



Municipal Corporation of Greater Mumbai



**Manual
of
Procurement**

FOREWARD

Municipal Corporation of Greater Mumbai spends sizeable part of its budget for procuring the goods, services and different works with a view to discharge the obligatory duties provided in Section 61 of M.M.C. Act and discretionary duties provided in Section 63 of M.M.C.Act. It was observed that present system of procurement in MCGM comes under frequent criticism for various reasons like bid rigging, cartelization, lack of complete disclosure of the need for the procurement or the specifications, methodology of procurement, large scale variations in contract, deficiencies in contract management etc. The result was an adverse perception regarding procurement process.

In order to restore the credibility of procurement process and to achieve the principles of public procurement such as ensure efficiency, economy and transparency, provide fair and equitable treatment to bidders, promote competition, prevent corrupt practices & reasonableness of price with quality, MCGM has decided to formulate improved procurement procedure, in consonance with the principles contained in the Draft Public Procurement Bill 2012 and tool kits developed by World Bank, Transparency International. Accordingly, Procurement Tab is developed on MCGM portal for suggestion / feedback on procurement from general public / organizations, Procurement Redressal Committee has been established for redressal of grievances, Integrity Pact has been introduced to prevent corrupt practices, Technology Advisory Committees are formed, Best Price / No cartelization affidavit has been introduced and Procurement Manual is prepared for the support and guidance of various departments of MCGM.

The Draft of this Manual has been got vetted by the Administrative staff College of India, Hyderabad, the reputed teaching Institute This Manual will certainly provide resourceful guidance and support to various departments of MCGM for uniform, systematic, efficient procurement of goods, services and works with observance of principles of public procurement.

Municipal Commissioner
Mumbai

INDEX

Description	Page No.
Chapter 1: Preliminary Procurement Process	1-13
<ul style="list-style-type: none"> • Definition. • General Principles. • Different Activities. 	
Chapter 2: Different Methods of Procurement	14-22
<ul style="list-style-type: none"> • Different Methods. • Types of Contract / Agreement. 	
Chapter 3: Bid Documents and their Contents	23-65
<ul style="list-style-type: none"> • Set of Bid Documents. • Pre- Qualifications. • Mandatory Conditions. • Earnest Money Deposit. • Evaluation Criteria. • Instructions to Bidders. • Pre-bid meeting. • Additional Clauses. • Uploading of Documents. • Disqualification. • Consultancy Services. 	
Chapter 4: Invitation and Evaluation of Tenders	66-80
<ul style="list-style-type: none"> • Legal Requirement. • Time Frame. • Evaluation of Bids. • Negotiations. • Tender Committee. • Obtaining of Sanction. • Letter of Acceptance. 	
Chapter 5: Execution of Written Contract	81-92
<ul style="list-style-type: none"> • Essentials of a Valid Contract. • Performance Security. • Bank Guarantee. • Execution of Written Contract. • Discharge of Contract. 	

Chapter 6: Procurement by CPD	93-122
<ul style="list-style-type: none"> • General Goods. • Medicine schedules. • Medical equipments. • Hire of Vehicles. 	
Description	Page No.
Chapter 7: Registration of Contractors and Suppliers	123-154
<ul style="list-style-type: none"> • Contractors for Civil and Mechanical works. • Suppliers for supply of goods, machinery. • Categories and Class. • Rules of Registration. • Vender Performance Evaluation. • Different actions against the suppliers for default. • Application Form. 	
Chapter 8: Code of Ethical Standards (Integrity Pact)	155-165
<ul style="list-style-type: none"> • Obligation on the part of MCGM Employees. • Obligation on the part of MCGM Ex-Employees. • Obligation on the part of Bidders. • Penalties for violation of Ethical Standards. 	
Chapter 9: Mechanism for Redressal of Grievances	166-173
<ul style="list-style-type: none"> • Necessity. • Rules. 	
Chapter 10: Different Annexures	174-223
<ol style="list-style-type: none"> 1. Tender Form. 2. Affidavit. 3. Letter from Manufacturer. 4. Details of D.D. / P.O. 5. Status of Tenderer. 6. Authorization for attending meeting. 7. Performance Letter from Food and Drug Administration. 8. Contract form for Civil works. 9. Contract form for Supply of goods. 10. Bank Guarantee. 11. Letter of Acceptance. 12. Machinery Requirements. 13. Property Tax Clearance Certificate. 14. Incoterms 2012 : Reference Chart. 15. Form of Integrity Pact. 16. Grievance Redressal Mechanism. 	

Chapter - 1 : Preliminary Procurement Process.

Every municipal department gets a sizeable amount in its annual budget for various activities. In discharge of the functions assigned to it the dept. is required to procure goods, services or to execute the work as per its annual plan.

Major source of municipal fund is from the tax payers and therefore it is imperative that every procurement is within the frame work of guidelines prescribed by the different municipal authorities. Therefore, following a uniform, systematic, efficient and cost effective procedure, in accordance with the relevant rules and regulations, is a must.

1. Definitions of procurement:

Before starting discussion on each activity of Procurement Process, definition of procurement needs to be understood. Other relevant definitions are covered under respective documents such as General Conditions of Contract etc and they will prevail.

1.1 Procurement Bill 2012 presented by the Govt. of India defines procurement as under-
“procurement” means acquisition by purchase, lease, license or otherwise of goods, works or services or any combination thereof, including award of Public Private Partnership projects, by a procuring entity, whether directly or through an agency with which a contract for procurement services is entered into, but does not include any acquisition of goods, works or services without consideration, and the term "procure" or "procured" shall be construed accordingly;

1.2 General definition of Procurement - “Procurement” is a process of acquisition of property, plant and/or equipment, goods, works or services through purchase, hire, lease, rental or exchange from any source. Actions undertaken to carry out procurement are defined as procurement activities, which include all actions from planning and forecasting, identification of needs, sourcing and solicitation of offers, evaluation of offers, review and award of contracts, contracting and all phases of contract administration until delivery of the goods, the end of a contract, or the useful life of an asset.

1.3 Procurement Bill defines goods as-

"goods" includes all articles, material, commodity, livestock, furniture, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant, vehicles, aircraft, ships, railway rolling stock or such other category of goods purchased or otherwise acquired by a procuring entity and includes services which are incidental or consequential to the supply of such goods, such as, transportation, insurance, installation, commissioning, training and maintenance;

1.4 Whereas Sale of Goods Act defines goods as-

“goods" means every kind of movable property other than actionable claims and money; and includes stock and shares, growing crops, grass, and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale;

1.5 "service" means any subject matter of procurement other than goods or

works, except those incidental or consequential to the service, and includes physical, maintenance, professional, intellectual, consultancy and advisory services or any other service classified or declared as such by a procuring entity but does not include appointment of an individual made under any law, rules, regulations or order issued in this behalf;

1.6 "works" includes all works associated with site preparation, construction, reconstruction, demolition, repair, maintenance, or renovation of -

- (a) buildings, installations or other structures,
- (b) railways, roads, highways, ports, airports or other infrastructures,
- (c) any construction project or any construction work relating to excavation, drilling, installation of equipment and materials;
- (d) services incidental or consequential to the works.

2. General Principles of Procurement:

The following general principles shall be observed while procuring goods, services and the works:

- Best value for money; (efficiency and economy),
- Mechanism for Fairness, integrity, and transparency,
- Effective competition with fair and equitable treatment to bidders,
- The interest of the organization, and
- Reasonableness of Price.
- Mechanism to prevent corrupt practices.
- Mechanism for redressal of grievances.

2.1 Best value for money:

2.1.1 Application of the 'best value for money' principle in the procurement process means selection of the offer which presents the optimum combination of factors such as appropriate quality, service, costs and other parameters. With a view to achieve this, heads of the depts. shall-

- maximize competition ,
- simplify the tender process,
- carefully establish the evaluation criteria ,
- consider all costs,
- ensure impartial and comprehensive evaluation of offers ,
- ensure selection of the right contractor, and
- observe time schedule.

2.1.2 With a view to achieve efficiency and economy,

(i) Each head of the dept. shall attempt to reduce delay by planning various stages of procurement, prescribe target date for each stage and fix the responsibility of officials and agencies involved in it. Head of the dept. shall also take periodical review. This will keep the subordinates alert and on their toes.

(ii) Head of dept. shall discourage extension of time of any activity during the process. Such extension shall be only in absolutely exceptional and unavoidable circumstances, with simultaneous efforts to reduce the time lag and to adhere to the target date.

(iii) In case of purchase of goods, HoDs shall attempt to finalize the rate contract bringing in the net common items and the different depts. using such items. This can be done by Central Purchasing Dept. of MCGM.

2.2 Fairness, integrity, and transparency:

The procurement process must assure that it is fair and gives equitable treatment to all and is free from favoritism, self-interest or preference. Transparency will lead to competition with fairness. It will eliminate arbitrariness in the procuring system. The prospective tenderers will gain the confidence and the MCGM will secure best value for money. Tender documents shall, therefore, be prepared in such a manner that one must realize its transparency.

2.3 Effective competition:

(i) Effective competition can be said to have taken place where-

- there are adequate number of independent contractors,
- they effectively compete and submit their substantially responsive bid for the same business,
- thereby ensuring fairness, integrity, transparency, and
- finally, achieving principle of best value for money.

(ii) For providing fair and equitable treatment to bidders specifications of the procurement shall be elaborately framed with sufficient details. It should not be restrictive as to deter participation of potential tenderers. Adoption of standard specifications widely known to the industry would be appropriate.

(iii) The tender document shall clearly indicate the eligibility criteria viz level of experience, past performance, technical capability, manufacturing facilities, financial status, ownership etc. as per requirement of respective department.

(iv) During pre-bid meeting tenderers shall be given reasonable opportunity to seek clarification regarding the tender conditions, tendering process and all the doubts shall be cleared satisfactorily.

2.4 Interest of the Organisation:

This means not only adding value to the assets of the organization by carrying out procurement activities that enable MCGM to achieve performance of duties cast upon under the MMC Act, but also to provide sufficient and better civic services to general public effectively in Greater Mumbai to maintain its image and reputation.

2.5 Reasonableness of Price:

The broad guidelines for judging the reasonableness of price are as under:

- Last purchase price,
- current market price ,
- Price of raw materials, which go into the production of the goods,
- Receipt of competitive offers from different sources,
- Quantity involved,
- Duration of contract period,
- Terms of delivery with reference to place, duration, frequency of indents, quantity etc.
- Cost analysis (material cost, production cost, over-heads, profit margin),
- Terms of payment etc.

2.6 Mechanism to prevent corrupt practices:

In the procurement process

- a) Municipal employees,
- b) Bidder/Tenderer and his persons, and
- c) Elected representatives being members of sanctioning authority are associated.

At present, municipal employees are governed by the existing Municipal Corporation of Brihanmumbai Service (Conduct) Rules, as approved by the Corporation. Certain Ethical Standards (Code of Integrity) to be observed by the staff as also by Bidders, involved in the procurement process are separately laid down under Chapter 8 of the Manual.

2.7 Mechanism for redressal of grievances:

A tenderer may feel aggrieved in respect of the requirements incorporated in the qualifications/ pre-qualifications, criteria for eligibility and evaluation of bids or terms and conditions for submission of bids etc. as they are required to be disclosed in the respective documents such as pre-qualification documents, bidder registration documents or bidding documents for information of the bidder/ prospective bidder or bidders intending to get registered with MCGM. Bidders expect transparency, fair and equitable treatment at every stage of procurement. As such, it is necessary to deal with grievances of bidders or

prospective bidders by formulating appropriate procedure considering the spirit of the Procurement Bill 2012. A separate Chapter, No. 9, making available mechanism for redressal of grievances has been included in this Manual.

3. Different activities under Procurement Process:

Procurement process includes the following activities:-

- Preliminary process,
- Deciding Mode of Procurement,
- Preparation of Bid/Tender Documents,
- Invitation of Bids/Tenders,
- Evaluation and Acceptance of a Bid,
- Award of contract,
- Execution of contract,

This chapter deals with various steps of Preliminary Process. All other items are discussed in length under independent chapters to follow.

4. Preliminary Process:

4.1 Planning:

4.1.1 Planning can be Short Term, Long Term or Annual. Procurement planning is the process of assessing and projecting the procurement needs of the organization. It is a management tool. Once procurement plans are defined, they constitute the basis for monitoring progress of procurement process with the time frame. Procurement planning leads to:

- better probability of receiving strong offers,
- increasing competition leading to stronger offers at lower prices,
- less waste of resources on last minute actions,
- less repetitive, less labour intensive procurement activities,
- reduction of delays and lead times due to the ability to perform with time frame,
- reduced transaction costs through consolidation of actions, and
- better planning and monitoring of procurement activities.

4.1.2 One of the important stages of planning is to decide / fix time frame for completion of Procurement Process by taking into account various stages to be followed and magnitude and nature of goods / works etc. Once the Budget Estimates are approved by the Standing Committee / Corporation, budget provisions for the ensuing financial year are available from 1st April every year at the disposal of Procuring department. In the process of Budget preparation for the ensuing year, HoDs submit their budget proposal requiring allocation of funds particularly in respect of capital works for ongoing activities / works or procurement of goods, as also to be undertaken in the ensuing year. During budget meetings with MC once the allocation of funds to the respective department is approved / assured, the Procuring department shall determine priorities of procurements and start

procurement process such as preparation of plans and estimates, justifying priority, quantity required, preparation of bid documents and obtaining of administrative approval of competent authority etc. so that invitation of bids can be done as soon as Budget Provisions are available to the Procuring departments. Such a practice will considerably reduce the actual time frame for procurement of goods /services / works from the stage of invitation of bids to the stage of award of contract. HoD shall also display the list of prospective works / procurement goods on the MCGM portal so that the beneficiaries / public in general may give their suggestions / opinions about projects / works to be undertaken by the Corporation.

4.1.3 While deciding the priorities of works for the subsequent year, due cognizance of the works not undertaken from the priority list of previous year should be taken so that those works will not remain unattended.

4.2 Time frame:-

Pre-invitation of tenders-

4.2.1 For any activity or Procurement it is needless to say that the desired outcome should be achieved timely, economically, and to get better value for money spent by any Govt. undertaking. As such, it is necessary to determine reasonable 'time frame' for attending to various stages of Procurement of goods / works / services etc. Prescribing such a time frame or time limit and inclusion thereof in the pre-qualification document, bidder registration document or bid document as the case may be, will not only make the officials involved in the procurement process responsible and alert to achieve the target but also the bidders / prospective bidders to manage their production related activities.

4.2.2 Procuring department or HoDs shall therefore determine the reasonable 'time frame' for any procurement and indicate the same in the prequalification document, and bidding document. Any modification of such time limit shall be for the reasons to be specifically recorded.

4.2.3 To work out reasonable Time Frame for Procurement prior to invitation of bids following preparatory activities need to

be considered. HoD should decide the time frame for these preparatory activities depending upon the nature and magnitude of procurement:-

- Preparation of procurement programme
- Decide the priority.
- Preparation of plans and estimates.
- Determine eligibility criteria.
- Preparation of bid documents.
- Decide mode or method of procurement.
- Obtaining Administrative approval of Competent Authority.
- Invitation of bids / tenders by issuing tender notice.

- HoD should ensure timely completion of the process involved in each stage.
- Endeavour to adhere to the time limit or target date.

4.2.4 HoDs shall take care to ensure that contract shall be entered into within the original validity of the bids. Extension of bid validity must be discouraged and resorted to only in exceptional circumstances. While fixing the last date by which bids are to be finalized it is necessary to take into account—

- the reasonable time required for the bidders to prepare and submit bids;
- the time frame envisaged for procurement.

4.2.5 Post invitation of tenders-

The procurement process involves certain activities post invitation of bids also. The same are dealt with under Chapter - 4 of this Manual.

4.3 Justifying Need:

i) Municipal Commissioner in the discharge of duties & responsibilities as laid down in the MMC Act, is required to provide various civic services in Greater Mumbai such as Health, Solid Waste Management, Roads & SWDs and its maintenance, Water Supply, Sewerage Disposal, Primary Education etc. Exhaustive list of the duties both obligatory and discretionary, cast upon MCGM are enumerated under Section 61 and 63 of the MMC Act. For fulfillment of these duties requirement of goods, services and works by the Head of Departments may vary. For providing preventive and curative measures Health service requires procurement of Medicines, Surgical Equipments, Specialized items of Machines. Primary Schools require Uniform, books, furniture, mid day snacks etc. Thus, procurement will obviously depend on the activities and functions of the Department concerned as well as the policy of the MCGM and hence grounds of justification will vary accordingly.

ii) HoDs shall generally examine the urgency of procurement by clarifying or answering the following:-

- Is it annual / recurring purchase requiring award of rate contract?
- Is it one time or new item to be purchased?
- What is the use or purpose of goods to be purchased?
- Whether there is any substitute or alternative available to meet requirement?
- Whether the goods to be purchased are for discharge of obligatory / discretionary functions of the MCGM so that priority can be decided.
- Who are the beneficiaries?
- Is the Procurement of goods for providing / fulfilling as a part of service conditions of employees?
- Whether the purchase can be deferred if not that urgent and essential?
- Whether the procurement of goods proposed is within the Govt./ MCGM policy?
- Is it a right time to purchase depending upon the Market trend?
- Is the proposed procurement of goods innovative and provide improved social benefits /services at reduced cost?

- Whether sufficient budget provision / allocation is available or can be made available?

4.3.1. Justification for civil works:

(i) Majority of civil works are executed out of Loan Fund under Capital Works Budget for which Corporation has to make available funds by raising loan from internal source or from open market. Provision for repayment of loan is made by way of debt charges under Revenue Budget. Thus, capacity of repayment of loan by way of Debt charges is to be ascertained first. Thereafter, necessity and urgency of the work in the light of provision under section 61 and 63 of MMC Act needs to be considered.

(ii) The civil works are classified under two categories: (a) Original Works and (b) Repairs Works. “Original works” means all new constructions, additions and alterations to existing works, special repairs to newly purchased or previously abandoned buildings or structures, including remodeling or replacement. “Repair works” means works undertaken to maintain and increase the life of the asset.

(iii) While initiating any proposal for works HoDs shall justify the need on the basis of following points:-

- Nature of work / location.
- Whether repairs work or new project.
- If repairs, when was original work executed and when such repair work was last carried out?
- Whether under defect liability period.
- Whether it falls under obligatory / discretionary functions.
- Who are the beneficiaries?
- Annual recurring cost.
- Urgency of the work.
- Availability of adequate Budget Provision.

4.3.2 Before initiating any new work/ project a brief project report shall be prepared providing following details :-

- Background of the work/ project justifying the need for the work
- Details of scope of project
- Availability of land free of all encumbrances.
- Auxiliary services like roads, power, water supply, utility services, traffic problems.
- Details of concept drawings prepared and their approval by the user department.
- Execution method – through contract or otherwise.
- Time required for completion of project.
- Preliminary estimated cost.
- Cost benefit analysis of the project,
- Environmental impact assessment.
- Year-wise requirement of funds.

4.3.3 Justification for Services:

Due to the complexity or special nature of work or for adoption of modern technology it becomes essential to hire services of Experts or Professional Consultants to formulate a scheme and its implementation based on the requirement of the organization. Major works of complex nature or involving advance technique require assistance and guidance of experts. Projects undertaken with World Bank assistance require consultancy services as a condition. The consultants prepare designs, specifications, drawings, bill of quantities, even at times tender document, as per requirements of the Corporation. Fees payable to the consultants and payment schedule is formulated as per terms of the contract. In such consultancy services the need and justification will depend on the nature of services so hired.

4.4 Prescribing specifications:

4.4.1 ‘Specifications’ of goods is the description of what the purchaser wants to buy and consequently what the supplier is required to provide. Specifications can be simple or complex depending on the need and nature of goods. The specifications form part of the invitation to bid, proposal or quotation.

4.4.2 The procuring department therefore shall ensure that the detailed description of goods & specifications are not worked out with an intention to benefit or to confer undue favour to any particular bidder / bidders against principle of competition and equal opportunity.

4.4.3 While prescribing specifications due care shall be taken that-

- Specifications of the goods /works shall meet actual and essential need of the user.
- Over specifications are not prescribed which may affect competition and also unnecessary increase in the cost.
- Specifications should aim at procuring latest technology.
- Should give emphasis on factors like efficiency, low maintenance cost, etc.
- Specifications shall not be too restrictive indicating brand name etc. so as to ensure reasonable number of competitive bidder.
- Wherever available ISI and ISO approved specifications should be adopted.
- For any deviation from the ISI or any additional parameter for better performance specific reasons shall be recorded and approval of Dir.(ES & P) should be obtained.
- Specifications and the technical details shall be prepared with proper clarity to avoid any ambiguity.

4.4.4 HoDs shall use their best efforts to develop specifications that the bidder will understand. They shall use generic specifications in order to achieve effective competition and Best Value for Money. Specifications shall not refer to trade mark, brand names, catalogue numbers, types of equipment from a particular manufacturer, resulting in restriction of competition.

4.5 Determining quantity of Goods:

(i) The next important aspect in the process of procurement is the quantity to be purchased and how to determine it. Before initiating proposal for any procurement, the HoDs shall call for the following data-

- expected requirement based on consumption pattern,
- previous year's consumption,
- any balance quantity available with dept.
- reasons for increased / decreased requirement.

(ii) Such data shall be worked out by the consuming centre very carefully so that there is no addition / alteration once the procurement process is started.

(iii) Quantity should not be split into small quantities for the sole purpose of avoiding the necessity of taking approval of the higher authority. Such a practice will do away benefit of fair and reasonable price on bulk purchase thereby giving scope for purchase of goods at higher rate.

4.6 Determining Estimated Cost:

It is necessary to take care while working out the estimated cost of the procurement so that it is not exorbitant nor too low. For annual /regular procurement of goods once the quantity is fixed, the estimated cost can be determined on the basis of last purchase rate by taking into account aspect of inflation. In other cases of one time purchase or new items, the rate per item should be worked out by market survey, its analysis and working out reasonable cost. Similarly, collection and compilation of information on the prices of end products, input raw materials and price trends for various items will help to arrive at reasonable price of the product to be procured.

It is necessary to take in to account the installation and commissioning cost, servicing and manufacturing cost, cost and benefits of acceleration or delay in delivery etc, wherever applicable while working out the estimated cost.

4.6.1 While arriving at estimated cost following factors shall be taken into account-

* Last Purchase rate:-

Head of departments procure number of goods / services or equipments etc. and undertake various civil works to provide civic services in Greater Mumbai. Generally, the annual or periodical requirement of goods is met through Annual Contract or Rate Contract. Thus, estimated cost in such cases can be worked out on the basis of last purchase rate by allowing certain increase on account of inflation or reduction in the rate based on the market trend.

* Market Survey:-

Market survey is the best source to know the latest information in respect of price trend, prices of raw inputs, number of suppliers, status of availability or shortage of goods etc. to the Procuring department. Thus such periodical market survey by a separate cell under Central Purchasing Authority / Department will provide necessary data to the procuring department as and when required.

* Enquiry with manufacturers/distributors:-

Enquiries with the Manufacturers / Distributors of the goods / equipments etc. to be procured will reveal the correct price range of the goods / equipments as compared to the price in the market.

* Enquiry with other organizations:-

Enquiry with other Govt. Depts. / Organizations if they had made similar procurement recently will be helpful in determining the estimated cost.

4.7 Estimated cost : Civil work

For working out the estimated cost of civil work following factors shall be considered.

- Nature of work and its location.
- Plans and drawings.
- Site conditions
- Ancillary / Auxiliary work.
- Work completion period
- Price escalation
- Prevailing market schedules applicable to the work.

Due care shall be taken to prepare correct and appropriate Bill of quantity which is the base for working out the estimated cost, so as to avoid allowing extra / excesses or creation of fair items at later stage of contract.

Similarly site conditions and availability of encroachment free site proper access to site of proposed work should be ascertained before preparation of bill of quantity and estimated cost for civil works to eliminate the scope for extra / excess of items out of savings in the contract cost.

4.8 Administrative Approval:

(i) While seeking Administrative approval of the competent authority, the HoDs should ensure that proper justification is given for the procurement of goods and adequate Budget Provision is available for such procurement. If the procurement is of emergent and urgent nature and budget provisions for procurement is not available, it is necessary to clarify how HoD proposes to meet the Cost of purchase & whether Accounts Department is consulted in the matter.

(ii) Administrative approval for civil works based on the estimated cost of the work as per delegations approved by Corporation under Corporation Resolution No. 2074 of 27-3-1981 should be taken by the procuring department before invitation of bids.

(iii) Similarly, approval of the respective competent authority for plans and estimates as per delegation approved by the corporation under Corporation Resolution No. 2074 of 27-3-1981 should be obtained. Administrative approval obtained should be valid for a period of 3 years.

(iv) Basic points to be brought out in the proposal-

- Proper justification:-While seeking administrative approval for the proposal for procurement of goods / services / works the HoD shall ensure that proper and adequate justification is given by clarifying all necessary points.
- Budget provision:-

It is essential that for incurring expenditure on any activity to have a financial discipline suitable allocation of funds is available in Budget Estimates of MCGM. HoDs shall therefore plan their procurement of goods / services / works in the year well in advance and seek adequate budget provision at the stage of preparation / finalization of Budget Estimates. Generally, HoD shall not initiate the procurement proposals not having approved budget allocation as a routine unless the procurement is of absolutely urgent, emergent, and unavoidable for the reasons to be recorded. It is also important to ensure that the money spent/ expenditure incurred / to be incurred is applied for the purpose for which the allocation of fund is intended.

- Public financial Propriety:-

MCGM Fund which is generated by way tax, duties, fees, cess, etc. from the public should be spent judiciously. HoDs shall take due care that no proposal for procurement of goods / services / works involving improper expenditure or extravagance or waste of municipal money or stores, though the proposal may apparently be in order, is initiated with a view to maintain a high standard of public financial propriety . MCGM fund shall not be utilized for the benefit of a particular person or section of the community. It should be also ensured that expenditure is not prima facie extravagance or more than the occasion demands and does not exceed the Budget grant provided.

4.9 Publication of information:

As already stated earlier MCGM is required to undertake various activities to provide civic services to the city of Greater Mumbai as per the provisions of the MMC Act 1888. Money spent on these activities is out of the Municipal Fund raised by way of Taxes, Duties, Cess, Surcharge etc. from the tax payers and hence Municipal Commissioner being Chief Executive of the MCGM is responsible and accountable for every rupee spent on these activities for providing Civic Services. As per provision under Section 86(3) of the MMC Act it is mandatory on the part of MCGM to disclose inter-alia all the information related to the Financial Statements /Position, Balance sheet, Budget allocation and Plans / Programmes regarding major works, various civic activities and

actual and proposed expenditure etc. for the information of general public. As a matter of fact, it is an appropriate provision to comply with the right to know or RTI Act.

In the light of aforesaid provision MCGM should disclose all the relevant information in respect of the plans for purchase of Goods / Services or Works, their estimated cost, etc. on the MCGM Portal so that the general public will know the activities proposed by the MCGM and calling for suggestion, if any within a stipulated time period. This will encourage involvement of citizens in the activities of the Corporation.

Chapter - 2 : Procurement Methods.

1. Preamble:

The Guidelines prescribed in the Procurement Bill 2012, presented by the Govt. of India in Lok Sabha describe various procurement methods that can be used by purchasing or procuring entity. The key to the selection of method is to understand what situations are suitable for each of them. Depending on the nature and size of the project and its procurement elements, respective HoD may use any of the methods to procure goods, works and services.

It is very important that the public procurement function is discharged honestly, fairly and in the manner that secures best value for public money. The procurement method should be cost effective, efficient and with high standards of probity and integrity. The procuring dept. is publicly accountable for the expenditure incurred. The choice of procurement method will depend on number of factors such as-

- the nature of the goods and services to be procured;
- the value of the procurement;
- the local availability and cost of goods and services;
- critical dates for delivery; and
- transparency of procedures proposed.

Whatever method HoDs may adopt they shall have to give justification in writing explaining the circumstances for such a selection. HoDs shall have to satisfy themselves that the selected type of competition is efficient, economical and results in obtaining, 'best value for money'. Non discrimination, equal treatment, transparency, mutual recognition, freedom to provide service are the essential principles to be observed while selecting a method in public procurement.

2. Different Methods:

2.1 Commonly used methods of procurement include -

- open competitive bidding;
- limited competitive bidding;
- two-stage bidding;
- single source procurement;
- electronic reverse auctions;
- request for quotations;
- spot purchase;
- repeat order;
- shopping.
- Petty Purchase;

2.2 Open Competitive Bidding:

2.2.1 It is a basic principle of public procurement that a competitive process is adopted unless there are justifiably exceptional circumstances. Open competitive bidding is the most preferred method of procurement by the Govt. Agencies. It helps in maintaining transparency and giving equal treatment and opportunities to the bidders. It eliminates possibility of discrimination, anti-competitive practices and collusive tendering. For this, adequate publicity as laid down under section 481, read with section 72 of the MMC Act through Newspapers as also by using electronic facilities, should be given by the procuring department so that large number of bidders can participate in the procurement process.

2.2.2 The provision of Section 72(1) of the Act provides that the Municipal Commissioner shall, at least seven days before entering into any contract for the execution of any work or the supply of any materials or goods which will involve an expenditure exceeding the amount specified in the Act, give notice by advertisement in the local newspapers, inviting tenders for such contract.

2.2.3 Also, Section 481 stipulates that whenever it is provided by this Act that notice shall be given by advertisement in the local newspaper or that a notification or any information shall be published in the local newspaper such notice, notification or information shall be inserted if practicable, in at least two English newspapers, one Marathi newspaper and one Gujarati newspaper published in Brihan Mumbai.

2.2.4 Further, in the view of the implementation of e-tendering process tender notice of bids should also be made available on MCGM Website as well.

2.2.5 In case the requirement of goods is of periodical or annual nature, the same can be met by entering in to Rate Contract by inviting competitive bids from the bidders registered with the MCGM, so also the unregistered bidders, where condition of registration is not stipulated, to procure goods at fair and reasonable price, and to reduce the frequency of invitation of bids.

2.2.6 Advantages of Competitive Bidding:

- Openness and transparency.
- Wide publicity, better response.
- Fulfillment of basic principles of procurement.
- Fair and reasonability of price.
- Choice of selection of better offer.
- Equal treatment and opportunity to bidders.

2.3 Limited Competitive Bidding:

2.3.1 Limited competitive bidding means restricted bidding where the bids are called from known preselected bidders for procurement of particular items of goods, services or works. Generally, the procuring department may adopt this procurement method in following circumstances:-

- If the goods to be procured are supplied only by limited number of bidders and no useful purpose would be served by adopting open competitive bidding process.

- The time and cost involved in adopting the open competitive process and evaluation of large number of bids may not be commensurate with the estimated cost of procurement, which will be against the principle of economy and cost effective procurement.
- As a policy directives of GOI / GOM for promotion of Domestic Industry, Socio-Economic policy, reservation to women and qualified engineers.
- In emergent situations or unforeseen events to provide medical services in the interest of public health in epidemics , to protect and save public property and lives, public security etc.

2.3.2 However, while adopting the method of restricted bidding the procuring department should see that adequate number of bidders who can supply the required goods are selected in a non- discriminatory manner to ensure effective competition, fair price and transparency.

2.3.3 In case, any of the bidders who fulfills the eligibility criteria but was not invited to bid, submits his bid, the Procuring department should allow such bidder, to participate in the bidding process.

2.3.4 This method presupposes maintenance of list of prospective bidders by adopting definite procedure and non-discriminatory criteria for enrollment on such a list. It is also necessary to exhibit the invitation of bids on the official portal of MCGM.

2.3.5 The procuring department shall not justify this procurement method unless situation demands and in exceptional circumstances. Invitation of quotations in such cases will, amount to deviation from the provisions of Section 72(1) of the Act. In that case, specific sanction of the Standing Committee (or the Education Committee) under Section 72(3) of the Act shall be obtained.

2.4 Two Stage Bidding:

2.4.1 Two Stage Bidding Method may generally be chosen if—

- It is not feasible to formulate detailed specifications or to identify specific characteristics of subject to be procured.
- The character of the procurement subject has rapid technological advances or market fluctuations or both;
- The bidder is expected to carry out a detailed survey or investigation and undertake a comprehensive assessment of risks and costs associated with the particular bid.

2.4.2 In the first stage-

- The procuring entity shall invite bids containing technical aspects and contractual terms and conditions but without a bid price.
- All such eligible bids, shall be evaluated by competent officer.

- HoD of the procuring department shall give equal opportunity to all bidders to participate.
- On review and evaluation but without modifying the fundamental nature of the procurement itself, HoD may add, amend or omit any specifications or criterion for evaluation.

2.4.3 In the second stage-

- The procuring entity shall invite bids from all those bidders who were found eligible in the first round.
- Such bidder shall present final bid with bid prices in response to a revised set of terms and conditions of the procurement.
- Any bidder, invited to bid but not in a position to supply the subject to be procured due to modifications in the specifications or terms and conditions, may withdraw from the bidding proceedings without forfeiting any bid security.

2.5 Single Source Procurement:

In the following circumstances Single source procurement method can be adopted:

- Goods to be procured is a monopoly item having exclusive rights and no alternative or substitute source is available in the market.
- Extreme urgency on account of a sudden unforeseen event such as protection of property/ human/ animal life and their health etc. contingencies covered under Section 64(3) of the MMC Act.
- Goods, equipments already purchased require some goods for standardization or compatibility, provided the cost of additional goods is not more than 50% of the cost of original goods.
- There exists a contract and additional quantity of goods so required does not exceed 25% of the original quantity and no fruitful purpose would be derived regarding price or competitive rate by invitation of fresh competitive offers.
- Govt. Policy or directions from GOM / GOI to give preference to a particular category.

2.6 Electronic Reverse Auction:

2.6.1 "Electronic Reverse Auction" means an online real-time purchasing technique utilized by the procuring entity to select the successful bid, which involves presentation by bidders of successively lowered bids during a scheduled period of time and the automatic evaluation of bids;

2.6.2 This method of procurement can be adopted if—

- i. it is feasible to formulate a detailed description of the subject to be procured.
- ii. there is a competitive market to participate in the electronic reverse auction.
- iii. the criteria to be used in determining the successful bid are quantifiable and can be expressed in monetary terms.

2.6.3 The procedure for electronic reverse auction shall include the following, namely:—

a) the procuring entity shall obtain bids through an invitation to be published or communicated,

b) the invitation shall also include details related to

- access to and registration for the auction;
- opening and closing of auction;
- norms for conduct of the auction;
- any other information as may be relevant to the method of procurement.

2.7 Request for Quotations:

2.7.1 This method of procurement is used particularly where

- the cost of material to be procured is less than the cost involved in invitation of competitive bids,
- there is an established market for the goods to be procured,
- goods or works or services to be procured are urgently required for maintenance or urgent repairs.

2.7.2 Procedure for request for quotations shall include the following,

- quotations shall be invited from as many potential bidders as practicable;
- each bidder shall be permitted to give only one quotation;
- the successful quotation shall be the lowest priced quotation meeting the needs of the procuring entity.

2.8 Spot Purchases:

HoDs may resort to the option of Spot Purchase in emergent situations subject to:-

- recording urgency of such purchase and that the goods purchased shall be at reasonable price.
- where the amount of such purchase exceeds the financial powers of HoD, formal or telephonic consent of the higher authority shall be obtained.
- the requirement of quantity of goods should not be divided into parts to fit within the financial delegation of the lower authorities.

2.9 Repeat order:

At times need of some additional quantity of goods is felt or certain additional work is required to be entrusted to the contractor with whom already there exists a contract. In such cases instead of going through all the stages of procurement, HoD may place repeat order of goods or entrust the additional work to the existing contractor provided there exists such a provision or clause in the existing contract, subject to following:-

- HoD is satisfied that no useful purpose would be served or no further competition would be obtained by adopting any other method of procurement and the prices are fair and reasonable.
- Such a practice of placing repeat orders on the existing contractors should not be resorted to, as a routine, and to confer undue benefits to the contractor.
- In respect or contract for multiple items repeate order for additional quantity should not exceed 25% of the original quantity or 5% of the original contract cost.

2.10 Shopping:

- IT is a procurement method based on comparing price quotations obtained from several suppliers, either on phone or in person, to ensure competitive prices.
- It is a simple and quick procurement method.
- Shopping should not be used as an expedient to by-pass more competitive methods or divide large procurement into smaller ones solely to allow the use of Shopping.

2.11 Petty Purchases:

Routine purchases on cash basis out of petty account.

3. Different types of contract /agreement:

3.1 Frame work agreement:

The latest available definition of frame work agreement or contract as per Procurement Bill 2012 is as under:-

"Frame work agreement" means an agreement entered into by procuring entity with one or more bidders, valid for a specified period of time, which sets out terms and conditions under which specific procurements can be made during the term of the agreement and may include agreement on prices which may be either pre-determined or determined at the stage of actual procurement through competition or a process allowing their revision without further competition”.

This definition is self explanatory. Framework agreement is also known as Rate Contract or Long Term Agreement. This method is generally adopted when the need for the subject matter of procurement is expected to arise on a recurring/ periodical basis or on urgency basis during a given period of time. This type of agreement ensures a reliable source of supply for goods and services at the lowest possible price. This method is cost effective, since the competitive tendering process is only carried out once. This leads to

reduced cost. Under this agreement orders can be placed directly to the contractor and products can be purchased at a set price and of approved quality.

3.2 Rate Contract for supply of goods :

A Rate Contract is an agreement between the purchaser and the supplier for supply of specified goods or services at specified price and terms & conditions during the period covered by the Rate Contract. The Rate Contract system provides various benefits to both the Procuring agency and the Supplier as indicated below..

Benefit to Procuring agency:-

- Competitive and economical price due to aggregation of demands.
- Saves time, efforts, man-hours and related costs involved in time consuming as well as repetitive tendering process.
- Availability of quality goods with full quality assurance back-up.
- Enables procurement as and when required and thus reduces inventory carrying cost.
- Provides one single point of contact to procure such items.

Benefit to Suppliers:-

- Reduces marketing cost and efforts.
- Eliminates repetitive tendering and follow-up actions with multiple users.
- Provides single point contact.

3.3 Maintenance Contract:-

Some goods, especially sophisticated equipment and machinery need proper maintenance for trouble free service. Maintenance contract is to start after expiry of the warranty period.

Maintenance contract may be entered into either with the manufacturer/supplier of the goods or with any competent and eligible firm. An equipment with a lower quoted price may carry a higher maintenance liability. Therefore, total cost on purchase and maintenance of the equipment over its projected lifecycle should be assessed to consider its suitability for purchase.

If the goods to be maintained are sophisticated and costly, the bid document should invariably have a provision for obtaining performance security. The amount of performance security will depend on the nature of the goods, period of maintenance etc.

Sometimes, the maintenance contractor may have to take the goods or some components of the goods to its factory for repair etc. On such occasions, before handing over the goods or components, suitable guarantee should be obtained.

