing to attend, the PMU shall neither reject nor discuss the merits of any proposal. All proposals received after the deadline shall be declared late and rejected and promptly returned unopened. The committee shall read aloud the names of the consultants that submitted proposals, the presence or absence of duly sealed financial envelopes, and any other information deemed appropriate. The financial proposals shall remain sealed and shall be deposited with a reputable authority not involved in selection process until they are opened.

4.4.14 Evaluation of Proposals by Evaluation Committee and Confidentiality

- (a) The evaluation of the proposals shall be carried out in two stages: first the quality, and then the cost.
- (b) Evaluators of technical proposals shall not have access to the financial proposals until the technical evaluation, including any Bank reviews and no objection, is concluded.
- (c) Financial proposals shall be opened only thereafter. The evaluation shall be carried out in full conformity with the provisions of the RFP

4.4.15 Formation of Evaluation Committee

Given the need for high quality services, the quality of the evaluation of technical proposals is paramount. The Client shall evaluate each technical proposal using an evaluation committee of at least three, and normally no more than seven, members including qualified specialists in the sector of the assignment under consideration. Each member of the committee shall not be in a conflict of interest situation, and certify to that effect before participating in the evaluation. When the Bank determines that the technical evaluation is inconsistent with the RFP or does not properly evaluate the strengths or weaknesses of the proposals, and the committee fails to address the situation in a timely manner, the Bank may require the Client to form a new evaluation committee, including national/ international experts in the sector of the assignment, if necessary.

4.4.16 Evaluation of Technical Proposals

The technical evaluation shall take into account the criteria and the sub-criteria as reflected in the RFP. The RFP shall describe each such criterion and sub-criterion along with their relative maximum scores and disclose the overall minimum technical score below which a proposal will be rejected as non-responsive. The indicative range for the overall minimum technical score is 70 to 85 (seventy to eighty five) on a scale of 1 to 100 (one to one hundred). The maximum score for each criterion and the minimum overall technical score shall be determined based on the nature and complexity of the specific assignment.

The criteria shall include: (a) the consultant’s relevant experience for the assignment, (b) the quality of the methodology proposed, (c) the qualifications of the key experts proposed, (d) transfer of knowledge, if required in the TOR, and (e) the extent of the participation of nationals among key experts in the performance of the assignment. They shall be within the indicative range of scores specified below, except with the no objection of the Bank. The maximum score for the “Participation by national experts” as indicated below shall not exceed 10 (ten). For justifiable reasons and with the Bank’s prior review, the ranges may be adjusted, for example, when transfer of knowledge is the main objective of an assignment, it may be given a higher weight to reflect its importance. Within the specified range, the score to be assigned to a criterion depends on the nature and complexity of an assignment.

Table below summarizes the five evaluation criteria provided in the Standard Request for Proposals and gives examples of sub-criteria that could be stipulated by the Client when preparing the RFP.

Technical Proposal Evaluation Criteria and Sample Sub-criteria

Evaluation criteria	Evaluation sub-criteria (select a maximum of three)
Specific experience of the consultants in the field of assignment	Normally no sub criteria are specified.
Adequacy of the proposed methodology and work plan in responding to the TOR	<ul style="list-style-type: none"> - Technical approach and methodology - Work plan - Organization and staffing Note: The number of sub criteria may be increased depending on the characteristic of the assignment
Qualification and competence of key staff proposed for the assignment	<ul style="list-style-type: none"> - General qualifications - Adequacy for the assignment - Experience in the region and knowledge of local language Note: These three sub criteria are defined in the RFP and cannot be changed.
Suitability of the transfer of knowledge program (training)	<ul style="list-style-type: none"> - Relevance of program - Training approach and methodology - Qualifications of training specialists
Participation of nationals amongst the key staff	No sub criteria but only the method to apply this criteria as specified

The criteria are assigned scores within the indicative range of scores set out in Table below.

Point Distribution of Evaluation Criteria for Technical Proposals

Rated Criteria	Merit Point Range
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Methodology	20-50%
Relevant experience and qualification of key staff	30-60%
Relevant experience of firm	0-10%
Transfer of knowledge	0-10%
Nationals among key staff [As reflected by the participation of nationals among key experts (whether presented by foreign or national firms), and calculated as the ratio of key national experts' time (in person months), to the total number of key experts' time (in person months), in the Proposal.]	0-10%

For assessment of experience and qualification of consultant's staff, only the key experts should be evaluated, since they ultimately determine the quality of performance, more weight shall be assigned to this criterion if the proposed assignment is complex. The Client shall review the qualifications and experience of proposed key experts in their curricula vitae, which must be accurate, complete, and signed by an authorized official of the consulting firm and the individual proposed. The individuals shall be rated in the following 3 sub-criteria, as relevant to the task:

- (a) general qualifications: general education and training, length of experience, positions held, previous assignments as team expert, experience in developing countries, and so forth;
- (b) adequacy for the assignment: education, training, and experience in the specific sector, field, subject, and so forth, relevant to the particular assignment; and
- (c) Experience in the region: knowledge of the local language, culture, administrative system, government organization, and so forth.
- (d) For national consultancy assignments, the points allotted to the criterion are generally distributed among the above sub criteria as per percentage given in Table below:

Range of percentage in Point Distribution of Key Staff Qualification and Competence Sub Criteria (for Guidance only)

Sub-criteria	Range of Percentage
• General Qualifications: General education and training, length of experience, positions held, time with the consulting firm as staff, experience in developing countries and so forth.	20-30
• Adequacy for the assignment: Education, training, and experience in the specific sector, field, subject, and so forth relevant to the particular assignment.	50-60
• Experience in region and language: Knowledge of the local language, culture, administrative system, government organization and so forth.	10-20
Total	100

The Evaluation Committee shall evaluate each proposal on the basis of its responsiveness to the TOR. A proposal shall be considered unsuitable and shall be rejected at this stage if it fails to comply with important aspects described in the RFP. Technical proposals containing any material financial information shall be declared non-responsive.

- (a) The members of the evaluation committee shall evaluate proposals in accordance with the evaluation criteria specified in the RFP, independently of each other, and without any external influence from any person or entity. A proposal shall be rejected if it fails to achieve the overall minimum technical score specified in the RFP. At the end of the evaluation process, the Evaluation Committee shall prepare a Technical Evaluation Report using the Bank's standard form of evaluation report or another report acceptable to the Bank. The report shall substantiate the results of the evaluation and justify the total

technical scores assigned to each proposal by describing the relative strengths and weaknesses of the proposals. Large differences in the individual scores given to a proposal for the same criterion or sub-criterion by different members shall be addressed and a justification be provided in the technical evaluation report. In the case of contracts subject to prior review, the technical evaluation report including the detailed evaluation sheets of each committee member shall be submitted to the Bank for its review and no objection. All records relating to the evaluation, such as individual score sheets shall be retained till end of two years after closing date of Financing Agreement.

- (b) **Methodology & Work Plan:** The methodology and work plan is a key component of the technical proposal and should be evaluated carefully. The methodology, work plan and organization are all integrated. The work plan depends on the technical approach and methodology proposed, and these in turn determine the capability of the organization. Sub-criteria for evaluating this component of the proposal should include the following:
- (i) **Technical Approach & Methodology:** Here the consultants explain their understanding of the objective of the assignment, highlights the issues and their importance, and explain technical approach they would adopt to address them. They should then explain the methodology they propose to adopt, demonstrate the compatibility of these methodologies with the proposed approach.
 - (ii) **Work Plan:** Here the consultants propose the main activities of the assignment, their content and duration, phasing and inter relations, milestones and delivery dates of the most important reports. The consistency of the technical approach and methodology with the proposed work plan is a good indication that consultants have understood the TOR and are able to translate them into a feasible working plan.
 - (iii) **Organization and staffing:** In this section the Consultants propose the structure and composition of their team. It will list the main disciplines involved, the key expert's responsible and proposed technical and support staff. The roles and responsibilities of key experts should be set out in job description.

4.4.17 Notification to Consultants

- (a) On completion of evaluation of Technical Proposal, Technical Evaluation Report (TER) is prepared in the format prescribed by Bank. The evaluation report is sent to the Bank for review and issue of no-objection in respect of prior review cases along with the Checklist. In respect of post review cases approval of competent authority is obtained.
- (b) After the Technical Evaluation Report is completed (and for prior review contracts after the Bank has issued its no objection), the client shall inform consultants whose proposals did not meet the minimum qualifying technical score or were considered nonresponsive to the RFP and TOR that their financial proposals will be returned unopened after the signature of the contract. In addition the Client shall inform each of the above consultants of their overall technical score as well as scores obtained for each criterion and sub-criterion, if any. The Client shall simultaneously notify the consultants that have secured the minimum overall technical score of the date, time, and place set for opening the financial proposals. The opening date shall be set allowing sufficient time (at least a week from the date of notification) for consultants.

4.4.18 Opening of Financial Proposals and Evaluation of Costs

- (a) On the date and time set for opening the financial proposal, the Evaluation Committee verifies that the financial proposals have remained sealed and then open them. The financial proposals shall be opened in the presence of representatives of the consultants who choose to attend. The name of the consultant, the technical scores, including the break-down by criterion, and the offered total prices shall be read aloud and recorded when the financial proposals are opened. No modification to financial proposal is permitted. The Client shall also prepare the minutes of the opening and a copy of this record shall be

- promptly sent to the Bank along with Financial Evaluation Report in case of prior review and to all consultants who submitted proposals.
- (b) If the Proposals submitted by consultants include quotes for prices in more than one currency, then for the purpose of evaluation, prices shall be converted to a single local currency (Indian National Rupee) using the selling (exchange) rates from the official sources (such as State Bank of India) on the date as stated in the RFP. The RFP shall specify the source of the exchange rate to be used and the date of that exchange rate, provided that the date shall not be earlier than four weeks prior to the deadline for submission of proposals, nor later than the original date of expiration of the period of validity of the proposal. For a time-based contract, any arithmetical errors shall be corrected, and prices shall be adjusted if they fail to reflect all inputs that are included in the respective technical proposals. For a lump-sum contract, the consultant is deemed to have included all prices in its financial proposal, so neither arithmetical corrections nor price adjustments shall be made, nor the total price, net of taxes included in the financial proposal shall be considered as the offered price.
- (c) The Evaluation Committee should first review the financial proposals for arithmetical errors and consistency between financial and technical proposals. Arithmetical errors should be corrected, omitted items evaluated, and corresponding adjustments made to the offered prices to obtain final evaluated prices. For purposes of comparing proposals, evaluated prices should be converted to Indian Rupees using exchange rate on date indicated in RFP.
- (d) For the purpose of financial evaluation, the offered prices shall exclude local identifiable indirect taxes (All indirect taxes levied on the contract invoices, at National, State (or Provincial) and Municipal levels, such as sales tax, VAT, excise tax, and similar taxes and levies) on the contract and income tax payable on the remuneration of services rendered. In exceptional circumstances, when indirect taxes cannot be fully identified by the Project Authorities when evaluating the financial offers, the Bank may agree that prices, for the purpose of evaluation only, include all taxes payable in India. The offered total price shall include all consultants' remuneration and other expenses such as travel, translation, report printing, or secretarial expenses. The proposal with the lowest offered total price may be given a financial score of 100 and other proposals given financial scores that are inversely proportional to their prices. Alternatively, a directly proportional or other methodology may be used in allocating the scores to the financial proposals. The methodology to be used shall be as described in the RFP.
- (e) In case of **Quality Based Selection** process financials proposals will be opened in following cases:
- i. If technical and financial proposals have been submitted.
 - a. Financial Proposals shall not be opened earlier than seven (7) Business Days from the communication of technical evaluation results to the consulting firms;
 - b. The PMU shall conduct the opening of the financial Proposal of the consulting firm with the highest ranking technical Proposal in the presence of the firms who submitted Proposals and wish to attend; and
 - c. The PMU shall prepare the minutes of the public opening and a copy of this record shall be promptly sent to all consulting firms who submitted Proposals.
 - ii. If only technical Proposal was initially invited
 - a. Invitation to the highest technically evaluated firm to submit financial Proposals shall not be earlier than seven (7) Business Days from the communication of technical evaluation results to the Consultants; and

- b. Negotiate the financial Proposal submitted by the highest technically evaluated firm.

4.4.19 Weightage for Technical and Financial Scores

- The RFP shall indicate the relative weight assigned to the technical and financial proposals. For standard assignments, the weight for quality is normally 60 percentages with 40percent given to cost. More than 20 percentage weight to the cost of services is justified only for relatively routine and straight forward assignments, (such as designs of very simple structures, Procurement agents, Inspection agents, Auditors etc.). For assignments in which quality considerations are relatively important, a minimum weight of 10% should be given to cost, and when considerations of quality are of primary importance, QBS is preferable to QCBS.
- If cost is a factor of selection, a minimum technical qualifying mark may be provided in RFP to minimize the risk of accepting low-quality proposals at a very low cost. A technical qualifying mark in the range of 70 to 80% is typical. Any technical proposal with a score below this threshold is rejected, and the financial envelope is returned unopened. Setting the threshold too high increases the risk of rejection of a majority of proposals.

Range of Weightage assigned for Technical Proposals (Quality) and Financial Proposals (Cost)

Description	Quality/ Cost Score Weightage (%)
High complex / downstream consequences / specialized assignments (or may use QBS method)	90 / 10
Moderate complexity	70-80 / 30-20
Assignments of a standard or routine nature (or may use LCS method)	60-50 / 40-50

4.4.20 Combined Evaluation and Final Score

- (f) If QCBS is the method of selection, the Evaluation Committee weighs and combines the scores of the technical and financial proposals by adding them to obtain a final ranking of the proposals and makes recommendation of award. The weight for the “cost” shall be chosen, taking into account the complexity of the assignment and the relative importance of quality. Except complex or simple assignments, the weight for cost shall normally be 20 points out of a total score of 100. The proposed weightings for quality and cost shall be as specified in the RFP. The Final Evaluation Report is submitted to decision making authority for review and forwarding the report to the Bank for its clearance in case of prior review cases. The firm obtaining the highest total score shall be invited for negotiations. The Client invites the selected consultant for negotiations and informs the other consultants that they were unsuccessful and furnishes the name of selected firm. After technical and financial negotiations are completed, the Client shall furnish to the Bank for all prior review cases, in sufficient time for its review, a copy of initialled negotiated contract. If the negotiated contract results in a substitution of key staff or any changes in TOR and in the originally proposed Contract, the Client shall highlight the changes and provide an explanation as to why these changes are necessary.

4.4.21 Notification of Intention to Award

For contacts subjected to prior review, the Notification of Intention to Award shall be provided promptly after receiving the Banks no-objection to the draft negotiated contract initiated by the successful consultant or the banks no-objection to the evaluation report.

The Notification of Intension to award shall provide the following information:

- a) The name and address of the Consultant with whom the contract is successfully negotiated and the contract price;
- a) The names of all Consultants included in the short list, indicating those that submitted

- Proposals;
- b) what the selection method requires, the price offered by each Consultant as read out and as evaluated;
 - c) The overall technical scores and scores assigned for each criterion and sub-criterion to each Consultant;
 - d) The final combined scores and the final ranking of the Consultants;
 - e) A statement of the reason(s) why the recipient's Proposal was unsuccessful, unless the combined score already reveals the reason. No Consultant's confidential or proprietary information will be divulged.
 - f) Instructions on how to request a debriefing and/or submit a complaint during the Standstill Period, as set out in the request for proposals document, Procurement-related Complaints; and the date the Standstill Period is due to end

4.4.22 Stand still Period

It is a time given to Bidders/Proposers/Consultants to examine the Notification of Intention to Award and access whether it is appropriate to submit a complaint.

Transmission of the Project Authorities' Notification of Intention to Award begins the Standstill Period. The Standstill Period shall last ten (10) Business Days after such transmission date, unless otherwise extended. The contract shall not be awarded either before or during the Standstill Period.

Stand still period is not required for following cases:

- only one Bid/Proposal was submitted in an open competitive process;
- direct selection;
- call-off process among firms holding FAs; and
- Emergency Situations recognized by the Bank

4.4.23 Debriefing

- PMU shall specify that any consultant who wishes to ascertain the grounds, on which its proposal was not selected, should request an explanation from the PMU. The PMU shall promptly provide the explanation as to why such proposal was not selected, either in writing and/or in a debriefing meeting, at the option of the consultant. The requesting consultant shall bear all the costs of attending such a debriefing.
- An unsuccessful Bidder/Proposer/Consultant has three (3) Business Days to make a written request for a debriefing. The PMU shall provide a debriefing to all unsuccessful Bidders/Proposers/ Consultants whose request is received within this deadline. Where a request for debriefing is received within the deadline, the PMU will provide a debriefing within five (5) Business Days, unless the PMU decides, for justifiable reasons, to provide the debriefing outside this timeframe. In that case, the Standstill Period shall automatically be extended until five (5) Business Days after such debriefing is provided. If more than one debriefing is so delayed, the Standstill Period shall not end earlier than five (5) Business Days after the last debriefing takes place. The PMU shall promptly inform, by the quickest means available, all Bidders/Proposers/Consultants of the extended Standstill Period.
- Where a request for debriefing is received by the PMU later than the three (3) Business Day deadline, the Project Authorities should provide the debriefing as soon as practicable, and normally no later than fifteen (15) Business Days from the date of publication of Contract Award Notice. Requests for debriefing received outside the three(3) Business Day deadline shall not lead to an extension of the Standstill Period.
- The debriefing shall include:
 - Point-by-point comparisons with another Bidders/Proposer's/Consultants Bid/Proposal.
 - Information that is confidential or sensitive will not be disclosed.

