

BRIHANMUMBAI MAHANAGARPALIKA

INFORMATION TECHNOLOGY DEPARTMENT

No.IT-DEPT/6969 Dt. 8.11.12

CIRCULAR

**Sub: Implementation of e-quotation/unstar tendering
for Civil Works Contract bidding.**

MCGM has implemented the SAP – Suppliers Relationship Management (SAP SRM) module for e-tendering of material, services and projects. MCGM is now implementing the e-quotation/ unstar tendering for petty civil repairs works carried out at Ward level with effect from 25th October, 2012.

In this respect, following guidelines are issued :-

1. The pre e-quotation/ unstar tendering process will remain unchanged, the process is explained in the attached process flow chart.
2. The Sub-Engineer/Assistant Engineer will classify the works for bidding based on the estimated cost. The works which have estimated cost upto Rs.3 lakhs will be classified for e-quotation and for estimated cost above Rs.3 lakhs and upto Rs.20 lakhs will be classified as unstar tendering. The maximum cost of individual work shall be Rs.20 lakhs.
3. The lowest responsive bids with maximum premium of 5% of the estimated cost shall only be considered. If the lowest responsive bid is with premium of above 5% of the estimated cost, the bids shall be re-invited.
4. The e-quotation/ unstar tendering process is detailed as below and the process is explained in the attached process flow chart :-
 - (a) Uploading of BoQ by Sub-Engineer approved by Executive Engineer in SAP SRM, after receiving the administrative approval for the work by the competent authority.
 - (b) No tender document is to be uploaded in the SAP SRM system, the GCC for CWC work is uploaded on MCGM portal under Tender Section. The vendor will be prompted by the SAP SRM system for accepting/not accepting the GCC clauses.
 - (c) Self-declaration by the quotationer/tenderer of his registration authority and work class eligibility.

- (d) SAP system will email daily the total list of the CWC unstar tenders created in SAP system to PRO department for publishing the unstar tender notice. The same is not required for e-quotation. In respect of e-quotation, the e-quotation notice will be uploaded on municipal website and also put on notice board at the respective ward office.
 - (e) The e-quotation/ unstar tender will go live for bidding by the vendor on the bid publication date.
 - (f) The vendor does not have to upload any document for bidding in SAP SRM system for CWC e-bidding. The vendor has to quote his percentage against the BOQ items.
 - (g) The time period for bid submission for e-quotation will be 3 days and for unstar tendering it will be 7days.
 - (h) The SAP system will automatically open commercial packet on the bid opening date and time. The bid opening time for unstar tender will be 3.00 p.m. and for e-quotation it will be 4.00 p.m
 - (i) In case zero bid or single bid is received, fresh e-quotation/ unstar tenders shall be invited for such work.
 - (j) If more than one L1 is received, restricted re-bidding by way of inviting closed bids only from the L1 vendors to be processed within 24 hours and if more than one L1 is received again, the L1 will be decided through manual lottery system.
5. The post e-quotation/ unstar tendering process will remain unchanged; the process is explained in the attached process flow chart.
6. Before issuing of the PO, the vendor registration documents should be verified by the concerned authority.
7. In case the recommended bidder refuses/fails to –
- (i) Accept the purchase orders issued to them within 3 days.
 - (ii) Start the work on given date after accepting the PO within 2 days.
- The user department shall seek the approval of the competent authority to debar such errant vendors from participating in future tenders and tendering processes and also to initiate the process of blacklisting such vendors. On receipt of such information and approval from the user department, the IT department shall block the vendor's user ID/password in SAP SRM.
8. As per the provisions of Section 70(b) of the M.M.C. Act for the work involving an expenditure exceeding Rs.50,000/-, the vendor has to execute the written contract.

The vendor/contractor has to pay 5% contract deposit by way of DD and only on remittance of the contract deposit, the work order will be issued to the vendor/contractor and thereafter he has to complete the contract formalities within 7days by paying legal and stationery charges as per laid down procedure.

9. For inviting e-quotation/ unstar tender, the following pre-requisites are required to be done by all the concerned departments :-
 - (a) Submission of organization structure of unstar tendering to IT department
 - (b) Submission of the SAP SRM user ID form to IT department
 - (c) Procurement of Digital Signature Certificate for bid creator, from the Companies authorized by Certifying Authority of India. A circular for procurement of Digital Signature Certificate is issued by IT department under IT Dept/F/491 of 11.10.2012.
 - (d) All Assistant Commissioners to ensure the following :-
 - (i) Help desk to be created at each ward office for assisting the vendors in case of any issues.
 - (ii) That proper procurement plan is prepared so that the budget provisions available in current year's budget does not lapse.
 - (iii) Arrangement of storage place for the vendor and mobilization of the works to be coordinated as per requirement.
 - (iv) Vendor registration in SAP for SRM will be done by the respective user department/IT department within one day from the receipt of application. (/online)
 - (e) C.A.(F) department to ensure the following :-
 - (a) Vendor registration in SAP R/3 shall be done within one day from the receipt of online application. (/online)
 - (b) The contract deposit @ 5% of contract sum shall be recovered from the vendor/contractor in the form of DD and only on the remittance of the contract deposit; the work order will be issued. The user department shall remit the DD in the municipal treasury on the same day or next day and concerned Accounts Officer shall verify whether the DD of the required amount i.e. 5% of the contract sum is obtained from the vendor/bidder.
 - (f) PRO department to ensure the following :-

The consolidated CWC unstar tenders created by user across MCGM upto 3.00 p.m. will be intimated to PRO through SAP system auto generated email and accordingly the notice is to be published next day by PRO department.

(g) City Engineer to ensure the following :-

Finalization of contractor eligibility for registration.

Sd/-
Director (IT)

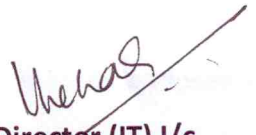
Sd /-
Chief Accountant (Finance)

Sd /-
Dy. Munl. Comm.(Z-I)

Sd/-
Addl. Munl. Comm.(E.S.)

Sd /-
Municipal Commissioner

Submitted for information & necessary action please.


Director (IT) I/c