During the tenure of a maintenance contract, especially with a longer tenure, it may become necessary to withdraw the maintenance contract. Specific clause that “The purchaser reserves its right to terminate the maintenance contract at any time without

assigning any reason. The contractor will not be entitled to claim any compensation against such termination” shall be included.

3.4 Turnkey Contract:-

A turnkey contract is a mix of goods contract and works contract. The contractor is to design the project and quote accordingly. The responsibility of the contractor will include supplying the required goods, machinery, equipment etc. needed for the project; assembling, installing and erecting the same at site as needed; commissioning the plant to meet the required output etc.

3.5 Buy Back Offer:-

When it is decided to replace some existing old goods/ equipments with their newer and better versions/substitutes, the department may trade the existing old goods while purchasing the new ones. Suitable clauses may be incorporated in the tender document so that the interested tenderers can submit their tenders accordingly. However, this option should be resorted to only in exceptional circumstances provided the price quoted is fair and reasonable and with the specific approval.

3.6 Percentage Rate Contract:-

This type is adopted for civil works. For percentage rate of tenders, the contractors are required to quote rate at overall percentage above or below the total estimated cost.

3.7 Piece Work/Petty Works: -

Certain works of repairs / improvement nature of Roads, Storm Water Drain, Pavements or other low value civil works are carried out in the wards. Civil contractors having registration in higher class are generally reluctant to take up such works at ward level. Petty works contractors are assigned such work in each ward by inviting tenders for such petty works.

3.8 Lump sum Contract:-

This form is used for work in which contractors are required to quote a lump sum amount for completing the works in accordance with the given designs, specifications and functional requirements.

3.9 Contract for demolitions:-

This form of contract is adopted for demolition of buildings and removal of debris from the site etc. In such contract a specific clause for demolition cost less value of salvaged material shall be inserted. Also a clause stipulating that contractor has to make his own arrangement to remove debris has to be included.

4. Packet System:

In this system bidders are required to submit their bids and all related and required information in different packets. Contents of each packet are elaborately explained in the bid documents. Generally, they form three groups. First is that of Mandatory documents, second is of Technical requirements and third is that of a financial offer.

5. Documentation:

In line with the procurement principles of transparency and accountability, and in order to facilitate internal and external audit, every step in the procurement process and the decision taken at each stage with reasons or justifications shall be recorded and kept on file. As per the orders in respect of classification of record, Procurement files are to be preserved as important record.

Procurement files should include the following information/documentation:

- Justification,
- Requisition,
- Specifications,
- Justification for adopting a particular procurement method and type of competition,
- Terms of reference,
- Bid Documents with drawings and Bill of Quantities,
- Original offers received from the tenderers,
- Evaluation report,
- Tender Committee recommendations,
- Approval of the Competent Authority,

- Correspondence with contractor,
- Amendments to contracts,
- List of Extras and Excesses,
- Proof of receipt of goods,
- Receipt and inspection report,
- Certificate of completion,
- Proof of payment,
- Release of Security Deposit etc.

As explained in the beginning of the chapter, selection of appropriate procurement method depends on number of factors. However, while adopting any of the methods, it is to be kept in mind that basic principles of procurement must be followed religiously.

Chapter - 3 : Bid Documents and their contents.

1. Background:

Bid Documents is a set prepared for each proposed procurement involving competitive bidding, both to inform and instruct potential bidders, suppliers and contractors of the requirements expected of them in a particular procurement. Bid documents, therefore should clearly define the scope of works, goods or services to be supplied, the rights and obligations of both the parties and the conditions to be met. The details and complexity of bidding documents will vary according to the nature and magnitude of the contract. **Central Govt. in the Procurement Bill 2012 have proposed that** the bidding document shall contain—

- (a) the description of the subject matter of procurement;
- (b) in case of procurement of —
 - (i) goods, its specifications including the nature, quantity, time and place or places of delivery;
 - (ii) works, the nature and location or locations of the works;
 - (iii) services, the nature of the services and the location or locations where they are to be provided;
- (c) the limitation for participation ;
- (d) the manner, date and time for presentation of bids;
- (e) the criteria for evaluation of bids;
- (f) the essential terms of the procurement contract;
- (g) any other information which the procuring entity considers necessary for the bidders to submit their bids.

2. Set of Bid Documents:

2.1 Bid documents may generally be divided into different sets covering all the areas facilitating the prospective bidder to understand the conditions and requirements for submitting the bid.

Part I:

- Invitation to bid- e-Tender Notice,
- Pre-bid qualifications/Eligibility Criteria,
- Specific Qualifications,
- Mandatory Conditions,
- Earnest Money Deposit,
- Evaluation Criteria,

- Instructions to Bidders re:

Pre-bid meeting,

Common Partners,

Contents of each envelope,
Rates, taxes, validity period,
Signing and submission of tenders,
Tender processing program.
Integrity Pact,
Mechanism for redressal of Grievances,

Part II:

- General Conditions of Contract-GCC,
- Special Directions / Instructions to bidders,

Part III :

- Technical Specifications and Drawings,
- Bill of Quantities,
- Schedule of Supplies,(for goods),
- Scope of work,

Part IV :

- Bidders offer form.
- Article of agreement

Part V:

- Different forms and undertakings.

The set of Bid Documents shall be made available on the MCGM Portal so that interested bidders can have access to it by following the guidance provided on the portal itself.

2.2 e-Tender Notice:

This has been discussed in detail under Chapter No. 4.

3 Pre-bid qualifications/ Eligibility Criteria:

3.1 In any activity of procurement of goods / works or services two agencies are involved viz. Purchaser and Seller. Purchaser or Procuring Agency will see that the procurement of goods /works/ services to be procured are available in adequate quantity, at reasonable competitive price and assured supply of quality materials. Similarly, the suppliers are always in the search of assured and regular customer / purchaser for his products for continuance of profitable business activity. It establishes the relation between the two. Therefore before establishing or developing such relation, mutual understanding and recognition of each other becomes essential. A procuring agency should ascertain whether

bidder with whom he is dealing with is having good social conduct, abides by the laws of the land, his professional / technical capacity and financial status and capability to fulfill the requirements of goods /works / services at competitive market price for this pursuit. Therefore, the procuring agency should determine certain qualification criteria / norms for deciding bidders from whom competitive offers can be invited as and when required.

3.2 Pre-qualification is a method of assessing prospective bidders against pre-determined criteria and only those who meet established criteria are invited to bid. This process ensures that bidders with adequate capabilities and resources only take part in the tendering process.

3.3 Prequalification screens potential bidders and is designed to provide the following benefits:

- Leading contractors and suppliers are more likely to bid knowing that competition is confined to only those qualified.
- The evaluation of bids only from qualified bidders may result in time and cost savings.
- It eliminates the threat of pressure being applied by marginally or unqualified bidders for their low prices to be considered.
- It encourages creation of appropriate joint ventures.

3.4 The procuring department should initiate action to prequalify the bidders and identify the qualified bidders, to participate in the procurement process prescribing certain norms or criteria as per the requirement of goods or services to be procured or works to be executed. Where pre-qualification process is undertaken in respect of a particular procurement, the procuring department shall invite bids for that procurement from the pre-qualified bidders only. Any requirement or norms determined for pre-qualification of bidders shall be set out in the pre-qualification document or bidder registration document, if any, and in bidding document and shall apply equally to all bidders.

3.5 Pre-qualified bidders shall be invited to submit bids which shall be eventually evaluated to determine the lowest evaluated responsive bid. The Procuring department should request bidders to confirm and update essential prequalification information at the time of bid submission. The lowest apparent evaluated responsive bidder may be denied the contract if evaluation of the updated information indicates that the bidder, no longer possesses the necessary capabilities. This could occur because of changed financial situation, loss of equipment or key personnel, or lack of capacity.

3.6 Prescribing prequalification should not be used to limit competition to a predetermined number of potential bidders. With a view to get encouraging response the prequalification documents should call for details related to:-

- moral and social conduct,
- source of supply,

- financial capability and ability,
- personnel /professional capabilities,
- past experience relating to the project/ supply,
- equipment capabilities,
- arbitration / litigation history.

3.7 Moral and Social Conduct:

- faithful compliance of the statutory obligations related to filing of tax returns to the Government,
- sound financial background and not be insolvent, in receivership, bankrupt or being wound up;
- not have its affairs administered by a court or a judicial officer;
- not have its business activities suspended; and
- not be subject to any legal proceedings for any of the foregoing reasons;
- not have any of the directors and officers, convicted of any criminal offence, professional misconduct or making of false statements or misrepresentations with respect to their qualifications to enter into a procurement contract, prior to procurement process or not otherwise have been disqualified pursuant to debarment proceedings;

3.8 Source of supply:

3.8.1 This will generally be applicable in respect of supply of goods. Therefore CPD shall include in the respective tender the conditions as applicable to that tender.

- Only the manufacturers or the 100% subsidiary of the manufacturers or importers or the authorized distributors of the manufacturers /100% subsidiary of the manufacturers shall be qualified to fill and submit the tender.
- The importers or the authorized distributors choosing to bid for the tender should submit the authority letter issued by the respective manufacturer or the respective 100% subsidiary of the manufacturer.
- Offers received from importers or the authorized distributors without the authorization letter from the respective manufacturer or the respective 100% subsidiary of the manufacturer, shall be rejected. Bids received from dealers or any agency shall be rejected outright.

- Tenderer as well as that of Manufacturer's complete address, list of partners with their names and commercial and residential addresses, must be indicated in the format prescribed in the bid document.

3.8.2 When the tenders are invited from the Suppliers on the approved list of the MCGM by prescribing category and class, each tenderer will have to fulfill minimum qualification so prescribed for respective class. The same criteria shall be made applicable to the respective tenderer even when tenders are kept open to all general tenderers.

3.8.3 If the offer for material to be purchased is open for both domestic as well as foreign bidders then a specific clause giving preference to domestic bidders / manufacturers shall be included in the bidding documents.

- i. Where offers for imported goods are received from domestic bidders, and foreign bidders, other aspects/ conditions being common preference be given for the domestic bidder.
- ii. For imported goods/ equipments, if offer are received from domestic manufacturer as also foreign manufacturer, the other things being common particularly the specification and price the domestic manufacturer be given preference.

3.9 Financial / Professional/ Equipment/ Experience capabilities:

3.9.1 MCGM at the stage of registration of Civil/Mechanical /Electrical/ Electronics contractors has prescribed norms of eligibility in respect of experience, technical, personnel, financial and equipment capability, bid capacity i.e. financial limit for bidding, by the tenderers and based on these norms appropriate class in the respective category of registration is granted. As such, while incorporating the criteria for eligibility of bidders i.e. qualification of bidders in the bid document, HoDs should ensure that the norms of eligibility included in the bid documents are not less than what are already prescribed at the stage of registration of contractors for the respective class and category as detailed before.

3.9.2 Requirements for Civil Works

(All Fig. in Lakhs)

Class	Upper limit of Tendering	Minimum Solvency	Average Annual Total Turn-Over for Last 3 Years	Cost of Single Work Completed during Last 3 Years related to the Category Applied	No. of Engineers (Employees)
AA	Without Limit	175	730	300	4 Graduate with 5 yrs & 1 Diploma Holder with 7yrs experience
A	900	90	450	150	2 Graduate with 3 yrs & 1 Diploma Holder with 5 yrs experience
B	300	60	150	75	1 Graduate with 3 yrs & 1 Diploma Holder with 5 yrs experience
C	150	45	75	45	1 Graduate with 1 yr or 1 Diploma Holder with 3 yrs experience
D	75	30	20	0	1 Fresh Graduate or 1 Diploma Holder with 1 yr experience

As far as minimum requirement of machinery for civil works is concerned please refer to Annexure 12 A of this Manual.

3.9.3 Requirements for Mechanical/ Electrical Works

					(All Fig. in lakhs)
Class	Upper limit of Tendering	Minimum Solvency	Average Annual Turnover for Last Three Years	Estimated cost of works in hand	No. of Engineers (Employees)
AA	Without Limit	30	60	20	1 Graduate with 5 yrs experience or Diploma with 7 yrs experience
A	60	15	30	10	1 Graduate with 3 years experience or Diploma with 5 yrs experience
B	30	7.5	15	5	1 Fresh Graduate or Diploma with 3 yrs experience
C	6	1.25	0	0	Diploma holder with 1 yr experience

As far as minimum requirement of machinery for electrical etc. works is concerned please refer to Annexure 12 B of this Manual.

3.9.4 Likewise, the criteria or norms for eligibility of suppliers, as regards to financial and production capacity, solvency, average turnover etc, have been proposed to be fixed at the time of registration as the suppliers. Thus, while inviting offers/ tenders for supply of goods etc HoDs shall see that the eligibility criteria/ norms or qualification of bidder included in the Bid documents shall not be less than that what are prescribed for registration in the respective class and category in the Rules of Registration of Suppliers as stated below.

3.9.5 Supply of Goods/ Medicines, Plant & Machinery etc.

			(All Fig. in lakhs)
Class	Upper limit of Tendering	Minimum Solvency	Average Annual Turnover Over for Last Three Years
A	Without Limit	60	300
B	Up to 500	40	175
C	Up to 300	20	100

3.9.6 The tenderer shall submit solvency certificate of appropriate value from the Nationalized /Scheduled / Foreign Banks issued not more than 6 months earlier as on the due date.

3.9.7 Each tenderer should submit certificate from Charter Accountant showing annual average turnover for the last three years.

3.9.8 To ensure that bidders do comply with the above criteria, procuring entity shall ask the bidders to provide such information in the prescribed format to decide eligibility of bidder in accordance with the criteria determined.

3.10 Litigation History:

The tenderer shall upload online information on litigation / arbitration history in which the tenderer is involved including NIL report, as per Annexure.

3.11 Promotional Policy:

The procuring entity shall not prescribe any pre-qualification aimed at limiting participation of bidders in the procurement process that would discriminate amongst bidders or against any category thereof, except in respect of the following:-

- promotion of domestic industry;
- socio-economic policy of the Government;
- any other consideration in public interest in furtherance of a duly

notified policy of the Government;

- qualified engineers as per Section 72 A of the MMC Act.
- protection of public order, morality or safety;
- protection of animal life or plant life or the life of human beings and their health;
- to protect intellectual property;

3.12 Once this exercise of prescribing qualification is completed it is necessary to include it in the bidding document, pre-qualification document or bidder registration document, making it known to all in advance and made applicable to all bidders equally. And once this is done the procuring entity shall evaluate to qualifications of bidder only in accordance with the requirements specified.

3.13 Joint Venture:

Whenever any eligibility criteria permits formation of Joint Venture and quoting for the tender, following conditions shall be observed:-

3.13.1 The qualification criteria shall be met by the tenderer, as a Single Firm entirely on its own, or by forming a Consortium of not more than firms / companies. Each tenderer shall submit only one tender either by itself, or as a partner in a Consortium. Further, a company participating in the Consortium cannot submit the tender separately in its own name. A tenderer who submits or participates in more than one tender shall be summarily disqualified.

3.13.2 In any registered Joint Venture the share of Lead Partner shall not be less than 51 %. The consortium collectively and Lead Partner individually shall fulfill the criteria as prescribed. All partners of the Consortium shall be legally liable, jointly and severally, during the bidding process and for the execution of the contract in accordance with the contract terms.

3.13.3 A copy of the Consortium Agreement entered into by all the partners shall be submitted online with the tender in envelop 'A'. The Consortium agreement shall include, among other things, the Consortium's objectives, the proposed management structure, the contribution of each partner to the Consortium's operations, the commitment of the partners to joint and several liability for due performance, recourse/sanctions within the consortium in the event of default or withdrawal of any partner, and arrangements for providing the required indemnities.

3.13.4 Consortium Agreement shall contain a clause to the effect that there shall be a separate Consortium Bank Account (distinct from the Bank Accounts of the individual partners) to which the individual partner shall contribute their share capital and/or working capital. Consortium agreement shall also contain a clause to the effect that the financial obligations of the consortium shall be discharged through the said Consortium Bank Account only and all the payments made by/or to M.C.G.M. shall be through that account alone.

3.13.5 The eligibility of a Consortium does not necessarily qualify any of its partners to bid individually or as a partner in any other Consortium of Association.

4. Specific qualifications:

4.1 Pre-qualification mentioned above are the minimum that every prospective bidder intending to bid shall fulfill for the respective bid. However, procuring entity may prescribe additional requirements for any specific bid. Such enhanced prequalification is generally required in procurement of:

- complex or specialized works, goods or services,
- a particular type of goods or service to be procured on a regular basis,
- when high degree of risk is involved in fulfillment of respective procurement,
- the importance of the works, goods or services for the project is high,
- the information and technology system is being procured.

4.2 The area of such enhanced and specific qualifications shall be in respect of

- Particular Experience required for work or supply,
- Financial Capabilities
- Personnel Capabilities
- Equipment Capabilities
- Capacity of manufacturer and supplier / distributor in above areas.

5 Mandatory Conditions:

5.1 Following are the Mandatory Conditions. Every tenderer must note that his tender shall be rejected outright if he-

- **Stipulates..**

- i. The validity period less than what is required in the bid documents.
- ii. Hedging condition/ own conditions.

- **Does not disclose..**

- i. The full names, addresses, telephone Nos., Mobile Nos. E-mail ID of all his partners in the case of partnership concern.
- ii. Office address, godown address, phone Nos. etc.
- iii. Status in the prescribed format.

- **Does not scan and upload...**

- i. Duly filled in and signed tender form, required declarations / undertakings etc.
- ii. Copy of Demand Draft / Pay Order towards EMD or proof of electronic transfer of EMD in specified account.
- iii. Documents as specified for inclusion in Packet 'A' and Packet 'B'.
- iv. Shops and establishment certificate as well as Property tax clearance certificate of tenderer's premises / offices located in Mumbai.
- v. Proof of filing of latest income tax returns.
- vi. PAN CARD.

of his own in case he is retailer/dealer/supplier/distributor

in case of Company or firm –

in case of Proprietor/Ownership firm

in case of a Private Limited Co.

in case of a Partnership firm

in case of a Sanstha/Society or Trust registered under Public Trust Act 1950/ Registration Act 1860/ The Maharashtra Co-op Societies Registration Act 1960 (whichever is applicable). (However, in case of Public Limited Companies; Semi Govt undertakings, Govt Undertakings, no "PAN CARD" shall be insisted.)

- vii. Photographs of individual, proprietor or all partners, as the case may be.

- viii. Latest partnership deed in case of partnership firm and R.C. & MOU in case of Private Ltd. Firm, Agreement of Consortium in case of Jt. Venture.
- ix. Attested copy of Sales tax, Central Sales Tax, VAT registration certificate (wherever applicable).
- x. Turnover Certificate and Solvency Certificates.
- xi. Copy of Power of Attorney if tender documents are signed by holder of Power of Attorney.
- xii. Documentary proof in support of fulfillment of eligibility criteria.
- xiii. Declaration on stamp paper of Rs...../- in respect of correctness and fulfillment of applicable conditions as above.

5.2 If any Tenderer fails to comply with any of the above mandatory conditions or fails to submit relevant information with the tender, the tender shall be rejected outright and no further correspondence with the bidder calling for any document shall be made. Also, no changes whatsoever will be permitted on opening of Packet 'A'. However, if any clarification is needed in respect of documents submitted by the bidder, MCGM may call for such clarification from the respective bidder who shall submit the same within 3 days from receipt of such a requisition from the MCGM. If the bidder fails to reply to such a reference within the stipulated period 5% of the EMD paid by the bidder should be deducted and forfeited and his bid should be treated as non-responsive. At no stage any fresh document shall be accepted.

6. Earnest Money Deposit:

6.1 Purpose:

EMD has a wider meaning. However, as far as tenders/bids are concerned it can be said that an earnest money payment is a deposit towards the publicly tendered government contract. It demonstrates that the person/firm is serious (earnest) about wanting to complete the assignment. When a buyer makes an offer to buy the goods or the services or desires to entrust the work and the seller makes offer to honor it, the seller (tenderer/bidder) agrees and pays earnest money deposit demanded by the buyer with commitment that his offer will remain valid for the period required by the buyer.

EMD is required as a condition of contract for the bid. It assures compensation to the contracting agency for the time and money lost if the successful bidder fails to honor his bid and enter the contract.

6.2 Quantum:

The bidders are required to furnish EMD along with their bids. Amount of EMD should ordinarily be between 2% to 5 % of the estimated value of the goods to be purchased or the work to be executed subject to maximum limit prescribed in the respective bid. However, depending on the type of goods, its value and urgency of requirement, the exact amount of EMD should be decided by the procuring department.

6.3 Mode of Payment:

Generally, EMD is accepted in the form of Cash, DD, Pay order, Postal Saving Certificate, NSCS ,Govt. Securities etc in other organization. However, in Municipal Corporation of Greater Mumbai EMD is accepted either in Cash or in the form of DD only as per practice in vogue for administrative convenience.

6.3.1 Following conditions for payment of Earnest Money Deposit payable for particular tender be included in each tender document:-

- Amount of EMD- Rs.
- Mode of EMD- By pay order or by Demand draft drawn in the name of the 'Municipal Corporation of Greater Mumbai' and payable at Mumbai or by electronic transfer to specific account.
- Time limit- In an envelope on the due date but before Closing time of submitting bids, physically in the office of.....
- A scanned copy of such DD/ PO along with the details as per format shall be uploaded in packet 'A'.

6.3.2 Original DD or PO as the case may be, shall be delivered in the office of..... any time before due date and time of uploading of Bid offer as under:-

- ✓ Insert the DD with Annexure giving details of DD/PO in the envelope.
- ✓ Encode the envelope.
- ✓ Give details of encoding in the above Annexure.
- ✓ Mention only Tender No. on the envelope.
- ✓ Deliver the envelope as mentioned above.
- ✓ Remain present with the details of encoding at the time of opening of bids so that details of tender can be decoded in the tenderer's presence.

6.3.3 Till MCGM revises its present policy, it shall be specifically mentioned in every tender that tenderers who are on the approved list of the MCGM will please note that the facility of availing the benefit of standing deposit has been withdrawn and they are now required to pay EMD for each tender submitted separately in the manner explained above.

6.4 Exemption:

The M.S.S.I.D. Corporation Ltd., a Govt. of Maharashtra Undertaking has been exempted from the payment of tender deposit while participating in tenders floated by M.C.G.M. in their own capacity and not to any small scale unit of M.S.S.I.D. Corp. Ltd.

6.5 Forfeiture:

EMD of a tenderer/bidder shall be forfeited, if the tenderer/bidder withdraws or amends its tender or impairs or derogates from the tender in any respect within the period of validity of its tender. Further, if the successful tenderer/bidder fails to furnish the required performance security within the specified period, its EMD shall be forfeited. Also, if the tenderer fails to reply to any of the references made by MCGM calling for any information / clarification 5% of EMD paid shall be forfeited.

6.6 Refund / Adjustment:

6.6.1 EMD furnished by all the tenderers shall be returned to them without any interest, as follows:-

- In case on non-responsive bidders : immediately after evaluation of bids.
- In case of responsive bidders :
 - Except first three lowest, immediately after Tender Committee recommendations.
 - In case of successful bidder : either refund it or convert it into contract deposit as per bidder's desire.
 - In case of other two bidders : refund it immediately after approval of competent authority to award contract.

6.6.2 Entire amount of EMD or part thereof can be adjusted/recovered/ forfeited for any of the lapses on the part of the tenderer mentioned in the tender documents.

7. Evaluation Criteria:

Evaluation criteria that the bidder shall have to fulfill must be clearly specified in the Bid documents, and there should be no deviation later on from the criteria so specified, in the evaluation process. The evaluation must be carried out pursuant to the criteria specified. Determination of evaluation criteria shall relate to the nature of respective procurement and shall include following aspects:-

7.1 Commercial or Financial Criteria–

- Price of goods, services or works,
- Conditions related to additional financial burden,
- Total Cost of Ownership (i.e. life-cycle costs of goods or services including maintenance, spare parts, warranty, training, disposal, etc)
- Financial status and capability of the bidder such as turnover, solvency etc.

7.2 Technical Criteria–

The technical evaluation criteria should reflect the requirements of the Specifications and a successful technical proposal must satisfy following:-

- Availability of plants and equipments
- Technical / Qualified personnel.
- Past experience in executing similar works/ supply of goods/ providing services.

7.3 Management Criteria –

Management criteria shall take into account all business and management-related aspects including:

- Management experience,
- Commitment to quality,
- Labour and equipment resources,
- Other facilities,
- Finances and financial management.

7.4 Evaluation criteria so adopted must be:

- a. Discrete so that there should be no confusion or overlap in its selection, description and evaluation.
- b. Reliable so that it is clear and measurable and can be evaluated consistently.
- c. Practical to measure facts rather than assuming them.
- d. Fair and relevant to the procurement so that it does not unduly exclude any prospective bidder.

7.5 The tenderer shall specifically be advised to note particularly in respect of Civil works that his registration class on the date of submission of the tender will be considered for deciding responsiveness of the tender.

7.6 In case of tenders having equal percentage (rate quoted by the tenderer) the preference shall be given as below:-

7.6.1 In case of contractors registered with M.C.G.M. and contractors registered with other organization, preference shall be given to the contractors registered with M.C.G.M. on the basis of higher class (AA, A, B)

7.6.2 If the class of tenderers is same, the preference shall be given to the tenderer whose registration date in higher class stands ahead of the other.

7.6.3 If the tenderers are registered in higher class on the same date, then the preference shall be given to the tenderer whose registration stands ahead of the others or to the tenderer who has higher registration in various other categories in MCGM.

7.6.4 Ordinarily, tenders shall be invited from contractors / suppliers registered with MCGM. However, if the tenders are invited from the tenderers registered in M.C.G.M. and also in Govt. body of Maharashtra and/ or Central Government, then their class whichever is higher with any organisation shall be considered for deciding evaluation criteria.

7.7 During the course of evaluation of the responsive bids following criteria should also be adopted for giving weightage to the bidder registered with the MCGM vis-a-vis performance of the bidder with other organizations:-

	Performance with		Decision
	MCGM	Other Organization	
i	Positive	Positive	Positive
ii	Negative	Positive	Negative (MCGM should give more weightage for performance with MCGM)
iii	Positive	Negative	Negative, if negative performance with other organization is after the period of Positive performance of bidder with the MCGM
			Positive, if negative performance with other organization is prior to period of Positive performance of bidder with the MCGM

8. Instructions to Bidders:

In order to convey all relevant instructions governing the preparation and submission of offers, bid documents shall include instructions to the bidders. The instructions to be included must be in respect of:-

- a list of documents required to form a complete offer,
- notice to suppliers that offers may be rejected unless compliant,
- electronic mode of submission and instructions thereof,
- address/fax number/email ID,
- instructions on how the offers should be packaged in respective envelope,
- intimation of Pre-bid meeting,
- mandatory conditions,
- EMD payment,
- pre-qualifications,
- evaluation criteria,

- general conditions of contract (GCC),
- necessity of site visit,
- language of the bidding documents,
- other major contract conditions.
- tender processing schedule,
- liabilities of a successful tenderer,
- integrity pact,
- mechanism for redressal of grievance.

9. General Instructions:

A complete set of common instructions applicable for any tender shall be made available on portal. A model set of general/common instructions to tenderers shall cover following items-

9.1. e-Tendering:

9.1.1 The Municipal Commissioner for and on behalf of the Municipal Corporation of Greater Mumbai, hereinafter referred to as ‘the Commissioner’, invites online e-tenders for the work/supply as detailed in the tender documents. This invitation is open to any tenderer subject to fulfillment of eligibility criteria prescribed. Prospective bidders can download the blank tender copy from MCGM's portal (<http://portal.mcg.gov.in>) on payment of prescribed charges by adopting e-tendering process under section “Payment of Tender Fees”.

9.1.2 Tenderers should note that the word bidder is an alternative word for tenderer and bid is an alternative word for the tender and that the meaning of both these words are the same. Also the word ‘vendor’ is used for the word ‘prospective bidder/tenderer’.

9.1.3 All interested tenderers, whether already registered or not registered with MCGM, are mandated to get registered with MCGM for e- tendering process and obtain login credentials to participate in the online bidding process. The details of the same are available on the above mentioned portal under 'e-procurement' tab.

9.1.4 For registration enrollment for digital signature certificates and user manual, tenderers shall refer to respective links provided in e-tendering tab. They can get digital signature from any one of the Certifying Authorities (CA's) licensed by Controller of Certifying Authorities namely Safescrypt, IDRBT, National informatics center, TCS, CUSTOMS,MTNL,GNFC and e- Mudhra CA.

9.1.5 How to operate:

In order to participate in an e-Tender, the registered vendors need to follow the steps given below:-

- Open the e-Tendering application by clicking the link available in ‘e-Tendering’ section of MCGM portal.
- Download the 'Browser Settings' document and carry out the necessary settings and root certificates installation as mentioned in the document. Please note that the computer user should have administrative rights to be able to work with e-Tendering application.

- Login to the application with your credentials and follow the instructions given in the document ‘User Manual for Vendors - Bidding Process’ which is available in the ‘e-Procurement’ section of MCGM Portal.
- Make payment of tender fee online and download the tender document.
- Please refer to FAQs in the e-Procurement section of MCGM portal for additional information.
- Note that entire set of bid documents is available on payment of Rs..... plus VAT as applicable thereon.
- Note that all documents requiring physical signature are to be modified to digital signature now.
- Note that no manual offers sent by post / Fax or in person shall be accepted, and that if any such offer happened to have been delivered would be treated as invalid and rejected without assigning any other reason.
- Note that bidder has to download all the documents, take out the print, fill up the required information and sign, scan them and upload the same in folder named “Bidders Documents”.
- Verify correctness of the documents uploaded by downloading the same, and again upload properly.
- Submit the commercial bid by filling in the values on the screen itself. All the inputs given on this screen need to be digitally signed.
- Submit technical and commercial bids only in the bidder’s folder online and before the date and time mentioned for submission of bids.
- Note that bid can be modified till the end date and time for bid submission.
- Delete the old version, if a new version of a document is to be uploaded.
- Note that it is bidder’s responsibility to maintain computer used for submitting his bid free of viruses.

9.1.6 In e-tendering process some of the terms and their meaning are to be read as under wherever reflected in online tendering process-

- Start Date read as “Sale Date”
- End Date read as “Submission Date”
- Supplier read as “Contractor/bidder”
- Vendor read as “Contractor/bidder”
- Vendor Quotation read as “Contractor’s Bid/Offer”
- Percentage Variation read as “Percentage Quoted”
- Purchaser read as “Department/MCGM”

9.1.7 No tender submission is possible after the deadline prescribed as system will automatically close the acceptance of tender.

9.1.8 It is the responsibility of the vendors to maintain their computers, which are used for submitting their bids, free of viruses, all types of malware etc by installing appropriate anti-virus software and regularly updating the same with anti-virus etc.

9.1.9 Intimations about shortfalls in submission will be informed to Bidders/Contractors by e-mail on their mail ID. The bidders should also send information in reply by e-mail to respective offices where the bid is being scrutinized.

9.1.10 The tenderer shall bear all costs associated with the downloading, preparation and uploading of his Tender, and the M.C.G.M. will in no case be responsible and liable for those costs.

9.1.11 MCGM has opened a help desk at

9.1.12 After satisfying that all the pre-requisite conditions are fulfilled and the required documents are attested and inserted in the respective cover, intending tenderer must upload them in the vendor folder only as per the guidelines given in the tender documents.

9.1.13 Tenderers are requested to submit and upload the tenders in time on or before stipulated day so as to avoid rush at the closing hours. MCGM will not be responsible for poor connectivity of network/internet services/connectivity of servers/snag in system/breakdown of network/or any other interruptions. If any online information uploaded but not received by Bid Creator (MCGM) within stipulated time limit, MCGM will not be held responsible at any cost and such bids cannot be validated. Any online intimation/information asked to be submitted by Bidders/Contractors or sent to Bidders/Contractors, if not received or bounced back at the receiving end due to any problem in server or connectivity, MCGM will not be held responsible. Intimation about shortfalls in submission may be informed to Bidders/Contractors by e-mail on their mail ID.

9.2 Schedule of Program.

9.2.1 Program related to the Tender shall be as under-

- Blank tender documents available for download from-
- Time and date of Pre-bid meeting-
- Time and date for submitting DD/Pay Orders towards EMD/ASD-
- Time and date for uploading tender offers-
- Time and date for opening of envelope 'A' -
- Time and date for opening of envelope 'B' -
- Time and date for opening of envelope 'C' -

9.2.2 If there are any changes in the dates or there is any addendum/corrigendum to this tender, the same will be given publicity by uploading on MCGM portal as well as publishing in the local news papers and displaying on notice board of the office of Prospective bidders shall take note of such changes.

9.3 Tenderer's status:

Tenderers participating in the bidding process have to furnish following details along with required documents in the format enclosed to bid documents:-

a) Whether it is proprietary firm-

If yes, name of the owner, complete Postal Address of Residence & Business with Telephone Number, Fax Number, Mobile Number, & Email ID etc.

b) Whether it is a partnership concern-

If yes, names of each partner, complete Postal Address of Residence & Business with Telephone Number, Fax Number, Mobile Number & Email ID etc. and copy of registration certificate.

c) Whether it is a company-

If yes, documentary proof such as certificate of incorporation, memorandum and article of association.

d) Whether it is a Co-Operative Society-

If yes, the copy of registration certificate and letter of authorization from the concerned Society and its authorized person's complete Postal Address of Residence, Business along with Telephone Number, Fax Number, Mobile Number & Email ID.

e) Whether it is a Joint Venture-

If yes, certified copy of Agreement.

9.4 Common Partners:

Tenderers quoting for the tender shall be governed by following conditions applicable in respect of common partners-

9.4.1 All tenderers must disclose the names of their partners, if any in the particular contract. Any tenderer failing to do so shall render himself liable to have his EMD forfeited and the contract, if entered into, cancelled at any time during its currency. Further, it shall invite penal action including black listing.

9.4.2 Firms with common proprietor / partner or connected with one another either financially or as principal and agent or as master and servant or with proprietor /partner closely related to each other such as husband, wife father/mother and son/daughter and brother /sister shall not tender separately under different names for the same contract.

9.4.3 If it is found that firms as described above have tendered separately under different names for the same contract, all such tender (s) shall stand rejected and tender deposit of each such firm/establishment shall be forfeited. In addition, such firms/establishment shall be liable, at the discretion of the Municipal Commissioner, for further penal action including blacklisting.

9.4.4 If it is found that closely related persons have submitted separate tenders under different names firms /establishment but with common address for such establishment/firms and /or in such establishment/ firms though they have different addresses, are managed or governed by the same person/persons jointly or severally, such tenderers shall be liable for action including similar action against the firms/ establishment concerned.

9.4.5 If after award of contract it is found that the responsive tenderer violates any of the above clauses the contract shall be liable for cancellation at any time during its currency in addition to penal action including blacklisting against the contractors as well as related firm/establishment.

9.5 Pre- bid Meeting:

9.5.1 A pre-bid meeting will be conducted in respect of tenders involving estimated cost of Rs.50 lakhs and above with a view to clarify issues and to answer questions on any matter that may be raised by the prospective tenderer in respect of the tender documents.

9.5.2 The tenderer or his authorised representative may attend a pre-bid meeting as per the date, time and venue mentioned in the tender notice. Authorisation letter shall be in the form appended to the tender documents.

9.5.3 The purpose of the meeting is to clarify issues and to answer questions on any matter that may be raised by the prospective tenderer at that stage.

9.5.4 Any tenderer requiring clarification about the content of the tender document and/or the works / specifications etc. may submit in writing, at least 2 days before the meeting, to the procuring department the points on which clarification is needed.

9.5.5 Points raised by the bidder shall be clarified in the Pre-bid meeting. Any modifications/ additions /alteration of the tendering documents, which may become necessary as a result of the pre-bid meeting, shall be made by the M.C.G.M. by recording the minutes of the pre-bid meeting. Such modifications in the Tender Documents shall be published on the MCGM portal and the news papers so as to make it known to all the prospective bidders so also by communicating to the bidders seeking clarification.

9.5.6 Non- attendance at the pre-bid meeting shall not be a cause for disqualification of a tenderer.

9.5.7 Any change in venue, date and time shall be communicated in the same manner in which other changes would be intimated.

9.6 Contents of envelopes:

Tenderers shall be advised to note that the tender is to be filled in and uploaded by following three envelope (packet) system. [Details of documents/ information to be inserted in envelope 'A' may be common. However in respect of envelope 'B' documents will vary according to requirement of respective tender.]

9.6.1 Envelope- 'A':

All documents as listed under Mandatory Conditions submission of which is mandatory shall be under Envelope 'A'. These documents shall be common to all tenders.

9.6.2 Envelope- 'B' :

Documents under this envelope are related to technical, financial, machinery and personnel capacity, past experience as well as fulfillment of other requirements such as certificates/licences from different authorities. Requirement of respective tender may vary from tender to tender. Such documents related to technical requirements shall necessarily form part of packet 'A' only. For the purpose of deciding requirements tenders can be classified as under-

- ✓ For Civil works
- ✓ For mechanical works
- ✓ For Supply of Medicines
- ✓ For Supply of Vehicles
- ✓ For supply of Plant & Machinery
- ✓ For supply of other goods
- ✓ Any other category that MCGM may decide.

This is not the exhaustive list as requirement of individual department may be different depending on situation. While preparing tender documents tender inviting department shall include the list of documents required for respective tender.

If there are no documents to be uploaded in the Packet 'B' the tenderer shall upload 'NIL' report in Packet 'B'.

9.6.3 Envelope- 'C' :

- This envelope will be generated by the system itself. Bidder has to fill in the rate he desires to quote as per the requirement of the tender. In case of works it can be only % over official estimate. For bids for supply of goods the financial offer shall be in packet 'C' only. In case of supply it can be item wise rate.
- This envelope shall therefore contain only financial offer of the bidder and nothing else.

9.6.4 Above three envelopes i.e. 'A', 'B' and 'C' form part of e-tendering process. However, in respect of works it is necessary to prepare additional envelope 'C' in physical form, containing-

- DD /PO for Add. Security Deposit for quoting more than 12% below the office estimate.
- Statement of rate analysis for quoting 15% below or 15% above office estimate
- Statement showing details of DD /PO for ASD.

9.6.5 Additional envelope 'C' in physical form shall be delivered in the office of tender inviting HoD at the time of opening of packet 'A'. If there is no DD / PO and statement of rate analysis, a NIL report duly signed shall be inserted in envelope 'C' in physical form so as to obviate subsequent dispute regarding submission / non submission of the aforesaid documents. Similarly, in case of supply tender, if tenderer desires to bring to the notice of MCGM certain specific facts regarding the offer submitted so also break up of taxes as explained below a letter to that effect in physical form should be submitted in Packet 'C'.

9.6.6 Tenderers shall note that they shall not disclose /quote the rates of any item in envelope 'A' or 'B'. Any such indication/attempt by the tenderer shall amount to disclosure of rate in advance and his tender would be rejected outright.