A written summary of each debriefing shall be included in the official procurement records, and copied to the Bank for contracts subject to prior review

4.4.24 Award of Contract

- (a) After negotiations are concluded the contract is prepared which should contain the following:
- Negotiated TOR, including the scope of the work of the services, agreed on methodology, organization chart, and program of activities indicating dates for completion of the various tasks;
 - List of reports indicating format, frequency, content, submission dates and approval procedures;
 - Job description of key personnel and the staffing schedule;
 - List of services, facilities to be made available by the Client also the timing for the provision of such services, facilities;
 - Estimated contract amount in specified currency indicating staff man month rates and reimbursable expenses;
 - Detailed capacity-building program if this is a specified requirement of the TOR.

Signing of the contract completes the contract award process. In case of prior review cases, a copy of the signed contract is forwarded to the Bank for review and record along with the completed checklist

4.4.25 Negotiations

- Negotiations shall include discussions of the TOR, the methodology, Client's inputs, and special conditions of the contract. These discussions shall not substantially alter the original scope of services under the TOR or the terms of the contract, lest the quality of the final product, its price, and the relevance of the initial evaluation be affected. Major reductions in work inputs should not be made solely to meet the estimated cost or available budget. The final TOR and the agreed methodology shall be incorporated in the "Description of Services" which shall form part of the contract.
- During negotiations, the selected firm should not be allowed to substitute key experts, unless both parties agree that undue delays in the selection process make such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key experts were included in the proposal without confirming their availability, the firm may be disqualified and the process continued with the next ranked firm. The key experts proposed for substitution shall have qualifications equal to or better than the key experts initially proposed.
- Financial negotiations shall include clarification of the consultants' tax liability in India and how this tax liability has been or would be reflected in the contract. Payments under lump-sum contracts are based on the delivery of outputs (or products), hence the offered price shall include all costs (experts' time, overhead, travel, hotel, etc.). Consequently, if the selection method for a lump-sum contract included cost as a factor in evaluation, the offered price shall not be negotiated. In the case of time-based contracts, payment is based on inputs (experts' time and reimbursable) and the offered price shall include experts' rates and an estimation of the amount of reimbursable. When the selection method includes cost as a factor in evaluation, negotiations of experts' rates shall not take place, except in special circumstances, like for example, experts' rates offered are much higher than typically charged rates by consultants for similar contracts. Consequently, the prohibition of negotiations does not preclude the right of the client to ask for clarifications, and if the fees are very high, to ask for their change, after due consultation with the Bank. Reimbursable are to be paid on actual expenses incurred at cost upon presentation of receipts and therefore are not subject to negotiations. However, if the client wants to define ceilings for unit prices of certain reimbursable (like travel or hotel rates), they should indicate the maximum levels of those rates in the RFP or define a per diem in the RFP.

- If the negotiations with the highest ranked consultant fail the Project Authorities shall inform the concerned consultant in writing of all pending issues and disagreements, and provide them a final opportunity to respond in writing. Contract negotiations shall not be terminated only for budget considerations. If there is still disagreement, the Project Authorities shall inform the consultant in writing of its intention to terminate negotiations. Negotiations may then be terminated after obtaining the Bank's no objection, and the next ranked consultant invited for negotiations. The Project Authorities shall furnish to the Bank for review the minutes of negotiations and all relevant communications, as well as the reasons for such termination. Once negotiations have commenced with the next ranked firm, the Project Authorities shall not reopen the earlier negotiations. After negotiations are successfully completed and the Bank has issued its no objection to the initialled negotiated contract, the Project Authorities shall promptly notify other firms on the short list that they were unsuccessful.

4.4.26 Publication of award of contract

For all contracts, whether subject to the Bank's prior review or post review, the PMU shall publish a public notice of award of contract (Contract Award Notice) within 10 (ten) Business Days from the Project Authorities 's Notification of Contract Award to the successful Bidder/Proposer/Consultant

The Contract Award Notice shall include, at a minimum, the following information as relevant and applicable for each selection method:

- Name and address of the Project Implementing Unit undertaking the procurement,
- Name and reference number of the contract being awarded, and the selection method used;
- Names of all Bidders/Proposers/Consultants that submitted Bids/Proposals, and their Bid/Proposal prices as read out at Bid/Proposal opening, and as evaluated;
- Names of all Bidders/Proposers/Consultants whose Bids/Proposals were rejected either as nonresponsive or as not meeting qualification criteria, or were not evaluated, with the reasons there for; and
- The name of the successful Bidder/Proposer/Consultant, the final total contract price, the contract duration and a summary of its scope.

4.4.27 Rejection of Proposals

- (a) All rejections will be valid under following criteria:
 - (i) all proposals are nonresponsive because they fail to respond to important aspects of the TOR or present major deficiencies in complying with the TOR; or
 - (ii) all proposals fail to achieve the minimum technical score specified in the RFP; or
 - (iii) If the offered price of the successful proposal is substantially higher than the available budget or a recently updated cost estimate. In the latter case, as an alternative to re-invitation, the feasibility of increasing the budget, or scaling down the scope of services with the firm should be investigated in consultation with the Bank. However, any substantial reduction in the scope of services will not be acceptable to Bank and will require a re-invitation. If cost is a factor in the evaluation for a time-based contract, the number of person-months proposed by the consultant may be negotiated, provided that it does not compromise quality or adversely affect the assignment. Even in such cases, the experts' rates shall not normally be negotiated.

Before all the proposals are rejected and new proposals are invited, the Client shall notify the Bank, indicating the reasons for rejection of all proposals, and shall obtain the Bank's no objection before proceeding with the rejection and the new process. The new process may include revising the RFP, including the TOR, the short list and the budget. These revisions shall be agreed upon with the Bank

4.4.28 Role of Bank in Evaluation Process

- (a) Selection of Consultants is the Client's responsibility and Bank does not participate in the evaluation of proposals but, upon request of the Client, may provide advice in methodology and selection procedures before the actual evaluation takes place.
- (b) In assignments in which prior review is required, the Bank reviews the Technical Evaluation Report, if satisfied, sends it's no objection to the Client. The Bank may request additional explanation or information about the report contents from the Client when necessary. In exceptional cases, the Bank may ask the Client to submit one or more proposals for its review.

Under QCBS, if the Bank determines that the final evaluation report, recommendations for award and/ or negotiated contract are inconsistent with the provision of RFP, it shall promptly inform the Client and state the reason for its determination, otherwise, the Bank shall provide the final "no objection" to the contract award. The Client shall confirm the award of the contract. The description and amount of the contract, together with the name and address of the firm, shall be subjected to public disclosure by the Bank upon the Clients confirmation of contract award.

4.4.29 Contract Management<Contract Performance>

- (a) **Monitoring:** The Client should closely monitor the performance of the consultant. This could be done by keeping track of the submission of deliverable/outputs. The reports as submitted by the consultants should be reviewed by a specially constituted review committee which should review the outputs and forward the approval/comments (soon after the receipt of the same) to the consultant for compliance and resubmission if need be.
- (b) **Amendments:** The contract is amended promptly as mutually agreed by modifications in the TOR, or scope of work or contract value.
- (c) **Disputes:** Sufficient efforts should be made to resolve the disputes amicably. Unresolved disputes shall be treated as per provisions in the contract.
- (d) **Poor performance:** In case of poor performance by one or more or all of the key staff of the consultant, action as per provisions in the contract shall be taken. Poor performance should not be allowed to continue beyond a certain point. The consultant should be informed immediately to improve the performance and/or replace the key staff member(s) as per provisions in the contract. If the consultant does not comply or improve his performance adequately, action for termination of the contract shall be taken. Normally there is no provision for levy of penalty or liquidated damages in consultant contracts. Depending on the quality of the performance of the Consultant (depending on the gravity of the case) the IPs may decide (in consultation with PIU and World Bank not to include the Consultant in the short list for future assignments under the project and/or make recommendations to Project/ World Bank for debarring the Consultant for a specified period (in cases of serious lapses or indulging in fraudulent practices)
- (e) **Delays:** In case the consultant is not able to complete the assignment within the stipulated period of completion due to any reason whatsoever, the consultant shall requests for extension of time and or increase in cost. Soon after the request we should review the request and if we are satisfied with the request, we shall amend the contract either by increase of the cost or extension of time. Change (increase or decrease) in cost of the consultancy contract may become necessary on account of modification in description of services, extension of time due to change in description of services or where consultant services are dependent upon the performance of the third party etc. Consultant's request shall be examined in terms of the stipulations made in the contract.
- (f) **Completion of Assignment:** The Client shall review the draft deliverables/ outputs as per contract and promptly communicate its approval/ comments to the consultants. The consultants shall promptly comply with the comments without extra cost and submit the final deliverable/ output. After receipt of the same, final payments are made and the contract is closed.

4.5 Quality Based Selection (QBS)

QBS is appropriate for the following types of assignments:

- (a) complex or highly specialized assignments for which it is difficult to define precise TOR and the required input from the consultants.
- (b) Assignments that have a high downstream impact and in which the objective is to have the best experts.
- (c) Assignments that can be carried out in substantially different ways, such that proposals will not be comparable.
- (d) Important and far reaching strategy studies
- (e) In situations of strong uncertainty or risk for the project

In QBS, the RFP may request submission of a technical proposal only (without the financial proposal), or request submission of both technical and financial proposals at the same time but in separate envelopes (two envelope system).

If technical proposals alone were invited, after evaluating the technical proposals using the same methodology as in QCBS, the Project Authorities shall ask the consultant with the highest ranked technical proposal to submit a detailed financial proposal. The Project Authorities and the consultant shall then negotiate the financial proposal, including remuneration and other expenses and the contract. All other aspects of the selection process shall be identical to those of QCBS.

QBS is adopted for complex assignments such as the following:

- Sector and multidisciplinary studies of a complex nature;
- Important and far reaching strategy studies;
- Master plans, pre-feasibility and feasibility studies, or design of large and complex projects;
- Complex capacity building programs;
- Assignments in which consultant organizations with different cost structures (for example traditional consultants, nongovernmental organizations (NGOs) are required to compete;
- In situations of strong uncertainty or risk for the project;
- Design contests in which consultants present a plan or design based on concept or criteria provided by the Client.

4.6 Selection under a Fixed Budget (FBS)

This method is appropriate when the assignment is simple and can be precisely defined and the budget is fixed. The RFP shall indicate the available budget and request the consultants to provide their best technical and financial proposals in separate envelopes, within the budget. Evaluation of all technical proposals shall be carried out first as in the QCBS method. Then the price proposals shall be opened in public and prices shall be read out aloud. Proposals that exceed the indicated budget shall be rejected. Proposals that exceed the indicated budget shall be rejected. The Consultant who has submitted the highest ranked technical proposal among the rest shall be selected and invited to negotiate a contract.

Negotiations: Because the budget is fixed, the ToR cannot be substantially changed and technical negotiation cover only minor aspects. Items described in the technical proposals but not priced or quantified differently in the financial proposal from the technical proposal shall be assumed to be included in the prices of other activities or items. Financial negotiations will not include discussions of remuneration rates and of other unit rates, but only of minor rearrangement of activities and staff for compatibility with the work plan and clarification of tax liability. FBS is appropriate only when the assignment is simple and can be precisely defined (clearly defined objectives and scope of work, simple transfer of knowledge, capacity building inputs, etc.) and when the budget is fixed (by estimating it with reasonable accuracy, by assessing the staff and other inputs required from the consultant with precision).

FBS is likely to result in better quality proposals than under QCBS, because it is easier for consultants to maximize quality under a fixed budget than under simultaneous quality and cost competition. FBS also requires a shorter time than QBS for negotiations. FBS is convenient for consultants because the pre-established budget allows them to determine in advance whether they are interested in competing for the proposed assignment and to develop the best proposal consistent with budget. Compared to QBS and QCBS, FBS requires the TOR to be consistent with the established budget and to contain a well specified scope of work for consultants to present clear and responsive proposals. The main risk of using FBS is under budgeting in the TOR and in doing so; discourage good consultants from participating and then receiving poor performances from the awarded consultant.

4.7 Least Cost Selection (LCS)

This method is only appropriate for selecting consultants for assignments of a standard or routine nature (audits, engineering design of noncomplex works, and so forth) where well established practices and standards exist.

Under this method, a “minimum” qualifying mark for the “quality” is established. Proposals, to be submitted in two envelopes, are invited from a short list. Technical proposals are opened first and evaluated. Those securing less than the minimum qualifying mark are rejected, and the financial proposals of the rest are opened in public. The firm with the lowest price shall then be selected.

4.8 Selection Based on Consultants Qualification (CQS)

This method may be used for small assignments for which the need for preparing and evaluating competitive proposals is not justified. In such cases, prepare the TOR, request Expressions of Interest and information on the consultants’ experience and competence relevant to the assignment, establish a short list, and select the firm with the most appropriate qualifications and references. Firms having the required experience and competence relevant to the assignment shall be assessed and compared, and the best qualified and experienced firm shall be selected. Only the selected firm shall be asked to submit a combined technical and financial proposal and, if such proposal is responsive and acceptable, be invited to negotiate a contract.

It is usually adopted for the following types of assignments:

- Evaluation studies at critical decision points in the project implementation such as review of alternative solutions with large downstream effects;
- Executive assessments of strategies and programs;
- High level, short term, expert advice;
- Participation in project review panels

4.9 Direct Selection (DS) Single Source Selection (SSS)

Single source selection of consultants does not provide the benefits of competition in regard to quality and cost, lacks transparency in selection, and could encourage unacceptable practices. Therefore, single source selection shall be used only in exceptional cases. Single source selection may be appropriate only if it presents a clear advantage over competition:

- (a) for tasks that represent a natural continuation of previous work carried out by the firm (see next paragraph),
- (b) In emergency cases, such as in response to disasters and for consulting services required during the period of time immediately following the emergency.
- (c) For very small assignments or when only one firm is qualified or has experience of exceptional worth for the assignment.

When continuity for downstream work is essential, the initial RFP shall outline this prospect, and, if practical, the factors used for the selection of the consultant shall take the likelihood of

continuation into account. Continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition subject to satisfactory performance in the initial assignment. For such downstream assignments, the client shall ask the initially selected consultant to prepare technical and financial proposals on the basis of TOR furnished by the client, which shall then be negotiated.

If the initial assignment was not awarded on a competitive basis or was awarded under tied financing or if the downstream assignment is substantially larger in value, a competitive process acceptable to the Bank shall normally be followed in which the consultant carrying out the initial work is not excluded from consideration if it expresses interest. The Bank will consider exceptions to this rule only under special circumstances and only when a new competitive process is not practicable.

4.10 Selection of Individual Consultant (IC)

Individual consultants are employed on assignments for which

- (a) Teams of personnel are not required,
- (b) No additional outside (home office) professional support is required, and
- (c) The experience and qualifications of the individual are the paramount requirement. When coordination, administration, or collective responsibility may become difficult because of the number of individuals, it would be advisable to employ a firm.

Individual consultants are selected on the basis of their qualifications for the assignment. Advertisement is not required and consultants do not need to submit proposals. Consultants shall be selected through comparison of qualifications of at least three candidates among those who have expressed interest in the assignment or have been approached directly. Individuals considered for comparison of qualifications shall meet the minimum relevant qualifications.