9.7 Taxes and Duties:

9.7.1 All rates shall be inclusive of applicable taxes. However, % or rate of each tax applicable for sale of respective material shall be shown separately with their prevailing rate of percentage in the letter to be submitted in Packet 'C' in physical form. Where no specific mention of the taxes chargeable is made by the tenderer, it shall be understood that these taxes are either not applicable being already paid at source by the tenderers, or it shall be borne by him. Subsequent claim from the successful tenderer for payment of these taxes shall not be entertained. Where the contractor is able to obtain the refund of the whole or part of any tax paid to him by the Corporation he should reimburse the Corporation to the extent of the refund obtained. Tenderers who do not show the rates of taxes chargeable and vaguely state 'Taxes as applicable' or 'S.T.G.T. extra' etc. shall be left out of consideration.

9.7.2 All rates shall be exclusive of all duties such as Customs, Excise, Octroi etc. When the tenderer proposes to charge these duties extra, he must produce the document in support of actual payment thereof for reimbursement. Where aforesaid duties are specifically not mentioned, by the successful tenderer, claim for reimbursement of payment towards the said duties shall not be entertained.

9.7.3 Any change in the rate quoted on account of imposition of a new tax/duty or increase in the existing tax/duty where percentage of applicable tax/duty is specifically mentioned in the letter submitted in the physical Packet 'C', the same shall be reimbursed only on production of valid documents proving increase in such duties/taxes by Competent Authority. However, in case there is decrease in rate of duties/taxes it shall be obligatory upon the successful tenderer to inform the same to the MCGM and reduce the rate accordingly failing which it shall be treated as breach of conditions of the contract.

9.7.4 Any reference regarding variation in Govt. taxes duties, octroi or any other levies shall not be entertained subsequently in case breakup is not clearly indicated. Any form for seeking exemption directly by supplier shall not be provided.

9.8 Rates and validity period:

9.8.1 Tenderers shall quote firm offer and shall not quote more than one rate for the same item. Conditional offers shall not be considered and shall be treated as non-responsive. The offer with discount for prompt payment, bonus etc. shall not get weightage at the stage of evaluation.

9.8.2 Alternate Offer submitted by the tenderer shall not be considered. If submitted, offer for that item shall be rejected.

9.8.3 Validity of the offer should not be less than 120 /150 days from the date of opening of tender. Any period quoted lesser than this will amount to conditional offer and shall be rejected. In exceptional circumstances, prior to expiry of the original time limit, the Municipal Commissioner may request the tenderer to extend the period of validity for a specified additional period. The request and the tenderer's responses shall be made in writing. A tenderer may refuse the request to extend the validity period. A tenderer agreeing to extended validity period shall not be permitted to modify terms & conditions of the tender.

9.8.4 Tenderer shall not quote any condition outside the conditions included in these documents. Such offers would be treated as conditional offers and would be rejected outright.

9.8.5 The rates quoted should be firm for the entire contract period and no change on any account shall be allowed.

3.8.6 The rate offered shall be for the whole work as described in scope of work attached hereto based on the Bill of Quantities.

9.8.7 The tenderer shall fill/upload the percentage (for works) either plus or minus (i.e. above or below) in the Financial Bid (in "Percentage Variation" Tab in e-tendering) in figures or at par. % quoted with '0' (zero) will be considered as at par (by default) by the system.

9.8.8 The tenderers quoting rebate more than 12% on the office estimated cost shall pay an "Additional Security Deposit" as mentioned in the tender copy, by Pay Order/ Demand Draft drawn in the name of Municipal Corporation of Greater Mumbai. This D.D. / P.O. shall be inserted physically in packet 'C' along with statement showing details.

9.8.9 The tenderers quoting rebate more than 15% or premium above 15% shall submit the rate analysis physically in the packet 'C'. 'NIL' Report shall be submitted even if the same is not applicable. The Tender Number and Name of the Tenderer shall be mentioned on Packet and submitted it on due date of submission of tender physically in the office of the If the same is not submitted the tender shall be rejected outright.

9.8.10 Thus, there will be two 'C' envelopes. One is to be generated by system for commercial bid. That will form part of e-tender documents and go in the system. Other is to be prepared by bidder for submitting rate analysis for quoting plus or minus 15% over office estimate and the D.D. /P.O. towards Add. Security for quoting rebate more than 12% on the office estimate.

9.9 Filling in the form, signing and sealing:

Tenderers shall be advised to fill in the tender documents by observing the following:-

(i) Tender shall be written in English only .

(ii) Before filling in the tender documents tenderers are requested to go through all terms and conditions to be fulfilled and the steps to be followed in uploading the tender documents.

(iii) The tenderers are requested to sign and put the official seal of the company on the last page of the tender form and that of schedule rate copy.

(iv) The tender must be submitted in the tender form/item schedule of the Corporation and should be free from erasures. Any tender containing corrections or alterations shall be rejected.

(v) The rate must be typed on schedule rate copy. Rate presented on any other sheet of the paper, covering letter etc. shall not be considered. All the columns must be filled in carefully.

(vi) Tenderers are informed that they should score off or write 'NIL' on each blank sheets of items, which are not tendered for.

(vii) The tenderers are requested to fill the tender carefully after noting the items and specifications, quantity mentioned for each article in the schedule. They are informed that no variation in rates shall be allowed on any ground such as clerical mistake or misunderstanding etc. after tender has been submitted.

(viii) who should sign-

- If the e-tender is made by an individual, it shall be signed by him with his full name and current address.

- If the e-tender is made by a proprietary firm it shall be signed by the proprietor with his name and the name of his firm with its current address.
- If the e-tender is made by firm in partnership, it shall be signed by all the partners of the firm with their full names & current address or by a partner holding the Power of Attorney for the firm for signing the tender. In this case, a certified copy of the Power of Attorney shall be uploaded. A certified copy of the partnership deed, shall also be uploaded.
- If the e-tender is made by a limited company or a limited corporation, it shall be signed by a duly authorized person holding the Power of Attorney for signing the tender in which case a certified copy of the Power of Attorney shall be uploaded.
- If the e-tender is made by a co-operative society or any charitable institute or any other sanstha it shall be signed by a duly authorized person and copy of resolution and the Registration certificate shall be uploaded.
- If the person signing the tender is other than the individual or the Proprietor, then tenderer shall upload a certificate copy of Power of Authority authorizing the signatory.

9.10 Responsibility for uploaded Documents:

9.10.1 The responsibility to produce original and authenticated documents in respect of documents uploaded rests with the Tenderer. If any document detected to be forged, bogus etc., the tender shall be rejected and the tender deposit forfeited. Any contract entered into under such conditions shall be liable to be terminated at any time during its currency and in addition for further penal action like criminal prosecution, blacklisting against the said contractors and /or the partners.

9.10.2 If the certificates issued by any state authority are in a language other than English, Hindi or Marathi, then translated copy in one of the languages mentioned above, duly certified by the official translator, shall have to be uploaded, along with a copy of the original certificate.

9.11 Amendment to Tender documents:

9.11.1 Before the deadline for uploading/submission of tender offer, the MCGM may modify any tender condition included in the tender document and issue addendum/corrigendum/clarification by publishing in the news papers and on the portal. MCGM may also adopt e-mail facility or may display such amendment on the notice board of the department issuing the tender also.

9.11.2 Such addendum/corrigendum/clarification so issued shall form part of the tender documents. All tenderers shall digitally sign such addendum/ corrigendum / clarification and upload it in envelope 'B'.

9.11.3 With a view to give sufficient time to the prospective tenderers to consider any such addendum/corrigendum/clarification, MCGM may, if considered necessary, extend the due

date of submission/uploading of the offer and accordingly re-schedule the further activities.

9.12 General:

(i) It is essential to mention in every tender the scope of the contract. Such scope should state clearly whether contract covers only supply or includes design, manufacture, installation, testing, erection, commissioning, training etc.

(ii) Description of the item including specifications/drawings, Make/Brand/Model, if any applicable should be clearly mentioned. Likewise applicability or respective rate schedule shall be mentioned specifically.

(iii) The quantity mentioned under rate contract, is generally approximate. Therefore, there shall be a condition that MCGM reserves the right to indent/purchase minimum 50% of such quantity and the contractor shall not make any grievance for non purchase of 100% quantity stated in the tender. Likewise, it shall also be mentioned that MCGM may indent quantity in excess of quantity mentioned in the tender, not exceeding 25% thereof, at the same price, terms and conditions and contractor shall have to supply it. Purchase of any additional quantity over and above 100% quantity under the contract shall be with specific approval of AMC with detailed justification for purchase of additional quantity.

(iv) The time is an essence of contract. It is therefore necessary that a definite period not only for supply of the stores but also for completion of all the contractual obligations should be stipulated in the contract.

(v) Tenderer shall be advised to avoid expressions such as 'Immediate', 'Ex-stock', 'As early as possible'. When tenderers quote in terms of weeks or months, a specific date should be worked out on the basis of firm's offer. The period shall be counted from the date of issue of indent/purchase order.

(vi) In case of contracts where large quantities of stores is to be purchased in installments say, per month, per quarter, or as and when required, a final date for completion of the total quantity should be stipulated.

(vii) Where delivery of goods is linked up to fulfillment of certain conditions such as approval of sample, advance payment etc. delivery period should be fixed indicating specific period subsequent to happening of such condition.

(viii) The price of goods should be fix and not variable. In exceptional circumstances, if variable price is required to be accepted, then price variation formula with maximum ceiling should be prescribed.

9.13 Successful Tenderer must distinctly understand the following:

(i) that he shall have to execute written contract as per the draft of contract/agreement appended to the tender documents. He shall be strictly required to conform to the conditions of the contract as contained in each of its clauses and that the plea of “custom prevailing” shall not on any account be admitted as an excuse on his part for infringement of any of the conditions.

(ii) to pay contract deposit @ 5% of the total contract cost in cash or by demand draft or in the form of BG only within the time specified and execute the contract on the day fixed and intimated in writing. The contract deposit will be refunded after satisfactory completion of the terms of contract.

(iii) that avoiding payment of full contract deposit before execution of the contract on the ground of his other deposits / contract deposits being with MCGM shall not be permitted. Such transfer shall not under any circumstances be permitted.

(iv) that failure to pay the contract deposit within specified period shall be deemed to have committed a breach of the undertaking given by him in the tender for which the Municipal Commissioner may forfeit the EMD. In that eventuality his tender shall stand rejected.

(v) in case of a Company, the contract must be sealed with the seal of the Company in the presence of and signed by two Directors or by the person duly authorized to sign the contract for the Company by a Power of Attorney. Such Power of Attorney must be registered in the office of tender inviting department.

(vi) that the liability on account of stamp duty, stationery and legal charges for execution of contract, at prevailing rate shall be borne by him.

(vii) that order/indent for supply of goods will be placed as and when required by the consuming department. Supply against indents must be made to the indenting office at the address mentioned in the indent within the period agreed to as per contract. However in case of urgency such supply shall be made within the period specifically mentioned in the order/indent. No excuse for delay due to any statutory restrictions shall be considered for extension of the delivery period. The primary responsibility for supply of items in time shall rest with the contractor. All orders should be executed free of delivery charges to all Municipal departments, Workshop, Ward offices, Hospital, Maternity Home, Dispensary, etc. Order below Rs. 5000/- should be supplied against cash payment.

(viii) that he will have to rectify the defects if any in the material found subsequently after the supply.

(ix) that every container i.e. ampoule, vial, bottle, box, etc. in which the material is supplied shall bear the embossing, ‘ For M.C.G. M. use only ’ and also the year of contract. Such embossing shall also be provided on other items, if specifically asked for.

(x) that contractor should furnish a list of all the orders received showing separately those complied with and not complied with by 1st week of every month to, and

also watch that total supply under the contract is not in excess of quantity agreed upon. Contractor shall not supply any quantity in excess of 100% quantity mentioned in the tender, unless otherwise specifically and officially intimated by DMC concerned.

(xi) that whenever it is necessary to inspect the material before delivery to the indenting department, contractor should intimate to the office of theabout the readiness of goods to be delivered. Unless such inspection is carried out no material should be delivered to concerned department.

(xii) that contractor shall remove the rejected articles within seven days from date of intimation by the indenting officer failing which he shall be liable for demurrage charges at the rate of half percent of the cost of such stores per week or part thereof during which removal of such stores may be in arrears. MCGM shall not be responsible for damage of any such goods not removed.

(xiii) in case of a Consortium there shall be a separate Consortium Bank Account (distinct from the Bank Accounts of the individual partners) and all the financial obligations of the consortium shall be discharged through the said Consortium Bank Account only and all the payments made to and by the M.C.G.M. shall be through that account alone.

(xiv) that all payments due to the contractor shall be made through electronic mode. The contractor/supplier must have account in any Nationalized Bank or Schedule Commercial Banks or Scheduled Co-Op. Banks or Foreign Banks in Mumbai jurisdiction. Contractor/supplier shall fill up vendor master creation form and submit it to the office of Chief Accountant (Treasury) along with registration fee as applicable for creating Vendor's Master. However, as far as payment of advance or payment against delivery or any other advance payment shall be by cheque only so as to keep watch on the detailed account / recovery of such advances.

(xv) that if the contract executed is by the partnership firm, Contractor shall not at any time dissolve partnership in respect of this contract or otherwise change or alter their respective interests therein or assign, or sublet the present contract or the benefit thereof or any part thereof to any person/s whomsoever, without the previous consent in writing of the Municipal Commissioner. In case the Contractor shall at any time commit any breach of this condition then the Earnest Money Deposit / Contract Deposit shall be forfeited.

(xvi) that any subsequent change in the name of the firm & address of the firm, the contractor/supplier must intimate such changes with relevant documents and a fee of Rs. 5,000/- per change as administrative charges for effecting such changes in MCGM record shall apply.

(xvii) that along with every supply contractor shall submit certificate from the manufacturer certifying, wherever applicable, that quality control test has been carried out and that goods are as per the tender specifications.

(xviii) that the contractor shall have to pay income tax on all payments made to him under the contract. Under provisions of the IT Act, the MCGM is required to deduct, income tax at source, on the gross amount of each bill paid at the rate prevailing at the time of payment.

(xvix) that the successful bidder has to hand over to MCGM all declarations, affidavits, experience certificates, performance etc. certificates in original the copies of which are uploaded along with tender documents

(xx) that the successful tenderer shall have to execute integrity pact in the form appended to the tender documents and to observe its clauses very religiously.

10. Special Instructions to Bidders:

The special directions / instructions to the bidders in the bid documents are generally related to the specifications according to which each item of the work has to be executed, the material and its quantity to be used in the execution of respective item in the bill of quantity so also guidelines to be observed in execution of works. Thus, special direction / instructions to bidders will vary depending upon the nature of work and the specifications. As per the requirement of the respective tender, this shall be added under appropriate title.

11. General Conditions of Contract (GCC) :

A Booklet containing GCC is available on website for downloading to intending bidder along with other bid documents. It shall form part of contract documents.

The GCC for Civil Works contain information regarding:

- Definitions;
- Rights and obligations of both parties;
- Delivery and transfer of risk;
- Mode and form of dispute settlement;
- Applicable laws.
- Performance security;
 - Retention of payments;
 - Insurance;

- Inspection and tests;
- Warranty;
- Protection against third party infringement suits; and
- Force Majeure and other clauses.

12. Specifications:

As brought out under earlier chapter, specifications are guidelines to the supplier or the contractor what he is expected to supply or construct or build. Specifications depend on individual item of goods to be procured. Specifications can generally be grouped according to nature of procurement as under:-

- for civil works,
- for mechanical works,
- for supply of goods,
- for providing services.

Thus, the specifications will vary depending upon whether the procurement is of goods, or construction of work or purchase of equipments/ machinery or services. Even for civil works the technical specifications will vary for construction of building, road works, SWD works, water work / sewerage work etc.

HoDs should, therefore, determine the specifications of the work /supply of goods or equipments or services according to the nature and characteristics of the procurement to satisfy the need and use of the department and include the same in the bid document.

13. Bill of Quantities (BOQ):

A clear and detailed description of items is important to achieve performance expected so as to avoid misunderstandings and disagreements at the time of contract execution. Ambiguity may also lead to increased costs. Based on the nature of the procurement, requirements should be stated in the form of Technical Specifications.

14. Additional Clauses:

14 .1 Penalty:

Without prejudice to the different conditions prescribed for timely completion of work, supply, delay in completing project/ supply, short supply etc, for which penalty clauses are included under GCC as well as separately in the tender, following conditions shall also apply-

14.1.1 On failure to supply:

If the contractor fails to supply satisfactorily any of the indented goods or fails to supply the same within the prescribe time or fails to replace any defective goods the competent officer, without prejudice to other rights of taking action, shall be at liberty to procure the same from the open market, at the risk and cost of the contractor and all expenses thereby including extra cost incurred shall be payable by the defaulting contractor. MCGM may recover such dues from any moneys due to the contractor under this or any other contract between the Contractor and the Corporation.

14.1.2 On supply of inferior quality:

In case material supplied is found to be of inferior quality, it shall be within the competence of the Municipal Commissioner, without prejudice to his other rights and remedies under the contract, to call upon the contractor to pay such amount not exceeding the cost of the substituted goods procured by the competent authority, plus such further amount not exceeding 20 percent of the cost as he may think proper, as liquidated damages for each such default and any such decision of the Municipal Commissioner shall be final and binding upon the contractor who shall be bound to pay such amount forthwith on demand made upon them in that behalf.

14.2 Force Majeure Clause:

The contract entrusted to the successful tenderer shall be subject to 'Force Majeure clause'. Applicability of this condition will be as per the relevant provisions of the Indian Contract Act. The contractor shall promptly notify the MCGM in writing of such conditions and the cause thereof within 10 days of occurrence of such event. There may be a force majeure situation affecting the MCGM also and acceptance of supply made by the contractor may not be possible. In such a situation MCGM will advise the contractor accordingly.

14.3 Secrecy:

The Contractor shall take all reasonable steps necessary to ensure that all persons employed in any work in connection with the Contract, who obtains in the course of the execution of the Contract, any information whatsoever, which would or might be directly or indirectly of use to any person not connected with the contract, should treat it as secret and shall not at any time communicate it to any person. Any breach of the aforesaid conditions shall be a sufficient cause to cancel the Contract and to purchase or authorize the purchase of the stores at the risk and cost of the Contractor, in addition to other legal action as deemed fit.

10.4 Compliance with Security Requirements:

The Contractor shall strictly comply with the Security Rules of the MCGM in force and shall complete the required formalities including verification from Police and other authorities, if any, and obtain necessary prior permission for entry into the premises.

14.5 Confidential Information:

The drawings, specifications, prototype, samples and such other information furnished to the Contractor relating to the supply/works/sub-system/equipment etc. shall be treated as confidential and shall not be divulged to any third party. It shall remain as the property of the MCGM. If, during the process of execution of the Contract, any improvement, refinement or technical changes and modifications are effected by the Contractor, such changes shall not affect the title to the property and all the information, specifications, drawings, etc. including the improvement/ modifications effected by the Contractor shall continue to be the property of the MCGM.

14.6 Laws governing the Contract and Jurisdiction:

The Contract shall be governed by the laws of India for the time being in force. Marking of all the stores supplied must comply with the requirement of Indian Acts relating to merchandise marks and all the rules made under such acts.

The courts within the local limits of Mumbai only shall have jurisdiction to deal with and decide any matter arising out of this Contract.

14.7 Indemnity:

The prices stated in the contract shall be deemed to include all amounts payable for the use of patents copy right, registered charges, trademarks and any other industrial property rights. The Contractor shall at all times indemnify the MCGM against all claims including claim by any third party which may be in respect of stores for infringement of any rights protected by patent registration of design or trademarks and shall take all risks of accident or damage which may cause a failure of the supply from whatever cause arising and entire responsibility for the sufficiency of all the means used by him for the fulfillment of the Contract.

14.8 This tendering process is covered under Information Technology Act and Cyber Laws as applicable.

14.9 Site Visit:

Prior to online submitting and uploading his tender for the work prospective bidder shall visit and examine the site of works and its surroundings at his own expenses and obtain and ascertain for himself, his own responsibility and risk, all information, technical data, etc. that may be necessary for preparing his tender and entering into a contract including, inter-alia, the actual conditions regarding the nature and conditions of site, availability of materials, labour, probable sites for chowky /stores etc. and the extent of lead and lift required for the execution of the work over the entire duration of the contract, after taking into consideration local conditions, traffic restrictions, obstructions in work if any, allow all such extra expenses that are likely to be incurred due to any such conditions,

restrictions, obstructions, etc. in the quoted and uploaded contract price for the work. Any claim / dispute subsequently in regard to site conditions will not be entertained.

14.10 Guarantee and repairs during the guarantee period:

The Contractor/s shall for a period of Twenty Four calendar months after acceptance and satisfactory installation and commissioning of the equipments, maintain, uphold and keep them in thorough repairable and working order at their own cost and expenses and to the entire satisfaction of the the MS / Dean of respective Hospital or the purchasing Officer Contractor shall also be responsible for and be liable under the provisions of this clause to make good any defect that may, during that period, develop in the normal and proper working of the Machinery / Equipment / Furniture. In case of repairs of Machinery / Equipment which is not manufactured in India, the manufacturer / Agent during the guarantee / warranty period, shall bear all the taxes, custom duties, levies, to & fro cost of transporting etc. of the Machinery / Equipment till the same is returned to India duly repaired by the Manufacturer. During the entire period of guarantee the contractor shall replace the equipment and or parts of the equipment, on its break down / non functional, at his own cost which shall include also the labour charges, transport charges etc. During the period of guarantee, if the equipment fails to perform as per the norms already decided, the guarantee period shall stand extended by such period during which the equipment remains defective.

14.11 Service and maintenance contract:

The successful tenderer shall have to enter into Annual Maintenance Contract after completion of guarantee period for at least five years and quote the rate for such Annual Maintenance Contract. The Annual Maintenance Contract shall include the equipment and all accessories supplied by the contractor as a part of this tender. It is the responsibility of the contractor to see that the equipment and all accessories are maintained in proper functioning condition by providing spare parts where required, whether such spare parts/accessories be manufactured by the tenderer or not. The MCGM will not enter into any separate service contract with any other manufacturer for the supply/ maintenance of these spare parts/accessories. The successful tenderer should take steps to ensure that the equipment remains functional for a period of at least 24 months from the date of installation. The tenderer should assure an up-time guarantee of at least 96% of the cost calculated on the basis of 24 hours a day and seven days a week. If this is not done, a penalty @ 1% per day shall be imposed on the contractor. Service shall be available on all days of the year including Sundays and Public Holidays and be attended within three hours from intimation. Routine preventive maintenance shall be carried out on Sunday and holidays.

14.12 Demonstrations:

Where needed, the tenderer, at his cost, should arrange for the demonstration of the equipment quoted for in the tender within 15 days from the date of intimation of the request for demonstration. Such demonstration shall be only in India.

14.13 Fall clause:

It shall be a condition of the contract that the price charged for the item to be supplied by the contractor to MCGM shall in no way exceed the lowest price at which the contractor sells the stores of identical description to any other person/organisation during the currency of the contract. If at any time during the currency of the contract, the contractor reduces the sale price of such stores or sells such stores or offers to sell such stores to any other person/organisation at a price lower than the prices chargeable under the contract, he shall forthwith notify such reduction of cost to the MCGM and price agreed to under the contract for the item supplied after the date of coming into force of such reduction shall stand correspondingly reduced.

14.14 Warranty:

The drugs & medicines supplied shall be as per the formulation/standard approved and or specified by the Drug Control Act and Food & Drug Control Administration Regulations or as per the Regulations of any such statutory authorities. The contractor shall be held responsible for the consequences of supplying any substandard, spurious and adulterated drugs and medicines not conforming to such Regulations/Act.

14.15 Liquidated Damages:

A specific condition shall be inserted in the contract for levy of the liquidated damages, for delay in supply beyond the contractual delivery date. Normally, such levy is at the rate of 2% of the value of the stores the delivery of which is delayed, for each month or part of a month, subject to maximum of the value of the goods. There may be situation when charging full liquidated damages may not be justified as the reasons for delay in delivery by the supplier may be due to circumstances beyond his control. But waiver of such levy altogether may not be proper. In such cases, at the sole discretion of the AMC token liquidated damages up to 10% of the normal liquidated damages or at the % AMC may decide, may be imposed.

14.16 Risk Purchase:

In the event of supplier failing to fulfill the contractual obligations, an option of completing the Contract at the risk and expenses of the Contractor shall be available under the contract. While initiating risk purchase at the risk and expenses of the supplier, the indenting office must satisfy that the supplier has failed to deliver and he has been given full opportunity as also adequate and proper notice.

In the case of item of proprietary nature or only one qualified firm to supply the item and there is remote possibility of procuring the same item from an alternative source, instead of having risk and cost clause, the contract should have a Security Deposit clause to cover any such default.

14.17 Product Support:

In respect of purchases requiring periodical post purchase attendance, it shall be ensured that the recommended bidder is well equipped to provide the following-

- Assured supply of information on product/technological improvement, modification and upgrades.
- Obsolescence management and life time purchase
- An illustrated spares price catalogue with base price and pricing mechanism for long term.

15. Clarification on Tenders:

15.1 To assist in the examination, evaluation, and comparison of Tenders, the tender scrutiny officers may, at their discretion, ask any Tenderer for clarification of the Tenderer's tender, including breakdowns of the prices in the Bill of Quantities. The request for clarification and the response shall be in writing or by cable, but no change in the price or substance of the Tender shall be sought, offered, or permitted except as required to confirm the correction or arithmetic errors discovered by the officers in the evaluation of the tender.

15.2 The tenderer will not be permitted to change the substance of his tender or to replace the document after tenders have been opened.

16. Acceptance, Rejection, Splitting:

16.1 The Municipal Commissioner reserves the right to accept any e-tender and / or split the work for award and / or to annul the tendering process and / or reject all the e-tenders at any time prior to award of the contract, without incurring any liability to the affected tenderer or tenderers or any obligation to inform the affected tenderer or tenderers on the grounds for the Employer's action.

16.2 When more than one work is covered under any tender the Municipal Commissioner reserves the right to allot one work to one tenderer depending on the least cost basis

17. Disqualification:

17.1 Without prejudice to other conditions disqualifying the bidders they shall note that even though the tenderers meet the qualifying criteria, they are liable to be disqualified, with forfeiture of E.M.D., if they have:

- Made misleading or false representations in the forms, statements and attachments submitted online, in proof of the qualification requirements, and/or
- Record of poor performance such as abandoning the works, not properly completing the contract, inordinate delays in completion, or financial failures etc. and/or
- Participated in the previous tendering for the same work and had quoted unreasonably high tender prices and could not furnish rational justification to the Corporation, or
- Not uploaded details of ongoing works/commitments.
- Adopted any “corrupt practice” by offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution or adopted any “fraudulent practice” means, misrepresentation of facts in order to influence a procurement process or the execution of a contract including collusive practice among tenderers (prior to or after tender submission)

17.2 No tenderer shall contact the Municipal Commissioner on any matter relating to its tender from the time of the tender opening to the time of the contract is awarded. If the tenderer wishes to bring additional information to the notice of Municipal Commissioner, he should do so in writing. Any effort by the tenderer to influence the Municipal Commissioner in tender evaluation, tender comparison or contract award decisions, may result in the rejection of the tenderers’ tender.

17.3 Tender shall be termed to be under consideration from the opening of the tenders, until such time an official announcement of award of the tenders is made. While tenders are under consideration, tenderers and their representatives or other interested parties, are advised to refrain from contacting, by any means, the Corporations personnel or representatives on matters related to the tenders under Consideration.

17.4 Staff involved in short listing and bid evaluation should resist itself from accepting business gifts and hospitality. Code of Conduct sets out certain guidelines in this respect. The motive of donors may be different and objectionable from the eyes of third party. If any staff member believes that gift offered is with an ulterior motive he must report such incident to his superiors. Bid offer of such a bidder shall be straight way rejected.

18. Performance Security/ Contract Deposit:

Failure of the successful Tenderer to comply with the requirements of Performance Security / Contract Deposit shall constitute sufficient grounds for cancellation of the award and forfeiture of the E.M.D., and any such other remedy the Municipal Commissioner may take under the Contract, and the Municipal Commissioner may resort to awarding the contract to the next ranked Tenderer

19. Signing of Agreement:

(i) At the time of notifying the successful Tenderer that his Tender has been accepted, MCGM will make available the Tenderer the agreement in the form provided in the Tender documents, incorporating all conditions agreed between the parties.

(ii) Within 14 days of receipt of agreement form, the successful Tenderer will pay the requisite legal & stationery charges, sign the Agreement and deliver it to the Municipal Commissioner, together with the required Performance Security/ Contract Deposit.

(iii) Acceptance of the tender of a particular bidder shall be announced on the official site of the MCGM.

20. Redressal of Grievances:

Any bidder having grievance in respect of specifications, eligibility criteria, evaluation criteria or actual evaluation and selection of a responsive bidder may seek redressal of his grievances by following procedure explained under Chapter on the Redressal of Grievances.

21. Termination of Contract:

Without prejudice to any other remedy, Municipal Commissioner reserves the right to terminate the Contract by giving adequate advance notice to the Contractor particularly in respect of following situations-

- If the contractor fails to deliver any or all of the goods/fails to carry out the work within the stipulated period.
- If the contractor fails to perform any other obligation under the Contract.
- If the contractor becomes bankrupt or otherwise insolvent.
- If it is established that the contractor has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.
- Any reason the Municipal Commissioner thinks it fit to terminate the contract.

22. Approval of Bidding Documents:

The Tender/Bidding documents prepared should be approved by an authority who is empowered to approve the calling of tenders.

Any correction slip to any document should be issued only with the approval of HoD. These correction slips should be applicable from prospective effect and not for contracts already awarded or tenders which have already been submitted. Any modification to the existing conditions or substitute / additions of tender conditions having financial / technical implications shall be done with the specific approval of AMC by recording reasons for such amendments.

Special Conditions for various types of tenders involving financial aspect shall be approved by concerned HoD, with finance concurrence.

23. Consultancy Services:

23.1 MCGM is required to undertake major civil work projects such as water work projects, construction of Hospital buildings, flyovers etc. and therefore need of services of consultants is felt necessary considering the importance and magnitude of such works. MCGM, therefore, avail of services of consultants, Architects, PMCs.

23.2 Generally, services of following consultants are engaged by MCGM-

- `Consultant Architects,
- Project Management Consultants,
- Consultants to advice on structural stability of the buildings, and
- Quality Auditors.

23.3 MCGM has been incurring quite a sizable expenditure on the services of consultants by way of professional fees. As such, it is essential to have clear-cut, specific and uniform guidelines to be adopted for engaging services of consultants. In the proposal seeking sanctions HoD should follow the guidelines among other things as regards:-

- Justifications of Need,
- Scope of work,
- Prequalification and eligibility criteria, and
- Estimated cost of assignment.

23.4 For the purpose of engaging Services of Consultants for any project MCGM shall follow the guidelines and procedure laid down for procurement of good/ work etc. including invitation of offers by Public Advertisement as required under Section 72(1) read with Section 481 of the MMC Act as also by displaying the same on MCGM portal.

23.5 While inviting offers for the appointment of consultant, along with other common contents of the bid document, following clauses shall be specifically included in the bid document.

- Fees payable to the consultant. The professional fees payable to the consultants shall be 2.5% to 3.5% of the total project cost, depending on nature of consultancy.
- The period of consultancy shall be not more than 2 years.
- Liability on account of Service tax, Professional tax, Stamp duty, Income tax shall be borne by the consultants.

23.6 The other general conditions shall be as under:-

23.6.1 Period of Agreement.

- The appointment of the consultant for providing the Consultancy Services for the project work shall be considered to have come into force from the date indicated in the Acceptance letter of MCGM.
- The agreement shall be in force for a period of 2 years unless this agreement is terminated in terms of the clause enumerated hereinafter.

23.6.2 Causes for Termination of Agreement:

The Municipal Commissioner shall be entitled to terminate the agreement as a whole or part thereof...

- in the event of the whole or part of the project work being postponed or abandoned for reason beyond the control of the MCGM.
- in the event the Consultant fails to satisfactorily provide the Consultancy Services in the matter of Project work..

The Consultant shall be entitled to terminate the Agreement..

- in the event Consultant is unable to provide the Consultancy Services in the matter of the project work owing to reasons beyond the control of Consultant.

23.6.3 For the purpose of termination of the Agreement a written notice of not less than 15 days shall be given by the party terminating the Agreement. On expiry of the period of 15 days from the date of receipt of notice by the other party the Agreement shall be deemed to have been terminated.

23.6.4 On termination rights and liabilities of the respective party to Agreement shall be as per the specific clauses of the Agreement.

23.7 Obligations and rights of the Consultants.

- The Consultant shall in all matters relating to the project work act as a faithful advisor to the MCGM
- The Consultant shall exercise all reasonable skill, care and diligence in all matters relating to providing of the Consultancy Services regarding the project work.
- Consultant shall not accept any trade commission, discount, allowance or indirect payment in connection with the Consultancy Services provided by the Consultants for the project work.
- The Consultant shall not have the benefit, whether directly or indirectly of any royalties or of any gratuity or commission in respect of any patented or protected articles or process used.

- The Consultant shall not make any changes in the design /plans/ documents of the project work once finalized, without the prior approval of the Municipal Commissioner.
- The Consultant shall not be a medium for making payment on behalf of MCGM to the Contractor(s) and / or Supplier(s). The Consultant shall neither be required to make measurements of the project work for billing nor issue any certificates for payment to the Contractor(s) / Supplier(s).
- Unless otherwise the need and the additional cost is specifically justified by the Chief Engineer and approved by the Municipal Commissioner, Consultant shall not obtain assistance of other Consultants creating any financial liability for MCGM.

23.8 Liabilities of the Consultants:

- The Consultants shall be liable for consequence of all the errors and omissions on their part or on the part of the employees of the Consultant.
- The liability of the Consultant shall expire after defect liability of the project work is over. Consultants shall issue a certificate towards satisfactory completion of the project work to MCGM. If any defect is detected at the time of inspection or at the end of defect liability period the Consultant shall suggest, remedial measures for the same without any payment of fees.
- The consultant shall have no liability for any part of the project work for which the liability rests with the Contractor(s) and or Supplier(s).
- The consultant shall have no liability for any damage resulting in from any act of Contractor(s) and/ or Supplier(s) which is not in accordance with the tender documents / contract documents/ conditions of contract or as per the instructions of the consultant, provided the consultant has brought out such act to the notice of the MCGM in writing in time.

23.9 Scope of Consultant's work:

- Examine and study all data and information relating to the project work to be undertaken and relevant to the same, which have been collected by the

MCGM and to advise on the necessity or otherwise of making any further investigation.

- If required by the MCGM to examine the current standard tender documents / contract documents / conditions of contract of the MCGM and advices on the necessity for any modifications therein to meet any special requirements of the project work to be undertaken.
- Deliberate upon and stipulate any structural parameters loading criteria, design standard etc. with a view to achieve uniformity of standards in obtaining enhanced life of the project work to be undertaken.
- Provide assistance in the formulation of a standard fair market schedule of rates for making cost estimates for official design of the project work.
- Formulate general policies and procedures for quality control of the project work and advice on the organizational structure required at site to exercise enforcement of the said procedures.
- The Consultant shall, if called upon to do so, act as an adviser to the Tender Committee to review the tenders received and recommend the best, provided no other suitable alternative is found feasible in the circumstances. The Consultant shall also scrutinize the claims of the Contractor(s) and give recommendations thereon.
- For the above services rendered by the Consultant no separate payment will be made by the MCGM other than decided as per the terms of payment. The frequency of meeting shall be held as per the requirements from time to time. All the secretarial assistance required by the Consultant in this regard shall be provided by the MCGM.

The HoD / MCGM may incorporate the specific requirement as regards to scope of work depending upon the nature and magnitude of work.

23.10 Scheduled of Payment

The consultant shall be paid professional fees as per the payment schedule determined by MCGM.

23.11 Execution of the Assignment

- The Consultant shall keep the MCGM informed about the progress of the project work.
- The consultant shall be responsible for the direction and integration of the Consultants work. The Consultant however, shall be fully responsible for the calculations, the detailed designed and periodic inspection and evaluation of the work entrusted to the consultants. The Consultant shall, if requested, make available the design calculations.
- The Consultant shall advice the MCGM on the Time Schedule (Bar Chart / Pert / CPM Network) prepared by the Contractor(s) for the completion of the project work, if required.
- The Consultant shall supply to the MCGM free of cost required sets of drawings at different stages.
- The Consultant shall not make any deviations, alterations or omissions from the approved drawings, involving financial implications without prior written consent of the Municipal Commissioner.
- The Consultants shall exercise all reasonable skill, care and diligence in the discharge of his duties and shall exercise such general superintendence and inspection as may be necessary to ensure that the project work is executed in accordance with the tender documents / contracts / conditions of contract.
- Any revision in the drawings, tenders and documents, once approved, required to be made at the instance of MCGM shall be compensated as additional services provided by the Consultant as mutually agreed upon.
- No change shall be made in the approved drawings and specifications at site without the prior written approval of the Municipal Commissioner.

23.12 Indemnification

In the event that a claim or suit is brought against the MCGM by any third party for damage arising from personal injury or property damage for which the Consultant may be held responsible, then the Consultant shall indemnify the MCGM and fully reimburse any loss, damage or expenses which the MCGM may incur in connection therewith.

23.13 Ownership of Documents

All documents prepared by the Consultant, in connection with the project including all reports, notes, plans and drawings design calculations, data prepared and compiled, etc and submitted to the copy rights in connection with the above documents will vest with the MCGM. The MCGM shall be free to use the above documents / drawing for any other work.

23.14 Interpretation

In case of any ambiguity of difficulty in the interpretation of the terms and conditions of this Agreement the issue shall be referred to the Municipal Commissioner for Brihan Mumbai whose decision shall be final and binding on the Consultant.

23.15 Integrity Pact / Conflict of Interest

The consultants shall have to submit a declaration/ undertaking in respect of Integrity Pact stating that he has no direct or indirect interest in the appointment of contractor or award of contract for execution of the Project as and when they are involved in the evaluation of tender /decision making/ selection of the contractor.

Chapter- 4 : Invitation and Evaluation of Tenders.

1.

Background:

After obtaining Administrative Approval for procurement of goods, services or execution of the work, and preparation of Bidding Documents duly verified and approved by the competent authority, respective head of the dept. should take the next step for invitation of tenders. Requisites to be followed in the procurement activities is to ensure legal compliance as well as transparency and competitive offers in award of the contracts. Both these can be achieved by giving public advertisement and by adopting e-tendering process.

2. Legal requirement:

MCGM is a Local Self Govt. and therefore it is governed by the MMC Act. There is a specific provision in the Act for giving public advertisement for awarding any contract. The legal provision is as under:-

2.1 Section 72(1) of the Act provides that the Municipal Commissioner shall, at least seven days before entering into any contract for the execution of any work or the supply of any materials or goods which will involve an expenditure exceeding 3 lakhs rupees, give notice by advertisement in the local newspapers, inviting tenders for such contract.

2.2 In respect of work, supply or services involving expenditure up to Rs.3 lakhs, tender notice shall be published on the official web site of the MCGM.

2.3 Section 481 of the Act provides that whenever it is provided that such notice shall be given by advertisement in the local newspapers or that a notification or any information shall be published in the local newspaper, such notice, notification or information shall be inserted if practicable, in at least two English newspapers, one Marathi newspaper and one Gujarati newspaper published in Brihan Mumbai.

2.4 Tenders for cost above Rs. 5 lakhs but up to Rs. 75 lakhs report to Standing Committee within 15 days from invitation of tenders / contract.

HoDs should observe these provisions and accordingly give public advertisement well in advance in selected news papers published in Greater Mumbai and thereby fulfill legal requirements under both these sections.

3. E-tendering:

In the present scenario of advanced technology MCGM simultaneously opts for electronic facility and therefore, has developed its own web site (<http://portal.mcgm.gov.in>). In addition to the conventional method of giving public advertisement in the newspapers such tender notice shall also be uploaded on this site..

4. Size of Tender Notice in newspapers:

4.1 In view of the availability of the electronics media, public notice in the local newspapers should be with a view to comply with the legal provision. Therefore, the tender notice should be drafted with due care containing relevant salient features to give an idea to the prospective bidders about invitation of the bids and the availability of complete details on the web. The details readily available in the Bid Documents loaded on the MCGM portal, need not be mentioned in the tender notice.

4.2 Though it is provided in the MMC Act about the minimum number of news papers and their language, MCGM gives such a public advertisement in number of news papers of different languages. Generally, some of the news papers adopt their own font and the size thereof giving scope for consumption of larger space adding to the cost. Public Relation Officer of the MCGM, who deals with advertisements of the MCGM, should, therefore, ensure that all the news papers adopt uniformity in using font and the size of the advisement.

5. Contents of the Tender Notice on web site:

The Tender Notice should contain relevant information essentially required to be communicated to the bidders for participating in Procurement Process. Inclusion of information which is otherwise available and can be included in the other parts of bid document, will amount to duplication. Invitation to bid or tender notice should, therefore, contain brief description of the following:-

- Description of goods/ work and its estimated cost,
- Period of contract,
- Eligibility criteria,
- Cost of the tender document and mode of its payment,
- Date from which tender documents can be downloaded,
- Time and date of pre-bid meeting,
- Deadline for submission of tenders,
- Place, time & date for opening of tenders,
- Amount of Earnest Money Deposit and mode of its payment,
- Mandatory conditions,
- Any other vital information inviting attention of prospective participants.

6. MCGM's Web Site:

The process of inviting offers from prospective bidders and receiving their responses electronically is referred to as e-tendering. This method has been adopted by the MCGM to improve efficiency and effectiveness of the procurement process. Prospective Bidders can now refer to the tender notice and obtain Bidding Documents directly from the web site of MCGM. This satisfies the guiding principle of fair treatment to all Bidders too.

Electronic bids or e-bids are legally binding as long as they are endorsed by the authorized representative of the bidder and are submitted in a manner explained in the

Tender Notice and the Bidding Documents. Therefore, tender inviting dept. should load Tender Notice and the Bid /Tender Documents on the official portal of the MCGM to facilitate interested bidders in taking part in the procurement process. Specific procedure for downloading the Bid Documents and payment of Bid documents and payment of EMD etc should be narrated in the Bid documents.

7. Cost of Bid/Tender Documents:

Price of the tender document should not be too high as it will discourage the prospective bidders to purchase the document. Such price should also not be too low. Price should be specifically mentioned with the details of the tax payable and its percentage, if any and the mode of payment of cost of bid.

7.1 The cost of Bid / Tender Documents in respect of tenders for supply of goods etc. shall be Rs.2000/- . As regards tenders for civil works and services including Consultancy Services shall be 1% (one percent) of the estimated cost subject to minimum of Rs.5000/- and maximum Rs.50,000/- (To be rounded off to next hundred). This rate shall be revised from time to time.

7.2 The nomenclature of cost of bid document shall be termed as “Tender Procuring Charges”. With this change in nomenclature applicability of other charges including VAT shall be ascertained from Tax Consultant.

8. Sale of Bid/Tender Documents:

MCGM has adopted e-tender procedure and therefore, all the tender forms shall be made available on the official portal for downloading. In case however, for specific reasons to be recorded, it is decided to issue the tender documents in physical form specific procedure thereof shall be described in the advertisement inviting tenders.

9. Extension of Tender Opening Date:

Sometimes, situations may arise necessitating modification of the tender documents already put on sale. Also, after receiving the documents, a bidder may point out some genuine mistakes necessitating amendment in the tender documents. Tender inviting dept. may also feel necessity of amending it. In such a situations, it is necessary to amend/modify the tender documents suitably prior to the date of submission of bids. If the amendment/modifications does not give much time to the bidders to respond to such amendments, and prepare revised bid, the time and date of submission of bid should also be extended suitably, along with suitable changes in the corresponding time-frames for receipt of bid, pre-bid meeting, etc and corresponding extension in validity period of the bid. Extension of due date on any account, shall be recorded and approved by the officer who had approved invitation of tenders initially. Any change by way of amendments / modifications in the tender documents, change in respective dates etc. should be made known to all bidders by way of corrigendum in the local news papers as well as on the web.

10. Amendments / Modifications to bids by the bidder: In the light of corrigendum issued, the bidder, after submitting the bid, may alter or modify his offer and upload, before revised due date & time of receiving

tenders, his modified offer. In that case, he shall delete his original offer.

11. Late Tender:

Under e-tendering process the question of late submission of tender would not arise as the site blocks any submission on expiry of due date and time. However, if contingency of receiving tenders in physical form arises, late tenders i.e. tenders received after the specified date and time shall not be opened or considered and returned to the tenderer unopened. Likewise, where contingency arises to accept tenders in the physical form clear cut and detailed instructions regarding sealing, waxing of packet containing physical tender should be incorporated in the Bid document.

12. Time Frame

The activities post invitation of bids start on the day of opening of bids received in response to the Public Advertisement.

As such it is necessary to determine appropriate time frame taking in to account the activities / stages from opening of bids to the stage of issuance of acceptance letter to the successful bidder, within the validity period.

The maximum time as may be allowed for finalization of bids shall be calculated from the due date of the bids as under:-

Activity	No. Days available	
	Works	Goods/ Medicines
Last date of submission of bid		
Opening and scrutiny of Packet 'A'	1	2
Opening and scrutiny of Packet 'B'	3	3
Opening and scrutiny of Packet 'C'	7	7
Market survey		8
Sample verification / Testing		10
Decision on Responsive/ non-responsive	4	4
Evaluation of bids	4	4
Tender Committee	1	1
Preparation and submission of DL to MS	4	4
Verification of DL to MS by CA's office	6	6

Approval of DL to MS at higher level	5	5
Printing and Circulation of Agenda	6	6
Approval by Standing Committee/	30	30
Issue of Acceptance letter to the successful bidder	7	7
Add:- Sundays, 2nd & 4th Saturdays and Holidays (appr.)	20	23
Total Days	98	120

Thus, the validity of the bid shall be generally specified 120 days and maximum 130 days.

13. Opening of Tenders:

At a predetermined time tender opening process shall start. At that time one representative of each tenderer shall be allowed to remain present on production of letter of authorization in the format as per Annexure- 6 The officials authorized to open the bids on line, shall prepare a list of bidders / representative of bidders so attended with their names, address etc. and statement or list so prepared be signed by the MCGM officials and the bidders / representative of bidder present.

14. Evaluation of bids:

There are four steps viz,

- a) Preliminary scrutiny,
- b) Detailed scrutiny,
- c) Evaluation of responsive bid on financial ground, and
- d) Deciding ranking of responsive bidders from lowest one.

15. Preliminary Scrutiny:

Preliminary scrutiny i.e. First round of scrutiny: Packet 'A'

15.1 Opening of Packet 'A' and preliminary or initial scrutiny of all the bids received can be considered as elimination round. This scrutiny determines the bidders who have not submitted the required basic documents and not fulfilled the mandatory conditions for being eligible for opening of Packet 'B'. Such bids shall be treated as non-responsive and not to be considered for the next round of evaluation of bids.

15.2 The MCGM officials shall open the Packet 'A' in the presence of the bidders / representative of bidders and should prepare list of bids (Packet A) received. On scrutiny of contents of packet 'A' and the list of bidders not fulfilling the mandatory conditions warranting rejection of their bids, specific reasons for rejecting their bids shall be recorded in the procurement file duly attested by the officers involved in the initial scrutiny of bids.

15.3 Following are the basic points for which bid should be treated as non-responsive or ineligible and as such should be eliminated in the first round:-

- Non-payment of bid security or EMD,
- Conditional Bid,
- Validity quoted is less than the required period,
- Non submission of documents in required Packet,
- Non agreeing to some essential conditions in the bid document/quoting his own condition,
- Non submission of authority letter from the manufacturer,
- Not agreeing to the payment schedule.
- Quoting for goods manufactured by a different firm without the required Authority letter from the manufacturer.
- Not agreeing to give the required security deposit/ performance security.
- Quoting for part supply instead of entire requirement as specified in the tender condition.

15.4 Based on the conditions all tenders shall be scrutinized and those non-responsive shall be kept out of consideration. Those responsive shall be considered for opening of packet 'B' and further evaluation purpose.

16. Detailed scrutiny:

Detailed scrutiny i.e. Second round of scrutiny: Packet 'B'.

16.1 Packet 'B' shall be opened in respect of bidders who are found eligible and responsive in the first round. This second round of scrutiny i.e. scrutiny of packet 'B' which is a technical scrutiny determines the prospective bidders for opening of packet 'C' on the basis of pre-determined evaluation criteria. Those who qualify become eligible for opening of packet 'C' being substantially responsive tenderers.

16.2 The scrutiny of packet 'B' is most important and the officials involved in the scrutiny of bids shall certify on the evaluation statement prepared during the scrutiny of bids, correctness of scrutiny and evaluation done by them. Similarly, the officials should also record the reasons for rejecting the bids at this stage of scrutiny of packet "B" in the statement of evaluation.

16.3 The procuring department may, if necessary, call for clarification by giving specific time limit in respect of the documents submitted by the bidders but shall not call for any fresh document or replacement of the documents submitted by the bidders. The eligibility of the bidder shall be determined only on the basis of the documents already submitted. If bidder fails to submit clarification within the stipulated period his tender shall be treated as non-responsive. Further 10% EMD of the bidder shall be forfeited.

16.4 The evaluation report shall bring out clearly the deficiency in respect of each rejected offer with respect to the specifications/drawing, qualification criteria or other required particulars given in the bids. Since comparative statement is a very important document

based on which the decision is made, the dealing officer should pay proper attention while preparing the statement.

17. Financial scrutiny:

Third Round of Scrutiny: Packet 'C'.

Packet 'C' generated by the system:

17.1 The tender opening official shall open packet 'C' i.e. financial packet of substantially responsive tenders on the due date and time indicated in the Tender Notice, in the presence of the tenderers or one of the authorized representatives of tenderer. After opening of packet 'C' the tender opening officer shall read out the following particulars of each tender opened:-

Tender No. and name of department inviting tenders.

Articles/nomenclature of the work.

Items quoted in the tender.

Price offered / Percentage offered.

17.2 Packet 'C' submitted in physical form:

After opening of packet 'C' generated by system the officials shall ascertain and confirm whether all the responsive bidders have furnished the DD / rate analysis and other documents, if any, called for in the packet 'C' in physical form. The Tender opening official shall also read out the following particulars of the tenderers if found quoted in the packet 'C'.

Any specific condition in respect of delivery, payment etc.

Additional charges for packing, delivery, installation and commissioning etc.

Any condition deviating from tender specification.

18. Actual evaluation and deciding ranking:

18.1 Before deciding of responsive bids following points shall be considered:

Whether:

Any computational error has been made,

Required sureties have been furnished,

Required documents have been properly submitted and whether the bids are in order.

All the offers have been compared on the basis of the essential technical specifications laid down in the tender document and the post-qualification criteria if any, mentioned therein.

Any special grading has been given based on the additional features, if any, offered by the bidders which were not part of the tender specifications.

Financial and Technical capability of the firm is verified.

Past performance of the responsive bidder is satisfactory.

Percentage quoted / of price quoted is reasonable.

18.2 Thereafter, all responsive tenders shall be evaluated on the basis of evaluation criteria already disclosed in the tender documents and shall be placed in order of their position from lowest responsive.

19. Certain points to be noted:

19.1 There may be certain deviations from bidding documents. Such deviations can be grouped under major deviation and minor deviation.

Major deviation-

Has an effect on the validity of the bid,

Has an effect on the price, scope, quality, performance,

Has a total departure from the terms and conditions.

Under these circumstances, the bid has to be treated as non-responsive and rejected.

Minor deviation-

Has no effect on validity of offer,

Has no effect on the price, scope, quality, performance,

Has not resulted in departure from terms and conditions.

Under these circumstances, the bid can be treated as substantially responsive with the approval of Dy. MC / AMC.

19.2 Evaluation of bids shall be done on an equitable basis and in a fair and transparent manner. In order to ensure that all bidders are provided with a level playing field, all elements of the cost quoted by the bidders such as the basic price, price variation, additional charges if any, for safe delivery, packing, training, installation &

commissioning, statutory levies, and other terms and conditions with financial implications must be taken into account.

19.3 Each bid shall be fully examined and its strengths and weaknesses identified. These should be compared directly against the strengths and weaknesses of all other bids. If essential appropriate, further information may be sought to clarify the features of any bid. The bid that represents the best value for money should be selected.

19.4 Where the value of the goods to be procured is significant, officers related to evaluation process may visits to a supplier's reference sites to verify capacity of the supplier. Such visit may be appropriate to satisfy with warehouse and distribution system of supplier. Visiting staff shall prepare a detailed reports bringing out there in its specific observations and recommendations.

19.5 Interview of the bidders may also be encouraged with a view to confirm details of written bids or to clarify bids and to know whether bidder fully understood the terms and conditions and that price he quoted is with fully understanding the market conditions and not merely with a view to grab the contract. Every clarification obtained during the course of an interview should be documented in writing.

19.6 Information relating to the examination, clarification, evaluation and comparison of Tenders and recommendations for the award of a contract shall not be disclosed to any other persons not officially concerned with such process until the award to the successful Tenderer has been announced. Any effort by a Tenderer to influence the decisions by way of written representations, e-mails, or phone calls may result in the rejection of his Tender.

19.7 While evaluating the tenders, neither new condition should be brought in nor tender enquiry condition should be overlooked. Aim should be to ensure that all tenderers get equal treatment and no undue advantage is given to any particular tenderer at the cost of other tenderers.

20. Past performance:

The tender scrutiny official, while deciding the responsive offers along with the financial criteria of the bidders, shall examine past performance of the bidder based on the following aspects:-

- Execution of the previous order(s) within the original contractual delivery date.
- Submission of security deposit within the specified period.
- Submission of BG towards advance/progress payment in time.
- Submission of design/engineering document within the specified time.
- Supply of quality products without any defect or discrepancy.
- Furnishing of required clarifications in time during the course of the contract.
- Carrying out installation & commissioning within the agreed schedule.
- Fulfillment of warranty obligation such as providing required technical support, after sale service and arranging rectification of deficiencies, replacement of defective parts during the warranty period.
- Submission of Performance Bank Guarantee in time.
- Fulfillment of any other contractual obligations against earlier orders.

21. Reasonableness of Price:

- Reasonableness of price proposed for acceptance has to be established by taking into account the competition to the tender enquiry, last purchase price, market price wherever available and changes in the indices of various raw materials, electricity, wholesale price index etc.
- The reasonableness of price may also be examined by resorting to cost analysis.
- Last Purchase Price of less than one year can be taken for comparison.
- In case of single tender, analysis of the cost and price structure may be done to ensure that the price quoted is reasonable with reasonable profit margin.
- Price paid in an emergency purchase or Purchase Price from a distress sale is not accurate guidelines for future use.

22. Lack of Competition:

At the time of evaluation and deciding reasonableness of price it is necessary to examine whether there was appropriate response to the tender enquiry. Lack of competition can be identified if following factors are observed:-

- Less response to the Tender notice.
- Ring has been formed by all the tenderers.
- Common product has been offered by all.

23. Dividing the Quantity:

Ordinarily, in respect of procurement of goods, the lowest responsive tenderer should be allotted the entire quantity. However, under certain circumstances, division of quantity to be procured can be divided among two or more tenderers under following situations-

- It is specifically mentioned in the tender conditions.
- If it is not a tender condition then all other conditions remaining the same, where rate quoted is identical or difference in rate is marginal the quantity may be divided on the basis of past performance and capability of the bidders.
- Division shall not be disproportionate conferring undue benefit and, it shall be transparent.
- Load of the outstanding orders with the tenderer, if any.
- The lowest responsive tenderer does not quote for the entire schedule quantity.
- The quantity to be purchased is beyond the capacity of a single tenderer.
- The new source of agency is tapped to avoid monopoly of a single supplier.

It must be kept in mind that splitting of order should be an exception for the reasons to be recorded, rather than a rule.

24. Rejection of Tenders:

In the ordinary course, Municipal Commissioner does not pledge himself to accept the lowest or any tender and reserves the right to reject any or all the tenders without

assigning any reason. This condition shall be inserted in all the tender documents. There are however, some contingencies under which offers received are required to be cancelled or rejected-

- There has been a material change in the basic specifications after receipt of tenders.
- The offers received do not conform to specifications in important respects.
- Prices quoted are unreasonably high.
- Lack of competition.
- Lowest responsive tenderer withdraws the offer

25. Negotiation:

25.1 Among different methods of procurement single source of procurement is one of them. This method is required to be adopted under various circumstances such as-

(a) the subject matter of procurement is available from a particular prospective bidder, or a particular prospective bidder has exclusive rights in respect of the subject matter of procurement, with the result no reasonable alternative source and the use of any other procurement method are available;

(b) owing to a sudden unforeseen event, there is extremely urgent need for the subject matter of procurement, and engaging in any other method of procurement might cause delay;

(c) the procuring entity, having procured goods, equipment, technology or services from a bidder, determines that additional supplies or services need to be procured from such bidder for reasons of standardization or because of the need for compatibility with existing goods, equipment, technology or services;

(d) the procuring entity determines that the use of any other method of procurement is not appropriate ;

(e) the procurement from a particular group of bidder is necessary under preferential category as a policy;

25.2 Also, under any other method of procurement it may becomes difficult to determine the cost commensurate with the quality and other factors related to actual supply. This may happen in respect of following:-

- purchase of equipment is unique in nature or of highly complicated technology.
- equipment is being procured for the first time and information regarding its cost is not available,
- price quoted is based on suspected cartel formation,
- number of suppliers in the field is limited,
- in a competitive bid the cost quoted is higher than the reasonable estimated cost,
- Commercial terms offered are much in variance than the normal terms.

25.3 Under the above situations, negotiations with the bidder becomes essential. In principle, negotiations after a competitive bidding shall be strictly discouraged. The

practice of negotiations with the bidder send wrong signals in the market and vitiates the sanctity of the tendering process.

25.4 Central Vigilance Commission has also criticized negotiation attempts made by procuring agencies other than with L1 and that too only in the following circumstances:-

(a) Post-tender negotiations with L-1, except in certain exceptional situations would include procurement of proprietary items, single tender items with limited sources of supply and items where there is suspicion of a cartel formation.

(b) In cases where a decision for re-tendering is taken due to unreasonableness of the quoted rates, but the requirements are urgent and retendering for the entire requirement would delay the availability of the item, thus jeopardizing the essential operations, maintenance and safety. However, negotiations would be for the supply of a bare minimum quantity.

(c) Convincing reasons must be recorded by authority recommending negotiations.

(d) Counter-offers to L-1, in order to arrive at an acceptable price, shall amount to negotiations. However, any counter-offer thereafter from L-2, L-3, etc. (at the rates agreed by L-1) even if there is a provision as pre-disclosed in the bid document, splitting of quantities, shall not be entertained, as such an arrangement cannot be considered as negotiations.

25.5 It is essential that every competent authority negotiating with the bidder must record his reasoning and outcome of the negotiations, leaving no scope for criticism. He shall also obtain written confirmation from the bidder agreeing to the outcome of the negotiations.

26. Scrutiny of proposal to be placed before Tender Committee:

26.1 The following important aspects must be checked before placing the offers for recommendation of the Tender Committee along with a statement in respect of total no. of tenders received, number of tender treated non-responsive and reasons therefore, and the no. of responsive tenders:-

- Whether all the valid offers are evaluated with reference to the tender specifications, conditions and qualification criteria.
- Whether correctness of the comparative statement of offers is rechecked with reference to-

- a) All valid offers included in the comparative statement,
- b) Details given in the offers,
- c) Loading factors such as price variation, packing, forwarding & freight charges wherever quoted,
- d) Calculation in respect of each of the offers,
- e) Ranking of the offers.

26.2 The tendency to request the tenderer to extend the period of validity of their offer should be curbed. This will lead to delay in meeting the requirement and thereby causing delay. There is also a risk of the firm refusing extension or withdrawing the offer.

26.3 Tender Committee and recommendations:

The statement showing detailed evaluation of bids related to Financial, Technical, Experience and Equipment etc. of all the responsive tenderers as prepared by the officials scrutinizing the eligibility of the tenderer, along with computer generated list of substantially responsive bidders, shall be placed before the Bid Evaluation Committee for consideration and deciding the best offer for recommending for award of contract.

The Bid Evaluation Committee, commonly known as Tender Committee shall finally decide and recommend, based on the report of evaluation and comparison of the bids received from the respective HoD, the most responsive acceptable offer.

26.4 The meeting of the Tender Committee shall be necessarily attended by the officer nominated by the MC and no Subordinate officer shall be deputed for such meetings. The discussion on selection or recommendation of bidder shall be recorded in detail in the minutes of the Tender Committee. Further, individual members of the Tender Committee shall declare that they do not have directly/ indirectly any personal interest, other than interest of the MCGM in the official capacity as a member of the Tender Committee, in the evaluation of the bids placed for consideration in the Meeting. This declaration should form the part of the minutes of the Tender Committee.

27. Obtaining of Sanction:

27.1 Authority:-

After recommendations of the Tender Committee the acceptable offer for award of contract for supply of goods/work or services HoD should seek sanction of the competent authority as per Section 69 of the MMC Act.

The authorities for awarding contract for procurement as per the provision under Section 69 of the Act are:-

- Municipal Commissioner,
- The Mayor, and
- The Standing Committee, (The Education Committee for procurement related to Budget E)

27.2 Preparing DL to MS:-

The proposal seeking sanctions of the MC, Mayor or the DL to MS for obtaining sanction of the Standing Committee or Education Committee, should contain all the important aspects such as:-

- Subject matter of procurement / nature of work and location.
- Purpose of Procurement.
- Date of invitation of bids.
- Total no. of offers received on due date and no. of offers treated as non responsive and responsive offers.
- Acceptable recommended bidder.
- Validity of offer.

- Total cost of the procurement.
- Fair and reasonability of the accepted offer.
- Contract period.
- Budget provision.
- Applicability of respective schedule.
- Whether sanction to plans and estimates is obtained, if not whether it is being sought separately.
- Appropriate applicable clause of the relevant Section of the Act.

It is provided under Section 69 of the Act that the Standing Committee shall consider and dispose of the proposal made by the commissioner within thirty days from the receipt thereof, failing which the previous approval to such contract shall be deemed to have been given by the Standing Committee and a report to that effect shall be made by the Commissioner to the Corporation. The period of 30 days shall be counted from the day of the meeting of the Standing Committee held immediately after the receipt of MC's such proposal in the office of the MS.

These provisions when operated in respect of Section 61(q) of the MMC Act in place of Standing Committee, Education Committee shall be replaced.

As per proviso to Section 69(c) of the MMC Act, it is essential to submit report to the Standing Committee / Education Committee in respect of tenders invited for procurements costing above Rs. 5 lakhs but upto Rs.75 lakhs within 15 days from the date of invitation of tender / contract.

27.3 Scrutiny of DL To MS (by CA's Office) :-

The official concerned from the CA's department should ensure that required details indicated above are incorporated in the proposal / DL to MS while scrutinizing the proposal from the point of view of principles of Audit as under:-

Audit against Sanctions:-

- Whether sanction of appropriate competent authority to invite bids is obtained.
- Whether sanction of appropriate authority as applicable is sought for in the DL to MS.

Audit against Provision:-

- Whether adequate budget provision is made / available for the proposed procurement.
- Mention of appropriate Budget Head in the DL to MS.

Audit against financial propriety

- To ensure whether procurement of goods / works / services involves improper expenditure or extravagance or waste of municipal money though the proposal may be apparently in order so as to maintain high standard of public financial propriety. The proposal is not for a particular person or section of the community or the expenditure proposed is not more than occasion demands.

28. Letter of Acceptance:

Once the competent authority has approved the proposal placed before them, the approved bidder shall be issued letter of acceptance advising to complete requirements such as payment of security / performance deposit, legal charges and other charges, if any, Salient features of Letter of Acceptance are.

- Such Letter of Acceptance must be issued in such a way that it is acknowledged by the bidder within the validity period of his offer.
- Letter of Acceptance shall be under the signature of the officer competent to do so.
- Proof of dispatch of Letter of Acceptance as well as acknowledgement of such letter shall be preserved properly.
- The moment this Letter of Acceptance is received by the bidder contractual obligation is created between MCGM and the bidder, of course, subject to payment of Performance Security.
- Contents of Letter of Acceptance shall be accurate giving no scope for any ambiguity or reason for any dispute subsequently.
- As provided under Indian Contract Act, Letter of Acceptance shall be absolute and unqualified as well as its acceptance by the bidder shall also be absolute and unqualified.

29. Execution of Written Contract:

An independent chapter on this subject has been included in the Manual.

1. Meaning of a Contract:

Every agreement and promises enforceable at law is a contract. When two parties agree to act or omit to act for a common purpose with a common goal for a specific consideration, this is called a contract

A contract is an agreement entered into voluntarily by two parties or more with the intention of creating a legal obligation, which may have elements in writing. A contract is a legally enforceable promise or undertaking that something will or will not occur. The remedy for breach of contract can be "damages" or 'compensation of money'.

2. Applicable Statutes:

The purchase transactions are governed by the statutory provisions of the following Acts:

- The Indian Contract Act,
- Indian Sale of Goods Act, ,
- Arbitration & Conciliation Act,
- Indian Stamp Act.

There is no separate law governing procurement by the local bodies. However, comprehensive directives in the form of General Conditions of Contract, Engineering Code, Manual of Accounts etc. are available.

There are various definitions provided under respective Act and are applicable for each contract. They may therefore, be referred to as and when required.

3. Essentials of a Valid Contract:

Following are the essential aspect of a valid contract enforceable under law. The contract to be executed must satisfy following essentials covered under Indian Contract Act read with the relevant provisions of the MMC Act.

- **Offer and Acceptance:** There must be a proposal and its acceptance creating an agreement. The agreement should create a legal association between the parties.
- **Intention to Create Legal Association:** The parties should intend to form the agreement legally.
- **Consensus:** Both the participants should agree upon subject of the contract at same time.
- **Competent Parties:** The parties to the contract should be competent to do so as per existing laws. This refers to the age, sound mind, authority etc.

- **Lawful Consideration:** Consideration is defined as the price that the opposite party pays to buy the promise of the other party.
- **Free Consent:** An agreement should have approval of the parties which should have been obtained by fair means.
- **Lawful Object:** The agreement should be legal, genuine and not fraudulent.
- **Written and Registered:** A registered or documented contract is considered as valid.
- **Not to be Void:** If an agreement is expressly declared void under any law in the country, it cannot be considered as a contract.
- **Certainty of performance:** It should not be vague. It must be capable to perform.

4. General Guidelines:

- (a) Execution of a written contract is considered a must. However, sometimes, it takes little time by which performance or obligations under the contract are required to start. Therefore, barring exceptional circumstances, no work of any kind shall be commenced or no work order for supply of goods be issued prior to execution of contract.
- (b) The terms of a contract must be precise and definite leaving no room for ambiguity.
- (c) Except standard conditions of contract all the additions, deletions should be in consultation with the Legal and Finance depts.
- (d) The terms of a contract once entered into shall not be varied without the previous consent of the Legal and Finance Dept. and approval of concerned AMC.
- (e) Before entering into a contract, all pros and cons shall be considered and validity of contractual documents ensured.
- (f) If any property belonging to MCGM is made available to the contractor for fulfilling contractual obligations, suitable clause shall be inserted in the contract for safeguarding MCGM's interest and the property.
- (g) Where the contract provides for a clear schedule for the fulfillment of the various stages of the contract, it should include a provision for modification or cancellation at the discretion of the Commissioner with reasonable notice to that effect.
- (h) All contracts shall have a provision for recovery of liquidated damages for defaults on the part of the contractor.
- (i) Where a warranty clause is included, the position regarding delivery of goods in replacement of rejected ones must be made clear beyond doubt.
- (j) The liability of payment of all applicable taxes and rates, octroi etc. shall specifically be brought out in the contract documents.
- (k) All contracts for purchase involving import of materials from abroad shall as a rule provide for compliance of laws applicable for import.

- (l) If any work or supply is required to be extended beyond initial date of expiry of contract, contract period, its value etc. shall first be got extended/ approved.
- (m) Where escalation in respect of labour, overheads, customs duties, freight etc. is provided for in a contract, the basis for the calculation of the same shall be clearly indicated.
- (n) When the contract is signed by the contractor in vernacular a certificate from English knowing person is necessary on the contract that the terms and conditions of the contract have been fully explained to the contractor and that he has understood the same.
- (o) If some of the partners of the firm are minor the contract shall be signed by legal guardian of the minor partners.
- (p) Each signature on the contract shall be duly attested by a witness.
- (q) If the contract is signed by the person so authorized the Power of Attorney shall be got verified from the Legal Dept.

5. Voidable Contracts:

Indian Contract Act provides certain conditions under which contract can become voidable. They are:-

- A Contract is voidable at inception when the consent is caused by fraud, coercion, misrepresentation or undue influences.
- The contract is voidable at subsequent default if offer of performance is not accepted, one party prevents performance of reciprocal promise, or a party fails to perform at the time fixed, the time is the essence of the contract.

6. Obtaining of Performance Security:

6.1 Purpose:

Section 73 of the MMC Act provides that MC shall require sufficient security for the due performance of every contract into which he enters in to on behalf of the Corporation. Thus Performance security is a guarantee required as a condition of contract ensuring contractor's obligations under the contract.

Different nomenclature is used by different departments such as Contract Deposit, Security Deposit or Performance Security. Considering the intention or the purpose behind obtaining the security a common terminology "Performance Security Deposit" is considered appropriate and used in the manual wherever applicable.

- Performance Security is an amount of security to ensure that a source of compensation will be available in the event of the contractor's failure in the performance of the obligations under the contract.
- Performance Security is issued to one party of a contract as a guarantee against the failure of the other party to meet obligations specified in the contract.

- A written guarantee from a third party guarantor, usually a bank, issued to a principal, client or customer by a contractor on winning the bid. A performance bond ensures payment of a certain sum specified in the bond in case the contractor fails in the full performance of the contract.

The performance security or guarantee must always be irrevocable unconditional and encashable on 1st intimation without raising any query.

6.2 Quantum of Performance Security Deposit:

6.2.1 While determining the amount of Security following points need to be taken in to consideration:-

- (i) The consequential impact of delay or deficiency in performance, on finance or functional benefits.
- (ii) The likely cost involved in determining alternative arrangement to complete the job in case of failure of the bidder appointed.
- (iii) Complexity and magnitude of the contract.

6.2.2 Performance Security Deposit in respect of Civil Works is required to be paid by the bidder as per provision of GCC. That clause reads as under:-

“The Contractor shall pay a Security Deposit / Performance Security equal to 2 (Two) percent of the Contract sum for due fulfillment of the Contract and retention money equal to 5 (Five) percent of the contract sum, which will be recovered from Contractor’s running bills. In case the original Contract is varied and Contract sum is increased, the Contractor will have to pay in total seven percent Security Deposit on revised Contract sum, within a period of one month from the receipt of intimation in writing of acceptance of the varied Contract.”

6.2.3 The amount of Performance Security Deposit in respect of contractor for supply of goods/ material etc. shall be worked out as under:-

- (i) Where the tenderers quote their rates inclusive of all duties and taxes etc.
5% of the total cost of the purchase should be taken as a contract deposit.
- (ii) Where the tenderer quote their rates inclusive of Excise Duty, but exclusive of Sales Tax, 5% of the total cost of the purchase at the quoted rates (inclusive of Excise Duty but exclusive of Sales Tax) should be taken as contract deposit.

- (iii) Where the tenderers quote only rate and stipulate that Excise Duty, Octroi Duty, Sales Tax and or any other charges will be charged extra, 5% of the total cost

6.3 The mode of recovery:

The mode of payment of Performance Security Deposit shall be as under:-

6.3.1 Initially, sum amounting to two percent of the contract sum shall be paid within 15 days after receipt of intimation in writing of acceptance of tender. It is optional to the Contractor to make the Contract deposit in one or the other form mentioned below:-

- Wholly in cash by way of DD in favour of The Municipal Commissioner,
- Wholly in public securities; or
- Partly in cash and partly in public securities; or
- By way of Bank Guarantee issued on behalf of the Contractors by the Bank on approved list of the Municipal Corporation, in the prescribed format.

6.3.2 Balance sum amounting to five percent of the contract sum shall be recovered from contractor's running bills. In case the original contract is varied and contract sum is increased, the contractor shall pay the balance on intimation.

6.3.3 If the Contractor so requests, the Engineer will when the cumulative amount of retention money recovered from the bills, has reached Rs.5,00,000/- (Rs. Five lakhs) pay the excess of cumulative amount of retention money to the contractor against Bank Guarantee of equal amount issued by Bank acceptable to the Corporation. If the Bank Guarantee is not renewed seven days before expiry of the validity period, the same shall be encashed before expiry date.

6.4 Charges towards such securities:

(i) If the security deposit / performance security is paid in the form of Public Securities, the value of public securities to be lodged as deposits shall be taken as ten percent below the market value on the day of acceptance or at their face value whichever is less.

(ii) In case the deposit is paid by the transfer of G.P. Notes, the endorsement in favour of the Municipal Corporation should be "pay to the Municipal Commissioner of Greater Mumbai or order" and should bear the "EXAMINED" stamp of the Public Debt Office, Reserve Bank of India.

(iii) In case of MCGM debentures, the transfer endorsement should bear the "EXAMINED" stamp of the State Bank of India.

(iv) Encashment of Securities and payment of interest thereof payable in Mumbai only shall be accepted as deposits.

(v) Detail procedure in respect of acceptance of such securities, payment of interest thereon etc. has been covered in the Manual of Accounts.

6.5 Performance Security in the form of the Bank Guarantees: (BG)

6.5.1 Meaning:

A bank guarantee is a commercial instrument in the nature of a contract, intended between two parties, to secure compliance with the contract. A bank guarantee is a guarantee made by a bank on behalf of a known customer assuring payment of the sum assured in the guarantee, on demand.

A guarantee minimizes the risks that are involved in commercial contracts. For the enforcement of ordinary guarantees, dependence of the guarantee on the main contract may lead to unnecessary disputes and litigation, arising from the main contract. These disputes may have a material effect on the guarantee, thereby blocking funds in litigation. Hence, there was a need for an innovative instrument which would enable the guarantee to serve its original purpose, namely, providing a form of security.

The bank guarantee is one such innovative financial instrument whereby, if the beneficiary perceives that there has been a breach of contract by the other party, he can encash the guarantee and avail of the amount immediately, without having to undergo the hassles of litigation.

6.5.2 Checking of Bank Guarantees:

While accepting and discharging the Bank Guarantees the staff nominated for the purpose shall pay adequate attention and exercise maximum care to ensure correctness of details of BG as under-

- The BG is in favour of the Municipal Commissioner.
- The text of the BG is strictly in accordance with the MCGM format.
- The name and address of the contractor/supplier, details of work, bank and the beneficiary.
- The purchase order number and date.
- The value & period of the Bank Guarantee as per the order.

- In case of lodging the claim, the payment will have to be made without any demur and without attaching any condition for payment.
- The validity of the BG is sufficient to take care of the MCGM interest:-
- Validity of the BG shall be for the period for which it is required.
- The BG is issued by the Bank on the approved list of the MCGM.
- BG is signed, stamped and dated by the competent officer of the bank and it is so witnessed also.
- BG is absolute in character and unconditional.

6.5.3 Modification in BG:

In case the Officer finds that the Bank Guarantee furnished by the firm is not in order and needs modification/changes, he shall take up the matter with the contractor concerned for getting the authenticated corrections/modifications carried out by the bank.

6.5.4 Verification of genuineness of BG:

The Bank Guarantee shall be subject to verification of the genuineness. For this purpose, the Officer-in-charge shall address a registered A/D letter to the concerned branch of the Bank by enclosing a photo copy of the Bank Guarantee requesting them to confirm within a specified period that the Bank Guarantee has been issued by them. Verification of the genuineness of the Bank Guarantee, also includes verification of name, designation and code number of the Officer signing the guarantee.

6.5.5 Acceptance of BG:

The officer after satisfying the genuineness of the Bank Guarantee and it being in order in all respect, shall pass orders for accepting the BG.

6.5.6 Maintenance & Follow up of BG:

The Officer in-charge shall be responsible for the custody, renewal/ revalidation of the Bank Guarantee prior to expiry of the original validity date and timely lodging of claim with the bank wherever necessary. Valid BGs shall be preserved in the safe custody of Chief Accountant (Treasury).

6.5.7 The Bank Guarantee register:

Since Bank Guarantees are securities to safeguard MCGM interest, officers concerned shall ensure that there is no lapse or laxity on their part while dealing with the BGs. Entry in the Bank Guarantee register on revalidation/renewal of the Bank Guarantee regarding its revised validity should invariably be taken and grace period if any, provided by the bank in the Bank Guarantee should be indicated separately in the register. Every amendment of BG shall be taken in this Register under the signature of officer in charge.

6.5.8 Lodging of Claim:

Bank Guarantee given as a Security Deposit for any purpose shall be forfeited and credited to the MCGM in the event of a breach of contract. Bank Guarantee obtained towards Security Deposit should be invoked only when there is a specific breach on the part of the Contractor and strictly in terms of the relevant agreement.

Bank Guarantee can be invoked only after fulfilling the following conditions:-

- Claim should reach issuing bank on or before expiry date.
- Should be in strict conformity with the guarantee terms.
- Issuing bank not to enquire into merits of claimer or not to take any views on dispute between applicant and beneficiary.
- Bank should release, payments immediately and unconditionally.

6.5.9 Non-receipt of Proceeds:

It should be ensured that no delay is caused by the Bank in releasing the amount of BG. In case bank delays its action in releasing the guaranteed money thereby giving an opportunity to a firm to get a stay order or to take other legal measures preventing the encashment of the guarantee, the legal department may be consulted. Even such banks may be deleted / removed from approved list of Banks for obtaining BG by the Corporation.