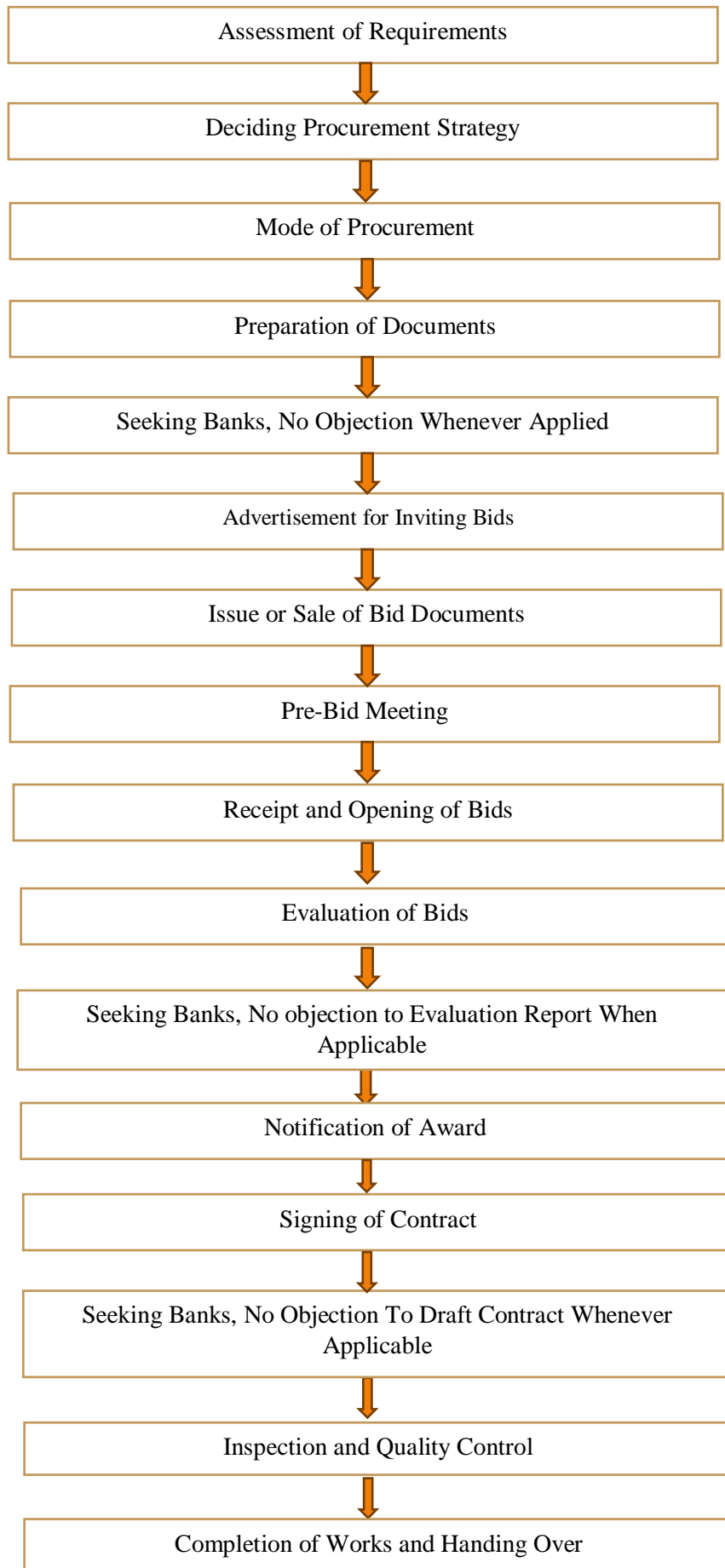
Individual consultants may be selected on a sole source basis with due justification in exceptional cases such as:

- (a) Tasks that are a continuation of previous work that the consultant has carried out and for which the consultant was selected competitively;
- (b) Assignments with total expected duration of less than six months;
- (c) Emergency situations resulting from natural disasters; and
- (d) When the individual is the only consultant qualified for the assignment

For hiring of consultant job description, qualification and experience required and terms of engagement should be finalized

5 PROCESS DESCRIPTION OF MODES OF PROCUREMENT OF GOODS AND WORKS

5.1 Procurement Steps



5.2 Methods of Procurement

The following are the usual methods of procurement of goods and works to be adopted in the Project:

- a) Request for Proposal
- b) Request for Bids
- c) Request for Quotations
- d) Direct Selection
- e) Framework Agreement
- f) Force Account

5.3 Description of Methods of Procurement

4.4.30 Request for Proposals

A RFP is a competitive method for the solicitation of Proposals. This method is used when suppliers, contractors or service providers are expected to propose a specific solution. It is used in the following cases:

- a) Depending on the nature and complexity of the Goods, Works, or Non-consulting Services to be procured,
- b) PMU's business needs are better met by allowing Proposers to offer customized solutions or
- c) Proposals that may vary in the manner in which they meet or exceed the requirement of the request for proposals document.

An RFP is normally conducted in a multi-stage process. To allow an evaluation of the degree to which Proposals meet the requirements of the request for proposals document. The evaluation normally includes rated type criteria and an evaluation methodology. At the project preparation stage, it is envisaged that the procurement under the project may not require use of RFP method, however, if the procurement under the project is of complex method project authorities should refer to the detailed procedures given in the Annex XII, Selection Methods of World Bank Procurement Regulations.

4.4.31 Request for Bids

A RFB is a competitive method for the solicitation of Bids. It is best used because of the nature of the Goods, Works, or Non-consulting Services to be provided; the purchaser is able to specify detailed requirements to which Bidders respond in offering Bids.

Procurement under this method is conducted in a single-stage process through e-portal. Qualifying criteria (minimum requirements normally evaluated on a pass/fail basis) are normally used with RFB. Rated-type evaluation criteria are normally not used with RFB.

RFB is the competitive bidding procedure normally used for national level public procurement and may be the most appropriate method of procurement of goods, works and non-consulting services which, by their nature or scope, are unlikely to attract foreign competition, because:

- a) of the small size and value of contract,
- b) The goods, works and non-consulting services are available locally at prices below the international market. The works are labour intensive and scattered geographically or spread over time.

4.4.32 Request for Quotations

A RFQ is a competitive method that is based on comparing price quotations from firms. This method may be more efficient than the more complex methods for procuring limited quantities of

readily available off-the-shelf Goods or Non-consulting Services, standard specification commodities, or simple civil Works of small value.

4.4.33 Direct Selection

Proportional, fit-for-purpose, and value for money considerations may require a direct selection approach. That is, approaching and negotiating with only one firm. This selection method is appropriate when there is only one suitable firm or there is justification to use a preferred firm.

Direct selection is appropriate under the following circumstances:

- An existing contract, including a contract not originally financed by the Bank, for Goods, Works, or Non-consulting Services, awarded in accordance with procedures acceptable to the Bank, may be extended for additional Goods, Works, or Non-consulting Services of a similar nature, if:
 - it is properly justified;
 - no advantage could be obtained through competition; and
 - the prices on the extended contract are reasonable;
- There is a justifiable requirement to re-engage a firm that has previously completed a contract, within the last 12 months, with the PMU/PIUs/IPs to perform a similar type of contract. The justification shall show that:
 - The firm performed satisfactorily in the previous contract;
 - No advantage may be obtained by competition; and
 - the prices for the direct contracting are reasonable;
- The procurement is of both very low value and low risk, as agreed in the Procurement Plan
- The case is exceptional, for example, in response to Emergency Situations;
- Standardization of Goods that need to be compatible with existing Goods may justify additional purchases from the original firm, if the advantages and disadvantages of another brand or source of equipment have been considered on grounds acceptable to the Bank.
- The required equipment is proprietary and obtainable from only one source;
- The procurement of certain Goods from a particular firm is essential to achieve the required performance or functional guarantee of an equipment, Plant, or facility;
- The Goods, Works, or Non-consulting Services provided in the Borrower's country by a university, research centre or institution of the Borrower's country are of a unique and exceptional nature.

4.4.34 Framework Agreement

A framework agreement (FA) is an agreement with one or more firms of suppliers, contractors and providers of non-consulting services that establishes the terms and conditions that will govern any contract awarded during the term of the FA (a call-off contract). The terms and conditions will usually include the fee rate, charge rate or pricing mechanism. FAs may be established for the anticipated procurement of Goods, Works, or Non-consulting Services, as and when required, over a specified period of time. An FA does not commit either party to procure or supply. Once established, a FA provides a fast and efficient way to procure Goods, Works or Non-consulting Services. A multi-supplier FA allows a Borrower to select from a number of firms, helping to ensure that each procurement represents best value for money. FAs are generally based on prices that are either pre-agreed, or determined at the call-off stage through competition or a process allowing their revision without further competition. FA's are best suited for: (a) Goods that can be procured off-the-shelf or are of common use with standard specifications; (b) Non-consulting services that are of a simple and non-complex nature and may be required from time to time by the same agency (or multiple agencies) of Project; or (c) Small value contracts for works under emergency operations. FA's may be permitted as an alternative to the RFQ and RFB methods, if agreed with the Bank, for the procurement of Goods, Works, or Non-consulting Services under the following circumstances:

- frequent reordering is based on the same, or similar requirements, or set of specifications;
- where different entities of the Borrower procure the same Goods, Works, or Non-consulting Services, and aggregating the demand could lead to volume discounts;
- planning for Emergency Situations; or
- no single firm is considered to have sufficient capacity

5.3.1.1 FA Procedures

- PMU shall submit to the Bank for its no-objection the circumstances and justification for the use of an FA, the particular approach and model adopted, the procedure for selection and award and the terms and conditions of the contract;
- FA's shall not restrict foreign competition (whenever the procurement value exceeds the national threshold limit) and should be limited to a maximum duration of 3 (three) years;
- FA procedures applicable to the project are those of RFB that have been considered acceptable by the Bank and as described in the Financing Agreement;
- Maximum aggregate amounts for the use of an FA shall be set in the procurement plan in accordance with the risks and in no case higher than the applicable RFB maximum aggregate amounts, and shall be agreed with the Bank;
- Publication of award shall follow the disclosure policy as given in the World Bank Procurement Regulations and Government of India and respective State Government orders as applicable.
- The detailed procurement regulations for establishing the framework agreement is given in Annex XV- Framework Agreement of the World Bank's 'Procurement regulations' for IPF Borrowers.

4.4.35 Force Account

Force Account, which refers to Works such as construction and installation of equipment and Non-consulting Services carried out by a government department of the Borrower's country using its own personnel and equipment, may be the only practical method of procurement under specific circumstances. A government-owned construction unit that is not managerially, legally, or financially autonomous is considered a Force Account unit. The use of Force Account requires that the Borrower apply the same rigorous quality checks and inspection as for contracts awarded to third parties.

- (a) Use of Force Account method is subject to prior clearance of World Bank for its usage. It has to be agreed before its inclusion in Procurement Plan.
- (b) This may be the only practical method of procurement under specific circumstances. This should be justified on economic grounds.
- (c) The use of force account shall be justified and may only be used under any of the following circumstances:
 - Quantities of construction and installation works that are involved cannot be defined in advance;
 - Construction and installation works are small and scattered or in remote locations for which qualified construction firms are unlikely to bid at reasonable prices;
 - Construction and installation works are required to be carried out without disrupting on-going operations;
 - Risks of unavoidable work interruption are better borne by the PMU than by a Contractor;
 - Specialized non-consulting services such as aerial surveys and mapping, as matter of Borrower's law or official regulations for consideration such as national security, can only be carried out by specialized branches of the government; or Urgent repairs to

prevent further damages, requiring prompt attention, or works to be carried out in conflict-affected areas where private firms may not be interested

5.4 Procurement Procedure for Goods, Works & Non-consulting Services by RFB method

4.4.36 Notification and Advertising

All the competitive bidding contracts for procurement will mostly be under bank procedures. The bidders shall be notified in a timely manner of the opportunities to bid for specific contracts. To that end, invitations for bid, as the case may be, shall be advertised as Specific Procurement Notices (SPNs) in at least one newspaper of national circulation in India or on a widely used website or electronic portal with free national and international access in English.

4.4.37 Bidding Documents

5.4.1.1 Standard Procurement Documents

For procurement involving national competitive procurement, the PMU/PIUs/IPs will use standard procurement document made available by bank .In case of international competitive procurement, the PMU will use the banks standard procurement document available on the banks website.

5.4.1.2 Technical Specification

Technical specification in applicable procurement documents shall ensure the best possible performance or other requirements for procurement. The PMU shall specify the international or national accepted standards with which the equipment's or materials or workmanship shall comply. In all cases, the Procurement Documents shall state that equipment, material, or workmanship meeting other standards that are at least substantially equivalent to the specified standards will also be accepted.

5.4.1.3 Use of Brand Names

Specifications shall be based on relevant technical characteristics and/or performance requirements. References to brand names, catalogue numbers, or similar classifications shall be avoided. If it is justified to specify a brand name or catalogue number of a particular manufacturer to clarify an otherwise incomplete specification, the words 'or equivalent' shall be added after such a reference to permit the acceptance of offers for Goods that have similar characteristics and performance at least substantially equivalent to those specified.

5.4.1.4 Contract Types

The selection of contract types and arrangements takes into account the nature, risk, and complexity of the procurement, and value for money considerations. Applicable contract types and arrangements include: lump sum, turnkey, performance-based, unit price, time-based, Framework Agreements, build-own-operate, and build-operate-transfer.

5.4.1.4.1 Performance-based Contracts

In a performance-based contract, the payments are not made for inputs but for measured outputs that aim at satisfying functional needs in terms of quality, quantity, and reliability. For example: Performance-based contracts may be appropriate for:

- rehabilitation of roads and operation and maintenance of the roads by a contractor for specified periods;
- the provision of Non-consulting Services to be paid on the basis of outputs; and
- operation of a facility to be paid on the basis of functional performance

5.4.1.4.2 Admeasurement - Contract based on Unit Prices

This type of contract is based on estimated quantities of items and contractual unit prices for each of these items, and is paid on the actual quantities and contractual unit prices.

This type of contract is appropriate for Works, when the nature of the work is well defined, but the quantities cannot be determined with reasonable accuracy in advance of construction, as in roads or dams.

For Goods and Non-consulting Services, this type of contract is appropriate when the required quantities are known and unit prices are sought from Bidders.

5.4.1.4.3 Time-based Contracts

Under time-based contracts, the payment is made on the basis of agreed rates and time spent, plus reasonable incurred reimbursable expenses.

These types of contractual arrangements may be used for:

- Emergency Situations, and repairs and maintenance Works; and
- Consulting Services, when it is difficult to define or fix the scope and duration of the services (e.g., complex studies, supervision of construction, advisory services).

5.4.1.4.4 Reimbursable-cost Contracts

Under reimbursable-cost contracts, payments cover all actual costs, plus an agreed fee to cover overhead and profit.

These types of contracts may be appropriate for circumstances such as emergency repairs and maintenance work. To minimize:

- The contractor makes all records and accounts available for inspection by the PMU or by some agreed neutral third party; and
- The contract includes appropriate incentives to limit costs

5.4.1.5 Bid Security

For the procurement of Goods, Works, or Non-consulting Services, PMU may require a Bid security. Such a security shall be in the amount and form specified in the request for bids document and shall remain valid for a period sufficient to provide reasonable time for the Borrower to act if the security is to be called upon. This period is generally four (4) weeks beyond the validity period for the Bids. The Bid securities of unsuccessful Bidders shall be released once the contract is signed with the successful Bidder.

Bid securities shall be issued by a reputable bank, or a non-bank financial institution (such as an insurance, or bonding or surety company) selected by the Bidder. Bidders shall be allowed to submit Bid securities in the form of bank guarantees directly issued by the bank of their choice.

In place of a Bid security, the PMU may require Bidders to sign a Bid securing declaration accepting that if they withdraw or modify their Bids during the period of validity, or if they are awarded the contract and they fail to sign the contract, or to submit a performance security before the deadline defined in the request for bids document, they will be suspended for the period of time specified in the request for bids document from being eligible to submit Bids for contracts with the entity that invited the Bids.

5.4.1.6 Bid preparation period and submission

The time allowed for the preparation and submission of Bids shall be determined with due consideration of the particular circumstances of the project and the magnitude, risk, and complexity of the procurement. The minimum period allowed for preparation of Bids shall be thirty (30) Business Days for open international competitive procurement, unless otherwise agreed with the Bank. For complex procurement, the PMU may arrange a pre-Bid conference in which potential Bidders may meet with PMU representatives to seek clarifications. The PMU should also provide reasonable access to project sites for prospective Bidders.

The deadline and place for the receipt of Bids shall be specified in the SPN and the request for bids document. Potential Bidders may submit Bids by mail or in person if specified in the SPN. The project will use electronic procurement system e-portal in accordance with bank procurement regulations for receipt and opening of proposals.

5.4.1.7 Domestic Preference

Domestic preference will be taken into consideration in case of international competitive bidding. At the project preparation stage no procurement with international competitive bidding is envisaged, in case there is a need domestic preference will be given in following heads:

- Goods manufactured in India, compared with Goods manufactured abroad. The preference is fifteen percent (15%) added to the Carriage and Insurance Paid (CIP) price of the Goods manufactured abroad; and
- Works in member countries below a specified threshold of per capita gross national income (as defined annually by the Bank), when comparing Bids/Proposals from eligible domestic firms with those from foreign firms. The preference is seven and a half percent (7.5%) added to the price offered by the foreign firms.

4.4.38 Sale of Bid Documents, Receipt, Opening, Evaluation and Award of Contract

5.4.1.8 Sale of Bidding Documents and Receipt and Opening of bids

- (a) Bidding documents should be made available for sale till a day prior to the last date of receipt of bids, to all those who intend to participate in the bidding. A period of minimum 30 days shall be ensured from date of sale of bidding documents or from the date of publication of IFB in the press (whichever is later) and deadline for submission of bids.
- (b) All the bidders shall be permitted to deposit their bids on any day during the bidding period through e-portal or as specified in the SPN either by post or in person. Bids shall be received only at one place (i.e. by the authority inviting the bids) and shall be kept in safe custody till the stipulated time of opening.
- (c) Last date of receipt of bids and opening of bids shall be the next day, following the close of sale of bidding documents. If the day happens to be a holiday, the last date of receipt and opening of bids shall be the next working day. Bid documents can be sold from different places but shall be received at one place only. The time of opening of bids shall be a maximum of half an hour after the time of closure of receipt of bids. All bids received shall be opened in presence of bidders or their representatives who choose to attend and shall sign a register evidencing their attendance.
- (d) Envelopes marked "WITHDRAWAL" shall be opened first, and the name of the bidder shall be read out. Bids for which acceptable notice of withdrawal has been submitted shall not be opened. Subsequently all envelopes marked "MODIFICATION" shall be opened and submission therein read out in appropriate detail. The bidder's names, bid prices including any alternative bid Price or deviations, discounts, bid modification and withdrawals and the presence or absence of bid security and such other details as considered appropriate shall be announced during opening of bids in the meeting. All cuttings and over writings observed in the Bid Form and Price Schedules shall be authenticated by the members of Bid Opening Committee by encircling and initialling the cuttings/ over-writings. The minutes of the bid opening should be prepared. No bid shall be rejected a bid opening, except for late bids, which shall be returned unopened to the bidder.