6.5.10 Return of BG:

If the purpose for which the Bank Guarantee obtained has been fulfilled by the contractor, the Bank Guarantee should be returned to the contractor along with discharge certificate. Bank Guarantee should be returned to the supplier after necessary entry to that effect in the Bank Guarantee register.

6.6 Validity and Renewal of Performance Security:

The Performance Security shall remain valid till completion of the defects liability period and thereafter the time required for preparation of the final bill by the Contractors after the accounts are finalized, i.e. up to the period the final bill is admitted for payment, subject to the provisions under clause 20d of the GCC.

Track of validity of the Performance Security documents must be kept by the concerned staff through a registry system and HoD concerned should be informed well in advance at least 2 weeks before the expiry of the validity so as to renew the same timely to avoid lapsing of Performance Security in the form of BG.

6.7 Adjustment of Performance Security:

All compensation or other sums of money payable by the Contractor under the terms of this Contract or on any other account whatsoever shall be deducted from or paid by encashing a sufficient part of his security deposit / retention money or from the interest arising there from or from any sums which may be due or may become due to the Contractor by the MCGM on any account whatsoever, and in the event of his security deposit / retention money being reduced by reasons of any such deduction as aforesaid, the Contractor shall within 14 days of receipt of notice of demand from the Engineer make good the deficit.

In the event of the said deposit having been made by the Contractor in the form of the General Undertaking and Guarantee of the Banker of the Contractor, and if the contractor under any of the provisions of this contract is liable for any penalty or damages liquidated or un-liquidated or forfeiture of the deposit for any breach or failure or termination of Contract, then, in any such case the amount of any such penalty or damages and the deposit so forfeited if not previously paid to the commissioner shall immediately on demand be paid by the said Bankers and the same may be forfeited by the Commissioner under and in terms of the said General Undertaking and Guarantee.

6.8 Refund of Performance Security Deposit:

Performance Security / Retention money shall be refunded to the contractor without any interest, whatsoever, after faithful and satisfactory compliance of the contract in all respects and completion of all such obligations under the contract.

Before refund of Performance Security due care shall be taken to ascertain the provisions under GCC regarding refund of Performance Security Deposit as also defect liability period etc. with amendments form time to time.

On completion of the work, initial contract deposit of 2% shall be refunded to the contractors along with the amount of final bill unless the Municipal Engineer is of the opinion that in order to safe guard against defects and pending claims against the contractors, it is necessary to retain more amount than the amount already retained as retention money. On expiry of the Defects Liability Period, on demand from the contractors, retention money may be refunded to him, provided there is no other demand outstanding against the contractors.

6.9 Forfeiture of Performance Security:

Performance security shall be forfeited in the event of a breach of contract by the contractor, in terms of the relevant contract conditions.

7. Documents forming part of Contract:

Following documents shall form part of the Contract:-

- All Original Bid Documents submitted at the time of bidding,
- Letter of Acceptance,
- Power of attorney in favour of authorized signatory on behalf of the contractor,
- Performance Security
- All the tender documents duly incorporating the amendments effected through addenda.
- Accepted financial offer (Financial Bid submitted by contractor along with Negotiation letter, if any, wherein the contractor had amended his offer).

8. Payment of Stamp Duty:

It is mandatory under Indian Stamps Act that every contract shall be stamped with appropriate stamp duty according to rates of stamp duty prevailing at the time of execution. Legal dept. shall be consulted for the amount of stamp duty to be paid.

9. Execution of Contract:

9.1 Authority to sign contract on behalf of the contractor:

A person to sign the contract may depend on the category to which bidder belongs-

9.1.1 Individuals: Tender must be signed by the concerned individual. If it is signed by any other person power of attorney authorizing such a person should be insisted on. In case, a tender is submitted in business name, the constitution of the business and the capacity of the individual signing such a tender must be verified.

9.1.2 Partnerships: A partnership is a firm or association of two or more individuals formed for carrying out the business. A partner is the implied authority to bind the firm in a contract coming in the purview of the usual business of the firm. While entering into a contract with partnership firm care should be taken to verify that partner signing the contract has the authority to do so.

9.1.3 Limited Companies: It is a legal entity created and registered under the Indian Companies Act. A company is empowered to enter into a contract only for the purposes covered by its memorandum of association. Therefore, the company must be asked to produce its memorandum for verification before entering into a contract. Where tenders are signed by persons other than Directors or authorized Managing Director, it is necessary to examine authorization granted by the company to enter into contracts on its behalf.

9.1.4 Corporations other than limited companies: Associations of individuals incorporated under statutes such as Trade Union Act, Co-operative Societies Act and Societies Registration Act are also artificial persons in the eye of law and are entitled to enter into such contracts. If any contract has to be entered into with any such entity the capacity of such associations to enter into contract should be verified.

9.2 Authority to sign contract on behalf of MCGM:

With respect to the making of contracts under or for any purpose of MMC Act, the following provisions shall have effect, namely:-

9.2.1 Every such contract shall be made on behalf of the Corporation by the Commissioner. However, under Section 56 of the Act Commissioner can depute his powers to the Director or Dy. Commissioner and therefore, all acts and things performed and done by the Director or the Deputy Commissioner shall for all purposes be deemed to have been performed and done by the Commissioner.

9.2.2 Any contract, for any purpose which in accordance with any provision of this Act, the Commissioner may not carry out without the approval or sanction of competent municipal authority, shall be made by him until or unless such approval or sanction has first of all been duly given. Authorities competent to sanction are covered under section 69 of the MMC Act.

9.3. Mode of executing contracts on behalf of MCGM:

9.3.1 Section 70 of the MMC Act provides that-

Every contract entered into by the Commissioner on behalf of the corporation shall be entered into in such manner and form as would bind the commissioner if such contract were on his own behalf, and may in the like manner and form be varied or discharged:

Provided that-

(a) where any such contract, if entered into by the Commissioner, shall be sealed with the common seal of the corporation ; and

(b) every contract for the execution of any work or the supply of any materials or goods which will involve an expenditure exceeding fifty thousand rupees shall be in writing and shall be sealed with the common seal of the corporation in the manner prescribed in sub-section(2) and shall specify the work to be done or the materials or goods to be supplied, as the case may be, the price to be paid for such work, material or goods, and in the case of a contract for work, the time period within which the same or specified portions thereof shall be completed.

9.3.2 Common seal of the MCGM:

The common seal of the corporation which remains in the custody of the Municipal Secretary, shall be affixed in the presence of two members of the Standing Committee to every contract or other instrument which requires to be under seal and such contractor instrument shall be signed by the said two members of the Standing Committee in token that the same was sealed in their presence, The signatures of the said members shall be distinct from the signatures of any witnesses to the execution of any such contract or instrument.

Provided that, in the case of any contract entered into for the purpose of clause (q) of section 61, the seal shall be so affixed in the presence of two members of the Education Committee and contract shall be signed by them in lieu of two members of the Standing Committee.

9.3.3 Section 71 of the MMC Act specifically provides that no contract of the nature specified as above shall be binding on the Corporation if it is not executed in the manner prescribed.

9.4 Contract Effective Date:

The date of commencement of the obligations under the contract on the parties to a contract is referred to as the contract effective date. This date shall be invariably indicated in each contract, as per agreed terms and conditions.

9.5 Language of the Contract:

Contract documents shall be in English.

10. Discharge of Contract

A contract is discharged and the parties to the contract are normally freed

from the obligations of a contract by due performance of the terms of the contract. There are some other forms of discharging the contract as under:-

10.1 By mutual agreement: Both parties to the contract agree to discontinue the contract and agree to settle for the conditions mutually agreed.

10.2 By breach: In case one party to a contract breaks some stipulations in the contract which destroy the foundation of the contract or prevent substantial performance of the contract, it discharges the other party and agrees to compensate the damages.

10.3 By refusal of a party to perform: On a promisor's refusal to perform the contract or repudiation thereof even before the arrival of the time for performance, the promisee may at his option treat the repudiation as an immediate breach putting an end to the contract for the future. In such a case the promisee has a right of immediate action for damages.

10.4 In a contract where there are reciprocal promises: If one party to the contract prevents the other party from performing the contract, the contract may be put to an end at the instance of the party so prevented and the contract is thereby discharged.

As far as General Conditions of Contract for Civil Works are concerned, there are certain circumstances under which contract can be terminated. Those circumstances may be referred to as and when required.

11. Dispensing with execution of written contract:

Notwithstanding anything contained in proviso (b) to sub-section (1) of Section 70, it shall be lawful for the Commissioner in the case of contracts relating to the execution of any work or the supply of any materials or goods to dispense, by an order in writing, with the execution of a written instrument, if such work has already been performed or the materials or goods have already been supplied to his satisfaction.

12. The registrations of documents such as Partnership Deeds, Power of Attorney and its custody shall be with the respective departments initiating procurement proposal and the same shall be made available for audit as and when required.

13. Preservation of Record:

All contract documents duly executed in the manner as above shall be preserved in the safe custody of the Chief Accountant (Treasury) by allotting safe custody number.

Part A: General Goods

1. Preamble:

1.1 Every department of MCGM spends a sizeable amount of its budget for purchasing various types of goods to discharge the duties and responsibilities assigned to it. It is imperative that these purchases are made following a uniform, systematic, efficient and cost effective procedure. Such buying should be conducted in a transparent manner to bring competition, fairness and elimination of arbitrariness in the system. With this view in mind MCGM established an independent department viz Central Purchase Dept. having independent heads of the dept. such as Chief Accountant, Chief Engineer and above them a Dy Municipal Commissioner with overall control of the Add. MC.

1.2 This CPD, at present, deals with finalization of procurement process for various departments centrally. However, conditions suitable to all the procurements coming under its jurisdiction somewhat are not akin and differ in many respects. Therefore, these General Guidelines for Procurement of Goods are prepared.

1.3 Under different chapters of this Manual procurement process has been discussed in length. While dealing with the procurement of goods those chapters shall first be referred to.

1.4 The main objectives of public buying are:

- Procurement of quality stores of specified quantity.
- Procurement of stores at the reasonable price on competitive bidding.
- Procurement of stores at the required time.

1.5 Therefore, among other activities, CPD shall deal with the following-

- Appointment of an agency for timely purchase of specified quality stores required by user depts. by giving fair and equitable treatment to suppliers and promoting competition in procurement.
- Registration of suppliers (manufacturers/stockiest/authorised agents / distributors) and thereby developing base of reliable suppliers.
- Coordination with the user department.
- Inspection of the material before delivery.
- Developing system for timely payment to the suppliers.
- Training to staff related with procurement activities.
- Developing MIS

2. Requisition from the user dept.

2.1 All the user depts., except those specifically excluded by the MC, shall place requisition on the CPD for procurement of the required item of goods or the services. Such requisition should be with prior approval of the competent authority and under the signature of the authorized officer.

2.2 On receipt of such requisition, the officer concerned in the CPD shall first scrutinize the requisition to ensure that it is filled in completely particularly with reference to the following:-

- purchase requisition is approved by the competent officer,
- a realistic delivery schedule and duration of contract is mentioned.
- place of delivery is mentioned.
- the description/specification is generic, broad based, clear and complete to understand the requirement.
- the specification is not the product of a particular manufacturer and does not include any make, brand name of the manufacturer or equivalent, etc.
- the quantity required is clearly specified.
- budget provision is indicated.
- requirement of requisitioning officer for any pre-bid meeting,
- any specific condition to be stipulated in the tender.

2.3 There may be a tendency among certain users to rush at the last moment on the ground of urgency. CPD shall curb such tendencies. Also, with a view to avoid load of requisitions from different depts. at a time, CPD shall obtain requirements of user depts. and prepare an annual program of invitation of tenders. Such type of planning shall take into account-

- Number of requisitions;
- Requisitions are complete in all respect;
- Nature of the material to be procured;
- Mode of Purchase to be adopted;
- Time required for invitation of tenders, submission, opening, evaluation etc;
- Target date for issuance of Acceptance Letter;
- Target date for effective supply.

3. Certain Legal Provisions:

3.1 CPD, while procuring goods, will have to deal with the provisions of the Sale of Goods Act which governs the relationship of a seller and a buyer and of the goods to be sold/purchased or agreed to be sold/agreed to be purchased. The term “Goods” is defined in the Act, and it means “every kind of movable property other than actionable claim and money and includes stock and shares, growing crops, grass and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale”.

3.2 Along with the provisions of the Sale of Goods Act it will also be necessary to refer to certain provisions of the law of contracts i.e. the Indian Contract Act. There is an independent chapter in the Manual on the subject “Execution of Written Contract”. That Chapter discusses the essentials of a valid contract and allied conditions. However, some specific references which relate to the invitation of tenders, acceptance of a lowest responsive offer, supply of goods etc, are selected from the Indian Contract Act. They are narrated in brief, for information of the staff of CPD. As and when needed, related provisions of the Act shall be referred to.

3.3 It is important to note that the specifications, inspection and sample verification, read with the provisions of the Sale of Goods Act and the Indian Contract Act, go hand in hand. Therefore, they are to be read and complied with together. Here are certain conditions with regards to offer, acceptance, specifications, inspections, samples, delivery etc. Based on these provisions instructions and conditions shall have to be included in the tender documents.

3.4 Offer and Acceptance:

3.4.1 Offer alone or acceptance alone are ‘inactive’, ‘inert’ or ‘powerless’. When separate they cannot lead to the formation of a contract. But an offer together with acceptance leads to a contract which is enforceable by law.

3.4.2 Rules re: offer-

- An offer can be expressed or implied. It can be by words, spoken or written and by conduct.
- An offer may be made to a definite person, to some definite class of persons or to the world at large.
- The terms of offer must be certain.
- A mere statement of intention is not an offer. An offer must be communicated to the offeree.
- An offer may be conditional where conditions must be clearly communicated to the offeree.
- An offer can be accepted only by the person/s for whom the offer is intended.
- Offer comes to an end and is no longer open for acceptance under following circumstances-
 - ✓ If the offerer gives notice of revocation before it is accepted.
 - ✓ By lapse of time.
 - ✓ After expiry of reasonable time if no specific time is mentioned.
 - ✓ By failure or non-compliance of a condition precedent to acceptance.
 - ✓ By death or insanity of the proposer.
 - ✓ By refusal to accept.

3.5 Rules re: acceptance-

- It must be an absolute and unqualified acceptance of all the terms of offer.
- Acceptance cannot be conditional.

- The acceptance must be expressed in usual or some reasonable manner.
- Mental acceptance or un-communicated assent does not result in a contract.
- Acceptance must be in a mode prescribed in the offer.
- Acceptance must be made while the offer is in force.
- Acceptance can be revoked any time before the acceptance comes to the knowledge of the proposer.

3.6 Consideration:

3.6.1 Consideration is an essential element in the contract. When, at the desire of the promisor, the promisee or any other person has done or abstained from doing, or does or abstains from doing, or promises to do or abstains from doing something, such act or abstinence or promise is called a consideration for the promise.

For example- A agrees to sell his car to B for Rs. 50,000/-. For A's promise the consideration is Rs. 50,000/-. For B's promise the consideration is the car. But a promise to make a contribution to charity is not enforceable by law because it is without consideration.

3.6.2 Rules re: consideration-

- Desire of the promisor is essential.
- Consideration must be real.
- Consideration need not be adequate.
- Consideration may be past, present or future.

3.7 Implied Conditions:

3.7.1 Condition as to title.

There is an implied condition on the part of the seller that he has acquired and possesses a right to sell the goods involved in the transaction.

3.7.2 Sale by description:

Where there is a contract for sale of goods by description there is an implied condition that the goods shall conform to description.

3.7.3 Sale by sample:

When goods are to be supplied as per agreed sample, the following conditions are implied:-

- The buyer shall have a reasonable opportunity to compare goods with the sample.
- The goods shall be free from any defect, rendering them unmerchantable, which would not be apparent on reasonable examination of sample.
- The term 'merchantable' implies that the article is in such quality and in such condition that a reasonable man, acting reasonably, would after full examination, accept it.

- When goods are sold by sample as well as by description the goods shall agree both with the sample and the description.

3.7.4 Condition as to fitness or quality:

There is an implied condition as to quality or fitness for the purpose of the buyer under following circumstances-

- Where the buyer, expressly or by implication, makes known to the seller the particular purpose for which the goods are required and he (buyer) also makes it known that he relies on the skill and the judgment of the seller and if the goods are of description which it is in the course of seller's business to supply, the law implies that the goods shall be reasonably fit for this purpose.
- An implied condition of fitness may be annexed to a contract of sale by usage of trade or custom of the locality.
- When goods are bought by description from a seller who deals in goods of that description (whether he is manufacturer, producer or not) there is an implied condition that the goods are of merchantable quality, that is, fit to sell. However, if the buyer has examined the goods purchased by description from a regular dealer, there is no implied condition as regards the defects which such examination ought to have revealed.

3.8 Delivery of Goods:

3.8.1 Delivery means a “voluntary transfer of possession from one person to another”. The mode of giving possession is to be determined by the parties. There are three modes of delivery

- **Actual delivery:**
When the goods are physically handed over to buyer or his agent.
- **Symbolical delivery:**
When buyer gets the means of obtaining the possession e.g Buyer gets key of the godown where goods are stored.
- **Constructive delivery:**
When there is a change in possession without actual and visible custody of goods. e.g. handing over of documents such as bill of lading.

3.8.2 Date of Delivery:

Date of Delivery is one of the important aspects in supply. Many of the tenderers quote different conditions related to delivery and compliance thereof determines the date of delivery. The terms of delivery depend on the nature of goods, its transportation and facilities thereof, location of both user and supplier etc.

3.8.3 Following are some of the prevailing conditions-

- Ex-works/Ex-factory/Ex-premises , EXW etc.

The date on which supplier delivers the goods to the Purchaser at its (supplier's) factory, premises.

- Local delivery.

The date on which goods are actually delivered to the purchaser.

- Goods are to be inspected & collected by Purchaser.
The date on which the goods tendered for inspection are inspected and found acceptable.
- FOR. Free on Rail.
The date on which the goods are placed on rail. Therefore, date of Rail Receipt i.e. RR is a date of delivery.
- FOR Destination.
The date on which the goods reach the designated railway station as per the contract.
- By Post Parcel.
The date on which the goods are delivered in the post office.
- FOB/FAS.
The date on which the goods are put on board of the ship/aircraft and therefore date of Bill of Lading/Airway Bill is the date of delivery.
- CIF. Cost, Insurance and Freight.
The date on which goods arrive at the designated Indian port is the date of delivery.
- CIP. Carriage, Insurance Paid.
The date on which the delivery is effected at the destination mentioned in the contract.

3.8.4 For some more Incoterm abbreviations commonly use in the trade at international level refer to Annexure-14.

3.8.5 Remedies for delay in Delivery / Non-Delivery-

The purchaser has the following options depending upon the circumstances of the case:

- Extend the delivery period with imposing of liquidated damages and other penalty clauses,
- Forfeit the performance security,
- Cancel the contract,
- Impose other available sanctions/penalties.

3.9 Specification:

3.9.1 Specification of goods is the description of what the purchaser wants to buy. Specification forms part of the invitation to bid. The specifications of the required goods should be framed giving sufficient details. The specifications must meet the essential requirements of the user department. Use of standard specifications, which are known, should be encouraged. Prescribing own specifications with own requirements of packing, marking, inspection etc with marginal difference from the Indian Standards gives scope for monopoly and adding to the cost.

3.9.2 The procuring department, therefore, shall ensure that the detailed description of goods & specifications are not worked out with an intention to benefit or to confer undue favour to any particular bidder / bidders against principle of competition and equal opportunity.

3.9.3 While prescribing specifications due care shall be taken that

- Specifications of the goods /works shall meet actual and essential need of the user.
- Over specifications or restrictive specifications should not be prescribed which may affect competition and also unnecessary increase in the cost.
- Specifications should aim at procuring latest technology.
- Should give emphasis on factors like efficiency, low maintenance cost, etc.
- Wherever available ISI and ISO approved specifications should be adopted.
- For any deviation from the ISI or any additional parameter for better performance specific reason shall be recorded and approval of AMC should be obtained.
- Specifications and the technical details shall be prepared with proper clarity without any ambiguity.

3.9.4 HoDs shall use their best efforts to develop specifications that the bidder will understand. They shall use generic specifications in order to achieve effective competition and Best Value for Money. Specifications shall not refer to trade mark, brand names, catalogue numbers, types of equipment from a particular manufacturer, resulting in restriction of competition.

3.9.5 There are items for which standard specifications are not available. In such cases, the tender should indicate the general parameters, normally the dimensional and performance parameters to enable procurement by inspection. Further whenever standard specifications are not available specification be determined by a Technical Advisory Committee formed under DMC(CPD) with HoD of user department as member.

3.10 Inspection of Goods:

3.10.1 It is the right of the buyer to satisfy, before accepting the ordered goods, that the goods are as per the required specifications and are capable of performing the functions as specified in the contract. For that the tender documents must provide scope for inspection of goods, the details of inspection and the stages and manner for carrying out the same. Generally, inspection stages are as under:

- Pre-dispatch Inspection.
- On receipt at user's site.
- After Installation & Commissioning.

3.10.2 Outside Testing Laboratories

Sometimes, it becomes necessary to conduct tests at outside laboratories. Sometimes, it may be necessary to counter test the sample already tested at some other laboratory. There shall be a list of approved laboratories as well as those to be considered as appellate laboratories.

3.10.3 Samples:

Samples are of different types as under-

- Standard Sample,
- Tender Sample,
- Advance Sample,
- Bulk Supply Sample,
- Complaint Sample,
- Quality, Audit Sample,
- Reference Sample

All such samples shall be drawn, retained, classified and disposed off in accordance with the policy of procuring dept..

3.10.4 When a contract is finalized on the basis of approved sample the same

shall bear seal and signatures of the approving authority and preserved till the contractual liability, including warranty/maintenance period is over.

3.10.5 Inspection at the Fag End-

Inspection of goods should be during the validity period of the contract. In case however, contingency arises whereby such inspection is to be continued beyond contract period, it shall be made explicitly clear that such an inspection is without prejudice to the right of the purchaser under contract and that it is neither intended nor it be construed as extending the contract.

3.10.6 Inspection in case of Rejection of Goods-

In such cases it shall be specifically made clear in the inspection note that “The goods have been inspected after the delivery period and rejected being not as per specification. The same is without prejudice to the rights of the purchaser under the terms and conditions of the contract.”

3.11 Documents required for verification.

3.11.1 For Domestic Goods.

The supplier shall submit following documents -

- Invoice indicating description and specification of goods, quantity, unit price, total value;
- Packing list;
- Insurance certificate, if any.
- Railway receipt/Consignment note;
- Manufacturer’s certificate and inspection certificate;
- Any other document if required by the purchaser.

3.11.2 For Imported Goods.

In respect of goods imported following documents shall be obtained-

- Valid authorization /dealership certificate from foreign manufacturer.
- Invoice giving full details of the goods including quantity, value, etc.;
- Compliance of packing conditions for sea/ air worthiness.
- Certificate of country of origin;
- Manufacturer's guarantee and Inspection certificate;
- Insurance Certificate;
- Name of the Vessel/ Carrier;
- Bill of Lading/Airway Bill;
- Port of Loading; Port of Discharge;
- Date of Shipment;
- Bill of Entry- Custom clearance;
- Permanent Account Number of Indian dealer.
- Any other document required by purchaser.

3.12 Agreement to Sell:

When the transfer of ownership of goods is to take place at a future time or subject to some conditions to be fulfilled later, the contract is called an Agreement to Sell. Following are the essentials of contract for sale of goods-

- The contract must be for exchange of goods for money.
- The buyer and seller must be different persons.
- The contract of sale is made by an offer to buy or sell goods for a specific price and the acceptance of such offer.
- A contract of sale may be in writing or by word of mouth or may be implied from the conduct of the parties.
- The parties may agree upon certain terms and conditions.
- The contract for sale must satisfy other essential conditions of a valid contract.
- An agreement does not become a binding contract unless there is an intention to enter into legal relations. Without creation of any legal obligation it cannot be enforced by law.

3.13 Readers may feel that all legal provisions discussed under para 3 above are of academic nature. However, it is essential to understand them thoroughly while drafting tender conditions, and at the time of evaluating any offer.

4. Actions by the CPD:

4.1 The procedure for preparing and submitting the tenders, deadline for submission of tenders, date, time & place of opening of tenders, requirement of earnest money and performance security, parameters for determining responsiveness of tenders, evaluating and ranking of tenders and criteria for full or partial acceptance of tender and conclusion of contract has been dealt with in detail under different chapters of this Manual. CPD shall first refer to them and decide the portion to be included in each tender documents.

4.2 After proper scrutiny of the requisition received from user department as explained earlier and on taking into account various provisions of the Sale of Goods Act and the Indian Contract Act, particularly those mentioned above, CPD shall proceed with invitation of tenders.

4.3 Invitation of tenders by CPD is on behalf of user depts. Therefore, care shall be taken to ensure that the tender documents are explicitly clear and unambiguous and give information to the bidders about the following-

- Cost of tender documents and taxes.
- Details of items required, which each supplier can understand.

- Pre-qualifications (technical, financial, past experience etc.) if any.
- Earnest money deposit.
- Quantity required.
- Date, time and mode of submission of tender and opening of Tender.
- Details of documents required under respective packet.
- Desired period of validity of offers.
- Technical specifications/drawings wherever applicable.
- Inspection Clause.
- Submission of sample and its report.
- Special Conditions of Contract including compliances of different licences.
- Quality assurance requirements.
- Applicability of taxes, its refund if received etc.
- Mode and terms of payment.
- Evaluation criteria.
- Liquidated damages clause.
- Bank Guarantee format and the list of approved banks.
- Installation & Commissioning, wherever applicable.
- Warranty.
- Performance Security, Contract Deposit towards contract execution.
- Annual Maintenance Contract, if applicable.
- Training/on job training.
- Requirement of technical documentation.
- Details of loading factors for equitable comparison.
- Different forms of undertakings.
- Compliance of integrity pact.
- Mechanism available for redressal of grievances.
- Any other factor having an effect on the cost.

4.4 As per the policy framed by GOI, Small Scale Industry Units are eligible

for-

- Exemption from payment of earnest money deposit.
- Waiver of security deposit to the monetary limit for which the Unit is registered.

- Price preference up to 15% over the quotation of large scale units if offer conforms to specifications, quality, delivery and capacity, except the following cases:-
 - ✓ Where competition exists among the SSI units only.
 - ✓ Where the items are exclusively reserved for purchase from SSI Units.
 - ✓ Under open competition lowest offer is from SSI unit.
 - ✓ Drugs purchases.
 - ✓ Medical & Electro-medical equipment.

MCGM generally, follows the State Govt. and therefore, it is necessary to frame the policy in this respect. CPD shall follow the directives issued by the MCGM and prevailing at the time of inviting tenders by including them under eligibility criteria.

4.5 Selection of procurement method:

The various stages of procurement process right from justifying the need

of procurement to the stage of recommendation of the lowest responsive bid have been discussed in detail in the earlier Chapters. CPD shall follow those guidelines while initiating any proposal for procurement.

Following are the guidelines, in addition to those earlier referred to, for specific nature of procurement such as medicines, medical equipments, hire of vehicles only.

Part : B -Medicine schedules:

1. It is incumbent on the Municipal Corporation of Greater Mumbai to make provision, by any lawful means,

- to take measures for preventing and checking the spread of dangerous diseases, and
- to establish and maintain public hospitals and dispensaries and carry out medical activities and other measures necessary for public medical relief facilities.

Thus, preventive and curative measures are to be taken by MCGM. For this, MCGM has an annual plan of procuring medicines for catering to the needs of patients treated in the Municipal Hospitals and Dispensaries. Being local self govt. organization and medicines purchases being out of the revenue collected from the tax payers, sometimes, the Administrator is required to face certain criticism for delay in procurement. Timely and adequate availability of medicines supported by transparency in procurement in the public health is prime important. Improvements in medicines procurement and distribution system to ensure adequate supply of medicines to the needy patients is a continuous process. Experts in the medical field opine that Medicine Procurement Agency shall therefore, take into account the following:

- There shall be a Manual of Medicine Procurement defining entire procurement process and General Conditions of Contract for Supply of Medicines and other related equipments etc.
- There shall be an official list of frequently required medicines and the Approved List of Medicines Manufacturers and Suppliers.
- Names of medicines, their suppliers, their rates and names of selected manufacturers and suppliers shall be displayed on official website periodically.
- A committee shall be formulated to review and amend list of frequently required medicines and medicine procurement policy.
- Representatives of civil society and public health experts, if possible, may be appointed on this committee.

2. There are different criteria which can be adopted for assured quality procurement. They are grouped as under-

2.1 Criteria for quality of product:

Manufacturer/supplier shall satisfy following requirements-

- Valid drug licence from Food & Drug Administration.
- Valid W.H.O., G.M.P., COPP certificate from FDA.
- Valid performance certificate, No conviction Certificate from FDA.
- I.S.I. , ISO / CE certificate for non-drug items.

2.2 Criteria for performance:

- The product should be in the open market for at least preceding 3 years.
- Firm should be profit earning.
- Inspection of production unit by experts.

2.3 Criteria for medicines, medical devices to be imported:

- Authority letter of the manufacturer for imports.
- Valid import license in form 10 for drugs & medical devices.
- Bill of entries and Certificate from Clearing Agent.
- Product should be in use in Country of Origin.
- COPP /US FDA for drug items and ISO/ CE for non-drug items.

2.4 Criteria for financial capability:

- Proof of filing of latest income tax returns so as not to have any legal action.
- Adequate and consistent annual turnover during last 3 years.

- Reasonable profit earnings. In case of Public Sector Unit the gravity of loss making may be viewed at the stage of evaluation.
- Rates comparison with rates charged to other organizations.
- Fixed price inclusive of taxes.(Net cost to MCGM)

3. Various problems faced by the procuring agency can be overcome by adopting some of the following steps-

- estimate the requirement accurately and in time.
- develop a standardized system of prompt tendering and decision making.
- develop proper MIS.
- train the procurement staff.
- strengthen centralized procurement department (CPD).
- Rate contract for supply of medicines shall be at least for 2 years.

4. Medicines Schedules of MCGM:

4.1 At present, MCGM has grouped all its medicines and allied purchases required for catering to the need of its hospitals, maternity homes, dispensaries etc in to 15 Schedules as under-

Schedule No.	Category of medicines /allied items
I	Injection Sera Vaccine.
II	Tablets and Capsules.
III	Creams, Drops, Ointments .
IV	X-Ray Films, Chemicals etc.
V	Drugs, Pharmaceuticals, Disinfectant .
VI	Laboratory Chemicals, Stains, Reagent.
VII	Surgical Dressings.
VIII	Needles and Syringes.
IX	Surgical Sutures.
X	Laboratory Articles.
XI	Rubber Goods.
XII	Medical Oxygen, Nitrogen Gas etc.
XIII	Jeevodayee Yojana.
XIV	Biodegradable Plastic Bags.
XV	Monsoon Kits .

4.2 Each schedule copy itself is a tender document and it contains-

- General instructions to tenderers,
- Specific instructions to tenderers,
- Eligibility criteria,
- Mandatory conditions,
- Conditions to be fulfilled after award of contract etc.

4.3 Each schedule copy also contains the list of items to be purchased with description of each item, its packing requirement, and estimated quantity. There are specific columns in which tenderer has to fill in the bifurcation of rate, generic name of the item, brand name and the name of the manufacturer, address, licence Noetc..

4.4 The tendering process for purchase of medicines and allied requirements is the same which is discussed in various chapters of this Manual. However, following are certain specific conditions and requirements to be incorporated in the tender for respective medicines Schedule.

5. Special Instructions in respect of Medicines Schedules:

5.1 Instructions re: filling in the rates-

- Item nos. given in Column-1 of schedule correspond to the items nos. given in the commercial bid.
- For detailed specifications of each item, tenderer should refer to column-2 of the schedule.
- Tenderer should quote the price for the unit. They are advised to refer to the column-2 of schedule for proper description of the unit.
- For packing size, tenderer will refer to column-4 of the schedule.
- The product offered should be of the same specifications, packing & strength as specified in the schedule.
- The tenderers are requested to fill the tender carefully after noting the quantity mentioned for each article in the schedule. The rate should be strictly offered for packaging specified in column No.3. They are informed that no variation in rates etc. shall be allowed on any ground such as clerical mistake or misunderstanding etc. after tender has been submitted.
- Alternate Offer/Alternate Samples submitted by the tenderer shall not be considered. If submitted, the entire offer for that item will be rejected.
- Tenderer must state the Brand name, Name of manufacturer, Mfg. Lic. No. of the product offered against every item quoted.
- The rate for imported item must be offered in Indian currency. No rate revision shall be offered on the basis of the exchange rate fluctuations during the contract period.
- Supply should be made from fresh stock; minimum half of the expiry period at the time of delivery should be available for consumption in hospital, etc.
- Tenderers shall note that Provisions of Essential Commodity Act 1955 and order issued there under specifically shall be applicable.
- Details of the items quoted as per Annexure to the respective schedule.

5.2 Compliances of Documents related to Licences/permits/performance etc:

In addition to the documents to be included under 'A' packet as mentioned in this tender, attested copies of the following specific documents meant for this tender shall be included under 'B' packet:-

- In case of drug items, copy of valid drug Manufacturing License / Repacking License (valid for current year) with list of product approved (list must contain name of the items as per specifications). The list must be signed and stamped by FDA authority.
- Performance Certificate from concerned Food and Drugs Administration in proforma as per Annexure No. If items for which tender is filled in are manufactured at various places either in Maharashtra or outside Maharashtra, tenderer should obtain performance certificate from the respective Food and Drugs Administration Authority where the manufacturing activities are carried out. Such certificate shall not be more than six months old.
- In case of drug items, No Conviction Certificate issued by the office of the Commissioner of FDA (of respective state) not more than six months old on the due date of the tender.
- In case of drug items, copy of valid drug selling License issued by the office of the Commissioner of FDA (of respective state) to the manufacturer and to the distributor (if appointed).
- Copy of valid relevant ISI/ISO/WHO-GMP/GMP/USA FDA etc. Certificate, wherever applicable as per enclosed schedule copy (Pre qualifying criteria).
- Test Report from manufacturer /FDA approved laboratory/Govt. aided laboratory /in-house test report from manufacturer.
- Certificate from Charter Accountant showing figures of production and sell for last 3 years.

5.3 Specific requirements in respect of imported items-

Tenderer shall submit attested copies of the following-

- Name of the manufacturer and the complete address of the manufacturer along with the authority letter issued by the manufacturer or the 100% subsidiary of the manufacturer to the importer or the authorized distributor.
- Copy of valid import license issued by the Competent Authority in the name of the manufacturer in the event the manufacturer chooses to submit the tender.
- Copy of the valid import license issued by the Competent Authority in the name of the 100% subsidiary of the manufacturer in the event the 100% subsidiary of the manufacturer chooses to submit the tender.
- Copy of the valid import license issued by the competent Authority in the name of the importer, in the event the importer chooses to submit the tender.
- Item wise Sales figures of the previous three years of the manufacturer duly certified by Chartered Accountant on the letterhead of the Chartered Accountant.
- In case of medicines, a certificate confirming that the product has been in use in its country of origin for a period of at least one year.

5.4 Specific requirements and instructions in respect of Tender for supply of Medical Gases-

Following specific requirements shall be complied with by the tenderer in respect of tender for supply of Medical Gases_

- i. The firms holding ISO registration / WHO-GMP License/ State GMP only should quote rates. Tender from other firms will not be considered.
- ii. The tenderer should have FDA License, to manufacture quoted items.
- iii. Product shall conform to IP specifications as per latest IP certificate.
- iv. Gas cylinders shall be filled in at a pressure 150Kg. / cm 2.
- v. The tenderer should have CCE approved cylinder test shop and IP Test Lab.
- vi. The tenderer should have minimum 3 years of experience in catering uninterrupted supply of Medical Gases to the medical institutions.
- vii. The tenderer should have capability to supply Medical Oxygen in trailers.
- viii. The tenderer should have adequate capability to supply bulk Medical Oxygen through tankers. They should carry out installation at their own cost.
- ix. The tenderer should have minimum storage capacity of 100 tons of Liquid Oxygen reachable within two hours as per user's need on account of exigencies like power failure, strikes etc.
- x. The tenderer should have enough capacity of cylinders of all sizes to give uninterrupted supply of gases to the hospitals.
- xi. Tenderers should submit samples of each item when required.
- xii. The supply should be during office hours except in emergency.
- xiii. The tenderer should quote the rate per Cu. M (Cubic Meter) and also per cylinder as indicated in Schedule copy, and should be inclusive of delivery charges, rental charges, capsule rent, facility charges etc.
- xiv. The tenderer shall make all the arrangement required for installation of Liquid Medical Oxygen capsule at his own risk & cost.
- xv. The tenderer shall provide regulator after AV Coil to monitor oxygen pressure in the premise of capsule as per direction from engineering section.
- xvi. At the time of supply the tenderer should submit the copy of Test Report of Medical Oxygen / Nitrous Oxide and also whenever asked by the concerned user dept thereafter.
- xvii. Tenderer shall make all the arrangement as required for safety measures such as fire extinguisher, sign boards, fencing etc. at his own risk & cost.
- xviii. Tenderer shall have round the clock maintenance team who will
 - monitor gas pressure, leakages, testing etc. of whole system, manifolds, ice formation of AV Coil,
 - attend breakdown as per user's need.

Tenderer will also make arrangement of trailers of adequate capacity at his own risk & cost within the vicinity of individual installation and the contact No. of such persons shall be given to each user.

- xix. The License of Chief explosives shall be arranged by the successful tenderer at his own cost.
- xx. Tenderer shall maintain liquid oxygen tank area as well as existing oxygen cylinder manifolds as a matter of single agency responsibility.

- xxi. The single cost shall be quoted considering all the above works and no claim for separate cost will be entertained.
- xxii. Before quoting the cost tenderer shall inspect installation at LTMGH, Nair, KEM Hosp. & Other Peripheral Hospitals.
- xxiii. The tenderer shall have capacity to provide & supply small cylinders (Medical Oxygen, Nitrous Oxide) in addition to Bulk Liquid Medical Oxygen where both oxygen plants as well as manifolds exist as a matter of single agency responsibility.
- xxiv. It will be the discretion of the Municipal Commissioner to consider the offer for single agency where there is Liquid Medical Oxygen Tank as well as manifold existing as a matter of single agency responsibility.

6. Other instructions-

6.1 Tenders/Quotations for spirituous preparations such as tinctures extracts and spirits of Indian make mentioned in schedule should be duty free basis only. In this connection the tenderers must specify the name of the firm from whose bonded warehouse or laboratory (that must be situated within the State of Maharashtra), they propose to supply the said preparations.

6.2 In case of tenders for all items of drugs, chemicals, hypodermic needles & syringes ampoules etc. the names of the manufacturers must be stated against each item while quoting. Tenders in which the names of the manufacturers are not shown in schedules shall not be considered.