Bids and modifications that are not opened and read out at bid opening shall not be considered further for evaluation, irrespective of the circumstances

5.4.1.9 Evaluation of Bids

- (a) The basic sequence for bid evaluation is the same for procurement of goods and works, and consists of the following steps:
 - Preliminary examination;
 - Determination of bid responsiveness;
 - Quantification of omissions and deviations;
 - Correction of arithmetic errors; whether bidder has quoted for the entire schedule/ package and in the required currency as indicated in the bid document;
 - Application of evaluation criteria;
 - Comparison of bids; and
 - Preparation of evaluation report.
- (b) If the bidder meets the stipulations indicated in the bid document, it is determined as substantially responsive and is considered further for evaluation. Before proceeding for evaluation, it shall be ascertained whether the bids:

- meet the eligibility requirements;
 - have been properly signed;
 - are accompanied by the required authorization/ undertaking;
 - are accompanied by the required securities;
 - are substantially responsive to the requirements of bidding documents;
 - provides any clarification and or substantiation that the Purchaser has required to determine the responsiveness; and
 - Are otherwise generally in order.
- (c) Once bids have been opened, the bidders shall neither be permitted to correct or withdraw material deviations or reservations, nor should the purchaser make a reference to the bidders to get the infirmity in the bid corrected. In order to evaluate if historical data in relation to the bid is required, and not submitted by bidder, the same can be requested from the bidder which should be submitted within a reasonable time span (say 7-10 days). The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.
- (d) A substantially responsive bid is one which conforms to all the terms and conditions of bidding document without material deviations. The determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence.
- (e) If a bid is not substantially responsive, that is, it contains material deviation from or reservation to the terms, conditions and specifications in the bidding documents, it should not be considered further.
- (f) The Purchaser may waive any minor infirmity or nonconformity or irregularity in a bid which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any bidder. In those cases for the purposes of evaluation, adjustments should be made for the costs to the Purchaser of any quantifiable non-material deviation or reservations.
- (g) No preferential treatment should be given to any bidder or class of bidders either for price or for condition unless specifically cleared with the Bank and stipulated in the Project Agreement. Any procedure under which bids above or below a pre-determined assessment of bid values are automatically disqualified, is not applicable.
- (h) A bidder should not be required as a condition of award to undertake responsibilities not stipulated in the specifications or otherwise to modify his bid.
- (i) The purpose of bid evaluation is to determine the cost to the Borrower of each bid in a manner that permits a comparison on the basis of their evaluated cost. Subject to post-qualification of bidders, the bid with the lowest evaluated cost, but not necessarily the lowest submitted price, shall be selected for award.
- (j) The bid price read out at the bid opening shall be adjusted to correct any arithmetical errors. Also, for the purpose of evaluation, adjustments shall be made for any quantifiable nonmaterial deviations or reservations. Price adjustment provisions applying to the period of implementation of the contract shall not be taken into account in the evaluation.
- (k) The evaluation and comparison of bids for RFB(International) shall be on CIP (place of destination) prices for the supply of imported goods and EXW prices, plus cost of inland transportation and insurance to the place of destination, for goods manufactured within the Borrower's country, together with prices for any required installation, training, commissioning, and other similar non-consulting services. For RFB(National), the comparison of all bids and award of contract may be based on total cost at destination including all taxes and duties.
- (l) Bidding documents shall also specify the relevant factors in addition to price to be considered in bid evaluation and the manner in which they will be applied for the purpose of determining the lowest evaluated bid. For goods and equipment, other factors may be taken into consideration including, among others, payment schedule, delivery time, operating costs, efficiency and compatibility of the equipment, availability of service and

spare parts, and related training, safety, and environmental benefits. The factors other than price to be used for determining the lowest evaluated bid shall be, to the extent practicable, expressed in monetary terms in the evaluation provisions in the bidding documents.

- (m) Under works and turnkey contracts, contractors are responsible for all duties, taxes, and other levies, and bidders shall take these factors into account in preparing their bids. The evaluation and comparison of bids shall be on this basis. Bid evaluation for works shall be strictly in monetary terms. Any procedure under which bids above or below a predetermined assessment of bid values are automatically disqualified is not acceptable. If time is a critical factor, the value of early completion to the Borrower may be taken into account according to criteria presented in the bidding documents, only if the conditions of contract provide for commensurate penalties for noncompliance.
- (n) If bidders have not been prequalified, the PMU/PIUs/IPs shall determine whether the bidder whose bid has been determined to offer the lowest evaluated cost has the capability and resources to effectively carry out the contract as offered in the bid. The criteria to be met shall be set out in the bidding documents, and if the bidder does not meet them, the bid shall be rejected. In such an event, the Borrower shall make a similar determination for the next-lowest evaluated bidder.
- (o) The Bid Evaluation Report shall be prepared detailing the various steps for evaluation of bids and setting forth the specific reasons on which the recommendation is based for the award of the contract. PMU/PIUs/IPs shall provide as a minimum all information required in the Standard Form of Bid Evaluation Report issued by the Bank in addition to other information the Bank deems relevant. World Bank format for preparation of the evaluation report for goods and works should be used.
- (p) The Standard Bid Evaluation Report covers among other things:
 - key dates and steps in the bidding process;
 - bid prices, corrections, discounts and currency conversions (if any);
 - additions, adjustments and price deviations;
 - domestic preference, if any (not applicable under the project) ;
 - technical evaluations, if any;
 - post qualification evaluation;
 - names of bidders rejected and reasons for rejection of bids; and
 - The proposed contract award.

5.4.1.10 *Seriously Unbalanced Bids*

If the lowest evaluated bid for works is seriously unbalanced the PMU/PIUs/IPs may require the bidder to provide written clarifications, including detailed price analyses to demonstrate the consistency of the prices with the scope of Works, proposed methodology, and schedule. After evaluating the detailed price analyses (for contracts subject to prior review, with the Bank's no-objection), the Borrower may as appropriate:

- i. Accept the Bid;
- ii. Require that the total amount of the performance security be increased, at the expense of the Bidder, to a level not exceeding twenty percent (20%) of the contract price; or
- iii. Reject the Bid.

5.4.1.11 *Abnormally Low Bids*

An Abnormally Low Bid is one in which the Bid price, in combination with other elements of the Bid, appears so low that it raises material concerns with the PMU/PIUs/IPs as to the capability of the Bidder to perform the contract for the offered price. Where the PMU/PIUs/IPs identifies a potentially Abnormally Low Bid, the PMU/PIUs/IPs shall seek written clarifications from the Bidder, including detailed price analyses of its Bid price in relation to the subject matter of the contract, scope, proposed methodology, schedule,

allocation of risks and responsibilities, and any other requirements of the request for bids document. If, after evaluating the price analyses, the PMU/PIUs/IPs determines that the Bidder has failed to demonstrate its capability to deliver the contract for the offered price, the PMU/PIUs/IPs shall reject the Bid.

5.4.1.12 Most Advantageous Bid

The PMU/PIU/IP shall award the contract to the Bidder offering the Most Advantageous Bid, in accordance with the applicable selection method. When rated criteria are used, the Most Advantageous Bid is the Bid of the Bidder that meets the qualification criteria and whose Bid has been determined to be substantially responsive to the request for bids document and the highest ranked Bid. When rated criteria are not used, the Most Advantageous Bid is the Bid of the Bidder that meets the qualification criteria and whose Bid has been determined to be substantially responsive to the request for bids document and the lowest evaluated cost. If the lowest evaluated bidder does not meet the qualification criteria, his bid should be rejected and a similar determination should be made for the next lowest evaluated bidder, and the process continues if necessary for selecting the most advantageous bid.

5.4.1.13 Single Bids

- a) Where only one bid is received, efforts should be made to ascertain the reasons. If it is determined that publicity was not adequate, bid specification or any of the terms were restrictive or unclear, the bid shall be cancelled and invited afresh after amending the specifications/ terms.
- b) If however, it is determined that bids are adequately advertised, and bid specifications are not restrictive and prices quoted are reasonable as compared to the current market values and bid is technically and commercially responsive, the bidding process shall be considered valid.

5.4.1.14 Extension of bid validity

- (a) The bidders are required to keep their offers valid for a specified period (usually 90 days) to allow the PMU/PIUs/IPs to examine and evaluate offers, select the lowest evaluated bid, obtain the necessary approvals from the competent authorities and obtain a no objection from the World Bank (if necessary), for the proposed award of the contract. Bids should thus remain valid for the period stated in bidding documents, usually until the final award of the contract to the lowest evaluated bidder is made. A bid that is valid for a shorter period than required by the bidding documents should be rejected by the PMU/PIUs/IPs as non-responsive.
- (b) Where there is a delay in bid evaluation justified by exceptional circumstances, the PMU/PIUs/IPs shall request in writing all bidders to extend the period of validity of their bids, well before the expiry of the original bid validity period. PMU/PIUs/IPs shall avoid chronic delays in bid evaluation and award as competition may suffer since bidders may include a speculative cushion in their bid prices to absorb potential costs of delay. Bidders shall have the right to refuse to grant such an extension without forfeiting their bid money, but those who are willing to extend the validity of their bid shall also be required to provide an extension of bid security as specified in the bidding documents.
- (c) If extension of bid validity is required, it should be sought from all commercially and prima facie technically responsive bidders before stipulated expiration date and not from the lowest alone and the Bank be notified accordingly.
- (d) The extension shall be for the minimum period required to complete the evaluation.
- (e) In the case of fixed price contracts, requests for second and subsequent extensions may be permissible only if the Borrower has provided an appropriate mechanism as provided in the Bank's relevant SBD to adjust the quoted price of the winning bidder to reflect any increase in the cost of inputs for the contract over the period of extension.

In case of prior review contracts, Banks prior concurrence is required if the extension is longer than 4 weeks beyond the original validity period. When the extension of bid validity is sought, the extension of the validity of the bid security should be appropriately got extended. Second and subsequent extensions of validity of bids shall be asked only after approval of the World Bank

5.4.1.15 Rejection of Bids

- (a) In some situations the PMU/PIUs/IPs is permitted by the Bank to reject all bids submitted in response to an invitation for bids. The PMU/PIUs/IPs may reject all bids under the following circumstances:
 - a. Effective competition is lacking;
 - b. All Bids or Proposals are not substantially responsive to the requirements of the Procurement Documents;
 - c. The Bids'/Proposals' prices are substantially higher than the updated cost estimate or available budget; or
 - d. None of the technical Proposals meets the minimum technical qualifying score.
- (b) Lack of competition shall not be determined solely on the basis of the number of Bidders. Even when only one Bid is submitted, the process may be considered valid, if:
 - i. the procurement was satisfactorily advertised;
 - ii. the qualification criteria were not unduly restrictive; and
 - iii. Prices are reasonable in comparison to market values.
- (c) If the PMU/PIUs/IPs reject all Bids, the PMU/PIUs/IPs shall review the causes justifying the rejection of all Bids and make appropriate revisions to the PPSD, and request for bids document before requesting new Bids.
- (d) The PMU/PIUs/IPs shall not reject all Bids and invite new Bids using the same request for bids document solely to obtain lower prices. If the Most Advantageous Bid exceeds the PMU/PIUs/IPs updated cost estimates by a substantial margin, the PMU/PIUs/IPs shall analyse the causes for the discrepancy and consider requesting new Bids. Alternatively, the PMU/PIUs/IPs may negotiate with the Bidder with the Most Advantageous Bid to try to obtain a satisfactory contract through a reduction in the scope and/or a reallocation of risk and responsibilities that can be reflected in a reduced contract price. However, a substantial reduction in the scope or a modification to the contract documents may require rebidding.

The PMU/PIUs/IPs shall communicate the fact of the rejection to all the bidders

5.4.1.16 Notification of the Intention to Award

Following the decision to award the contract (or in the case of FAs, the decision to conclude a FA), the PMU/PIUs/IPs shall promptly and simultaneously provide, by the quickest means available, and as further specified in the request for bids document, written notification of the PMU's intention to award the contract to the successful Bidder (Notice of Intention to Award), (or, in the case of FAs, notification of intention to conclude a FA). Such notification shall be sent to each Bidder that submitted a Bid, (unless the Bidder has previously received notification of exclusion from the process at an interim stage of the procurement process).

For contracts subject to prior review by the Bank, the PMU/PIUs/IPs shall transmit the Notification of Intention to Award (or in the case of FAs, notification of intention to conclude a FA), only after receiving the Bank's no-objection to the evaluation report. In the case of FAs, this written notification of intention to conclude a FA shall be provided to Bidders promptly after receiving the Bank's no-objection to the evaluation report.

The PMU/PIUs/IPs Notification of Intention to Award shall provide to each recipient, as a minimum, the following information as applicable to the selection method, and as further specified in the relevant request for bids document:

- The name and address of the Bidder(s) submitting the successful Bid;
- The contract price, or where the successful Bid was determined on the basis of rated criteria (where price and technical factors are rated), the contract price and the total combined score of the successful Bid
- The names of all Bidders that submitted Bids, and their Bid prices as read out, and as evaluated;
- A statement of the reason(s) why the recipient's Bid was unsuccessful, unless the price information already reveals the reason. The PMU/PIUs/IPs shall not divulge any other Bidder's confidential or proprietary information such as: cost breakdown, trade secrets, manufacturing processes and techniques, or other confidential business or financial information;
- Instructions on how to request a debriefing and/or submit a complaint during the Standstill Period, as set out in the request for bids document; and
- The date the Standstill Period is due to end.

5.4.1.17 Stand Still Period

To give Bidders time to examine the Notification of Intention to Award and to assess whether it is appropriate to submit a complaint, a Standstill Period of at least 10 business days shall apply after transmission of the PMU/PIUs/IPs Notification of Intention to Award. The Standstill Period shall last ten (10) Business Days after such transmission date. The contract shall not be awarded either before or during the Standstill Period. There shall not be a requirement for a Standstill Period if only one Bid is received in an open competitive process or direct selection of bidder is done or firms holding FAs are invited under the call-off process or in case of emergency Situations recognized by the Bank.

5.4.1.18 Debriefing

After receipt of notification of intention of award by the bidder, a period of 3 business days is provided to an unsuccessful bidder to make a written request for debriefing. Where a written request for debriefing is received from an unsuccessful bidder PMU/PIUs/IPs is required to provide a debriefing within 5 business days. In such a case stand still period shall automatically be extended until 5 business days after such debriefing is provided and communicated to all bidders. For the contracts subject to prior review, the information on the extended stand still period shall also be sent to bank. Where a request for debriefing is received later than stipulated 3 business days, the debriefing should be provided as soon as practicable (within 15 business days from the date of publication of contract award notice) without an extension to stand still period. The debriefing of an unsuccessful bidder may be done in writing or orally and as a minimum the debriefing shall repeat the information content in the notification of intention of award and responses to related questions from the unsuccessful bidder. However the debriefing shall not include point by point comparisons with another bidders bid or information that is confidential or commercially sensitive to other bidders. A written summary of each debriefing shall be included in the official procurement records and in case of prior review shall be submitted to bank. The bidder shall bear their own cost of attending a debriefing meeting.

5.4.1.19 Conclusion of Stand Still Period and Contract Award

At the end of the Standstill Period, if the PMU/PIUs/IPs have not received any complaint from an unsuccessful Bidder, the PMU/PIUs/IPs shall proceed to award the contract in accordance with its decision to award, as previously communicated through the Notification of Intention to Award. For contracts subject to prior review, when no complaints are received by the PMU/PIUs/IPs within the Standstill Period, the PMU/PIUs/IPs shall proceed to award the contract in accordance with the award recommendation that had previously received the Bank's no-objection. The PMU/PIUs/IPs shall inform the Bank within three (3) Business Days of such award. The PMU/PIUs/IPs shall transmit the notification of award to the successful Bidder, or in the case of a FA, notification to conclude the FA with the selected Bidders, along with other documents as specified in the request for bids document for the contract. If the PMU/PIUs/IPs does receive a complaint from an unsuccessful Bidder within the Standstill Period, the PMU/PIUs/IPs shall not proceed with the

contract award (or conclusion of a FA), until the complaint has been addressed. For contracts subject to prior review by the Bank, the PMU/PIUs/IPs shall not proceed with contract award without receiving the Bank's confirmation of satisfactory resolution of complaint.

5.4.1.20 Contract Award Notice

For all contracts, whether subject to the Bank's prior review or post review, the PMU/PIUs/IPs shall publish a public notice of award of contract (Contract Award Notice) within 10 (ten) Business Days from the PMU/PIUs/IPs Notification of Contract Award to the successful Bidder.

The Contract Award Notice shall include, at a minimum, the following information as relevant and applicable for each selection method:

- Name and address of the PMU/PIUs/IPs undertaking the procurement.
- Name and reference number of the contract being awarded, and the selection method used;
- Names of all Bidders that submitted Bids, and their Bid prices as read out at Bid opening, and as evaluated;
- Names of all Bidders whose Bids were rejected either as nonresponsive or as not meeting qualification criteria, or were not evaluated, with the reasons therefor; and
- The name of the successful Bidder, the final total contract price, the contract duration and a summary of its scope.

In the case of FAs, the publication requirement applies only to the conclusion of the FA and not to the award of a call-off contract under the FA. The Contract Award Notice shall be published on the PMU/PIUs/IPs website with free access. In the case of international competitive procurement, the Contract Award Notice shall also be published in UNDB online. For contracts subject to the Bank's prior review, the Bank will arrange the publication on its external website upon receipt from the PMU/PIUs/IPs of a conforming copy of the signed contract.

5.4.1.21 Disclosure

While the disclosure requirements have been explained at various stages of procurement, overall disclosure requirements are as follows:

- (a) The following documents shall be disclosed on websites:
 - Procurement plan and updates;
 - Invitations for bids for goods and works for all NCB contracts;
 - Request for expression of interest for selection/hiring of consulting services;
 - Contract awards for goods and works procured following NCB procedure;
 - Contract award of all consultancy services; and
 - List of contracts following DC or SSS on a quarterly basis.
- (b) The following details shall be sent to the Bank for publishing in the Bank's external website:
 - (q) Invitation for bids for procurement of goods and works using ICB procedures;
 - (r) Request for expression of interest for consulting services;
 - (s) Contract award details for all procurement of goods and works under the project.
 - (t) List of contracts/ purchase orders placed following SSS or DC procedures on a quarterly basis.
- (c) In respect of those contracts for which information is to be sent to Bank, within two weeks of receiving the Bank's no-objection to the recommendations of contract award, PMU shall take action to publish online the results identifying the bid and lot numbers and the following information:
 - (i) name of each bidder who submitted a bid;
 - (ii) bid prices as read out at bid opening;
 - (iii) name and evaluated prices of each bid that was evaluated;
 - (iv) names of bidders whose bids were rejected and the reasons for their rejection; and

- (v) Name of the winning bidder, and the price it offered, as well as the duration and summary scope of the contract awarded.
- (d) Further PMU may also publish on their websites, any information required under the provisions of suomotu disclosure as specified in the Right to Information Act.

5.5 Procurement Procedure for Goods, Works & Non-consulting Services by RFQ method

4.4.39 General:

- * This note gives guidance on the use of RFQ as a procurement method. Request for quotation is intended to be a simple and rapid procurement method. Request for quotation is one of the least competitive procurement methods and may be abused unless it is carried out in compliance with the legal agreements, and observing a minimum of formality in the process, and with appropriate record keeping for verification and audit. In fact, the Bank has discovered several cases of abuse that have culminated in declaration of mis-procurement in various Bank funded projects
- * WB procurement Guidelines specifies that “RFQ is a procurement method based on comparing price quotations obtained from several suppliers (in the case of goods) or from several contractors (in the case of civil works), with a minimum of three, to assure competitive prices, and is an appropriate method for procuring readily available off-the-shelf goods or standard specification commodities of small value, or simple civil works of small value. Requests for quotations shall indicate the description and quantity of the goods or specifications of works, as well as desired delivery (or completion) time and place. Quotations may be submitted by means as specified in RFQ. The evaluation of quotations shall follow the same principles as of open bidding. The terms of the accepted offer shall be incorporated in a purchase order/work order or brief contract.”

4.4.40 When is RFQ Appropriate? When to be used:

- * To procure small amounts of off-the-Shelf goods or Standard Specification Commodities for which more competitive methods are not justified on the basis of cost or efficiency;
- * In emergency project or for urgent relief-type operations including re-establishment of vital services like utilities, communication, shelter and vital supplies which stem from disaster or conflict. These emergency contracts may involve one or several activities in supply of goods, installation and commissioning and very urgent minor civil works. In the case of civil works or supply involving substantial installation, the term RFQ is not used but referred commonly as “price comparison”.
- * Because of the risk of abuse in procurement under RFQ, the use of RFQ is restricted to cases when the justification for it is beyond contention. RFQ should not be used as an expedient to by-pass more competitive methods or fraction large procurement into smaller ones solely to allow the use of RFQ.
- * When the nature of the specifications is complex or the type of procurement requires an elaborate, detailed evaluation system (i.e., efficiencies, delivery times, etc.) that needs substantial documentation, a formal bidding process instead of RFQ is used. RFQ is not appropriate in these cases, because it is a method that should not require complex documentation or all the formalities of a bidding process.

4.4.41 Threshold for Use of RFQ:

For this project, the threshold limit established for Request for Quotation is US\$ 100,000 equivalent (approximately \leq INR 6.0 million), below which for procurement of Goods & Equipment RFQ can be used.

4.4.42 Number and Origin of Quotations to be compared:

Procurement Guidelines requires the purchaser to obtain and compare at least three quotations to establish reasonableness of price. Comparison of two quotations is justified only in very exceptional cases when there is evidence satisfactory to the Bank that there are only two reliable sources of supply (at national level). It is possible that not all the suppliers/contractors invited will respond to the request for quotations. To minimize the risk of getting only one or two quotations, it is advised to initially request more than three quotations. Also at the time of the request, verify whether those being invited will make an offer or not. When there is more than one source for the goods/Works, at competitive prices, in India, **under RFQ, at least three quotations shall be obtained.**

4.4.43 Firms to be invited:

It is the duty of the Project to exercise due diligence to satisfy itself that the firms/contractors invited to quote are reputable, well established, and are suppliers of the goods or services being purchased as part of their normal business (after verifying whether those being invited will make an offer or not) to ensure at least three quotations are received. In case unsolicited quotations are received, they may be accepted after carrying out a similar due diligence exercise to verify the nature and reputation of firm.

4.4.44 Form of Requests:

- * **Identify the items to be purchased as per the procurement plan:** Before preparing the Request of Quotation, understand the specifications of the item(s) to be purchased and lay down terms & conditions and specifications. **If Brand name is necessary in specifications, select 3-4 brands and add the word “equivalent”.**
- * The Request for Quotation shall contain:
 1. The description specification and quantity of the goods/works
 2. Say that contract shall be for full quantity or for each item
 3. Terms of delivery of goods or description of works
 4. Desired completion period
 5. Place of works, if relevant
 6. The price shall be quoted in INR.
 7. Each bidder shall submit only one quotation
 8. Quotation shall remain valid for a period not less than 15 days
 9. Terms of payment.
 10. Warranty Conditions
- * The Request for Quotation shall be sent by letter, fax, telex, electronic messaging etc. (with proof of receipt and record keeping);
- * The Request for Quotation shall include the description and quantity of the goods/works as well as the required delivery time/works schedule and place for the goods or services, including any installation requirements as appropriate;
- * The Request for Quotation shall indicate the date by which the quotations are needed.

- * **Validity of Quotations:** The Request for Quotation shall indicate the required validity of the Quotations which should be minimum 30 days or maximum up to 45 days after Date of Submission of Quotation.
- * **Advertisement:** There is no need of advertisement in case of RFQ, because RFQ is to be issued to pre-identified Suppliers/contractors after Verification of their capacity.

4.4.45 Prices and Currencies:

- * Prices for goods supplied from within the country (including previously imported items) are requested to be quoted EXW (ex-works, ex-factory, ex-warehouse, ex-showroom or off-the-shelf, as applicable) including all custom and excise duties and sale and other taxes already paid or payable on the raw materials and components; for goods offered from abroad (i.e., not previously imported) prices are requested CIF(Cost, Insurance and Freight) or CIP (Carriage and Insurance Paid To) or DDP (Delivered Duty Paid) basis (in case of large purchases).
- * Prices shall be quoted in Indian National Rupees only.

4.4.46 Submission of Quotations:

- * To ensure following of public opening procedure, Quotation should be submitted in writing i.e., by letter only (copies to be kept for records).
- * Securities and Penalties in Bid Documents and Contracts: No bid or performance securities are required, in case of seeking Quotations by RFQ Procedure.
- * The request shall indicate the required validity, minimum 30 days or maximum up to 45 days after Date of Submission of Quotation.
- * The request shall indicate the expected date and time for submission of Quotation with a minimum of 14 days provision from the date of issue of request
- * The requests for quotes should indicate the expected date and time for opening so that the Bidders or their representatives can attend the meeting for opening of quotation, if they choose to attend.
- * If, at least three quotations have not been received within the time set, it should be verified prior to opening of the quotations received, with the suppliers who have not submitted quotation, whether they intend to do so and how soon. Unless there is extreme urgency or there are already three or more quotations available, reasonable amount of additional time, say three or more days, could be given to submit quotation.
- * Each bidder shall submit only one quotation.

4.4.47 Opening of Quotations:

- * Opening of Quotations shall be on the same day at the same venue for submission of quotation, immediately after closing submission of Quotations, in the presence of representatives of Suppliers/contractors, who choose to attend. Late quotations should be returned un-opened. The name of the Supplier and total amount of each quote along with important conditions like excise duty, sales tax, delivery terms, delivery period, special conditions and discounts, if any, shall be read out at the time of bid opening. On the spot Comparative statement should be prepared and signed by all present.

4.4.48 Comparison of Quotations - Evaluation:

- * Quotation should be compared after adding to the quoted price for goods, the estimated cost of inland transportation and insurance, if any, to the final destination.

The quotations shall be evaluated and compared after determining its substantially responsiveness to RFQ i.e. which are properly signed; and confirm to the terms and conditions and specifications. Thereafter, the quotations would be evaluated for all the items together / would be evaluated separately for each item. [as per the Selection of one of the options in the RFQ].

- * Non responsive Quotations, i.e. quotations not signed or not meeting technical and financial and other capacity criteria should not be considered.
- * Evaluate and compare the quotations determined to be substantially responsive to the conditions to RFQ
- * Write information from the quotations on a comparison form.
- * Select the most responsive supplier, who has offered the lowest price, which also commensurate with market price.
- * Sales Tax in connection of goods shall not be taken in account for the purposes of evaluation.
- * The procurement committee members should sign on the comparison sheet.
- * Only in exceptional cases, option for selecting a quotation that is not the lowest priced may be exercised with good justification. For example, a slightly higher price may be justified for faster delivery or immediate availability in cases of extreme urgency, when late delivery may result in heavy consequences for implementation of the Project component. However, such decision should be taken with transparency and maintaining proper records. Also, in such cases, the intention should be indicated in the request for quote.
- * **No Negotiations:** There should not be any negotiations either for price or terms and conditions of the tender submitted

4.4.49 Record of Award:

- * Award decision and its rationale should be documented/ and kept for review by audit by the Bank (or by the Bank's auditors) as needed. The record should contain the list of firms invited, and the list and value of quotations received, comparative statements etc. The documents should clearly show that the award is based on sound economic criteria.
- * Repeat Orders: Repeat Orders are not allowed. However, Quantities in contracts awarded may be increased as per the prevailing State procedure up to 15% of the quantity originally ordered with the approval of PIU/IP. No Objection needed from Bank for more than 15%.

4.4.50 Currency of Payment:

- * Purchase order shall incorporate the terms of accepted offer and should specify the currency of payment, i.e. Indian National Rupee (which is the currency of the quote).

4.4.51 Procurement Review Requirements:

- Because of the small value and nature of contracts, procurement under Request for Quotation method is normally subjected to the Bank's ex-post review instead of prior review. However, because of the risk of abuse, use of Request for Quotation method needs close supervision.
- World Bank will carry out post review of bid documents, advertisements, evaluation reports and award recommendations either by themselves or by Consultants of selected contracts issued by all entities.
- If the World Bank determines that the goods, work or services were not procured in accordance with the agreed procedures, as reflected in the Financing Agreement and further detailed in the Procurement Plan approved by the Bank or that the contract itself is

not consistent with such procedures, it may declare mis-procurement as established in the procurement guidelines.

- As per Bank Guidelines, as a part of Internal and External Audit, project conducts Third party procurement audits, which includes a representative sample of procurement carried out under Request for Quotation method.

4.4.52 Maintenance of Records:

Should follow the established Government procedures for filing of records. Should keep all information in one single file per contract issued like copy of procurement plan with details of the item procured, bidding details like letters sent, advertisements issued, record of opening of bids, all signed original bids with signatures of members opening the bid, bid evaluation report, minutes of meeting of Procurement committee, letter of intent, signed Purchase Order/Contract, Delivery challan/receipt, Inspection/Acceptance report, Invoice, Payment details, etc

4.4.53 Request for Quotation method Procurement - Steps:

- Identification of Items to be procured with detailed Specifications
- Identification and Verification of Eligible Suppliers
- Preparation of Request for Quotation and Format of Quotation
- Issue of Request for quotation to all Identified Capable Suppliers
- Opening of quotations
- Preparing comparative statement and making award decision
- Placing purchase order (Goods)
- Verification of Supplies and making Payments (Goods)

4.4.54 Note: Treatments of Rate Contracts:

- Goods that otherwise qualify for Request for Quotation method could be procured directly from UN agencies.
- Rate contract of Directorate General of Supplies and Disposal (DGS&D) are acceptable under Request for Quotation method.
- Rate contract of State Government are not acceptable, but they can be considered as one quotation and compared with those obtained from other suppliers

4.4.55 Formats:

Models Document for Request for Quotations for RFQ method of Goods are to be used. The formats approved by Bank will be provided to PIUs/IPs.

6 SPECIFIC REQUIREMENTS FOR ALL PROJECT IMPLEMENTATION AGENCIES

6.1 Procurement Committee

The Project Director at the SPMU level will decide the procurement committee as per the contract to be issued. At the district level the committee will consist of senior most engineer in charge with the accounts officer and two coordinators. The accounts officer shall function as the convener of the committee. The procurement committee at the DPMU level shall process and monitor procurement of all goods, works and services required under the project.

6.2 Procurement Plan

Procurement committee shall prepare a procurement plan/schedule which will indicate contract wise procurement of goods, works and services for the year keeping in view the availability of funds in accordance with budget provision for the year and the subsequent year consistent with future requirement. The plan shall be scheduled according to priority as fixed by the committee. The committee shall finalize the mode of procurement as per the given threshold limits.

6.3 Printing of Materials for Internal Use and Training Requirements

For bulk printing of materials the procurement committee will ask for the unit printing charges for text, figures, photographs etc. Local shopping (RFQ) will be adopted for such procurement as the value for such procurement will fall under the threshold of RFQ method.

6.4 Hiring of Vehicle

Vehicles shall be hired on daily/monthly/yearly basis as per the requirement. Quotations shall be called from at least three agencies under RFQ method provided the estimated value is within the required threshold.

6.5 Purchase Committee:

It is a group of designated staff established for independent review and evaluation of purchasing documentation whose main role is to give clearance for the final payments, recommend the most appropriate supplier or service provider based on price, quality, stock availability, references if required.

Purchase committee at SPMU level will be chaired by Project Director and the members will include:

- I. Project Finance Officer
- II. Manager account
- III. Executive engineer procurement
- IV. Executive engineer Monitoring

All the decisions will be finalized with the consent of the Project Director. The committee shall co-opt any additional member, if needed, with the approval of the Project Director, OIIPCRA.

6.6 Procurement Review

4.4.56 General

The Procurement plan mentions the contracts which are subject to Bank's prior review or post review. The contracts above the agreed threshold limit are prior reviewed by the Bank. All other contracts are subject to post review. Procurement review refers to reviewing and auditing of files and documents relating to the procurement of goods, works and non-consulting and consultancy services. Procurement review is basically carried out to ascertain whether the agreed procurement procedures were correctly and completely followed both in letter and spirit.

In addition to the prior review set out in the procurement plan, the World Bank will have the right to carry out the post review of the contracts either by itself or by auditors appointed by it for the purpose.