6.3 Tenders shall be considered separately and contracts may be given separately for all or any of the articles in schedules from 1 to 12. Tenderers may accordingly quote for the articles in one schedule only or for those in all the schedules or by lots.

6.4 The tenderers should note that if any of the articles tendered by them is under Government control or require license to import or require raw materials they shall have to make their own arrangement with Government to obtain the same. Though the Municipal authorities shall give them such help and facility as far as possible, any difficulty in that connection shall not be accepted as a ground for non-supply of the indented article.

6.5 As regards labeling and packing the provisions of the Drug and Cosmetic Act 1940 and the rules made there under with latest amendments should be complied with. The following things should also be specified on the labeling-

- a. Name and address of the manufacturer
- b. Name and address of the replacers', if any
- c. Net and gross contents.
- d. The true formula or list of ingredients with weights and / or percentages.
- e. A distinctive batch number and date of manufacture, repacking and expiry.

6.6 The tenderer is not allowed to make any alteration, changes or modifications on the label of the product while supplying to Hospital, Institutions, Maternity Homes and Dispensaries of the MCGM.

6.7 The name of the product, its compositions, the name of the manufacturer of the raw material as well as finished products and the country of the manufacturer in case of every item should be stated.

6.8 Every tenderer must produce along with tender a fresh certificate of his bonafides and the reliability and quality of drugs, quoted by him as well as the bonafides and reliability of the Manufacturer whose products are quoted from the Commissioner, Food and Drugs Administration, of respective State (For which F.D.A. License is essential).

6.9 A tenderer must also produce along with tender a fresh certificate from the Commissioner Food and Drug Administration, of respective State, to the effect that he has not been prosecuted for contravention of provisions of Drugs & Cosmetic Act 1940 for manufacture or sale of sub-standard drugs and sub-standard products.

6.10 In case of drugs, medicine, chemicals, etc., Dean or the Heads of all the Municipal Medical Institutions or Commissioner of Food and Drugs, Administration (Maharashtra State) Mumbai and his office shall have right to get the sample analyzed by Pharmacy Department of the Hospital or any of the large Municipal General Hospital or any other Municipal Medical College or the Municipal Analyst or the Government or Chemical Analyzer or an FDA approved Laboratory and if the sample on analysis is not proved to be of the standard or up to the schedule specifications, the tenderer shall, have to pay the testing charges. On the tenderers failure to pay the said expenses when called upon the Municipal Commissioner shall without prejudice to his other rights, be entitled to recover the same from the tender deposit or such outstanding dues of the tenderers.

6.11 Active ingredients to be used in each item quoted shall be of Pharmacopoeia standard and shall conform to the specifications laid down in I.P., B.P., U.S.P., N.F., N.F.I., B.P.C., or any other official book.

6.12 The drugs & medicines supplied against each requisition should preferably be from one batch. The shelf life of the drugs & medicines shall be the maximum as specified for the item by the manufacturer.

6.13 The drugs & medicines shall be supplied from the latest batch having longer shelf life/expiry date. If due to shortage/urgency items with shorter shelf life/expiry date are supplied the purchaser reserves the right to accept or reject such items. In case of acceptance, such items shall be replaced by the contractor if the full quantity supplied could not be consumed within the expiry date.

6.14 A copy of the analytical report for each batch of drugs based on the formulation submitted by manufacturer and approved by Drug Control Authority/Food & Drug Control Administration shall be submitted along with each lot of supply. In case the successful bidder/supplier fails to submit the above document to the consignee along with the drug/medicine the supplies are liable for rejection. However, in case of acceptance, purchaser will be free to get the analytical test done by any of the FDA approved laboratory and expenditure incurred towards getting such test carried out will be recovered from the contractor's bill.

Part : C - Medical equipments:

1. Product Names:

The tenderer must state the brand name of the product, if any. The tenderer shall quote the price for one model only, which is as per the specifications mentioned in the Tender Form. The tenderer who quotes for more than one model, his offer shall be rejected outright.

2. Manufacturer's address:

The manufacturer's complete address, list of partners with their names and commercial and residential addresses must be indicated in the tender as per format given in Annexure - .

3. Guarantee and repairs during the guarantee period:

The Contractor/s shall for a period of Twenty Four calendar months after acceptance and satisfactory installation and commissioning of the equipments, maintain, uphold and keep them in thorough repairable and working order at their own cost and expenses and to the entire satisfaction of the MS / Dean of respective Hospital or the purchasing officer. Contractor shall also be responsible for and be liable under the provisions of this clause to make good any defect that may, during that period, develop in the normal and proper working of the Machinery / Equipment / Furniture. In case of repairs of Machinery / Equipment which is not manufactured in India, the manufacturer / Agent during the guarantee / warranty period, shall bear all the taxes, custom duties, levies, to & fro cost of transporting etc. of the Machinery / Equipment till the same is returned to India duly repaired by the Manufacturer. During the entire period of guarantee the contractor shall replace the equipment and or parts of the equipment, on its break down / non functional, at his own cost which shall include also the labour charges, transport charges etc. During the period of guarantee, if the equipment fails to perform as per the norms already decided, the guarantee period shall stand extended by such period during which the equipment remains defective.

4. Service and maintenance contract:

The successful tenderer shall have to enter into Annual Maintenance Contract after completion of guarantee period for at least five years and quote the rate for such Annual Maintenance Contract. The Annual Maintenance Contract shall include the equipment and all accessories supplied by the contractor as a part of this tender. It is the responsibility of the contractor to see that the equipment and all accessories are maintained in proper functioning condition by providing spare parts where required, whether such spare parts/accessories be manufactured by the tenderer or not. The MCGM will not enter into any separate service contract with any other manufacturer for the supply/ maintenance of these spare parts/ accessories. The successful tenderer should take steps to ensure that the equipment remains functional for a period of at least 24 months from the date of installation. The tenderer should assure one-time guarantee of at least 96% of the cost calculated on the basis of 24 hours a day and seven days a week. If this is not done, a penalty @ 1% per day shall be imposed on the contractor

5. Demonstrations:

Where needed, the tenderer, at his cost, should arrange for the demonstration of the equipment quoted for in the tender within 15 days from the date of intimation of the request for demonstration. Such demonstration shall be only in India.

6. Complaint:

Every complaint submitted by a competitive tenderers challenging the authenticity of documents/information and /or particulars submitted by another tenderer ought to be as per the procedure laid down under mechanism for redressal of grievances.

7. Site visit:

The tenderers are advised to get physically apprised themselves of installation conditions, working areas, if required, nature of installation, prevalent conditions and facilities available.

8. This tendering process is covered under Information Technology Act and Cyber Laws as applicable.

9. Environmental conditions:

The tenderer should mention the working environment for optimum functioning of equipment in terms of room temperature range, humidity & dust contents and any other features. Also mention whether the system can work under prolonged failure of the air-conditioning system.

10. Payment:

80 % payment will be made within 30 days from the date of satisfactory supply / installation of the equipment and submission of the bills and rest after satisfactory commissioning of the equipment. In case of Import purchase where payment is to be made in foreign currency, L.C. will be opened for 100% CIF cost. However, on compliance 80 % payment will be released at sight and 20 % will be released after satisfactory installation and commissioning.

11. Performance guarantee:

The successful tenderer shall give performance guarantee for 24 months from the date of commissioning or 27 months from the date of installation whichever is later, in the form of Bankers' Guarantee from the Bankers approved by the Municipal Corporation of Greater Mumbai for the value not less than 5 % of the tendered value before issue of Work Order / Opening of L.C. / D. D & same shall be valid for the entire period of CMC.

The Banker's Guarantee issued by branches of approved Banks beyond Kalyan and Virar can be accepted only if the said Banker's Guarantee is countersigned by the Manager of a Branch of the same bank, within the Greater Mumbai City limit, categorically endorsing thereon that the said Banker's Guarantee is binding on the endorsing Branch of

the Bank within Mumbai limits and is liable to be enforced against the said Branch of the Bank in case of default by the contractor/supplier furnishing the banker's guarantee.

12. Delivery:

The Tenderer should give free delivery at address of the indenting officer, within days from the date of placing order. In case of payment by L.C., Shipment of the Equipment must be made within days of the opening of the L.C.

13. Penalty:

Late supply or installation will be penalized as per respective Clause of Articles of Agreement.

14. Training:

The successful tenderer shall have to give sufficient training at his cost to the staff of the MCGM to operate the Equipment and for repairs and maintenance.

15. Commitment:

Successful tenderer has to give commitment letter from the Manufacturers committing to maintain the equipment with comprehensive maintenance contract at the cost quoted by the Tenderer whosoever be the agent / distributor as per Annexure to the tender document.

16. L.C. Conditions:

Successful tenderer must distinctly note following conditions for opening and operating of Letter of Credit:

- i) All charges to be incurred outside India shall be on beneficiaries account.
- ii) Partial shipment is not allowed. If it is to be allowed all the charges including clearing, custom duty, Octroi etc. should be borne by the tenderer.
- iii) In case of Warranty replacement- all charges including clearing, custom duty, Octroi etc., should be borne by tenderer.
- iv) All related information and documents shall be furnished by the successful tenderer.

17. The successful tenderer shall have to submit the comprehensive list of spare parts with rates/ prices.

18. Frequency of Visits :

- The number of visits for preventive maintenance during a calendar year should not be less than 4 (Four). Preventive maintenance should also be

available on Sundays and Public Holidays.

- The number of visits for attending to the breakdown of equipment should be unlimited.
- On being informed about the breakdown of the equipment telephonically or otherwise, the same should be attended to within 3 hours. Service should be available 24 hours of the day and 365 days of the year. This includes preventive maintenance service which shall be available on Sundays and Public holidays also.

Part: D- Supply of Vehicles:

Every ward / department requires vehicles for transport of material from one location to the other. This discussion is restricted to the supply of vehicles of that type.

1. Eligibility to quote:

Tender documents shall clearly bring out the eligibility criteria giving no scope for any dispute subsequently. Generally, following criteria shall be adopted-

(a) Tenderer who owns the required number of vehicles or who has the required number of vehicles at his command can participate in this tender.

(b) In case of vehicles under command, tenderer shall submit along with the tender a letter from the vehicles owner certifying that vehicles will be made available to the tenderer for fulfilling contractual obligations with MCGM. The letter shall clearly state the type of vehicle, registration nos. and the year of manufacturing of the vehicle. However, it is the responsibility of the tenderer to fulfill all requirements of the tender as well as those of RTO authorities during the contract period.

(c) In case of vehicles at command, name/s, complete address, both residential and commercial, contact No. etc of the owner or those of all partners, if the ownership is with the partnership firm, shall be furnished along with the tender.

(d) The tenderer should have minimum annual average turnover equivalent to 35% of the annual estimated cost or Rs./-per annum for the last three years.

(e) The tenderer should have supplied required type of vehicles on hire, at least for 12 months to MCGM or to any other Govt. organization/department during last 3 years. A certificate mentioning average number of vehicles supplied daily, supply period, performance etc, shall be attached.

2. Conditions:

2.1 General Conditions:

(a) This is a tender for supply of vehicles of specific requirement, with driver or driver and cleaner. Vehicles shall be utilized for removal and transportation of material as well as for removal of earth, salvaged material due to demolition of unauthorized structures and removal of encroachments etc. and removal of any other thing, material, goods, machinery or any article that indenting agency intends to transport from one place to the other, anywhere in the MCGM limit.

(b) The cost of salary and allied expenses of the staff such as driver, co-driver, cleaner, supervisor or any other person by any designation, posted on the vehicle by the contractor as also cost of fuel, tools, spares, maintenance, taxes, insurance, toll etc shall be borne by the contractor.

(c) The allotment of Department/ ward/zone based on different offers received shall be decided by the Corporation and tenderers shall have no cause for grievance on this account.

(d) Pending finalization of tenders received and under any emergency, MCGM reserves the right to place order up to Rs..... lakhs, on any prospective contractor who shall have to accept and start the work immediately.

(e) Among other conditions tenderer shall first read all the tender documents including draft conditions of contract.

(f) It shall be the responsibility of the supplier to ensure that his employees provided on the vehicles are covered under all relevant labour laws & Employment laws applicable to them.

(g) Per day average requirement of vehicles of each ward/department has been indicated in the Annexure.....It is indicative and each ward/department may indent vehicles taking into account its actual daily requirement. Indent for lesser quantity shall not be a cause for any grievance. Tenderers should note that increase in requirement over the quantity shown in the said Annexure, up to 25% shall be at the same rate and on the same terms and conditions.

(h) Tenderer shall quote the percentage above or below on the rates mentioned in the schedule of rates for every ward/zone he intends to quote.

(i) The tenderers are advised to consider the size of zone and wards therein, while quoting the rates.

(j) The rate worked out by the department is based on fluctuation in price of diesel, petrol. However, tenderer has to quote his percentage, whether below or above the office estimated rate, by applying his own judgment. The rates so offered shall be firm for entire contract period and no variation on any account would be permissible throughout the contract period.

(k) Conditions mentioned in these tender documents in respect of taxes shall be applicable, which every tenderer shall note.

(l) Loading and unloading of the material etc. will be done by Municipal staff or by the staff engaged by the MCGM.

2.2 Conditions related to Vehicles:

(i) Subsequent to opening of tender offers but before opening of financial offers, if required, the tenderers have to present the vehicles proposed to be supplied to the MCGM under this tender, whether owned or those listed in the letter from the vehicle owners, for physical inspection and trial at the cost of respective tenderer. If the inspection or the trial so held becomes unsuccessful/unsatisfactory, MCGM reserves the right to reject the offer.

(ii) The vehicles supplied shall be of model later than 31 st December 201.....

(iii) The vehicles supplied should have been registered with RTO limits of Greater Mumbai (i.e. within MCGM Octroi limits). Any vehicle registered outside Mumbai and to be used in Mumbai will attract payment of octroi there on.

(iv) The vehicles shall have a loading capacity ofm³ or equivalent and shall have GVW of approximately ... tons.

(v) Correct dimensions should always be made available with the driver of the vehicle. The capacity ofm³ should be marked around the body of the vehicle from inside in oil paint colour.

(vi) Every vehicle supplied shall have openable side and back flaps, Dumper however will not be accepted as a substitute to a vehicle.

(vii) Vehicles shall be sent to work in perfect working order having proper registration and fitness certificate for road worthiness from R.T.O.

(viii) The driver appointed on every vehicle supplied shall possess a valid driving licence and his record shall be clean. The cleaner to be appointed on the vehicle shall have minimum knowledge of the vehicle and the traffic rules of the RTO.

(ix) Vehicles to be provided daily as per indent must have been cleaned/washed.

(x) Driver of every vehicle, while on MCGM duty, shall carry with him R. C. Book, Insurance Policy, vehicle Tax Paid Receipts, valid PUC certificate etc

(xi) The contractor shall insure all the vehicles under Motor Vehicle Act and as per R.T.O. Rules and Regulations. The insurance shall have 3rd party insurance cover and shall cover-

(a) damages of contractor's own vehicles and his driver, co-driver, cleaner or any other person appointed by him,

(b) Municipal/Contractual staff appointed by the MCGM and traveling on the vehicle for discharge of their work,

(c) damage to Municipal property,

(d) damage to any third party vehicle / property / person.

The aforesaid insurance policies shall be in force by making timely payment of premiums and submitting the copies of the insurance policies to the Ward staff. The contractor shall indemnify & keep indemnified the MCGM against all losses and claims for injuries or damage to any person or property whatsoever which may arise out of or in consequence of this contract and against all claims, demands, proceedings, damages, costs, charges and expenses whatsoever in respect of or in relation thereto.

(xii) Vehicles provided by the contractor should adhere to all the rules, existing ones and those may be prescribed from time to time by Regional Transport Authority, Mumbai or any other statutory authority including air pollution standards and measures in Mumbai .

2.3 Conditions related to Reporting:

2.3.1 Contractor shall give an intimation slip daily in respect of actual supply of vehicles, mentioning therein registration number of vehicles provided, their type, whether individual vehicle runs on petrol, diesel or on CNG, name of the driver and the cleaner. Based on such intimation, indenting staff shall prepare a log sheet, duly signed by the officer, for individual vehicle and also mentioning the time of reporting of each vehicle. The contractor shall ascertain that these details are incorporated in the log sheet.

2.3.2 The contractor shall supply full number of vehicles indented for the day. The intimation would be normally given by previous evening. Contractor's representative shall collect the indent from the indenting ward/office daily. On failure to collect such indent and/or not supplying the vehicles, fine as specified under Annexure..... shall be charged.

2.3.3 Vehicles shall reach the place at the time mentioned in the respective indent. In exceptional circumstance and that too once in a month, delay of not exceeding half an hour from the notified time can be tolerated. Vehicles received thereafter are liable to be returned without use and it would amount to non-supply of vehicle on that day. In such a situation the Municipal Corporation will not pay any charges whatsoever for the return of such late received vehicles and penalty for non-supply of vehicle would be levied.

2.3.4 In case the contractor fails to supply the number of vehicles indented for the day, the number of vehicles thus supplied less by the contractors shall be hired from any private agency from open market at the risk and cost and the additional cost incurred, if any, shall be recovered from the contractor's bills. In addition, the contractor shall have to pay penalty for short supply of the indented quantity.

2.3.5 At the close of the shift or after completing the job assigned the vehicle must report back to the ward office/department for relieving the Municipal staff on duty on vehicle and for depositing implements etc.

3. Other liabilities:

3.1 The contractor shall ensure that liabilities towards all taxes or any other dues including any installment towards loan etc. against any vehicle supplied to the MCGM are cleared and any outstanding payment there against shall be the liability of the contractor.

3.2 If any damage is caused to any of the municipal properties, including the material loaded in the vehicle, due to negligence on the part of the driver/cleaner/or any other staff member of the supplier, it shall be the liability of the supplier to compensate the MCGM. The damage so caused shall be assessed by the officials of the MCGM and such decision shall be final and binding on the supplier.

3.3 The contractor shall have telephone / mobile phone, e-mail facilities for proper co-ordination and prompt communication.

3.4 It shall be the responsibility of the contractor to protect his staff posted on the vehicle when on municipal duty.

3.5 Contractor's staff posted on the vehicle shall obey the instructions of the concerned municipal staff. The contractor shall also advise his staff not to commit any nuisance at the working sites.

3.6 The contractor shall comply with the Municipal requirements and abide by the conditions of any Act, Rules, directives, PUC requirements, or any other condition applicable in respect of each vehicle.

3.7 The contractor shall note that for non-compliance of any condition, indent, order, directives etc penalty at the prescribed rate will be levied. He shall therefore, note the various contingencies listed out in Annexure....and avoid them so as not to fall within the net of penalty.

3.8 As long as the vehicle is on municipal duty, a board indicating 'on Municipal Duty' should be displayed at conspicuous space of front side of the Vehicle.

3.9 Cost of any damages, injury or death caused by the contractor's Vehicle or any claim arising out of it shall have to be settled by the contractor and the Corporation shall have no liability whatsoever arising out of any such contingency.

3.10 Contractor shall note that except during the period for which vehicle is hired/engaged, parking for such vehicle shall not be allowed within the premises/work site of the MCGM. During parking within the MCGM premises such vehicles will be subject to security measures adopted by the MCGM.

3.11 During the monsoon period and as and when required otherwise, the contractor shall supply the Vehicles with Tarpaulin covers. The Tarpaulin should be in good condition and of suitable size as to cover the Vehicle completely from top to the floor of the Vehicle. Proper hooks shall be provided to fix the tarpaulin. If the contractor fails to supply Tarpaulin, a fine of Rs...../- shall be levied and deducted from the bill.

3.12 The contractors shall comply with the requirements of Minimum Wages Act., Contract Labour Act, Workmen's Compensation Act, Child Labour Act, Provident Fund Act or any other enactment of the State or Central Government applicable to the employees engaged by him on the vehicle supplied to MCGM.

3.13 If it is found that any vehicle has met in an accident or is likely to cause any accident due to its non-road worthiness or due to any mal-functioning such vehicle shall be debarred for use on municipal duty permanently.

3.14 If it is noticed that the driver appointed on any specific vehicle is negligent in driving or is driving the vehicle rough, which may cause an accident, such driver shall not be appointed on any vehicle supplied to MCGM.

4 Conditions related to Working:

4.1 General time of each shift shall start fromam. However, MCGM reserves the right to change the shift timings according to the requirement and supplier shall have to supply the vehicles accordingly.

4.2 There shall be a shift of hours daily. The vehicles shall be required to work for this hours shift or till the vehicle is retained by the user department and given discharge thereafter, whichever is later. Without prejudice to the right to levy penalty for delayed supply, time for calculating number of working hours will be counted from actual reporting time at the required place till actual discharge is given.

4.3 If the Vehicle is required to be continued beyond hours shift, the contractor will be paid proportionately for extra hours. For this purpose, working less than half an hour shall not be taken into consideration and any working above half an hour shall be rounded up to one hour.

4.4 The contractor shall have to supply the vehicles as indented irrespective of Sunday or holiday and unhindered throughout the contract period.

4.5 Vehicles shall be sent to work in perfect working order and with adequate supply of fuel, oil. When on municipal duty if the vehicle is required to take away for filling of fuel the time wasted thereby shall be deducted for the purpose of payment of bills.

4.6 The contractor, in addition to the requirement of vehicles for the ward/department for which his contract is accepted, will have to supply vehicles in the adjoining wards/departments/zones, as and when required, either at the percentage above/ below quoted by him or that by defaulting contractor for his zone, whichever is higher.

4.7 A log sheet in triplicate in the prescribed format, to be formulated considering all the requirements, shall be maintained for each vehicle. At the beginning of the work for the day the officer in charge of the operation shall sign all the three copies of the log sheet. At the close of the day, the officer relieving the vehicle shall sign the log sheet

again in token of discharge. Any remarks in respect of break down, non-functioning, accident etc shall also be noted on the log sheet. One copy of the log sheet shall be given to the contractor.

4.8 In special case, if ward indents any vehicle at any specific timing other than the timing stated in the tender, successful tenderer has to supply the vehicle accordingly.

5 Break down of vehicles:

5.1 In the event of breakdown of any Vehicle, the contractor shall take immediate steps to put back the vehicle in working condition. In case it is not possible to repair and put the vehicle in operation, the contractor shall replace the Vehicle and put it into operation within 2 hours. In any case, contractor shall ensure and make necessary arrangements to transfer the material in other vehicle and to transport it to the appropriate site as directed.

5.2 The breakdown period shall be considered as non working period and proportionate cost would be paid to the contractor according to the actual hours of working. No payment shall be made to the contractor for breakdown period.

5.3 In case of breakdown of Vehicles, the contractor should be liable for the cost of the Mukadam or Asstt. Mukadam and other staff attached to the said vehicle, for the time so wasted due to breakdown of vehicle, and the same shall be deducted from the bills payable to the contractor. The cost to be recovered from the contractor shall be worked out on the basis of standard formula of average costing adopted by the MCGM in all other matters.

6 Payment:

6.1 Payment shall be on the shift basis and not on the basis of distance travelled by the vehicle.

6.2 In case the contractor supplies vehicles of lesser capacity than that prescribed in the tender offer, he must make a special request to the indenting officer justifying reasons for such a supply. On satisfying with the reasons and as an exception, indenting officer reserves the right to accept such a vehicle of lesser capacity with penalty. The rate to be paid for supply of such vehicle shall be proportionately reduced to the actual capacity of vehicles supplied and the charges shall be paid proportionately. In case the contractor supplies Vehicles of a higher capacity at his choice, no claim for payment for such a higher capacity shall be entertained.

6.3 If the Vehicles are indented but not utilized for some or other reasons and are returned within two hours of the reporting time, no payment shall be payable to the contractor.

6.4 When the vehicle is not required for the full day on any account, the same shall be relieved before hours and the payment for half shift shall be paid.

6.5 On any day, if Vehicles are not likely to be used for full day and if on such day the working hours of the Vehicles are..... hours or less, 1/2 of the standing charges shall be paid to the contractor.

1. Purpose of Registration:

1.1 Every year MCGM is required to undertake various civil works related to Roads, Bridges, Water works, Sewerage and Drainage, Building Constructions, SWDs etc. right from small Petty works in wards to construction of Bridges etc of high magnitude. Thus, to get better result and best value of public money spent, it is essential that a right type of contractor or the bidder qualified to execute such works is entrusted with the contract. This necessitates to enroll or register the bidders according to their capability and financial standings, technical expertise, availability of plant and machinery etc. This has to be done by a separate panel / committee having technical expertise in each field of work and a finance expert, through scrutiny of applications from intending bidders for registration.

1.2 MCGM also procures goods, vehicles, material, medicines, machinery etc for providing better services to the citizens of Mumbai. Selection of an appropriate bidder, therefore, becomes necessary.

1.3 Registration of bidders / contractors and keeping them on the approved list makes available reputed and reliable bidders handy for the purpose of procurement. Selection of right contractors / suppliers qualified for execution of intended work or for supply, by following a definite procedure, enhances the quality as also efficiency in timely completion of the contract. This procedure relates to-

- determining the categories and grades,
- prescribing general eligibility criteria for registration, and specific eligibility criteria for registration under respective category,
- inviting applications by giving wide publicity,
- collecting fees and the amount of deposit, if any,
- scrutiny of applications for registration,
- fixing duration of registration and issuance of certificate,
- procedure for renewal of registration,
- procedure for removal or black listing,
- procedure for withdrawal from approved list,
- mechanism for redressal of grievances.

2. Registration as Civil, Mechanical and Electrical Contractor:

2.1 Categories and class:

The registration of contractors for civil and electrical / electronic works is in vogue in the Corporation. The rules for registration of Civil / Mechanical / Electrical / Electronic contractors have been prepared by EE(Monitoring) /CE after detailed study. The financial, Technical and equipment etc eligibility parameters included the manual are based on the exhaustive study by EE(Monitoring) / CE. The categories indicate the nature of work for which registration is granted while classes are based on the financial limit up to which the work can be entrusted to the contractors.

The existing categories are broadly classified as under :-

Civil Discipline			
Category	Description	Classes under <u>each</u> category	Upper Tendering Limit (Rs. in Lakhs)
C – I	Building	AA	Without Limit
C – II	Bridges	A	900
C – III	Roads	B	300
C – IV	Water Supply Project	C	150
C – V	S.W.D./ Sewerage Project	D	75

Mechanical, Electrical, Electronics Discipline		
Description of Category	Classes under <u>each</u> category	Upper Tendering Limit (Rs. in Lakhs)
Mechanical Engg. Electrical Engg. Electronic Engg	AA	Without Limit
	A	60
	B	30
	C	06

2.2 A set procedure has been introduced for registration of bidders for civil, mechanical and electrical works. Minimum eligibility criteria with regards to financial, technical, organizational etc to be fulfilled by each applicant has been prescribed. The amount of fees and the deposits etc. applicable for each category has also been prescribed.

2.3 The booklet containing guidelines thereof is available with Monitoring department of MCGM. To avoid repetition that part is not included here.

Following Part deals with registration of suppliers only.

3. Registration as suppliers:

3.1 Prescribing Rules:

Commissioner shall frame rules governing Registration of Suppliers and when needed M.C. may modify these rules giving effect from specific date. These rules shall be made available to those interested on payment of prescribed charges.

3.2 Categories:

Municipal Commissioner, from time to time, may prescribe different Categories for enlisting the bidders for supplies which can be classified on the basis of types of supply of material such as :-

- General stores and supplies.
- Plant and Machinery,
- Medical Stores, Apparatus and Appliances
- Stationery,
- Supply of Vehicles on hire.

Depending on situation and the requirement of the organization, MC may add more such categories to this list.

3.3 Classes

Class under different categories:

Class	Estimated cost up to which the bidder can quote (Rs)
A	Without Limit
B	up to 5 Crore
C	up to 3 Crore

The limit prescribed for respective class as above is for the purpose of recognition of financial capability. However, looking to the nature of respective tender Municipal Commissioner may revise and/or prescribe higher limit for becoming eligible to quote.

The details of categories, classes and their financial limit, solvency required, registrations Fees, standing deposit etc are indicated in Table 'A' of the booklet of Rules of Registration.

3.4 Fees and deposits:

Following are different fees payable:

- Fees for application form and booklet of Rules,
- Scrutiny fees,
- Registration fees,
- Fees for issue of certificate,
- Fees for noting changes,
- Late fees.

The nature of deposits:

- Standing deposit.

The item and rate of fees and deposit etc applicable are shown in the Table 'A'. Municipal Commissioner may revise these rates, from time to time. Applicant will have to pay fees at the rates prevailing at the appropriate time.

4. Eligibility Criteria:

4.1 Firms falling under any of the following groups may be considered for registration as supplier-

- Manufacturers,
- Sole Selling Agents/Authorized Agents/ Distributors,
- Stockiest,
- Small scale industries,
- Govt/ Semi-Govt. organizations.

4.2 General qualifications-

The bidders intending to get registered with MCGM shall-

- Possess Technical competence, financial resources equipments and physical facilities, managerial capability and personnel, reliability, experience and reputation.
- Have adequate legal status to enter into procurement contract.
- Have faithfully complied with statutory obligations related to filing of tax returns to GOM / GOI.
- Not be insolvent, in receivership, bankrupt or being wound up,
- Not have its affairs administered by a court or judicial offence.
- Not have its business activities suspended.
- Not have any of their directors / partners and officers convicted of any criminal offence.
- Not have involved in professional misconduct or making of false statements or misrepresentations with respect to their qualifications to enter in to procurement contract or not otherwise disqualified pursuant to debarment proceedings.
- Possess any other norm / criteria applicable for registration.
- Have his Factory / Manufacturing Unit/ Usual Office within the jurisdiction of Mumbai, if any, been assessed as non residential premises by MCGM and if so, have to submit the property tax clearance certificate issued by Assessment and Collection department of MCGM.

4.3 Technical qualifications:

- Availability of premises both as factory / workshop and office.
- Availability of the plant & machinery.
- Availability of qualified and expertise staff.

4.4 Financial qualifications:

- Average annual turnover during the last three years.
- Value of orders executed during the last three years.
- Details of orders under execution.

4.5 Managerial qualifications:

Shall have adequate hierarchy of personnel commensurate with magnitude of the business.

5. Inviting applications:-

5.1 CPD shall give public advertisement in brief calling for applications for registration as provided under section 481 of the MMC Act. Such public advertisement shall invite specific attention of the intending applicants stating that rules and other details are available on website of MCGM. Similarly, the public notice should also be displayed on the MCGM portal.

5.2 Such notice on portal shall clearly bring out the following-

- Categories available for registration.
- Location where blank application forms and booklet of Rules are available.
- Fees, deposits or any other charges to be paid.
- Eligibility criteria.
- Documents to be submitted with the application.
- Machinery available for redressal of grievance, if any, in respect of eligibility criteria, refusal of registration etc.

6. Submission of application

6.1 An intending bidder may first read the Rules prescribed for registration and then apply in the prescribed form for enlisting in any of the above categories or all of them. Blank form can be obtained, in physical form, from the office of CPD on payment of fees prevailing at the respective time. Such blank application form can also be obtained by downloading from the web site of the MCGM. However, at the time of its submission the applicant will have to pay the form fees prevailing at the time of submission of such form.

6.2 Application forms duly filled in and supported with required documents can be submitted in the office specified in the application form.

6.3 Along with the application form 100% of the scrutiny fees and 25% of the Registration fees payable at the rate applicable to the respective category shall be paid.

6.4 To ensure that the applicant bidders comply with the eligibility criteria they shall provide a declaration in the prescribed form as per Annexure.

6.5 Beside, the applicants should furnish declaration in the prescribed form as per Annexure in respect of guidelines provided in the Integrity Pact / Ethical Standards contained in the Manual.

6.6 Who should sign the application?

- If the application is made by an individual it shall be signed by him with his full name and current address.
- If the application is made by a proprietary firm it shall be signed by the proprietor with his name and the name of his firm.
- If the application is made by firm in partnership, it shall be signed by all the partners of the firm with their full names or by a partner holding the Power of Attorney.
- If the application is made by a limited company or a limited corporation, it shall be signed by a duly authorized person holding the Power of Attorney.
- If the application is made by a co-operative society or any charitable institute or any other Sanstha, it shall be signed by a duly authorized person.

7. Constituting a Registration Committee:-

7.1 The Registration procedure should involve thorough evaluation of the suppliers seeking registration by the experts of the organization. Therefore, Commissioner shall appoint, from time to time, a committee to be known as Registration Committee, for deciding the applications, received for registration as suppliers.

7.2 The committee shall consist of five members as under:-

1. DMC (CPD) shall be the ex-officio Chairman of the Registration Committee,
2. Ch. Eng. (CPD) shall be ex-officio Secretary of the Committee,
3. Ch. Acct. (CPD) shall be ex-officio member,
4. Other two members shall be nominated by the Municipal Commissioner.

7.3 The committee shall scrutinize the creditability of the firms / bidders with regard to financial status, technical competency, manufacturing and quality control tactics, their market standing and the business ethics before granting them registration. The registration shall be a continuous process to be followed every year (once in a year) so as to tap and encourage new vendors to get registered with MCGM.

7.4 The list of approved suppliers should be published on the MCGM website.

8. Documents to be furnished:

8.1 Certified copies of the following documents shall be submitted along with the application for registration-

- Proprietor's/Firm's latest proof regarding filing of Income-tax returns,
- Copies of the last three years' Annual Report indicating the profit and loss account and Balance sheet,
- A copy of the Partnership Deed,

- A copy of the Certificate of Incorporation along with Articles of Association and Memorandum (in the case of a Limited Company).
- A general power of attorney authorizing the constituted attorney to sign for and on behalf of the firm concerned (when the application is signed by a person other than the Proprietor, Partners, Managing Director/ Director as the case may be).
- Declaration that the applicant is not banned, is not bankrupt etc.
- Registration certificate from the Director of Industries of the State, if the firm is an SSI unit,
- Copies of licenses of statutory authorities, wherever applicable,
- Shops and Establishment Registration Certificate,
- Solvency Certificate of appropriate amount from the Banker of the bidder / supplier
- Notarised copies of agency agreement and the undertaking from the manufacturers if applicant firm is authorized agent/distributor/sole selling agent,
- Registration Certificates in respect of VAT, Service Tax, Sales Tax, Professional Tax etc.
- Property tax clearance Certificate from MCGM in respect of applicant's property in Mumbai as per Annexure 14.
- In case where a Co-operative Society or any Trust applies for registration following documents are also required-
 - ✓ Bye-laws of Co-operative Society as approved by the Registrar of Co-operative Societies.
 - ✓ Trust Deed.
 - ✓ Registration certificate under Co-operative Societies Act or under Bombay Public Trust Act,
- Undertaking prescribed under guidelines of Integrity Pact / Ethical Standards applicable to bidders,
- PAN CARD of applicant
 - ✓ of his own in case applicant is individual
 - ✓ of Company or firm –
 - ✓ of Proprietorship/Ownership firm
 - ✓ of a Private Limited Co.
 - ✓ of a Partnership firm
 - ✓ in case of a registered Sanstha/Society or Trust whichever is applicant.
(In case of Public Limited Companies; Semi Govt undertakings, Govt Undertakings; no "PAN CARD" will be insisted.)
- Registration certificate, if applicant is registered with any other agency.

8.2 Attestation of Documents:

8.2.1 The photocopies / xerox copies of the document to be submitted with the application should have attestation from the Gazatted Officer of the State/ Central Government or from the Officer of Brihan Mumbai Mahanagarpalika not below the rank of Assistant Engineer/ Administrative Officer or from practicing Notary approved by the Govt. of Maharashtra or Govt. of India with his stamp with or without red seal clearly stating his name & registration No.

8.2.2 The responsibility to produce correct authentication rests with the applicant. If any document detected to be forged, bogus etc. application for registration shall be rejected or registration already granted shall be revoked and all fees and standing deposit paid shall be forfeited.

8.2.3 If the certificates issued by any state authority are in a language other than English, Hindi or Marathi, then translated copy in one of the languages mentioned above, duly certified by the official translator, shall have to be submitted, along with a copy of the original certificate.

9. Scrutiny of Applications:-

9.1 Maintain Inward Register in the prescribed form recording therein all the required details. Give Sr. No. to each application.

9.2 Check up whether application fees in respect of downloaded application forms is paid. Also check up whether scrutiny fee and registration fee and deposit money is paid.

9.3 Check up whether all the required documents are furnished duly attested . Then check whether-

- the applicant fulfills eligibility criteria,
- the applicant is currently debarred/blacklisted from participating in the

tender in MCGM or in any government departments,

- the applicant has furnished incorrect or misleading information.

9.4 In respect of Manufacturer please check up following-

- Is the applicant firm intending registration has a factory of his own and has competence of producing material of the required quality?
- Is the applicant firm is utilizing the factory of some other firms on lease or other arrangements for manufacture of the stores for which the registration is sought?
- In such cases, has the registration seeking firm entered into a valid agreement and if so what is the duration?
- Is manufacturing of the goods is by the firm itself or through some sub-contractors?
- Does sub-contractor fulfill the basic requirements of premises, machinery, capacity, quality control, valid licenses etc norms?

9.5 In respect of Sole Selling Agents/Authorized Agents/Distributors check up whether-

- They have furnished the certificate from the manufacturer appointing them as their sole selling agents/authorized agents/distributors,

- Appointment is valid for a period for which registration is sought. In that case registration shall stand terminated as soon as the validity of the agency is terminated/ expired. Registration certificate to be issued to these applicants shall also bear the name of the manufacturer, the details of the products, validity of the agency period, etc.

9.6 Based on above scrutiny the applicant who cannot be considered eligible for registration, shall be communicated the deficiencies for rejection of registration .

9.7 Calling for additional information.

In respect of bidders which survive preliminary scrutiny, the Registration Committee shall obtain the following:

- Banker's Report regarding financial standing of the firm. The report should be treated as confidential.
- Annual Turnover:

Annual balance sheets showing profit and loss account of the firm during the preceding three years of the registration.

- Reference from others:

If the applicant has supplied material to any of the MCGM departments then a confidential report from respective HoD regarding performance of applicant in the prescribed form as per Annexure.

10. Registration Committee Meeting:

10.1 After initial scrutiny, secretary shall place before the Committee all applications with detailed statement showing therein following:

- Sr. No. of Applicant and application,
- Applicant's Name,
- Category, class applied for,
- Probable eligibility in category and class,
- Remarks regarding payment of scrutiny fees, initial registration fee,
- Submission of required documents.
- Fulfillment of eligibility criteria,

10.2 Registration Committee shall consider individual application and on deliberation approve registration in appropriate category with class.

10.3 Secretary shall draw the minutes of Committee meetings. Secretary shall intimate the decision of Registration Committee to respective applicant. In case of rejected applications reasons for rejection should be mentioned in communication. In case of others, they may be advised to pay balance registration fees and deposit with-in stipulated time.

10.4 After approval of the application for registration by the Registration Committee further steps as under shall be taken:-

- Intimation to the applicant informing approval.
- Advising applicant to pay fees and deposit as applicable.
- On remittance of such fees and deposit, to issue Certificates of Registration in the prescribed format.
- To upload names of those granted registration on the website of MCGM.
- To update Registration Register by noting all details of those granted registration.