4.4.57 Review of Procurement of Goods, Works and Non-Consulting Services by World Bank:

6.6.1.1 Prior Review:

For all contract packages above the prior review thresholds as stipulated in the legal agreements and procurement plan, prior review of the Bank will be required at all the procurement stages. The Prior Review of goods, works & equipment, and non-consulting services is conducted to review consistency of procurement actions with the provisions of Financing Agreement, Procurement Guidelines of Bank and terms & conditions used in the Bid document at following stages:

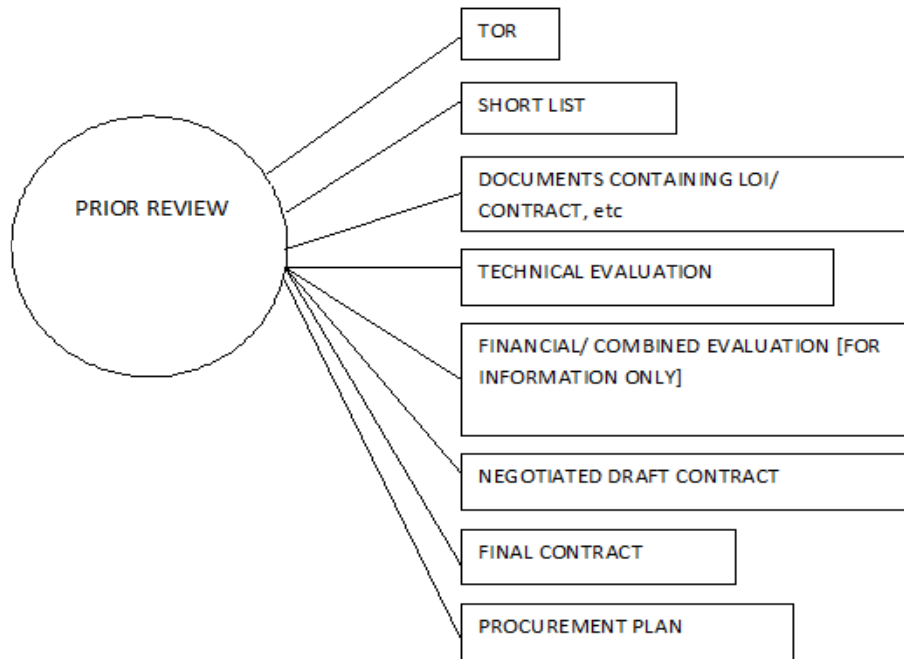
- Procurement plan;
- Bidding documents including invitation for bids;
- Minutes of pre-bid conference;
- Bid Evaluation Report; and
- Final contract(s) with checklists for WBR
- Contract Amendments;

The concerned implementing agency shall retain all documentation with respect to each contract during project implementation and until two years after the closing date of the project. The Bank may declare mis-procurement if it determines that the goods, works or non-consulting services were not procured in accordance with the agreed procedures and methods contained in the legal agreement and further detailed in procurement plan to which the Bank had provided no objection.

4.4.58 Review of Procurement of Consultancy Services by World Bank:

6.6.1.2 Prior Review:

Prior review of Procurement of Consultancy Services to review consistency of procurement actions with the provisions of Financing Agreement, Procurement Guidelines of Bank and terms & conditions used in the Bid document would be at the stages as follows:



4.4.59 Procurement Post Review (PPR):

In all other cases which have not been prior reviewed by the Bank, post review shall cover the final contract along with appendices and copy of evaluation note/ award recommendations and all documentation, which should be submitted at the time of Post review along with the check list. These will be reviewed selectively by visiting Bank’s Supervision Mission or by Auditors appointed by the Bank.

6.6.1.3 Frequency of Post Reviews

Procurement Post Review (PPRs) is generally a part of the Bank’s periodic supervision/ review missions. However, missions for conducting post review are generally conducted annually or as may be required by Bank team or Consultants appointed by World Bank. In such reviews all project implementing agencies shall provide complete documents related to procurements carried out for sample procurement cases selected or reviews during such missions.

ANNEXURES

7 ANNEXURES

7.1 Market Survey (Selection of Market)

PROFORMA - C

Part 1

Name of the Village _____

Block _____

District _____

Members of works sub committee

1. Mr./Mrs//Miss _____
2. Mr./Mrs//Miss _____
3. Mr./Mrs//Miss _____

Sl. No.	Name of the material to be purchased	Quantity purchased	to	be	Remarks
---------	---	-----------------------	----	----	---------

This day _____ in the meeting of Executive Committee of PP following markets are selected for the purchase of above noted materials and the works sub-committee is directed to carry out market survey in these selected markets.

Market _____

Place

Market _____

Place

Market _____

Place

Market Survey work must be completed by this date _____

7.2 Market Survey (Selection of Market)
PROFORMA - C

Part 2

Name of the village committee

Members of the works

- i. Mr./Mrs//Miss _____
- ii. Mr./Mrs//Miss _____
- iii. Mr./Mrs//Miss _____

District

Name of SO

Market Survey Date

- i. _____
- ii. _____
- iii. _____

In compliance with resolution of PP Proforma C (part 1) dated _____ following markets have been surveyed by Works Sub Committee.

Market _____ Place _____

Market _____ Place _____

Market _____ Place _____

(If other markets are surveyed in addition to above , a note to this effect shall be given. If necessary, details may also be given)

The works subcommittee is submitting following market survey Proforma with details

Sl. No.	Name of construction material	Measurement/ Quantity	Name of authorized dealer		
			M/S --- Rate (Rs)	M/S --- Rate (Rs)	M/S --- Rate (Rs)

- 1.
- 2.
- 3.
- 4.

(Quotations should be enclosed in token of having received above rates)

On the basis of above noted comparative statement, material of SL. No. _____ from M/s _____ Sl.No. _____ from M/s _____ Sl.No. _____ are recommended to be purchased.

Signature

Name

PROFORMA - C

Part 3

Name of the village

Block

District

This day _____ in the Executive Body meeting of beneficiaries, President PP placed the recommendation of Works Sub-Committee in performa C (part 1& part 2)

Comparative statement and recommendations as submitted by the Works Sub Committee have been deliberated and decisions taken for purchase of construction material as per following details.

Sl. No.	Name of construction Material	of	Quantity to be purchased	Rate (Rs.)	Amount (Rs.)	Name of authorized dealer or Vendor
---------	-------------------------------	----	--------------------------	------------	--------------	-------------------------------------

1.

2.

3.

4.

Sl. No.

Members of PP

Name

Destination

Signature

1.

2.

3.

4.

5.

6.

7.3 LIST OF WORKS TO BE PROCURED

Sl . No.	Description n of Work	Est. Cost (Rs. in million s)	Year-wise Procurement						Remarks on proposed Method of Procurement [RFQ, RFB,CC]
			I	I I	III	I V	V	VI	
1.	Civil Works								
2.									
3.									
4.									
5.									

7.4 LIST OF GOODS /EQUIPMENT /VEHICLES /FURNITURE ETC. TO BE PROCURED

<u>Item Description</u>	<u>Number</u>	<u>Mode of Tendering</u> *	<u>Est.Cost (Rs. M)</u>	<u>Year Wise Procurement</u>						<u>Remarks on Proposed Methods of Procurement (RFQ/RFB)</u>
				<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	
Goods:										
1.										
2.										
3.										
4.										
5.										
Equipme										
1.										
2.										
3.										
4.										
5.										
Vehicles:										
1.										
2.										
3.										
4.										
5.										
Furniture										
1.										
2.										
3.										
4.										
5.										

State whether it is Supply, Supply supervision of erection, Supply/Erection/Commissioning or Turnkey.

LIST OF CONSULTANCY SERVICES TO BE HIRED

Name of Consultancy (Brief Description)	Estimated Man months	Estimated Cost	Year wise Procurement						Remarks on Proposed Method of Procurement [QCBS/QBS/CQ/LCS etc.]
			I	II	III	IV	V	VI	
International: 1. 2. 3. 4. 5.									
National: 1. 2. 3. 4. 5.									
Individual or Source: 1. 2. 3. 4.									

7.5 Procurement Timeline for Goods & Woks (Indicative)

Sl No	Procurement Steps	RFQ(Post)	RFB (Post)	RFB (Prior)	ICB (Prior)
1	Assessment of Requirements & Obtaining Administrative Approval Technical Sanction	1 Week	2 Weeks	2 Weeks	2 Weeks
2	Preparation of Bid Documents including Deciding Procurement Strategy, Mode of Procurement	1 Week	1 Week	2 Weeks	2 Weeks
3	Seeking Bank's No Objection, whenever applicable (including transmission of Bid documents/ RFQs to Bank, responding to queries if any, and obtaining Bank's Clearance)	N/A	N/A	2 Weeks	2 Weeks
4	Advertisement for Invitation For Bids	N/A	1 Week	1 Week	1 Week
5	Issue/ Sale of Bid Documents, Conducting Pre Bid Meeting (Wherever Necessary) and Receipt and Opening of Bids/Quotations	2 Weeks	4 Weeks	4 Weeks	6 Weeks
6	Evaluation of Bids/Quotations and Seeking Approval to Evaluation Report of the Competent Authority	1 Week	7-12 Weeks	7-12 Weeks	7-12 Weeks
7	Seeking Approval of Bank to Evaluation Report, where applicable	N/A	N/A	2 Weeks	2 Weeks
8	Notification of Award	ASAP	1 Week	1 Week	1 Week
9	Signing of Contract	ASAP	1 Week	2 Weeks	2 Weeks
10	Sending the signed Contract for WBR, whenever applicable	N/A	N/A	ASAP	ASAP
11	Inspection and Quality Control	As per Contract	As per Contract	As per Contract	As per Contract

12	Completion of Delivery/works and Handing Over	As per Contract	As per Contract	As per Contract	As per Contract
----	---	-----------------	-----------------	-----------------	-----------------

7.6 Procurement Timeline for Consultancy Service (Indicative)

S/No	Consultancy Steps	QBS(Qua lity Based Selection)	QCBS/FBS/ LCS	CQ	IC (Individual Consult ant)	Single Source
1	Preparation of TOR, cost estimate, sanction etc.,	2 Weeks	2 Weeks	2 Week s	2 Weeks	2 Week s
2	Transmit TOR and cost estimate to World Bank	1 Week	1 Week	1 Week	1 Week	1 Week
3	World Bank clearance of TOR and Cost estimate	1 Week	1 Week	1 Week	1 Weeks	1 Week
4	Trasmit EOI for publication to WB and Publication by the Project	1 Week	1 Week	1 Week	1 Week	N/R
5	REOI (Closing Date)	4 Weeks	4 Weeks	4 Week s	4 Weeks	N/R
6	Trasmit Shortlist, Cost estimate and RFP	4 Weeks	4 Weeks	4 Week s	4 Weeks	1 week @
	World Bank Clearance of short-list and RFP	2 Weeks	2 Weeks	2 Week s	2 Weeks	2 Week s
7	Issue of RFP	1 Week	1 Week	1 Week	N/A	1 Week
8	Opening of RFP (Technical Proposal)	6 Weeks	6 Weeks	6 Week s	N/A	6 Week s
9	Trasmit the TER (Technical Evaluation Report) to World Bank	4 Weeks	4 Weeks	4 Week s	N/A	2 Week s
10	World Bank Clearance of TER	2 Weeks	2 Weeks	2 Week s	N/A	N/A
11	Opening of Financial Proposal	1 Week	3 Weeks	1 Week	N/A	1 Week
12	Trasmit CER (Combined Evaluation Report), Negotiation - Draft Contract to World Bank	3 Weeks	3 Weeks	3 Week s	N/A	3 Week s
13	World Bank clearance of draft contract	2 Weeks	2 Weeks	2 Week s	N/A	2 Week s
14	Signing of Contract	2 Weeks	2 Weeks	2 Week s	2 Weeks	2 Week s
15	Mobilization of Contract	4 Weeks	4 Weeks	4 Week s	4 Weeks	4 Week s

16	Contract Completion Date					
----	---------------------------------	--	--	--	--	--

7.7 PROCUREMENT OF GOODS UNDER REQUEST FOR QUOTATION (National Shopping for goods)

(For Contracts valued less than the equivalent of US \$100,000 each)

INVITATION FOR QUOTATIONS FOR SUPPLY OF GOODS UNDER NATIONAL SHOPPING PROCEDURES

To

Dear Sirs,

Sub: INVITATION FOR QUOTATIONS FOR SUPPLY OF

1. You are invited to submit your most competitive quotation for the following goods:-

Brief Description of the Goods	Specifications*	Quantity	Delivery Period	Place of Delivery	Installation Requirement if any
--------------------------------	-----------------	----------	-----------------	-------------------	---------------------------------

* Where ISI certification marked goods are available in market, procurement should generally be limited to goods with those or equivalent marking only.

2. Government of India has received a credit from the International Development Association (IDA) in various currencies equivalent to US\$ _____ towards the cost of the _____ Project and intends to apply part of the proceeds of this credit to eligible payments under the contract for which this invitation for quotations is issued.

3. Bid Price

- a) The contract shall be for the full quantity as described above. Corrections, if any, shall be made by crossing out, initialling, dating and rewriting.
- b) All duties, taxes and other levies payable on the raw materials and components shall be included in the total price.
- c) Sales tax in connection with the sale shall be shown separately.
- d) The rates quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.
- e) The Prices shall be quoted in Indian Rupees only.

4. Each bidder shall submit only one quotation.

5. Validity of Quotation

Quotation shall remain valid for a period not less than 15 days after the deadline date specified for submission.

6. Evaluation of Quotations

The Purchaser will evaluate and compare the quotations determined to be substantially responsive i.e. which

- (a) are properly signed ;and
- (b) conform to the terms and conditions, and specifications.

The Quotations would be evaluated for all the item together/would be evaluated separately for each item. *[Select one of the options].*

Sales tax in connection with sale of goods shall not be taken into account in evaluation.

7. Award of contract

The Purchaser will award the contract to the bidder whose quotation has been determined to be substantially responsive and who has offered the lowest evaluated quotation price.

- 7.1 Notwithstanding the above, the Purchaser reserves the right to accept or reject any quotations and to cancel the bidding process and reject all quotations at any time prior to the award of contract.
- 7.2 The bidder whose bid is accepted will be notified of the award of contract by the Purchaser prior to expiration of the quotation validity period. The terms of the accepted offer shall be incorporated in the purchase order.
- 8. Payment shall be made immediately after delivery of the goods.
- 9. Normal commercial warranty/ guarantee shall be applicable to the supplied goods.
- 10. You are requested to provide your offer latest byhours on.....(date).
- 11. We look forward to receiving your quotations and thank you for your interest in this project.

(Purchaser)

Name:

Address:
.....

Tel. No.

Fax No.

7.8 FORMAT OF QUOTATION *

Sl. No.	Description Goods	Specifications	Qty.	Unit	Quoted Unit Rate in Rs.	Total Amount	
						In Figures	In Words
	TOTAL						
	Sales Tax						

Gross Total Cost: Rs.

We agree to supply the above goods in accordance with the technical specifications for a total contract price of Rs. (amount in figures) (Rs. amount in words) within the period specified in the Invitation for Quotations.

We also confirm that the normal commercial warrantee/guarantee ofmonths shall apply to the offered goods.

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in bribery.

Signature of Supplier

* *Applicable while the bids are being invited for more than one item and would be evaluated for all the items together. Modify where evaluation would be made for each item separately.*

7.9 PROCUREMENT OF CIVIL WORKS UNDER REQUEST FOR QUOTATION (National Shopping Procedures for civil works)

(For Works valued less than equivalent of \$ 100,000 each)

INVITATION FOR QUOTATIONS FOR CONSTRUCTION OF CIVIL WORKS UNDER SHOPPING PROCEDURES

To

Dear Sirs,

Sub: INVITATION FOR QUOTATIONS FOR CONSTRUCTION OF

1. You are invited to submit your most competitive quotation for the following works:-

Brief Description of the Works	Approximate value of Works (Rs.)	Period of Completion

2. Government of India has received a credit from the International Development Association (IDA) in various currencies equivalent to US\$__ towards the cost of the_____Project and intends to apply part of the proceeds of this credit to eligible payments under the contract for which this invitation for quotations is issued.

3. The _____Project in _____state is being implemented by _____, which is an autonomous society registered under the Societies Registration Act.

4. To assist you in the preparation of your quotation, we are enclosing the following:

- i. Layout Drawings of the works;
- ii. Structural Details;
- iii. Detailed Bill of Quantities, with estimated rates and prices;
- iv. Technical Specifications;
- v. Instructions to Bidders (in two sections).
- vi. Draft Contract Agreement format which will be used for finalizing the agreement for this Contract.

5. You are requested to provide your offer latest by.....hrs. on

3 Delete if inapplicable

6. Quotations will be opened in the presence of Bidders or the representatives who choose to attend at AM/PMon_____in theoffice of_____.
7. We look forward to receiving your quotations and thank you for your interest in this project.

(Employer)

Name: _____

Address: _____

Tel.No: _____

Fax No. _____

7.10 Instructions to Bidders

SECTION - A

1. Scope of Works

The _____ (Employer) invites quotations for the construction of works as detailed in the table given below

Brief Description of the Works	Approximate value of Works (Rs.)	Period of Completion
--------------------------------	----------------------------------	----------------------

The successful bidder will be expected to complete the works by the intended completion date specified above.

2. Qualification of the bidder: The bidder shall provide qualification information which shall include:-

- (a) total monetary value of construction works performed for each year of the last 3 years :
- (b) Report on his financial standing; and
- (c) Details of any litigation, current or during the last 3 years in which the bidder is involved, the parties concerned and disPMUted amount in each case.

3. To qualify for award of the contract the bidder:-

- (d) should have satisfactorily completed as a prime contractor at least one similar work of value not less than Rs. 500,000 in the last three years;
- (e) should possess valid electrical license for executing building electrification works (in the event of the works being sub - contracted, the sub-contractor should have the necessary license);
- (f) should possess required valid license for executing the water supply/sanitary works (in the event of the works being sub-contracted, the sub-contractor should have the necessary license);

4. Bid Price

- a) The contract shall be for the whole works as described in the Bill of quantities, drawings and technical specifications. Corrections, if any, shall be made by crossing out, initialling, dating and rewriting.
- b) All duties, taxes and other levies payable by the contractor under the contract shall be included in the total price.
- c) The rates quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.

- d) The rates should be quoted in Indian Rupees only.

5. Submission of Quotations

- 5.1** The bidder is advised to visit the site of works at his own expense and obtain all information that may be necessary for preparing the quotation.
- 5.2** Each bidder shall submit only one quotation.
- 5.3** The quotation submitted by the bidder shall comprise the following:-
- (a) Quotation in the format given in Section **B**.
 - (b) Signed Bill of Quantities ; and
 - (c) Qualification information form given in Section B duly completed.
- 5.4** The bidder shall seal the quotation in an envelope addressed to the (Purchaser). The envelope will also bear the following identification :-
- Quotation for _____(Name of the Contract)
 - Do not open before _____(time and date of quotation opening).
- 5.5** Quotations must be received in the office of the ----- (Employer) not later than the time and date given in the letter of invitation .If the specified date is declared a holiday, quotations shall be received upto the appointed time on the next working day.
- 5.6** Any quotation received by the, (Employer) after the deadline for submission of quotations will be rejected and returned unopened to the bidder.

6. Validity of Quotation

Quotation shall remain valid for a period not less than 45 days after the deadline date specified for submission.

7. Opening of Quotations

Quotations will be opened in the presence of bidders or their representatives who choose to attend on the date and time and at the place specified in the letter of invitation.

- 8.** Information relating to evaluation of quotations and recommendations for the award of contract shall not be disclosed to bidders or any other persons not officially concerned with the process until the award to the successful bidder is announced.

9. Evaluation of Quotations

The Employer will evaluate and compare the quotations determined to be substantially responsive i.e. which

- (g) meet the qualification criteria specified in clause 3 above;
- (h) are properly signed ;and
- (i) conform to the terms and conditions, specifications and drawings

without material deviations.

10. Award of contract

The Employer will award the contract to the bidder whose quotation has been determined to be substantially responsive and who has offered the lowest evaluated quotation price and who meets the specified qualification criteria.

- 10.1** Notwithstanding the above, the Employer reserves the right to accept or reject any quotations and to cancel the bidding process and reject all quotations at any time prior to the award of contract.
- 10.2** The bidder whose bid is accepted will be notified of the award of contract by the Employer prior to expiration of the quotation validity period.

11. Performance Security

Within 15 days of receiving letter of acceptance, the successful bidder shall deliver to the (Employer) the performance security (either a bank guarantee or a bank draft in favor of the Employer) for an amount equivalent of 3 % of the contract price. The Performance Security shall be valid till the expiry of the period of maintenance of the work, specified in clause 12.

12. Period of Maintenance:

The “Period of Maintenance” for the work is six months from the date of taking over possession or one full monsoon season whichever occurs later. During the period of maintenance, the contractor will be responsible for rectifying any defects in construction free of cost to the Employer.

- 13.** Purchase of all construction materials including cement and steel as per the specifications (ISI certification marked goods wherever available) shall be the responsibility of the contractor.

7.11 QUALIFICATION INFORMATION

1 For Individual Bidders

1.1 Principal place of business: _____

Power of attorney of signatory of Quotation.
[Attach copy]

1.2 Total value of Civil Engineering 19_____ construction work performed in the last 19__
three years (in Rs. Lakhs) 19_____

1.3 Work performed as prime contractor (in the same name) on works of a similar nature over the last
three years.

<u>Project Name</u>	<u>Name of Employer</u>	<u>Description of work</u>	<u>Contract No.</u>	<u>Value of contract (Rs. Lakhs)</u>	<u>Date of issue of work order</u>	<u>Stipulated period of completion</u>	<u>Actual date of completion</u>	<u>Remarks explaining reasons for delay and work completed</u>
---------------------	-------------------------	----------------------------	---------------------	--------------------------------------	------------------------------------	--	----------------------------------	--

Existing commitments and on-going works:

<u>Description of Work</u>	<u>Place & State</u>	<u>Contract No. & Date</u>	<u>Value of Contract (Rs. Lakh)</u>	<u>Stipulated period of completion</u>	<u>Value of works* remaining to be completed (Rs. Lakhs)</u>	<u>Anticipated date of completion</u>
(1)	(2)	(3)	(4)	(5)	(6)	(7)

* Enclose a certificate from Engineer concerned.

1.4 Proposed subcontracts and firms involved.

Sections of the works	Value of Sub-contract	Sub-contractor (name & address)	Experience in similar work
*	*	*	*
*	*	*	*
*	*	*	*
	*	*	

1.5 Evidence of access to financial resources to meet the requirements of working capital : cashinhand,linesofcredit,etc.Listthembelowandattachcopiesofsupportdocuments.

1.6 Name, address, and telephone, telex, and fax numbers of the Bidders' bankers who may provide references if contacted by the Employer.

1.7 Information on litigation history in which the Bidder is involved.

Other party(ies)	Employer	Cause of diSPMUte	Amount involved	Remarks showing present status
-------------------------	-----------------	--------------------------	------------------------	---------------------------------------

7.12 QUOTATION

*

Description of the Works : To:

Subject: Construction of

Reference : Letter No.....dated.....from.....

Sir,

We offer to execute the Works described in your letter referred to above in accordance with the Conditions of Contract enclosed therewith at percentage above / below the estimated rates, i.e., for a total Contract Price of -

Rs. ** _____ [in figures]

Rs. _____ [in words].

This quotation and your written acceptance of it shall constitute a binding contract between us. We understand that you are not bound to accept the lowest or any quotation you receive.

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in bribery.

We hereby confirm that this quotation is valid for 45 days as required in Clause 6 of the Instructions to Bidders.

Yours faithfully,

Authorized Signature : Date: _____

Name & Title of Signatory: _____

Name of Bidder : _____

Address : _____

* To be filled in by the Employer before issue of the Letter of Invitation.

** To be filled in by the Bidder, together with his particulars and date of submission at the bottom of this Form.

**7.13 LETTER OF ACCEPTANCECUM NOTICE TO PROCEED WITH THE WORK
(LETTERHEAD OF THE EMPLOYER)**

Dated: _____

To: _____ [Name and address of the Contractor]

Dear Sirs,

This is to notify you that your Quotation dated _____ for execution of the _____ for the contract price of Rupees ____ [amount in words and figures], is hereby accepted by us.

You are hereby requested to furnish performance security for an amount of Rs _____ (equivalent to 3% of the contract price) within 15 days of the receipt of the letter. The Performance Security in the form of Bank guarantee or a Bank draft in favour of.....(Employer) shall be valid till the expiry of the period of maintenance i.e. up to _____. Failure to furnish the Performance Security will entail cancellation of the award of contract.

You are also requested to sign the agreement form and proceed with the work not later than _____ under the instructions of the Engineer, _____ and ensure its completion within the contract period.

With the issuance of this acceptance letter and your furnishing the Performance Security, contract for the above said work stands concluded.

Yours faithfully,

Authorized Signature Name and title of Signatory

7.14 Draft Agreement form for Construction through National Shopping

ARTICLES OF AGREEMENT

This deed of agreement is made in the form of agreement on _____ day _____ Month _____ 20 _____, (Employer) or his authorized representative (hereinafter referred to as the first party) and _____ (Name of the Contractor), S/O _____ resident of _____ (hereinafter referred to as the second party), to execute the work of construction of _____ (hereinafter referred to as works) on the following terms and conditions.

1. Cost of the Contract

The total cost of the works (hereinafter referred to as the “total cost”) is Rs. _____ as reflected in Annexure -1.

2. Payments under its contract:

Payments to the second party for the construction work will be released by the first party in the following manner :-

On signing of agreement	:	25% of total cost
On reaching plinth level (first stage)	:	25% of the total cost
On reaching lintel level (second stage)	:	25% of the total cost
On reaching roof level (third stage)	:	15% of the total cost
Plastering and completion of whole work (fourth stage)	:	10% of the total cost

(The above has been drafted for construction of school buildings; modify this suitably for other works)

3. Payments at each stage will be made by the first party:

- (a) on the second party submitting an invoice for an equivalent amount;
- (b) on certification of the invoice (except for the first instalment) by the engineer nominated by the first party with respect to quality of works in the format in Annexure - 2; and
- (c) upon proper and justified utilization of at least 50 % of the previous instalment and 100 % of any prior instalment.

4. Notice by Contractor to Engineer

The second party, on the works reaching each stage of construction, issue a notice to the first party or the Engineer nominated by the first party (who is responsible for supervising the contractor, administering the contract, certifying the payments due to the contractor, issuing and valuing variations to the contract, awarding extensions of time etc.), to visit the site for certification of stage completion. Within 15 days of the receipt of such notice, the first party or the engineer nominated by it, will ensure issue of stage completion certificate after due verification.

5. Completion time

The works should be completed in _____ (months/ weeks/ days) from the date of this Agreement. In exceptional circumstances, the time period stated in this clause may be extended in writing by mutual consent of both the parties.

6. If any of the compensation events mentioned below would prevent the work being completed by the intended completion date, the first party will decide on the intended completion date being extended by a suitable period:
 - a) The first party does not give access to the site or a part thereof by the agreed period.
 - b) The first party orders a delay or does not issue completed drawings, specifications or instructions for execution of the work on time.
 - c) Ground conditions are substantially more adverse than could reasonably have been assumed before issue of letter of acceptance and from information provided to second party or from visual inspection of the site.
 - d) Payments due to the second party are delayed without reason.
 - e) Certification for stage completion of the work is delayed unreasonably.
7. Any willful delay on the part of the second party in completing the construction within the stipulated period will render him liable to pay liquidated damages. @ Rs. _____* per day which will be deducted from payments due to him. The first party may cancel the contract and take recourse to such other action as deemed appropriate once the total amount of liquidated damages exceeds 2 % of the contract amount.

(Note : The amount of liquidated damages per day should be determined at 0.05% of the contract value of the works and indicated here).

8. Duties and responsibilities of the first party

- 8.1 The first party shall be responsible for providing regular and frequent supervision and guidance to the second party for carrying out the works as per specifications. This will include written guidelines and regular site visit of the authorized personnel of the first party, for checking quality of material and construction to ensure that it is as per the norms.
- 8.2 The first party shall supply 3 sets of drawings, specifications and guidelines to the second party for the proposed works.
- 8.3 Possession of the site will be handed over to the second party within 10 days of signing of the agreement.
- 8.4 The Engineer or such other person as may be authorized by the first party shall hold meeting once in a month where the second party or his representative at site will submit the latest information including progress report and difficulties if any, in the execution of the work. The

whole team may jointly inspect the site on a particular day to take stock of activities.

8.5 The Engineer shall record his observations/instructions at the time of his site visit in a site register maintained by the second party. The second party will carry out the instructions and promptly rectify any deviations pointed out by the engineer. If the deviations are not rectified, within the time specified in the Engineer's notice, the first party as well as the engine denominated by it, may instruct stop page or suspension of the construction. It shall thereupon be open to the first party or the engineer to have the deviations rectified at the cost of the second party.

9. Duties and responsibilities of the second party

9.1 The second party shall:

- a) Take up the works and arrange for its completion within the time period stipulated in clause5;
- b) employ suitable skilled persons to carry out the works;
- c) regularly supervise and monitor the progress of work;
- d) abide by the technical suggestions / direction of supervisory personnel including engineers etc. regarding building construction;
- e) be responsible for bringing any discrepancy to the notice of the representative of the first party and seek necessary clarification;
- f) ensure that the work is carried out in accordance with specifications, drawings and within the total of the contract amount without any cost escalation;
- g) keep the first party informed about the progress of work;
- h) be responsible for all security and watch and ward arrangements at site till handing over of the building to the first party ;and
- i) maintain necessary insurance against loss of materials/cash, etc. or workman disabilitycompensationclaimsofthepersonneldeployedontheworksaswellas third party claims.
- f) Pay all duties, taxes and other levies payable by construction agencies as per law under the contract (First party will effect deduction from running bills in respect of such taxes as may be imposed under the law).

10. Variations / Extra Items

The works shall be carried out by the second party in accordance with the approved drawings and specifications. However, if, on account of site conditions or any other factors, variations are considered necessary, the following procedure shall be followed:-

- f) The second party shall provide the Engineer with a quotation for carrying out the Variation when requested to do so by the Engineer. The Engineer shall assess the quotation, which shall be given within seven days of the request before the Variation is ordered.
- g) If the quotation given by the second party is unreasonable, the Engineer may order the Variation and make a change to the Contract Price which shall be based on Engineer's own forecast of the effects of the Variation on the Contractor's costs.
- h) The second party shall not be entitled to additional payment for costs which could have been avoided by giving early warning.

11. Securities

The Performance Security shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall be issued in an amount and form and by a bank or surety acceptable to the Employer. The Performance Security shall be valid until a date 28 days from the date of issue of the Certificate of Completion in the case of a Bank Guarantee.

12. Termination

12.1 The Employer may terminate the Contract if the other party causes a fundamental breach of the Contract.

12.2 Fundamental breaches of Contract include, but shall not be limited to the following:

- (a) the contractor stops work for 28 days and the stoppage has not been authorized by the Engineer;
- (b) the Contractor has become bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
- (c) the Engineer gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Engineer;
- (d) the Contractor does not maintain a security which is required;

12.3 Notwithstanding the above, the Employer may terminate the Contract for convenience.

12.4 If the Contract is terminated the Contractor shall stop work immediately, make the Site safe and secure and leave the Site as soon as reasonably possible.

13. Payment upon Termination

- 13.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Engineer shall issue a certificate for the value of the work done less advance payments received up to the date of the issue of the certificate, less other recoveries due in terms of the contract, less taxes due to be deducted at source as per applicable law.
- 13.2 If the Contract is terminated at the Employer's convenience, the Engineer shall issue a certificate for the value of the work done, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works and less advance payments received up to the date of the certificate, less other recoveries due in terms of the contract and less taxes due to be deducted at source as per applicable law.

14. Dispute settlement

If over the works, any dispute arises between the two parties, relating to any aspects of this Agreement, the parties shall first attempt to settle the dispute through mutual and amicable consultation.

In the event of agreement not being reached, the matter will be referred for arbitration by a Sole Arbitrator not below the level of retired Superintending Engineer, PWD to be appointed by the first party. The Arbitration will be conducted in accordance with the Arbitration and Conciliation Act, 1996. The decision of the Arbitrator shall be final and binding on both the parties.

7.15 BILL OF QUANTITIES

Sl. No.	Description of Work	Qty.	Unit	Estimated Cost		Amount
				In figure (Rs.)	In Words	

Gross Total Cost :Rs.

We agree to execute the works in accordance with the approved drawings and technical specifications at percentage above/below the estimated rates, i.e., for a total contract price of Rs. (amount in figures) (Rs. amount in words).

Signature of Contractor

7.16 Format of certificate

Certified that the works up to ----- level in respect of construction of ----
----- at ----- have been executed in accordance with the
approved drawing and technical specifications.

Place :

Date:

Signature

Name & Designation (Official address)

7.17 Community Procurement

7.17.1 Concept

Growing awareness of community participation in the works from planning to implementation and post implementation can help in smooth operation and maintenance and successful implementation of the project. Institutional capacity of PP plays a major role for effective community participation in procurement, implementation, operation and maintenance of tank improvement and management project. Capacity building activities need to be undertaken in order to build and sharpen their existing skills for management and for sustaining all activities related to project implementation, completion, operation and maintenance.