10.5 The Registration Committee shall cancel the registration granted, if it is found at any time that the information/ declarations submitted concerning qualifications was false or materially inaccurate.

11. Renewal of Registration:

11.1 The process of renewal of registration is almost same as is the case with initial registration. Application shall be submitted within a period of one month of the expiry of previous registration. In case the application is made after one month of the expiry period the supplier is liable to pay late fees as prescribed under the Rules.

11.2 Renewal of registration shall generally depend on the following points:-

1) If contract is given:

- Through feedback from the user department.
- Timely delivery of goods, response for replacement of parts etc.
- Price competitiveness
- Response for maintenance of equipments supplied by the bidders.

2) If no contract is given:

- Number of quotes submitted against number of bid enquiries.

11.3 The registration authority should initiate process for renewal of registration well in advance so as to avoid lapsing of registration granted to suppliers.

12. Up-gradation of suppliers:-

12.1 The registered supplier may apply for up-gradation of the class in which he is registered. For this the supplier has to submit application with the required documents.

12.2 The applications for up-gradation by the suppliers shall be scrutinized by applying the same procedure applicable for renewal of registration. On approval of up-gradation of class the supplier shall have to pay additional standing deposit and submit solvency certificate applicable to upgraded class of registration.

13. Changes in the firm's constitution:

Requests for incorporating changes in name, address and constitution of firms in their registration should be in normal course, allowed by the Secretary/Registration Committee simply on verification of documentary evidence and on payment of fees for recording such changes. While allowing such changes it shall be ensured that the registration already granted, based on the eligibility criteria, need review and any additional eligibility required on account of change in the constitution of the firm.

14. Withdrawal from Registration:

The supplier on the approved list may voluntarily withdraw his name from the list with intimation in writing. Supplier has to return the Registration Certificate after which his Standing Deposit can be refunded.

15. Actions against default:

15.1 Temporary Suspension-

It is not desirable that business with the firm where:

- a prima-facie case is made out that the firm is guilty of an offence involving moral turpitude in relation to business dealings pending outcome of the enquiry into alleged offence.
- the proprietor of the firm or partner or director is convicted by a court of law following prosecution for offences involving moral turpitude in relation to the business dealings.

15.2 Removal from List of Registered Suppliers-

The registered firms are liable to be removed from the approved list for,

- Failure to abide by the terms and conditions under which the registration has been granted.
- Giving any false declaration or suppressing the facts,

- Withdrawal of a bid or refusing to accept an award without any valid reasons,
- Repeated supply of inferior quality,
- Failure to execute a contract,
- Being declared bankrupt or insolvent,
- Attempt to defraud the corporation,
- Attempt to bribe any corporation employee,
- Attempt to secure a contract through unfair means on outside influence;
- Attempt to tamper with municipal record and documents
- Threatening, misbehaving with or physical attack on any municipal employee/officer;
- Attempt to instigate or collude with other contractors with a view to securing undue advantage;
- Any ground which, in the opinion of the Municipal Commissioner, the retention of the firm's name on the list of registered suppliers is not in MCGM interest.

15.3 If a registered supplier (a firm, partnership or company) is de-registered, then any other registered supplier (a firm, partnership or company), with any partner or shareholder who is also a partner or shareholder or a “spouse” of such partner or shareholder of the de-registered contractor, shall also stand automatically de-registered.

15.4 Any other action as provided under the rules governing registration as suppliers.

15.5. Banning from dealing with...

Legal Notice:

When any of such instances are brought to the notice, a show cause notice mentioning the grounds and the action proposed should be issued to the firm, with the approval of the legal dept. On receipt of reply to the show cause notice and after due consideration of the reply given further orders shall be passed for deregistration or cancellation of the registration of the firm and removal from the list of approved suppliers.

16. Mechanism for redressal of grievances:

The redressal mechanism under Chapter 9 of the Procurement Manual shall be applicable to the registered supplier for redressal of their grievance.

Chapter:- 7 B : Rules governing registration as suppliers.

- 1.** These rules shall be called “Rules Governing the Registration as Suppliers”.
- 2.** These rules shall come into effect from 1st April, 2013 or from the date of giving approval to these Rules by the Municipal Commissioner, whichever is later.
- 3.** In these rules, unless in the context otherwise required:
 - 3.1** “Category” shall mean classification of suppliers under different groups according to the nature of procurement as shown in Table ‘A’
 - 3.2** “Class” shall mean division for the purpose of prescribing limit based on the financial capability of the supplier, for the purpose of tendering, as defined in Tables ‘A’
 - 3.3** “Indenting Officer” shall mean an officer or person empowered to issue the indent on the supplier for supply of goods listed in the indent, based on the terms and conditions of the Contract entered into between MCGM and the firm, on whom the indent is placed.
 - 3.4** “Registration” shall mean enrollment of the supplier, based on the application submitted and information furnished by the applicant, as “Supplier Registered with MCGM” eligible for tendering for supply of various moveable articles to MCGM , as per the limit prescribed.
 - 3.5** “Supplier” shall mean an individual or Hindu Undivided Family or a Registered Partnership Firm or a Joint Stock Company or a Registered Co-operative Society or a Trust, or a Govt. Semi-Govt. Undertaking, Small Scale Industry, or authorized agents/distributors of the principals, registered by the Municipal Corporation of Greater Mumbai, under these Rules and eligible to tender for the purpose of supplying to the Corporation the goods or articles, material, machinery or any other movable thing alike.

The term ‘Supplier’ shall also mean the Contractor with whom written contract is executed for the specific purpose with specific terms and conditions.
 - 3.6** “Registration Committee” shall mean the Committee appointed by the Municipal Commissioner for granting registration to the applicant as “Supplier Registered with MCGM”.
- 4.** These rules shall be uploaded on the website of the MCGM for information of the interested applicants. Also applications shall be invited by public advertisement, from the intending applicants desiring to get registered as supplier with MCGM.

- 6.** All the applicants applying, whether for initial registration, up gradation or renewal of their registration, shall apply in the prescribed form which can be obtained from the office Ch. Engineer (CPD) on payment of fees.
- 5.** Municipal commissioner shall prescribe, from time to time, different fees, their rates and the amount of standing deposit, payable by the applicant for grant of registration as ‘Supplier Registered with MCGM’ and for renewal and up-gradation etc.
- 7.** Each applicant shall have to fulfill eligibility criteria, prescribed for registration in the respective category and the class.
- 8.** Each application shall be accompanied with the requisite certificates, other documents and the fees payable for registration.
- 9.** All such applications shall be serially noted in the register with appropriate details and an acknowledgement be given to the applicant.
- 10.** All applications shall be initially scrutinized by the staff under the supervision of Chief Engineer of Central Purchase Department and be placed before the Registration Committee, for decision.
- 11.** Municipal Commissioner shall constitute a committee to be known as “Registration Committee”, consisting of appropriate number of members to be appointed by the MC from time to time. However,
 - a. Dy. MC in-charge of the CPD shall be the ex-officio Chairman,
 - b. Chief Engineer CPD shall be the ex-officio Secretary of the Committee,
 - c. Chief Accountant CPD shall be the ex-officio member of the Committee,
 - d. Remaining members shall be as nominated by the MC.
- 12.** The Registration Committee shall meet at least once in.....months.
- 13.** After deliberation, Registration Committee shall decide each application placed before them on merit and approve, or dis-approve or defer registration in any or all of the Categories and the Class as applied for by the applicant.
- 14.** Any clarification, additional information needed shall be called for from the applicant, which shall be furnished by him within fifteen days. If such information is furnished after fifteen days but within one month from receipt of an intimation, , token penalty of Rs.200/- shall be payable. On failing to submit such information within one month his application shall be treated as incomplete, invalid and therefore be rejected.
- 15.** The decision of the Registration Committee shall be communicated to the applicant. In case any application is rejected by the Committee such Communication shall include the reasons for such a rejection.
- 16.** Minutes of the meeting of Registration Committee shall be drawn and maintained by the Chief Engineer (CPD) being ex-officio Secretary of the Committee.

17. On receipt of communication regarding approval of registration by the Registration Committee, the applicant shall pay balance Registration Fees/ Deposits within 15 (Fifteen) days as applicable to the recommended category and class. Failure to pay such Fees/ Deposits within stipulated time, late fee of Rs. 500/- per month (irrespective of the class) shall be charged in addition to Registration Fee. Non-remittance of such fees with late fee, within a period of three months shall amount to automatic rejection of the application and the fees paid along with application form shall stand forfeited. In such cases, fresh application shall not be entertained for a period of one year since such a rejection.

18. Initial registration shall be valid for a period not exceeding 3 calendar years, provided the firm is not de-registered. This period of 3 years shall be counted from 1st January of the year in which registration is granted till 31st December of the third year. Thus, Renewal of registration shall become due on 1st January of the 4th calendar year.

19. Proprietor/Owner/ any of the partners/any of the Directors of the applicant firm shall not be associated with any other firm in the capacity of a Proprietor/Owner/ partner/ Director which is already registered in the same category with M.C.G.M. However, this shall not apply to the Common Directors of a Public Ltd. Company.

20. A person holding Power of Attorney of the applicant for entering into and / or executing a contract with Municipal Corporation of Greater Mumbai shall not be a Owner/ Partner/ Director or shall not hold Power of Attorney for entering into and / or executing a contract for any other firm already registered with MCGM under these rules.

21. Performance Certificate of M.C.G.M./ Govt/ Semi-Govt./ PWD/ Govt. Undertakings / Pub. Ltd. Co. only shall be considered for giving weightage for registration/Up-gradation. Performance Certificate of Private Organizations / Institutions shall not be considered.

22. If any applicant withdraws the application at his own, scrutiny fees paid shall not be refundable. Also in case of applications which are found in-eligible or where registration is not granted, scrutiny fees paid with the application shall not be refunded.

23. Any intending applicant aggrieved by the eligibility criteria or any applicant not satisfied with the decision of the Registration Committee can take recourse of the provision of the Mechanism for Redressal of Grievances.

24. Unless otherwise challenged by the aggrieved applicant in the manner explained under mechanism for redressal of grievances, decision of the Registration Committee shall be final.

25. The application for renewal shall be in prescribed form supported with required documents and fees. Such application shall be submitted on or before 30th November of the respective year.

26. The application received after 30st November but up-to 31st January of the succeeding year shall attract late fee as per Table 'A'. The fees/ penalties once paid shall not be refunded.

27. If application for Renewal is not received upto 31th January of the succeeding year, the Registration shall stand cancelled and Name of the supplier shall be deleted from the approved list.
28. Any application for renewal received on or after 1st February shall be treated as a fresh application for registration and be processed at par with the applications for New registration.
29. If any penal action is initiated against any supplier on the approved list, such application for renewal shall not be considered till the issue is finalized.
30. The renewal so granted shall remain valid for further period of 3 calendar years.
31. Application for Up-gradation shall be submitted in a prescribed form accompanied with required documents and prescribed fees.
32. The Up-gradation shall depend on evaluation of performance under different contracts executed in M.C.G.M. as well as in Govt./ Semi –Govt organization. Application for Up-gradation shall not be considered during the process of any enquiry / action against applicant firm.
33. The Up-graded Registration shall remain in force till validity of the registration is in force.
34. The Standing Deposit may be either in cash or in the form of Govt., & Semi-Govt. securities, National Saving Certificates, Kisan Vikas Patras. Municipal debentures etc. Orders of the Municipal Commissioner in respect of interest etc. payable on such securities shall be final and binding on the supplier.
35. Deposit paid by the supplier Registered with MCGM shall remain with the corporation till the registration of the respective supplier is valid and is in force. Such deposit shall bear no interest.
36. The Deposit shall be refundable in the following situations:-
- Registration expires and application for renewal is not submitted.
 - Subsequent to payment of deposit applicant does not desire registration.
 - During the tenure of registration, supplier withdraws from the approval list.
- However, deposit shall be refundable on written request from the supplier and after receipt of ‘**No Objection**’ certificate from other departments. Registration Certificate shall be surrendered with application for refund of Deposit.
37. All changes in the constitution of the firm or change in address or telephone number or change in status of firm/Co or change in directorship of Co. subsequent to registration, shall be intimated to the Secretary of the Registration Committee within a month, from the date of such change. On payment of fees as applicable, such changes shall be made in the record of registration. Failure to intimate any such change will render the supplier liable for action as the Registration Committee may deem fit.

38. In addition to any penal action under the general conditions of individual contracts, a supplier registered under these rules may be liable for one or more of the following penalties with due process:

- (i) Warning,
- (ii) Fine,
- (iii) Suspension of Registration,
- (iv) Demotion,
- (v) De-registration.

Chapter:- 7 C : Vendor Performance Evaluation:

Contract Management is an important function and it consists of ongoing monitoring and management of the Vendor's performance based on contractual obligations, whether it is for goods, services or works.

It includes managing the relationship between the Vendor and the Procurement officials and also Vendor Performance evaluation and rating. Managing and monitoring vendor's performance is essential to satisfy that value for money is received. Such monitoring shall be before, during and after the establishment of procurement arrangement with a view -

- To reduce internal transaction cost,
- To manage the risk, if any, effectively,
- To improve performance.
- To satisfy that contractor meets contract conditions stipulated in the respective contract as well as those in the rules for registration,
- To ensure that there are no complaints against the contractor and that if there is any, what is its gravity.

As far as works are concerned MCGM has established its Monitoring Unit which functions independently supported by the activities of Vigilance Branch. This discussion, therefore, is restricted to the performance evaluation of the vendors for procurement of goods by the Central Purchase Department.

CPD is developing system of Vendor Management which includes listing of vendors based on the pre-determined eligibility criteria. Most of the offers would be invited from these listed vendors. However, there are vendors who do not opt for listing but would like to take part in the bidding process. Thus, performance evaluation system will have to be developed both for-

- Vendors on the approved list of MCGM, and
- Vendors not on the approved list, but take part in the bidding.

MCGM may therefore, introduce vendor rating/evaluation system by developing and introducing –

1. Key Performance Indicators (KPI) in the following area:

- Price Factors-
 - a. Competitiveness of price- difference between L1 and L2
 - b. Price stability over different orders
 - c. Billing accuracy
- Quality Factors
 - a. Conformity with the specifications
 - b. Delivery factors
 - c. Reliability of performance
 - d. Rating of performance by users
 - e. Reliability of repairs and maintenance
 - f. Time to repair
 - g. Mean Time Between Failure
 - h. Duration of warranty provided
- Delivery Factors
 - a. Delivery date conformance
 - b. Delivery quantity as per schedule
 - c. Packaging of the goods/equipment
 - d. Documentation along with delivery
 - e. Responsiveness to Emergency delivery requirements
- Service Factors
 - a. Providing up-to-date catalogue, technical documentation
 - b. Technical support provided by vendor
 - c. Professional support personnel
 - d. Emergency support
 - e. Problem resolution
- Ethical standards
 - a. Non conviction of offence concerning professional misconduct, bid rigging.
 - b. Submission of fake information / documents.
 - c. Breach of social security contribution payment of taxes etc.
 - d. Involvement in money laundering, fraud, theft.
 - e. Attempt to irrogate staff, bribe the staff.

2. Periodical Review system by:

- Regular checking of progress in supply
- Random inspection to ascertain compliance of specifications,
- Ascertaining adherence of contract conditions,
- Arranging meetings with

- Supplier,
- User department,
- Stock verification staff.

Vendor rating/evaluation system shall be transparent and every supplier will be able to see all the calculations and final results of his rating. He may also be given a feedback of his standing amongst the like suppliers of similar goods so that he can improve or keep up the good work. Involving good suppliers in suppliers meet and other functions of the corporation can go a long way in improving the relationship between the Corporation and suppliers.

The vendor rating/evaluation shall be coupled with registration/renewal/up-gradation of the vendor and can also be considered while splitting order in case of tied tenders, emergency procurements, release of part payment after supply pending inspection/certification etc.

Chapter : 7. D. Different actions against the suppliers for default.

1. These are the general guidelines in respect of different actions likely to be initiated against the Bidder/Contractor for offenses or violations committed,during the process starting from bidding stage till the end of the faithful compliance of the contractual obligations, as well as during the course of holding registration as approved supplier.These actions include:

- Disqualifying from on-going bidding process,
- Warning,verbal and/or written for the breaches,
- Forfeiture of EMD, either certain percentage of it or in full,
- Fine,
- Suspension.
 - ✓ It is an administrative penalty imposed for infractions committed by a bidder/contractor whereby such bidder/contractor is prohibited from further participation in the bidding process,pending final decision,
- Demotion from higher class to lower class in the registration,
- De-registration from the approved list,
 - ✓ If a registered supplier (a firm, partnership or company) is de-registered, then any other registered supplier (a firm, partnership or company), with any partner or shareholder who is also a partner or shareholder or a “spouse” of such partner or shareholder of the de-registered contractor, shall also stand automatically de-registered.
- Blacklisting.
 - ✓ It is an administrative penalty disqualifying a person or an entity from participating in any procurement for a given period.

- Lodging of a case for action under IPC & Prevention of Corruption Act for the offences coming under them.

2. Defaults:

Tenderers/Bidders are liable for any of the above actions, if involved or committed any of the following lapses/defaults:

- Submission of misleading or false representations in the forms, statements and attachments submitted online, proof of the qualification requirements, and/or
- Record of poor performance such as abandoning the works, not properly completing the contract, inordinate intentional delays in completion, or financial failures etc. and/or
- Tendency of quoting unreasonably high tender prices and non-furnishing rational justification to the Corporation, or not uploading details of ongoing works/commitments.
- Any attempt of “corrupt practice” by offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution or adopted any “fraudulent practice” means, misrepresentation of facts in order to influence a procurement process or the execution of a contract including collusive practice among tenderers (prior to or after tender submission)
- Attempt to contact the Add. Municipal Commissioner/Municipal Commissioner on any matter relating to any tender from the time of the tender opening to the time of the contract is awarded.
- failure to disclose
 - (a) if he or any of the Tenderer’s/Bidder’s sub-contractors:
 - ✓ has or have been the subject of any proceedings or other arrangements relating to bankruptcy, insolvency or financial standing.
 - ✓ has been convicted of any offence concerning professional misconduct.
 - (b) if he or any of the Tenderer’s/Bidder’s sub-contractors has or have been convicted or are the subject of any proceedings, relating to:
 - ✓ participation in criminal organisation.
 - ✓ corruption including the offence of bribery.
 - ✓ fraud including theft, and not fulfilling any obligations relating to payment taxes.
 - ✓ money laundering.
- Attempt to offer, solicitation or bribe, reward or gift, or hospitality or any material benefit, either directly or indirectly, in exchange for an unfair advantage in the procurement process or to otherwise influence the procurement process;
- Submission of tender/bid separately under different names for the same contract having common proprietor / partner or connected with one another either financially or as principal and agent or as master and servant or with proprietor / partners closely related to each other as husband , wife, father, mother and Minor son /

daughter and brother / sister and Minor brother / sister, shall submit separately under different names for the same Contract.

- improper use of information provided by the procuring Dept. to the bidder, with an intention to gain unfair advantage in the procurement process or for personal gain;
- Attempt of any coercion or any threat to impair or harm, directly or indirectly, any Municipal employee or other bidder involved in the procurement process or their property to influence the procurement process;
- Obstruction in any investigation or auditing of the procurement process;
- Involvement in any collusion, bid rigging or anti-competitive behavior that may impair the transparency, fairness and the progress of the procurement process;
- Offering or assisting to obtain any employment, directly or indirectly, for any member of the family of the Corporation employee with any company or firm.
- employing or retaining any individual municipal employee or his family member for the purpose of soliciting or securing any contract upon any agreement or understanding for a commission, percentage, brokerage, fee or any other monetary gain that is contingent or dependent upon the outcome of the procurement.
- calculating the price(s) to be quoted in the bid independently, with collusion, communication or agreement with any other competing bidder for the purpose of restricting competition.
- Disclosure of the price(s) quoted by him, directly or indirectly, to any other competing bidder prior to the closing date for submission of bids.
- any attempt to induce any other individual or entity to submit or not to submit a bid.
- employing or engaging or hired directly or indirectly any former employee of the Corporation, who is amenable to the Pension Rules, as a director / Partner / Employee or Consultant or in any other capacity, during a period of two years from such ex-employee's ceasing to be in Municipal service, without specific approval of the Municipal Commissioner for taking up such employment / Assignment by that employee.
- Suppressing the fact of his organizational, financial, contractual or other affiliation with any firm that has interest that may be substantially affected by the procurement solicitation
- suppressing the fact of his previous transgressions made with any Dept. in any country during the last three years or of being debarred by any other procuring authority or organization.

- failure to
 - ✓ abide by the terms and conditions under which the registration has been granted.
 - ✓ honour the acceptance letter within the validity period,
 - ✓ make payment of security/performance deposit, failed to execute a contract,
 - ✓ supply the goods as per tender conditions,
 - ✓ supply the goods of approved quality and/or required quantity repeatedly,
 - ✓ observe security guidelines/restrictions prescribed by MCGM.
 - ✓ Attempt to tamper with municipal record and documents,

3. Action:

After satisfying that there exists prima facie ground for initiating action/conducting enquiry the contractor concerned shall be informed in writing, informing that -

- a) A complaint warranting action against him has been filed,
- b) To show cause why he should not be suspended pending enquiry,
- c) Hearing will be conducted where he will have opportunity to present documentary evidence, verbal testimony and cross-examination of the witnesses,
- d) He may appeal against the orders passed imposing punishment.

4. Precautions:

- Bidder/Contractor shall not be blacklisted for unintentional mistakes or actions which do not tantamount to intentional cheating.
- The decision to ban should be communicated to him in writing in reasonable time. The ban can be implemented only after such communication
- The supplier will not be able to bid for any tender for the Corporation during the period of ban. End of ban date should be clearly indicated in the banning letter.

- The Corporation would maintain a website/webpage wherein details of the suppliers banned would be clearly listed with all the details like name of the firm/list of partners/owners/directors tender/work order in respect of which they are banned etc.
- The banned contractor may complete all his works/supplies pending at the time of ban but all his financial dues in relation to banning can be appropriated by the corporation from the payments of the running contracts.
- His submitted bids at the time of or before banning will be treated as null and void. Corporation will not enter in any contract with the supplier on or after the ban date. His EMD and other deposits may be used to recover the fine or dues the Corporation may have towards him.

5. Effect:

- Effect of suspension Temporary ban for taking part in the bidding process re: submitting of bids till the suspension is revoked.
 - Effect of demotion Lower down the eligibility of financial limit for quoting.
 - Effect of deregistration Removal of name from the list of registered contractors. Ban on participating in the tender/bidding process.
 - Effect of Blacklisting Ban on participation in the tendering/ bidding process during the period of blacklisting either for specific period or permanently.
- ✓ A joint venture or consortium which is blacklisted or which has blacklisted member/s and/or partner/s as well as a person/entity who is a member of a blacklisted joint venture or consortium are, likewise, not allowed to participate in any procurement during the period of disqualification.
 - ✓ In the case of companies, a single stockholder, its chairman and president, shall be blacklisted after they have been determined to hold the same controlling interest in a blacklisted company.

- ✓ In the case of Partnership firms undergoing abovesaid punishment, all the partners of the firms will not be entitled to participate in the bidding process during the tenure of punishment.

Table Showing Minimum Requirements for respective Class in appropriate category & rates of fees, deposits etc. for

Table 'A'

Categories and their short form		General	Plant & Machinery	Medicine	Stationery	Vehicles	
		GN PM MD ST VH					
Sr. No	Classes under each category	"A"		"B"		"C"	
		Rs.		Rs.		Rs.	
1	Upper limit of	Without Limit		upto 300 Lakh		upto 150 Lakh	
2	Minimum Solvency	60 Lakh		40 Lakh		25 Lakh	
3	Average Turn Over of	300 Lakh		175 Lakh		100 Lakh	
4	Scrutiny Fee	1000		1000		1000	
5	Registration Fee	5000		4000		3000	
6	Renewal Fee	2500		2000		1500	
7	Up-gradation Fee	...		1500		1000	
8	Late Fee	500		500		500	
9	Standing Deposit	5 Lakh		3 Lakh		2 Lakh	

<u>Rates of other Fees</u>		
Sr.	Subject	Rate of Fees
1	Copy of Rules with application form-	
2	Application Scrutiny fee-	
3	Registration fee-	
4	Issuing Registration Certificate: Original-	
5	Issuing Registration Certificate : Duplicate-	
6	Noting change in constitution of the firm, address etc.-	
7	Late fees- i) Delay in submitting information-	
	ii) Delay in remitting Registration fee-	
	iii) Delay in submitting application form-	

Application Form

Sr. NO.....

(Price Rs...../- + VAT)

MUNICIPAL CORPORATION OF GREATER MUMBAI

Chief Engineer (CPD), Central Stores, NM Joshi Marg, Byculla (West), Mumbai-400 011

APPLICATION FOR REGISTRATION/ RENEWAL/ UPGRADATION AS SUPPLIER

Mark in appropriate Box and write
in the remaining boxes.

NA

(Fill the Form in Block Letters)

*Strike out if not applicable

PLEASE READ THE RULES GOVERNING THE REGISTRATION AS SUPPLERS WITH
MCGM CAREFULLY BEFORE APPLYING IN THIS FORM:

GENERAL INSTRUCTIONS

1. Mention short form of each category in appropriate box in the application form. See Table 'A'
2. The Application form duly completed with requisite supporting documents and information shall be submitted in the office at the address mentioned above, along with payment of requisite fees.
3. Application for Renewal along with the supporting documents and information shall be submitted along with payment of requisite fees on or before of the valid year.
4. The Registration of the contractor will continue to hold good till such time his/her application for renewal is finally disposed of.
5. Fees will be accepted in cash/ demand draft / PO only. D.D. /PO shall be drawn in the name of "Municipal Corporation of Greater Mumbai" and payable in Mumbai.
6. Categories and class for registration and fees/deposits payable are as per Table 'A'.
7. Timings of Payment: All working Days from 11.00 A.M. to 3.00 P.M.

Sr. No.....

MUNICIPAL CORPORATION OF GREATER MUMBAI

Chief Engineer (CPD), Central Stores, NM Joshi Marg, Byculla (West),
011

Mumbai- 400

APPLICATION FOR REGISTRATION/ RENEWAL/ UPGRADATION AS SUPPLIER

Application is for :- REGISTRATION RENEWAL UPGRADATION

Categories applied (use short form)					Existing				
Class applied:-					Existing				

Status of Applicant

- Individual Proprietary H.U.F. Partnership Pvt. Ltd. Co. Jt. Venture.
 Public Ltd. Co. Co-op Society Trust /Sanstha Manufacturer
 100% Subsidiary of Manufacturer Govt. unit Semi Govt. unit
 Authorized Distributor. SSI Other units
 (Use one box for one alphabet; Leave one box after each word)

NAME																			
-------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Addresses and Phone Nos.

1) REGISTERED OFFICE

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Tel. No

Fax No.

E-Mail-ID

2) BUSINESS OFFICE

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Tel. No

Fax No.

E-Mail-ID

3) FACTORY / MANUFACTURING PLACE

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Tel. No

Fax No.

E-Mail-ID

Experience of Supply during last 3 financial years:-

Organization	Year of supply				Annual Cost of Supply (Rs. In Lakhs)										Cert. encl. Y/N		
	20			-													
	20			-													
	20			-													
	20			-													
	20			-													

Contracts in hand for the Present

Organization	Contract Period								Value Rs. In Lakhs								
		D	D	M	M	Y	Y	Y					Y				
	From																
	To																
	From																
	To																
	From																
	To																
	From																
	To																
	From																
	To																

Registration with any other organization or agency

NO
Details

YES

Give

Name of agency																		
Address																		
Tel.No.																		
Fax No.																		
E-Mail-ID																		

Category:

Class:

Discloser of the Applicant (separately on Rs...../- Stamp Paper as per Annexure also)

1) Is Owner/ Any Partner/ Director, associated in any Capacity with any other firm Registered in M.C.G.M?

YES NO

If YES : give complete details of Firms, and other Partners, directors on separate sheet (sheet attached at page)

2) Is Owner/ Any partner/ Director, holding Power of Attorney, of any other firm registered with M.C.G.M.?

YES NO

If YES, give details on separate sheet as above (sheet attached at page No.....)

3) Is any other firm of the owner/ any partner/ any Director black listed/ removed from approved list by M.C.G.M., any Govt., Semi. Govt., Public Sector Organization?

YES NO

If YES: give details on separate sheet stating name of firms/ organization (sheet attached at page.....)

I / We have read the "Rules for Registration as Suppliers in MCGM" carefully, and hereby agree to abide by all the rules during the entire tenure of our registration with MCGM..

I / We further say that information given in this Application Form and in the sheets attached according to my / our knowledge is true and correct.

I / We undertake to produce original documents of which true copies are submitted alongwith the Application, as and when demand by the MCGM.

<p>Witness : Signed in my presence Name:-</p> <p>Occupation:-</p> <p>Address:-</p> <p>Date Signature</p>	<p>Accompaniments:- 1)Documents 2).....Sheets 3)Declaration</p> <p>Name of: Partner / Director/ POA holder</p> <table border="1" style="width:100%; height: 30px; border-collapse: collapse;"> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> </table> <div style="display: flex; justify-content: space-between; align-items: center;"> <div style="width: 60%;"> <p>His Signature</p> <div style="border: 1px solid black; width: 100%; height: 40px; margin-top: 5px;"></div> </div> <div style="width: 30%; text-align: center;"> <div style="border: 1px solid black; width: 100%; height: 100%; display: flex; align-items: center; justify-content: center;"> <p>Seal of the firm</p> </div> </div> </div> <table border="1" style="width:100%; margin-top: 10px; border-collapse: collapse;"> <tr> <th style="width: 25%;">Date</th> <th style="width: 25%;">Month</th> <th style="width: 25%;">Year</th> </tr> <tr> <td style="width: 25%; height: 20px;"></td> <td style="width: 25%;"></td> <td style="width: 25%;"></td> </tr> </table>																					Date	Month	Year			
Date	Month	Year																									

DOUMENTS REQUIRED TO BE ATTACHED TO APPLICATION		Write page no. or NA where 'not applicable'
1	Attested copies of Licences of statutory Authorities, as applicable	
2	Attested copy of Partnership Deed / Memorandum and Articles of Association / Bye-Laws of Co-operative Society /Trust deed.	
3	Attested copy of Certificate of Incorporation issued under Companies Act, 1956 / Certificate of Registration issued under Co-op. Societies Act or under Bombay Public Trust Act / Extract from Registrar of Firms	
4	Attested copy of Shops & Establishment Certificate issued by respective Municipal Corporation.	
5	Attested copy of Registration Certificate issued in respect of Sales Tax Act, Service Tax, VAT, Profession Tax etc.	
6	Latest Solvency Certificate from the Bank,	
7	Attested copy of General Power of Attorney,	
8	Attested copy of the Registration Certificates if the Applicant is Registered with any other Organization.	
9	Certificates for contract completed during last 3 years, from the respective organizations.	
10	Certificates for contract in hand, from the respective organization.	
11	Latest Income Tax Clearance Certificate	
12	Last 3 years' Annual Financial Statements, Profit & Loss/ Income Expenditure & Balance Sheets (Audited)	
13	Affidavit/ Undertaking on Stamp Paper regarding a) Banning , Bankruptcy b) Disclosure and correctness of information. c) Integrity Pact.	
14	Certified copy of Registration Certificate as Small Scale Industry	
15	Certified copy of agreement to work as authorized agent /distributor	
16	PAN Card of applicant	
17	Any other document, paper, sheets attached	

(On the letter head of certificate issuing authority.)

Annexure

(Format of Performance certificate to be submitted by the applicant along with the application for new registration / up-gradation / renewal of registration as supplier.)

1. Name of the Contractor /Supplier :

2. Contract details

- Description of supply :
- Contract Cost : Rs.
- Contract Period : from to.....

3. Whether the contractor completed the supply satisfactorily :

4. Specific remarks regarding

- Quality of supply :
- Observance of delivery schedule :
- General behavior of supplier :

Name :.....

Signature :.....
of the Officer competent to issue certificate
with stamp

Chapter - 8 : Code of Ethical Standards. (Integrity Pact)

Procurement Bill 2012 presented by the Govt. of India in the Lok Sabha aims at regulating public procurement with the objective of ensuring transparency, fair and equitable treatment of bidders, promoting competition, enhancing efficiency and economy and safeguarding integrity in the procurement process. The said Bill, among other things, emphasizes that the procuring entity shall, in relation to public procurement, have the responsibility and accountability to evolve mechanism including prescribing Code of Integrity to prevent corrupt practices.

2. Keeping in mind the scale and value of expenditure incurred on the procurement by the MCGM, not only good working relationships between buying dept. and suppliers are essential to the delivery of a quality public service, but ethical standards must be maintained at all times and by all parties involved in the procurement process to achieve better competition, openness, fair and equal opportunity to bidders and best value of money spent by the buyer. Persons directly engaged in procurement, or in a position to influence decisions on contract awards to any extent, should be required to commit themselves to abide by such Ethical Standards. Though the provisions proposed in the Govt. Bill are not directly applicable to the MCGM, it is advisable that, MCGM being the Local Self Govt., shall follow the policy decisions of the Apex Govt.

3. With this background, it is proposed to prescribe Ethical Standards also covering the items prohibited and the offences, penalties and the debarment under Chapter IV of the Procurement Bill, 2012.

4. In the procurement process

- a) Municipal employees,
- b) Bidder/Tenderer and his persons, and
- c) Elected representatives being members of sanctioning authority, are associated. However, major roll is played by first two.

5. Number of employees of the MCGM are involved in the procurement process i.e. purchase of goods, obtaining of services, entrusting the work etc. right from the stage of justifying the need to the final stage of issuing work order, and the post award activities till the contract is faithfully and satisfactorily completed. At present, municipal employees are governed by the existing Municipal Corporation of Brihanmumbai Service (Conduct) Rules, as approved by the Corporation. In these Rules there are provisions regulating integrity, conduct and behavior of the municipal employees and the officers. Some of the provisions relevant to the regulating the act and conduct of the employees involved in the procurement process of the MCGM are almost similar to those in the Govt. Procurement Bill.

6. It is however, necessary to prescribe Ethical Standards to be observed by the Bidders. MC is the Chief Executive of the MCGM and vested with powers under various sections of the MMC Act. In discharge of the obligatory and the discretionary

duties, MC is required to procure goods, services and execute different works by adopting suitable procurement method. MC is also accountable to the tax payers for every rupee spent on behalf of the MCGM. It is therefore, utmost important that Bidders also observe similar Ethical Standards so that the principles of procurement are fulfilled. As per the provisions of section 72(2) of the M.M.C. Act, 1888, the Commissioner shall not be bound to accept any tender which may be made in pursuance of such notice, but may accept, subject to the provisions of Clause (c) of Section 69, any of the tenders so made which appears to him, upon a view of all the circumstances, to be the most advantageous. It is therefore, justifiable on the part of MC to include in the Bid Document, certain Ethical Standards to be maintained by the Bidders, and also to obtain specific declaration in that respect, in the appropriate form.

7. Definitions:

For the purpose of implementation of the Ethical Standards following terms have the meanings as specified:

(a) "bidder" or "tenderer" means any person, including a consortium (that is association of several persons, or firms or companies), participating in a procurement process with MCGM; including, without limitation, contractors, consultants, suppliers, manufacturers seeking to act as the primary contracting party, officers and employees of the foregoing, as well as any sub-contractors, sub-consultants and sub-suppliers.)

(b) "procurement" means acquisition by purchase, lease, license or otherwise of goods, works or services or any combination thereof, including award of Public Private Partnership projects, by a procuring entity, whether directly or through an agency with which a contract for procurement services is entered into, but does not include any acquisition of goods, works or services without consideration, and the term "procure" or "procured" shall be construed accordingly;

(c) "Gift" Without prejudice to what is stated in the Municipal Corporation of Brihanmumbai Service (Conduct) Rules 1999 ' Gift' also means the transfer, without equivalent consideration, of anything or benefit, tangible or intangible, having more than nominal value, including, but not limited to, loans, forbearance, services, travel, gratuities of any kind, favours, money, meals, refreshments, entertainment, hospitality, promises, tickets to entertainment or sporting events, weekend trips, golf outings, loans of equipment, or other thing or benefit.

(d) “Family Member” means (i) an MCGM Employee’s Spouse, Domestic Partner, Child or Sibling; (ii) a person who is a direct descendant (or the spouse of a direct descendant) of a Grandparent of the MCGM Employee or a Grandparent of the MCGM Employee’s Spouse or Domestic Partner; or (iii) a person living in the same household as an MCGM Employee.

(e) “Municipal Employee” or “Corporation Employee” - as defined in Municipal Corporation of Brihanmumbai Service (Conduct) Rules 1999.

(f) “Hospitality” means and includes travel, overnight accommodation or trips abroad at the cost of bidder not connected with official discharge of duties,

8. Obligations on the part of Municipal Employees:

Appropriate provisions of Municipal Corporation of Brihanmumbai Service (Conduct) Rules, 1999 are reproduced below which are to be read together with the Ethical Standards to be observed by the Bidders.

8.1 Every Municipal Employee must arrange his private affairs in a manner that will prevent conflicts of interest between his personal interest and municipal duties.

8.2 Every the MCGM employee shall adhere and abide by the norms of Integrity & Ethical Standards as prescribed under Municipal Corporation of Brihanmumbai Service (Conduct) Rules, 1999 and any violation thereof by any employee brought to MC’s notice will be dealt with severely.

8.3 Every employee involved in the procurement process shall treat all Bidders with equity and reason, in particular, before and during the tender process, provide to all Bidders the same information and shall not provide any Bidder confidential / additional information through which the Bidder could obtain an advantage in relation to the tender process or the contract execution.

8.4 Every Corporation employee shall at all times,

- i) Maintain absolute integrity;
- ii) Maintain devotion to duty;
- iii) Shall always be courteous and cordial to all persons with whom he comes in contact in the discharge of his duties;
- iv) Do nothing which is unbecoming of a corporation employee;

8.5 No corporation employee shall be dishonest, insubordinate, disobedient, make willful mis-statements, conceal facts or tamper with or destroy records and make willful damage to Corporation property;

8.6 Every Corporation employee holding a supervisory post shall take all possible steps to ensure the integrity and devotion to duty of all Corporation employees for the time being under his control and authority;

8.7 No Corporation employee shall have any pecuniary interest including commission or illicit gratification directly or indirectly in the construction of any work or in the manufacture, supply or sale of any kind of article or any other business or transaction for or on behalf of the Corporation;

8.8 No Corporation employee shall use his position or influence directly or indirectly to secure employment for any member of his family with any company or firm.

8.9 No Corporation employee shall, in the discharge of his official duties, deal with any matter relating to or award of any contract in favour of a company or firm or any other person, if any member of his family has interest in such company or firm or any other person in any other manner.