7.17.2 Key Rules of Community Procurement

Following rules shall be observed and complied with during the procurement of goods and works:

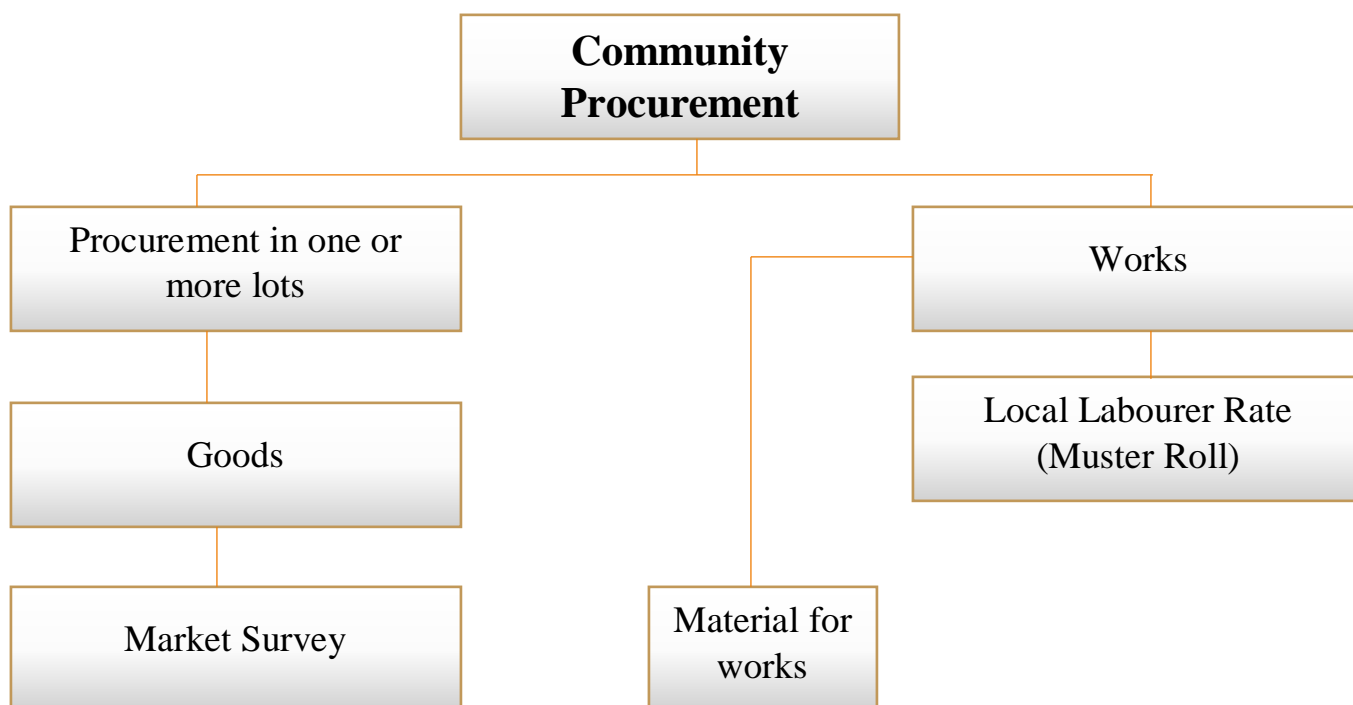
- **Transparency:** All procurement procedures must be carried in an open and transparent manner as per specifications.
- **Equal opportunity to all Suppliers:** Equal opportunity shall be given to all suppliers interested in supplying items and uniform evaluation procedures must be adopted.
- **Accountability:** Any committee member undertaking procurement function remains accountable for all decisions and actions taken.
- **Ensuring value of money:** Items procured should meet the required technical specifications and quality standards, and must be arranged at competitive prices.
- **Avoid procurement of item from Friends and Relatives:** Procuring items from close relatives and friends must be avoided.
- **No undue benefits for anyone:** No member of the community shall accept directly or indirectly any undue benefits or advantages on account of a procurement action.
 - Equal Pay for Equal work: There should not be any distinction of wages between male and female workers and other benefits

7.17.3 Requirements of Community Procurement

- **Quality Assurance:** Procurement of goods and materials having ISI certification (where ever applicable) from authorized vendors of manufacturers shall be the first step in obtaining prescribed quality of goods/materials.
- **Quantity Assurance:** Quantities strictly required to execute the work satisfactorily shall always be worked out prior to scheduling the procurement. Purchase of excess goods/materials should be avoided.
- **Timing:** Appropriate timing of delivery of goods/ materials matching with commencement and completion of work shall always be adhered to. Any gap might lead to either excess holding of material or to delay the completion of work which may result in cost over-run.
- **Rates:** The rates for materials, goods to be procured should be reasonable and commensurate with quality and comparable with purchases being conducted for similar projects.

7.17.4 Community Procurement

The merit of this kind of procurement are: ‘ownership by the community’, ‘command over the entire process’, ‘sharing of capital investment of the project with the community’ and ‘simplicity’. Community-involved procurement must not compromise with the principles of competitiveness and transparency of the process. It is designed to suit the capacity of the community in the rural environment. When implementing the schemes by participation of community, the total requirement of procurement of goods shall preferably be done in more than one lot. Market survey is the simplest method that should be undertaken by the community for the procurement of goods. Procurement of engineering works, other than specialized works would be done by hiring local labourer. A schematic diagram depicting these methods is given below:



7.17.5 Salient features of Procurement by Community

- The community considering its capabilities will carry out the works on its own by hiring skilled persons on muster or may outsource the works following procurement norms.
- The community may take up works up to 5 Lakhs. The works should be simple and of the nature where no specific technical skill will be required.
- The MI/ATMA office will provide technical support for works. The whole procurement procedure ,viz. preparation of estimate, calling of quotation by post or by market survey, evaluation of quotation, signing of contract, supervision of works, billing for payment and issuing payment will be observed by the PP.
- The PP will support the shopping procedure for the procurement of goods/works.

7.17.6 Procurement of Works by Committee (PP)

In the implementation of civil works carried out by PP, MI office shall act, as ‘facilitator’ by providing technical and professional support and responsibility for execution of works shall be mainly that of PP. The technical and professional support shall be provided to the PP by MI office at all stages

Works like repairs to the distribution channels and its desiltation, foreshore plantation, wood clearance may be executed by engaging skilled and unskilled labour as well as support persons on daily wages on muster roll at approved rates as per procedure prescribed in PWD Code. The Community shall carry out the work directly by local technician like mason, plumber, blacksmith etc. and procuring materials as per procedure described in foregoing paras and supervise the construction work and ensure its quality and quantity with the assistance of Engineer of DPU.

7.17.7 Procurement of Goods by Committee (PP)

Procurement of goods in appropriate amount and at the right time is essential for the completion of any project within scheduled time. Procurement at PP level shall be through request through quotation in which quantity of goods shall be purchased in such amounts, which are required immediately. This would minimize wastage due to lack of proper storage system.

7.17.8 Procurement Plan

The PP will prepare a tentative Procurement Plan for the entire project tank (Tank Improvement Management Plan). The same shall be firmed up and split into annual and quarterly plans for undertaking procurement and for fund allocation.

7.17.9 Social Audit

The PP shall directly conduct Social Audit to:

- Ensure that all the Committee's follow provisions of Procurement Manual.
- Record violation or deviation of rules to PP
- Monitor the adherence of project principles and rules in the selection of beneficiaries, and implementation of sub projects.
- Ensure that the capital share has been provided by the beneficiaries including user charges.
- The disclosure requirement for RFQ/RFB procedures in addition to that the Social Audit shall ensure the display of the following information on the notice board of the village in case of RFQ/RFB
 - Name of each bidders who submitted the bid
 - Bid prices as read out at bid opening
 - Name and evaluated prices of each bid that was evaluated
 - Name of bidders whose bids were rejected and the reasons for their rejection; and
 - Name of the winning bidder, and the price it offered, as well as the duration and summary scope of the contract awarded

NOTE: The project does not envisage any community level procurement at this stage but in-case it fills the need of any community level procurement then the below mentioned rule will be followed.

7.17.10 Benefits of Community Procurement

The benefits of involving community in procurement include:

- Enhancing community ownership.
- Increasing communities' capacity which is useful during operation and maintenance.
- Generating employment and economic opportunities within the community.
- Lessening the burden of procurement on Government implementing agencies.
- Adds to the transparency and accountability at grass root level.
- Ensure quality of goods and works at implementation level.

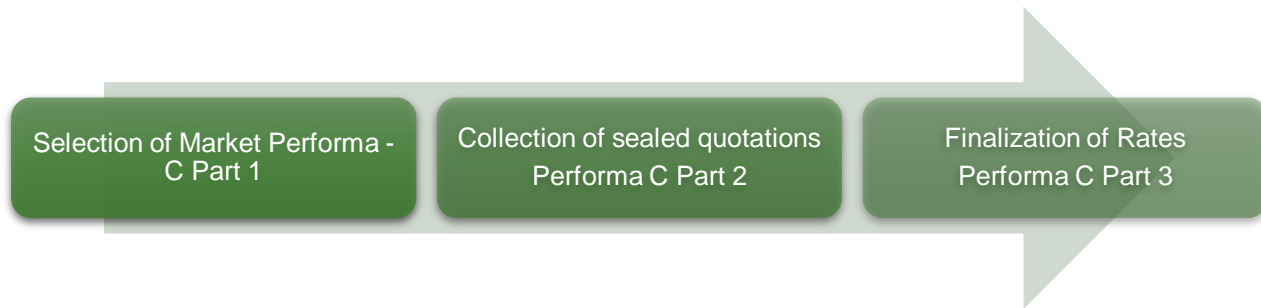
It needs to be noted that community involved procurement, must not compromise with the principles of competitiveness and transparency of the process. It is planned to suit the needs and capacity of the community in rural environment.

7.17.11 Procurement of Goods

Procurement of goods in appropriate amount and in right time is very much essential for the completion of any project with in scheduled time. Procurement at PP level shall be through Request for Quotation. Procurement will be done following the steps given below:

- Obtain sealed quotations from authorized dealers in the selected markets (minimum 3 quotations)
- Preparation of comparison chart of rates quoted and selection of the lowest evaluated responsive bidders.
- Finalization of rates and release of purchase order.

Goods



7.17.12 Selection of market

Selection of the market should be done before obtaining the sealed quotations and recorded in Proforma- C (Part 1).

7.17.13 Collection of Quotations

The rates of materials shall be obtained in Bill of Quantities (BOQ) attached as Appendix -1 and recorded in Proforma C(Part II)

Following precaution will be taken while obtaining sealed quotations:

- Format of proforma invoice for all lots should be same.
- Materials like cement, reinforcement (saria) etc should be mandatorily ISI marked.
- Firms/sellers shall quote the rates on the letter head of the firm mentioning the name, address, telephone, GST no. etc.
- Quotations shall be addressed to PP.
- Information for the materials to be purchased on quotations should be tabulated in the following manner:

Sl. No.	Description of materials	Unit	Quantity	Rate per unit (Rs.)	Total Cost (Rs.)	Remarks
1	2	3	4	5	6	7

7.17.14 Evaluation and Comparison of Bids

The evaluation and comparison of bids shall be on the basis of free delivery at the destination prices including insurance to the place of destination (if applicable) but excluding sales tax. The PP will prepare a detailed report on the evaluation and comparison of bids setting forth the specific reasons on which the recommendation is based for the award of contract.

7.17.15 Approval for procurement of Goods

The works subcommittee shall submit all the related documents viz. market survey and recommendations proforma C part I, II ,III and all quotations to Executive committee for approval and necessary action. The Executive committee shall examine the rates quoted in quotations. If the proposed rates are unreasonable and exceed the ceiling rates, it would be refereed back to Works subcommittee for reconsideration. The works subcommittee would consider it in the light of observations made by Executive committee and put up reconsidered/revised proposal for approval of Executive Committee. After approval of the procurement the works Subcommittee will execute the procurement.

7.17.16 Purchase Order

The purchase order will be placed under the signature of the president of the PP.

7.17.17 Receipt and Payment of Supplier's Bill

Goods received against the order placed by the president of PP in accordance with the procedure outlined above shall be entered in site account of the work. The engineer of support organization nominated as facilitator in works sub-committee along with a member of the works sub-committee shall acknowledge the materials thus received and shall also record it in the body of the invoice. The supplier shall attach the receipted invoice with the bill in duplicate and present it for payment.

The two members (The engineer of Support Organization, nominates as facilitator in works Sub-Committee and a member of works sub-committee) shall record a certificate as given below in token of the verification of the bills.

“Certified that the materials have been received as mentioned in the bill and verified as per specifications and brand name (if any) mentioned there in and found correct”.

On the basis of the verification certificate mentioned above, the president of PP shall draw cheque or draft in favour of the supplier from the bank account maintained by the PP related to OIIPCRA. The cheque shall be signed by the president and secretary of the PP jointly.

7.17.18 Procurement of Works

Engineering works shall be executed by engaging skilled and unskilled labour as well as support persons on daily wages on muster roll. The community shall carry out the work directly by hiring the local technicians like mason, plumber, blacksmith etc and procuring materials and supervise the construction work and ensure its quality & quantity. If it is decided that the whole work will be executed by an agency (contractor) then the quotations will be invited from the qualified contractors.

Following steps shall be followed:

- Executive committee shall authorize the works subcommittee to implement and supervise the work.
- The works subcommittee shall engage skilled, unskilled and support persons on muster roll.
- Weekly labour reports of skilled, unskilled and support persons engaged shall be sent to the Executive Committee detailing the work done.
- The works sub-committee shall keep the accounts of material in site account proforma.
- The works sub-committee shall be assisted by the MI/ATMA office and Support Organisation.

7.17.19 Procurement of Specialized Works

Works that require specialized technique and equipment which could only be procured through contractors having men, material, equipment, expertise, skill and experience in this field. Community shall appraise the SPMU to take up such activities and procure these works as per the right method and threshold.

7.17.20 Quality Control at PP

Simple methods for exercising tests and checks for different goods/materials like bricks, sand, stones etc required in community tank management project shall be implemented to ensure that all materials supplied and works executed confirm the prescribed specifications.

- The works sub-committee shall be assisted by the MI/ATMA office and Support Organisation.

7.17.21 Procurement of Specialized Works

Works that require specialized technique and equipment which could only be procured through contractors having men, material, equipment, expertise, skill and experience in this field. Community shall appraise the SPMU to take up such activities and procure these works as per the right method and threshold.

7.17.22 Quality Control at PP

Simple methods for exercising tests and checks for different goods/materials like bricks, sand, stones etc required in community tank management project shall be implemented to ensure that all materials supplied and works executed confirm the prescribed specifications.

7.18 Procurement procedure for items under different components

Sl. No.	Contract Description	Goods	Works	Services	Procurement Tendering Level	Procurement Method
1.	Hiring of an agency for AE mobilization and Incubation			√	State	Direct Selection/MOU
2.	Strengthening existing extension system through ATMA/FIAC/KVK's (Equipment's)	√			District	RFQ
3.	Inputs for agriculture and horticulture demonstration activities	√			Block	RFQ
4.	Procurement of office accessories (computer/printer/laptop etc)	√			State/District	RFQ/GeM
5.	Hiring of vehicle			√	State	RFQ
6.	Infrastructural Support to OPDC- Modernizing Fish Hatchery	√			State (By concerned department/ Implementing Agency)	RFQ
7.	Portable Community Fish Hatcheries - at 30 locations in the project area	√			District	RFQ
8.	Fish Seed transportation system - 3 Nos of seed transportation vans	√			State (By concerned department)	RFQ
9.	Establishment of mini fish feed mill by OPDC	√			State (By concerned department/Implementing Agency)	RFB
10.	Procurement of fish inputs for demonstration and other related activities	√			District	RFQ
11.	Net Barricading by CIFA / CIFRI / OPDC / and other ICAR Institutes	√			District (By concerned department/Implementing Agency)	RFQ

Sl. No.	Contract Description	Goods	Works	Services	Procurement Tendering Level	Procurement Method
12.	Establishment of fish processing units in selected locations	√			District (By concerned department/Implementing Agency)	RFQ
13.	Strengthening Value chain infrastructure - Hygienic fish / fish product transportation	√			District (By concerned department/Implementing Agency)	RFQ
14.	Strengthening Marketing Infrastructure - modernization of 2 model kiosks	√			District (By concerned department/Implementing Agency)	RFQ
15.	Market study by Consulting Agencies through SPU, OIIPCRA			√	State	QCBS
16.	Hiring of Agri-Business Support Organizations (ABSOs)			√	State	QCBS
17.	Hiring an agency for Thematic Studies (Value Chain Assessment etc)			√	State	QCBS
18.	Investment plan financing	√			District	RFQ
19.	Civil works for improving access to irrigation and water productivity		√		State	RFB
20.	Procurement of goods for quality control	√			State	RFQ
21.	Catchment treatment and Cascade Level Organization provision while implementing cascade plan		√		State	RFB
22.	Hiring of agency for Cascade Planning, Preparation of DPR and PP mobilization			√	State	QCBS
23.	Hiring of agency for IWRM project			√	State	QCBS
24.	Improving Service delivery through PPP mode in Medium and Large-scale tanks			√	State	QCBS
25.	Hiring of agency for preparation of groundwater regulation			√	State	QCBS
26.	Hiring of agency for module development			√	State	QCBS
27.	Engaging SO's for social mobilization, database			√	State	QCBS

Sl. No.	Contract Description	Goods	Works	Services	Procurement Tendering Level	Procurement Method
	creation and coordination					
28.	Agriculture Technology media lab at OUAT			√	State	Direct Selection/MoU
29.	Procurement of stationary/office equipment's/furniture	√			State/District	RFQ/GeM
30.	Hiring of an agency for baseline survey			√	State	QCBS
31.	Hiring of an agency for environment and social assessment			√	State	QCBS
32.	Hiring of an agency for external M&E consultancy			√	State	QCBS
33.	Hiring of an agency for PIP and Manuals			√	State	QCBS
34.	Hiring of an agency for Internal audit			√	State	QCBS
35.	Hiring of an agency for External audit			√	State	QCBS
36.	Hiring of an agency for recruitment of staffs			√	State	QCBS

NOTE: The above-mentioned are proposed methods of procurement for different activities, it can vary at the time of implementation as per the directions of Project Director or concerned line department heads.