8.10 No Corporation employee shall unless generally or specially empowered by the Head of Department, subject to the general orders of the Competent Authority in his behalf, communicate directly or indirectly to Corporation employee belonging to other departments or to non-official persons or to the press, any document or information which has come into his possession in the course of his official duties, or has been

prepared or collected by him in the course of those duties, whether from official sources or otherwise, nor shall a Corporation employee without prior approval of the Head of the Department make out, procure or retain a copy of any such document or extract any particulars contained therein for his use in his personal capacity or use any such document, or information or any such copy of extract or particulars for his personal interest.

8.11 Save as otherwise provided in these rules, no Corporation employee shall accept or permit any member of his family or any person acting on his behalf to accept, any gift.

Explanation:

- i) The expression 'gift' includes free transport, boarding, lodging or other service or any other pecuniary advantage when provided by any person other than a near relative or personal friend having no official dealings with the corporation employee.
- ii) Casual meal, lift or other social hospitality shall not be deemed to be a gift.

8.12 A Corporation employee shall avoid accepting lavish hospitality or frequent hospitality from any individual having official dealings with him or from industrial or commercial firms, organizations, or any similar bodies.

- a) On occasions, such as wedding, anniversaries, funerals or religious functions when making of gifts is in conformity with the prevailing religious or social practice, Corporation employee may accept gifts of trifling value from his near relatives and friends.
- b) Provided any Corporation employee may accept, or permit any member of his family to accept, a gift from a personal friend provided he is not in position to confer any benefit upon the donor in the discharge of his official duties and has no reason to suppose that the gift is offered with any ulterior motive.
- c) Provided further that the provisions of the foregoing rule shall not apply to the acceptance of gifts, award, etc. presented by the President of India or Governor of Maharashtra.

8.13 Under Section 86 of the MMC Act Municipal officer or servant is not to be interested in any contract with the Corporation.

(a) Any person who has, directly or indirectly, by himself or his partner, any share or interest in any contract with, by, or on behalf of the corporation, shall be disqualified for being a municipal officer or servant.

(b) Any municipal officer or servant who shall acquire, directly or indirectly by himself or his partner, any share or interest in any such contract as aforesaid shall cease to be a municipal officer or servant and his office shall become vacant.

8.14 Faithfull observance of the aforesaid Standards by MCGM employee is a must. In case, it is revealed by the bidder that any municipal employee involved in the Procurement Process, right from the stage of invitation of bids to the stage of award of contract and it's execution, has committed any of the offences, affecting the principles of transparency, fairness, equity and natural justice, and thereby jeopardize the interest of the bidder, the bidder shall bring to the notice of the MC who will take appropriate action.

8.15 If the Municipal Commissioner comes to the conclusion that **any MCGM employee** during the Procurement Process has violated any of the norms listed above he / she will be subjected to suitable penal action as provided under Brihanmumbai Municipal Corporation Service (Conduct) Rules, 1999.

9. Obligations on the part the Ex-municipal employees:

Pension Rules (1953) applicable to Municipal Employees lay down certain restrictions on taking up employment, consultancy etc by ex-municipal employee. The Rule 87 of these Pension Rules prescribes certain restrictions on ex-employees as under:

9.1 If a pensioner to whom this rule applies wishes to accept any private employment before the expiry of two years from the date of his retirement, he should obtain the previous sanction of the Municipal Commissioner to such acceptance. No pension shall be payable to a pensioner who accepts private employment without such sanction in respect of any period for which he is so employed or such longer period as the Municipal Commissioner may direct.

Provided that a Municipal servant permitted by the appropriate authority to take up a particular form of private employment during his leave preparatory to retirement shall not be required to obtain subsequent permission for his continuance in such employment.

Note- The powers granted by this rule to the Municipal Commissioner shall be exercised by the Standing Committee in relation to the Pensioners who were under its administrative control immediately before retirement.

9.2 This rule applies to every pensioner who immediately before retirement occupied a post belonging to the Engineering Cadre or post connected with the

inspection and valuation of properties assessable to property taxes or the recovery of such taxes or the inspection of Shops and Establishments or the purchase or stores or the issue of licenses and to all other pensioners who occupied posts carrying a maximum pay of Rs.1000 per month or more.

Note- The period of two years referred to in clause (a) shall in the case of a Municipal servant who is re-employed after retirement without break in the same or another post of the above description, be reckoned only from the date on which he finally quits service.

9.3 In the rule 'private employment' means employment in any capacity, including that of an agent under a Company, Firm, or individual engaged in private business /industry and / or similar activity and includes also a directorship in such a Company or a partnership in such a firm.

9.4 For the purpose of this Rule, Commercial or private employment shall also include setting up practice, either independently or as a partner, of a firm, as Adviser or Consultant in matters in respect of Retired Municipal servant: -

- (i) Has no professional qualifications and matters in respect of which, the practice is to be set up or is carried on are relatable to his official knowledge or experience or
- (ii) Has professional qualifications but the matters in respect of which such practice is to be set up are such as are likely to give his clients an unfair advantage by reasons of his previous official position, or
- (iii) Has to undertake work involving liaison of contact with the offices or officers of the Corporation.

Note- Requests for permission to accept private employment after retirement should ordinarily be decided by the application of the following criteria:-

- (i) Has the Municipal servant while in service had any such dealings with the proposed employer as might raise the suspicion that he had shown favour to the latter?
- (ii) Will his private duties be such that his official knowledge and experience could be used to give the employer an undue advantage?
- (iii) Will his duties be such as might bring him into conflict with the interest of the Corporation?
- (iv) Is the proposed employment of a thoroughly reputable kind?
- (v) Are there any exceptional circumstances which would make the refusal of consent of a real hardship?

9.5 The above norms regarding private employment by MCGM employee after retirement are self explanatory. Such application for permission therefore shall be carefully and judiciously examined by HOD before taking MC's approval. Further, the bidder /Firms with whom the retired employee desires to take up the employment shall invariably ascertain and ensure that such permission is obtained by the retired employee.

10. Obligations on the part of the Tenderers/Bidders:

All the conditions as listed below shall not be violated by the Bidder.

10.1 The Tenderer/Bidder must disclose if:

i) he or any of the Tenderer's/Bidder's sub-contractors:

- has or have been the subject of any proceedings or other arrangements relating to bankruptcy, insolvency or financial standing.
- has been convicted of any offence concerning professional misconduct.
- has not fulfilled any obligations relating to the payment of social security contributions.

ii). he or any of the Tenderer's/Bidder's sub-contractors has or have been convicted or are the subject of any proceedings, relating to:

- participation in criminal organisation.
- corruption including the offence of bribery.
- fraud including theft, and not fulfilling any obligations relating to payment taxes.
- money laundering.

10.2 No bidder shall offer, solicitation or bribe, reward or gift, or hospitality or any material benefit, either directly or indirectly, in exchange for an unfair advantage in the procurement process or to otherwise influence the procurement process;

10.3 No bidder shall make any intentional omission, or misrepresentation in the bid document with intention to mislead or attempt to mislead the employees to gain financial or other benefits in the Procurement for himself or to other competing bidders.

10.4 No firms with common proprietor / partner or connected with one another either financially or as principal and agent or as master and servant or with proprietor / partners closely related to each other as husband , wife, father, mother and Minor son / daughter and brother / sister and Minor brother / sister, shall submit separately under different names for the same Contract.

- 10.5** No bidder shall make improper use of information provided by the procuring Dept. to the bidder, with an intention to gain unfair advantage in the procurement process or for personal gain;
- 10.6** No bidder shall attempt any coercion or any threat to impair or harm, directly or indirectly, any Municipal employee or other bidder involved in the procurement process or their property to influence the procurement process;
- 10.7** No bidder shall obstruct any investigation or auditing of the procurement process;
- 10.8** No bidder shall involve in any collusion, bid rigging or anti-competitive behavior that may impair the transparency, fairness and the progress of the procurement process;
- 10.9** No bidder shall offer or assist to obtain any employment, directly or indirectly, for any member of the family of the Corporation employee with any company or firm.
- 10.10** No bidder shall employ or retain any individual municipal employee or his family member for the purpose of soliciting or securing any contract upon any agreement or understanding for a commission, percentage, brokerage, fee or any other monetary gain that is contingent or dependent upon the outcome of the procurement.
- 10.11** Bidder shall calculate the price(s) to be quoted in the bid independently, without collusion, communication or agreement with any other competing bidder for the purpose of restricting competition.
- 10.12** The price(s) quoted by the bidder shall not knowingly be disclosed by the bidder, directly or indirectly, to any other competing bidder prior to the closing date for submission of bids.
- 10.13** The bidder shall not make any attempt to induce any other individual or entity to submit or not to submit a bid.
- 10.14** The bidder shall certify that the price(s) or rate/s quoted by him are based on the present market trends and are most reasonable and fair and justifiable.
- 10.15** No bidder shall employ or engage or hire directly or indirectly any former employee of the Corporation, who is amenable to the Pension Rules, as a director / Partner / Employee or Consultant or in any other capacity, during a period of two years from such ex-employee's ceasing to be in Municipal service, without specific approval of the Municipal Commissioner for taking up such employment / Assignment by that employee.

10.16 Every bidder shall disclose the organizational, financial, contractual or other affiliation with any firm that has interest that may be substantially affected by the procurement solicitation. The bidder shall not suppress the fact of his such conflict of interest.

10.17 The bidder shall be under continuing obligations to report any change in the circumstances that materially affect any previous reports to the MCGM including conflicts of interest.

10.18 No bidder shall suppress the fact of his previous transgressions made with any Dept. in any country during the last three years or of being debarred by any other procuring authority or organisation.

10.19 No bidder shall offer or give or agree to give to any person in the service of MCGM or to any person on his behalf any gift or consideration of any kind as an inducement or reward for doing or forbearing to do or for having done or forborne to any other contract for the MCGM, or

10.20 No Bidder shall obtain a contract with the MCGM as a result of ring tendering or other non bonafide methods of competitive tendering;

11. Penalties for Violation of Ethical Standards by bidders:

11.1 Any bidder or prospective bidder, as the case may be, has violated any of the norms of Integrity & Ethical Standards, Municipal Commissioner may take appropriate penal action including--

- (a) Exclusion of the bidder from the procurement process;
- (b) Calling off of pre-contract negotiations and forfeiture or encashment of EMD or bid security;
- (c) Forfeiture or encashment of any other security or bond relating to the procurement;.
- (d) Recovery of payments made by the procuring Dept. along with interest thereon at bank rate;
- (e) Cancellation of the relevant contract and recovery of compensation for loss incurred by the MCGM;
- (f) Debarment of the bidder from participation in future procurements of the procuring entity for a period not exceeding two years.
- (g) Lodging of a case for action under IPC & Prevention of Corruption Act for the offence coming under them.

11.2 If any bidder or prospective bidder

- (a) Interferes with or influences any procurement process with the intention of securing any wrongful gain or undue advantage for any prospective bidder or bidder; or
- (b) Interferes with the procurement process with the intention of causing any unfair disadvantage for any prospective bidder or bidder; or
- (c) Engages in any action or lobbying, directly or indirectly, with the objective of unduly restricting fair competition; or

- (d) Influences any procuring entity or any official thereof or willfully or fraudulently makes any assertion or representation that shall restrict or constrain fair competition in any procurement process; or
 - (e) Engages a former official of a procuring entity as an employee, director, consultant, adviser or otherwise, within a period of two years after such former official was disassociated with a procurement in which the employer had an interest; or
 - (f) Involves in any form of bid-rigging, collusive bidding or anticompetitive behavior in the procurement process; or
 - (g) Breaches confidentiality for any undue gain,
- shall be liable for action as the MC may deem fit.

11.3 Whoever makes any vexatious, frivolous or malicious complaint, with the intention of delaying or defeating any procurement or causing loss to any procuring entity or any other bidder, shall be liable for action as MC may fit appropriate.

11.4.1 Where an offence under this Code has been committed by a company, every person who, at the time the offence was committed, was in charge of and was responsible for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of having committed the offence and shall be liable to be proceeded under appropriate Law.

11.4.2 Notwithstanding anything contained as above, where an offence under this Code has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of having committed such offence and shall be liable to be proceeded under appropriate Law.

11.5 Whoever abets any offence punishable under this Code, whether or not that offence is committed in consequence of that abetment, shall be punishable with the punishment provided for the said offence under respective Law.

11.6.1 A bidder shall be debarred, if he has been convicted of an offence—
(a) Under the Prevention of Corruption Act, 1988; or
(b) Under the Indian Penal Code or any other law for the time being in force.

11.6.2 A bidder debarred under sub-section (1) or any successor of the bidder shall not be eligible to participate in procurement process of MCGM for a period not exceeding three years commencing from the date of debarment.

11.6.3 MC may debar a bidder or any of its successor, from participating in any procurement process undertaken by it, for a period not exceeding two years, if—

(a) It is proved that the bidder has breached the Code of Ethical Standards or

(b) The bidder, other than in situations of force majeure,—

(i) Withdraws from the procurement process after opening of financial bids or after being declared the successful bidder; or

(ii) Fails to enter into procurement contract or fails to provide performance security or any other document or security required in terms of the bidding documents after being declared as successful bidder;

(c) In respect of any procurement contract or framework agreement, the entire performance security or any substitute thereof, of the bidder has been forfeited for breach of contract.

11.6.4 The MC will

(a) Take penal action only after Rules of natural justice are followed.

(b) Not debar a bidder unless such bidder is given a reasonable opportunity to represent against such debarment.

12. A form of integrity pact to be executed jointly by the bidder and the administration as approved by the law officer and the Municipal Commissioner is at Annexure -15

Necessity:

i) Procurement Bill 2012 presented by the Govt. of India in the Lok Sabha aims at regulating public procurement with the objective of ensuring transparency, fair and equitable treatment of bidders, promoting competition, and safeguarding integrity in the procurement process. The said Bill, among other things, emphasizes that the procuring entity shall, in relation to public procurement, establish mechanism for redressal of grievances and for that prescribe rules to be observed.

ii) In the procurement process there are two parties viz Procuring entity and the bidder or the prospective bidder. Procuring entity prescribes conditions or the criteria to be followed by the bidder or the prospective bidder. These bidders require or expect transparency, fair and equitable treatment at every stage of procurement.

iii) Generally, procurement process has following stages-

- prescribing qualifications to be possessed by the bidder,
- prescribing pre-bid qualifications to be fulfilled by the bidder,
- prescribing terms and conditions for submission of bid documents,
- prescribing criteria for evaluation of bids,
- scrutiny of bids based on terms and conditions and evaluation criteria.

iv) Procuring entity has to disclose all these requirements in the respective documents i.e. prequalification document, bidder registration document or bidding document. The bidder or the prospective bidder may have any grievance in respect of any of the matters mentioned in these documents. Procurement related inquiries and complaints from suppliers, contractors or consultants occur from time to time and they require prompt, careful and consistent responses. It is therefore, necessary to address such grievances of the bidders or prospective bidders by establishing appropriate mechanism.

v) It is therefore proposed to prescribe following rules outlining the procedure to be followed:-

Rules:

1. These Rules shall be called “The MCGM Procurement Grievances Redressal Rules, 2012”.
2. They shall come into effect from the date of approval by the Municipal Commissioner (hereinafter referred to as Commissioner) or from any later date to be specified by the Commissioner.

3. In these Rules, unless the context otherwise requires—
- (a) "bid" means an offer made in pursuance of an invitation by a procuring entity and includes any tender, proposal or quotation;
 - (b) "bidder" means any person, including a consortium (that is association of several persons, or firms or companies), participating in a procurement process with a procuring entity;
 - (c) "bidding document" means a document issued by the procuring entity, including any amendment thereto, that sets out the terms and conditions of the given procurement and includes the invitation to bid;
 - (d) "bidder registration document" means a document issued by a procuring entity, including any amendment thereto, that sets out the terms and conditions of registration proceedings and includes the invitation to register;
 - (e) "bid security" means any security provided to the procuring entity by bidders for securing the fulfillment of any obligation in terms of the provisions of the bidding documents;
 - (i) "goods" includes all articles, material, commodity, livestock, furniture, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant, vehicles, aircraft, ships, railway rolling stock or such other category of goods purchased or otherwise acquired by a procuring entity and includes services which are incidental or consequential to the supply of such goods, such as, transportation, insurance, installation, commissioning, training and maintenance;
 - (j) "invitation to bid" means a document and any amendment thereto published by the procuring entity inviting bids relating to the subject matter of procurement and includes notice inviting tender and request for proposal;
 - (k) "invitation to pre-qualify" means a document including any amendment thereto published by the procuring entity inviting offers for pre-qualification from prospective bidders;
 - (l) "invitation to register" means a document including any amendment thereto published by the procuring entity inviting offers for bidder registration from prospective bidders;
 - (p) "pre-qualification procedure" means the procedure set out to identify, prior to inviting bids, the bidders that are qualified;
 - (q) "pre-qualification document" means the document including any amendment thereto issued by a procuring entity, which set out the terms and conditions of the prequalification proceedings and includes the invitation to pre-qualify;
 - (r) "procurement" or "public procurement" means acquisition by purchase, lease, licence or otherwise of goods, works or services or any combination thereof, including award of Public Private Partnership projects, by a procuring entity, whether directly or through an agency with which a contract for procurement services is entered into, but does not include any acquisition of goods, works or services without consideration, and the term "procure" or "procured" shall be construed accordingly;

- (s) "procurement contract" means a contract entered into between the procuring entity and a successful bidder relating to the subject matter of procurement;
- (t) "procurement process" means the process of procurement extending from the issue of invitation to pre-qualify or to register or to bid, as the case may be, till the award of the procurement contract;
- (u) "procuring entity" means Municipal Commissioner and includes any officer of the status of Add. Municipal Commissioner, Jt. Municipal Commissioner, Deputy Municipal Commissioner, Director or any other officer equivalent to the status thereof to whom powers have been deputed by the Commissioner;
- (v) "prospective bidder" means any person including a consortium (that is, association of several persons or firms or companies) likely to be a bidder;"registered bidder" means any bidder who is on a list of registered bidders of the procuring entity;
- (z) "service" means any subject matter of procurement other than goods or works, except those incidental or consequential to the service, and includes physical, maintenance, professional, intellectual, consultancy and advisory services or any other service classified or declared as such by a procuring entity but does not include appointment of an individual made under any law, rules, regulations or order issued in this behalf;
- (za) "subject matter of procurement" means any item of procurement whether in the form of goods, services or works or a combination thereof;
- (zb) "works" includes all works associated with site preparation, construction, reconstruction, demolition, repair, maintenance, or renovation of (i) buildings, installations or other structures, (ii) railways, roads, highways, ports, airports or other infrastructures, (iii) any construction project; or any construction work relating to excavation, drilling, installation of equipment and materials; (iv) services incidental or consequential to the works.

4. Procuring entity shall, from time to time, prescribe qualifications and /or pre-qualifications to be possessed by the bidder or the prospective bidder for taking part in the procurement process of the MCGM.

5. Procuring entity shall include all such qualifications in the qualification document, pre-qualification document or the bidding document, as the case may be, making it known to all.

6. Procuring entity shall also prescribe criteria on the basis of which individual bid would be evaluated and include it in the bidding documents for information of the bidders and the prospective bidders. Evaluation of each bid shall be done on an equitable basis and in a fair and transparent manner. The evaluation must be carried out pursuant to the criteria specified.

7. The procuring entity shall not establish any requirement whether technical, financial or experience point of view aimed at limiting participation of bidders in the procurement process that discriminates against or amongst bidders or against any category thereof, except when so authorised or required under the provisions of the BMC Act or any other rules made there under, or under the provisions of any other law for the time being in force.

8. In case any such exception is made then the procuring entity shall give reason and justification for such exception. The procuring entity, at the time of inviting the participation of bidders shall declare in the bidding document, pre-qualification document or bidder registration document, making such exception known to all in advance.

9. (a) Any bidder or prospective bidder aggrieved by any decision, action or omission of the procuring entity which is in contravention to the provisions of rules specified in the pre-qualification document, bidder registration document or bidding document, as the case may be, may make an application for review of such decision, action or omission, as the case may be, to the procuring entity specifying the ground or grounds thereof.

(b) Such application by the aggrieved bidder or prospective bidder shall be made within ten days or within such other period as specified in the pre-qualification document, bidder registration document or bidding document, as the case may be.

Provided that after declaration of results of a bidding in accordance with the procedure laid down in the bidding document, the application for review may be filed only by a bidder who has participated in the procurement proceedings.

Provided further that in case a procuring entity evaluates the technical bid before opening of the financial bid, an application for review in relation to the financial bid may be filed only by a bidder whose technical bid is found to be acceptable.

10. (a) The procuring entity shall from time to time, appoint a suitable officer who will receive such applications from the bidders or prospective bidders and shall maintain a register recording therein the details of grievance received from the applicants under Rule 9 above and decision taken by the procuring entity on the application so received.

(b) The designation and the office address of the official to whom the application for review has to be addressed, shall be indicated in the pre-qualification document, bidder registration document or bidding document, as the case may be.

11. Upon receipt of an application for review above, the procuring entity shall decide as to whether the procurement process shall be suspended pending disposal of the application. In case it is decided to suspend procurement process specific reasons thereof shall be recorded.

12. (a) The procuring entity after carefully examining the application and the documents available to him, may decide whether any addition or alteration is needed in the requirement specified in the pre-qualification document, bidder registration document or bidding document, as the case may be, or to maintain status quo, and shall communicate his decision to the applicant. In case of decision regarding any addition or alteration in the requirement specified in the pre-qualification document, bidder registration document or bidding document, as the case may be, such decision shall be communicated to other bidders or prospective bidders along with the applicant by issuing suitable corrigendum in the newspapers and on the official web site of the MCGM.

(b) The procuring entity shall, after examining the application and the documents available, give such reliefs, as may be considered appropriate and shall communicate its decision to him. Reasons for such a decision shall be recorded.

13. A bidder who has participated in the procurement process and not satisfied with the evaluation and selection process alone can submit an application for review of selection of a successful bidder made by following procedure laid down in the bidding documents. Procedure for dealing with such an application shall remain the same.

14. On scrutiny of such an application if for the reasons to be recorded, there is any change in recommendation regarding acceptance of a lowest responsive bidder it is essential that before set asiding his lowest offer, rules of natural justice demand that both the applicant/ aggrieved bidder and the lowest responsive bidder be given hearing together and take appropriate decision to avoid grievance from the lowest bidder.

15. The procuring entity shall deal with any such application as expeditiously as possible and shall endeavor to dispose of it within a period of thirty days from the date of receipt of the application or such other period as may be specified in the prequalification document, bidder registration document or bidding document, as the case may be.

16. If the procuring entity fails to dispose of the application within the period specified above, or if the bidder or prospective bidder is aggrieved by the decision of the procuring entity the bidder or prospective bidder, may file an application for redressal to the concerned Procurement Redressal Committee (herein referred to as the committee) within a period of fifteen days from the date of receipt of the decision.

17. Every application for redressal shall be accompanied by such fees as may be prescribed by the Commissioner, from time to time and included in the prequalification document, bidder registration document or bidding document, as the case may be.

18. If the applicant is not satisfied with the decision of the procuring entity as communicated to him, he may submit fresh application for review of that decision to Procurement Redressal Committee to be appointed by the commissioner. Such review application be accompanied with requisite fees.

19. The Commissioner shall constitute one or more independent Procurement Redressal Committees and different Procurement Redressal Committees may be constituted for a group of procuring entities or for different subject matters of procurement or for different geographical areas as may be considered necessary.

20. Every committee shall consist of not less than three members including its chairperson who shall be a retired Judge of a High Court.

21. The members of the committee shall have—

(a) proven integrity and experience in public procurement; and

(b) experience at senior levels in public administration or public finance or management of engineering or scientific projects or management of Central Public Sector Enterprises or Undertakings.

22. The term of the Chairperson and members of the committee shall be for three years.

23. The sitting fees and other allowances payable to the chairperson and members shall be such as may be prescribed by the Commissioner.

24. On receipt of an application, the committee shall, after giving an opportunity of being heard to the procuring entity as well as the applicant, determine as to whether the procuring entity has complied with the provisions of these Rules and the terms of the pre-qualification, bidder registration or bidding document, as the case may be, and communicate its recommendations, including the corrective measures to be taken, if any, to the procuring entity and to the applicant.

25. Upon receipt of an application as above the committee shall hold as many sittings as considered necessary to dispose of the application.

26. It shall be the duty of the procuring entity to provide all necessary facilities and assistance for the smooth and effective functioning of the committee.

27. Subject to the provisions of these Rules every committee shall dispose of the application by such procedure as it may consider appropriate and shall follow the principles of natural justice.

28. No information which shall impair the protection of national security or impede the enforcement of law or fair competition or prejudice to the legitimate commercial interests of the bidder or the procuring entity shall be disclosed in a proceedings under these Rules.

29. The Procurement Redressal Committee may recommend to the procuring entity the suspension of the procurement process pending disposal of the application, if in its opinion, not to do so is likely to lead to miscarriage of justice.

30. An application filed under these Rules shall be dealt with as expeditiously as possible and the committee shall, within a period of thirty days from the date of its receipt, make its recommendations on the action to be taken by the procuring entity or the applicant or both:

Provided that the committee may, for sufficient reasons to be recorded in writing, dispose of an application within a further period of fifteen days.

31. On receipt of recommendations of the Procurement Redressal Committee, the procuring entity shall communicate its decision thereon to the applicant and to the committee, within a period of fifteen days or such further period not exceeding fifteen days, as may be considered necessary, from the date of receipt of the recommendations and in case of non-acceptance of any recommendation, the reasons for such non-acceptance shall also be mentioned in such communication.

32. A request for review shall not be made in regard to any decision of the procuring entity on the following matters, namely:—

- (a) determination of need of procurement;
- (b) provisions limiting participation of bidders in the procurement process,
- (c) the decision to enter into negotiations in accordance with the conditions in the bidding document, if any;
- (d) cancellation of a procurement process for the reasons already recorded;
- (e) applicability of the provisions on confidentiality related to
 - (i) enforcement of any law;
 - (ii) security or strategic interests of India;
 - (iii) intellectual property rights or legitimate commercial interests of
 - (iv) bidders or violate any pre-existing contractual obligations on confidentiality;

(v) legitimate commercial interests or the intellectual property rights or pre-existing contractual obligations

33. The officer attending initial complaint and the committee members attending appeal have the right to call for any record for perusal and inspection and same shall be made available to them when demanded, promptly.

34. Simultaneously, the note on Redressal Mechanism prepared by the law officer and approved by Municipal Commissioner at Annexure-16 may also be referred to.

Chapter : 10 : List of Annexures

Sr. No.	Subject
1	Tender form. It covers declaration regarding:- <ul style="list-style-type: none"> • Acceptance of terms and conditions. • Keeping the offer valid for the required period.
2	Affidavit regarding:- <ul style="list-style-type: none"> • Common partners • Best price. • Forfeiture of EMD • Carrying out work / effecting supply pending sanction of appropriate authority • Debarment / Litigation etc. • Correctness of Documents/ Information.
3	Letter from Manufacturer regarding <ul style="list-style-type: none"> • Recognizing Authorized Distributor. • Giving assurance for supply. • Certifying reasonability of price.
4	Details of DD/PO towards EMD /ASD.
5	Status of Tenderer.
6	Authorization letters for attending <ul style="list-style-type: none"> • Pre-bid meeting • Tender opening
7	Performance Certificate from Food and Drugs Administration.
8	Form of contract for supply of Goods, Machinery (Existing)
9	Form of contract for Civil /Mechanical works. (Existing)
10	Form of Banker's Guarantee (Existing)
11	Letter of Acceptance
12A 12B	Minimum machinery requirements for Civil works. For Mechanical / Electrical /and Electronic works.
13	Property Tax Clearance Certificate
14	Incoterms 2012: Reference Chart
15	Form of Integrity Pact
16	Grievance Redressal Mechanism

Tender Form

To
The Municipal Commissioner
Municipal Corporation of Brihan Mumbai

Subject:- E-Tender No.:..... Due date:.....

Sir,

I / We.....(full name in capital letters starting with surname), the Proprietor /Managing Director / Holder of the business for the establishment / firm / registered company named herein below do hereby state that I / We have read, examined and understood the contents of following documents relating to

- 1) Invitation to Tenderers.
- 2) Instructions to tenderers.
- 3) Form of Tender.
- 4) Contract Agreement form.
- 5) General Conditions of Contract.
- 6) Special Instructions to Tenderers.
- 7) Special Directions to Tenderers.
- 8) Scope of work and Technical Specifications.
- 9) Bill of Quantities & Rates.
- 10) Special conditions, if any.
- 11) Minutes of pre bid meeting, if any.
- 12) Addenda, if any.
- 13) List of approved banks and form of Banker's Guarantee.

2. I / We have examined the details/ specifications of supply to be made/ work to be carried out and noted all the terms and conditions and accordingly hereby e-tender for execution of the works/ supply referred to in the aforesaid documents, at the rate quoted for respective article/ at the percentage quoted in the form of price proposal and appendix to price proposal and signed by me / us. (Strike out the portions which are not applicable).
3. I/ We have paid the Earnest Money Deposit (E.M.D.) in the form of D.D. / Pay Order No.dated..... for INR.....in favour of "Municipal Corporation of Greater Mumbai" drawn onand payable at Mumbai and submitted at the office of..... We are aware that this EMD shall not bear any interest till it is with MCGM.
4. I / We also agree to keep this e-tender open for acceptance for a period of **120/ 150 days** from the date for opening the same and not to make any modifications in its terms and conditions which are not acceptable to the Corporation.

5. I/We hereby further agree to execute agreement in the prescribed proforma and shall bear all the charges of whatsoever nature in connection with the preparation, Stamp Duty and execution of the said contract.
6. I/ we have offered our rates in the prescribed format and uploaded it along with the bid document.
7. I/We further state that I/We have separately furnished an undertaking / declaration in the form of Affidavit on the stamp paper of Rs.200/- (Rupees Two Hundred only) with regards to agreeing to the terms and conditions incorporated in the bid documents and various declarations as per requirement of MCGM and I/We shall abide by them, in all respect throughout the period of contract.

Yours faithfully,Address :

.....

Signature of the Tenderer / Partners

1.
2.
3.
4.
5.

Full Names and Residential Address

of all the partners constituting

The firm :

1.

2.

3.

4.

5.

Declaration by the Tenderer

(To be filled in and signed by the tenderer and to be submitted on non judicial stamp paper of Rs, 200/-duly notarized by Notary Public / First Class Magistrate.)

AFFIDAVIT

To
The Municipal Commissioner
Municipal Corporation of Brihan Mumbai

Subject:- E-Tender No..... Due date.....

Sir,

I / We.....(full name in capital letters starting with surname), the Proprietor /Partner/Managing Director/Holder of Power of Attorney of.....

.....
.....
the business, establishment / firm / registered company do hereby, in continuation of the terms and conditions underlying the Tender Form and agreed to by me/us, give following undertaking:-

1. I / we hereby confirm that I / we will be able to carry out the work/supply/ installation/commissioning offered by me /us at the quoted rates and as per specifications/drawings indicated in the tender after compliance of all the required formalities within the specified time.
2. I/We do hereby state and declare that I/We, whose names are given herein below in detail with the addresses, have not filled in this e- tender under any other name or under the name of any other establishment/ firm or otherwise, nor we are in any way related to or concerned with the establishment/ firm or any person, who have filled in the e-tender for the aforesaid work.
3. I/We also admit that if the relevant conditions forbidding submission of tender under different names of the firm is found violated, the Municipal Commissioner is at liberty to take necessary action against me/us.
4. I /We do hereby undertake that we have offered best price for the subject supply /work as per the present market rates and that I/We have not offered less price for the subject supply/work to any other outside agencies including Govt. / Semi Govt. agencies and within MCGM also, in similar conditions.

- 5.** I / We hereby request you not to enter into a contract with any other person/s for the execution of the works/supply until notice of non-acceptance of this e-tender has first been communicated to me/us, and in consideration of your agreeing to refrain from so doing I/We agree, not to withdraw the offer constituted by this e-tender before communicating me/us the decision of the MC/ Mayor/ Standing Committee or of the Education Committee, as may be required under Mumbai Municipal Corporation Act.
- 6.** I / We agree to comply with and fulfill the requirements of all labour laws or other enactments applicable to this supply /work and abide them throughout the period of contract.
- 7.** I / We accept the right of MCGM to stop any supervising staff/ labour employed by me / us from entering in the MCGM premises if it is felt that the said person is an undesirable element or is likely to create nuisance. MCGM will not be required to assign any reason while exercising this right and I/We shall abide by such decision being binding on us.
- 8.** I / We shall not sublet the work to any agency without prior approval of the MCGM.
- 9.** I / We understand and accept that our e-tender/contract is liable for rejection/ termination and EMD paid by me/us shall be liable for forfeiture by the MCGM if-
 - a)** I / We fail to keep the e-tender open as aforesaid,
 - b)** I / We fail to execute the formal contract or make payment of contract deposit when called upon to do so,
 - c)** I / We do not commence the work/supply on or before the date specified by officer/ engineer in his work order/indent,
 - d)** I / We fail to produce required information, testimonials or a letter in original whenever called upon to do so or I/We fail to give satisfactory reason for non-production of such information testimonials, letter etc. within a period of one week from receipt of such demand.
- 10.** I/We further agree that if for any reasons the Municipal Commissioner, Additional Municipal Commissioner, Director or Dy. Municipal Commissioner, as the case may be, may require me/us to supply /carry out works costing upto Rs...../- in respect of the works/supply involved in this tender, pending acceptance of the tender as a whole by the authority competent to do so under the relevant provisions of the MMC Act, issuance of such work order/ indent shall not amount to a counter offer by the MCGM and I/We shall be bound to implement such work order/ indent without claiming any compensation and shall start the work/ supply positively within the period specified in such work orders / indent.
- 11.** I/We hereby agree to execute the additional work/ supply to the extent of 50% over and above the office estimates at the quoted rate and terms and conditions of contract, but within the contract period as and when called upon by the Municipal Commissioner, Additional Municipal Commissioner, Director or Dy. Municipal Commissioner to do so.

12. I/We hereby further state and declare that-

I/We are ...

- not declared insolvent any time in the past.
- not involved in any litigations with any organizations.
- not debarred or blacklisted for tendering of bids by the Corporation or any other Govt./ Semi Govt. organizations.
- not convicted under the provision of IPC or Prevention of Corruption Act., nor any case is pending against me/us in any court of law.

13. The acceptance of this tender by M.C.G.M. shall constitute a binding contract between me / us and M.C.G.M.

14. I/ We have filled in the accompanying e-tender with full knowledge of liabilities and therefore we will not raise any objections or disputes in any manner relating to any action including forfeiture of deposit and blacklisting for giving any information, which is, found to be incorrect and against the instructions and directions given in this e-tender.

15. I/ We further confirm that the information/ documents submitted by me /us are true and correct to best of my/our knowledge and belief and that in the event it is revealed subsequently after opening of the tender or after the allotment of work / contract to me / us that any information given by me / us or any document uploaded/ submitted by me/us in this e-tender is false or incorrect, I / We shall compensate the Municipal Corporation of Greater Mumbai for any such losses or inconvenience caused to the Corporation in any manner and will not resist any claim for such compensation on any ground whatsoever. I / We agree to undertake that I / We shall not claim in such case any amount by way of damages or compensation for cancellation of the contract given to me / us or any work assigned to me / us or is withdrawn by the Corporation.

16. I/we solemnly confirm the compliance of all the requirements/ Conditions of the tender documents.

Full name and complete address with
Tel. Nos. & E-mail address of all partners

Yours faithfully,

Signature of Tenderer
Trading under the name and style
of.....

Office Stamp

WITNESS:

(1) Full Name
And Address
.....

Signature

(2) Full Name
And Address
.....

Signature

Format of Letter from Manufacturers

No. :.....

Date :.....

To,
Municipal Commissioner,
Municipal Corporation to Greater Mumbai,
Mumbai

Sub: Tender for.....

.....

Tender No.

.....Dated.....

Due date.....

Dear Sir,

We are established and reputed manufacturer of do hereby say that.

- a) M/s.(Name and address) are our authorized Agents / distributors and we have authorized them to represent us to tender, negotiate and conclude the contract for the above goods, manufactured by us, with you for the above tender.
- b) We will accept the responsibility for the satisfactory execution of orders placed on the above said authorized agents/distributors.
- c) We will provide requisite inspection and testing facilities as and when required by MCGM at our factories before finalization of tender and / or in respect of orders placed on said authorized agents/distributors.
- d) The price quoted by the said authorized agents/distributors for this tender is reasonable and is not higher than what we would have quoted, had we participated in this tender.
- e) The challan prepared by the agents/ distributors would be accompanied by a certificate from us certifying that the stores covered under the challan have been manufactured by us.
- f) The stores offered and supplied by the said agent / distributor would bear our trade mark.
- g) We will be responsible for the contractual obligations related to quality aspects, replacement of items, making available sufficient quantity as and when required etc during the contract period.

h) Our details are as under:

i) Business Address:-

ii) Reg. Office Address:-

iii) Location of Manufacturing Unit :-

iv) Tel. No.:-

v) e-mail ID:-

vi) Fax No.:-

Yours faithfully,

Name of signatory
Stamp

(This letter should be on letterhead of the manufacturer and should be signed by a person competent to bind the manufacturer.)

On the letter head of Tenderer

Annexure:-4

Details of D.D. / Pay Order towards Earnest Money Deposit / Additional Security and Encode No. of Envelope.

1	Name of Work / Supply		
2	Department		
3	Tender Enquiry No. & Date	No..... Date..../..../20...	
		Due Date..../..../20...	
4	Details	E.M.D.	Add. Security
a	Amount Rs.		
b	D.D. / Pay Order No.		
c	D.D / Pay Order Date		
d	Bank & Branch Issuing D.D. / Pay Order		
e	MICR No.		
5	Is scanned Copy of D.D. / P.O. inserted in Envelope ?	Yes / No.	Yes / No.
6	Encode No. of Envelope containing Original D.D. / P.O.		

Name :-.....
Signature :-.....
of Authorized Signatory of Tenderer

Rubber stamp

(On the letter head of Tenderer)

Annexure:-5

Information of Tenderer as well as that of Manufacturer indicating Status.

e-Tender No...... **Date**..... **Due date:-**.....

Tenderer's Name	
Status (√ Tick)	<input type="checkbox"/> Individual <input type="checkbox"/> H.U.F. <input type="checkbox"/> Proprietary <input type="checkbox"/> Partnership <input type="checkbox"/> Pvt. Ltd. Co. <input type="checkbox"/> Jt. Venture. <input type="checkbox"/> Public Ltd. Co. <input type="checkbox"/> Co-op Society <input type="checkbox"/> Trust /Sanstha <input type="checkbox"/> Manufacturer <input type="checkbox"/> 100% Subsidiary of Manufacturer <input type="checkbox"/> Govt. unit <input type="checkbox"/> Semi Govt. unit <input type="checkbox"/> Authorized Distributor. <input type="checkbox"/> SSI <input type="checkbox"/> Other units
Addresses:- Tel. No:- Mob. No.:- Email- ID:- Fax No.:-	Residence Office / Factory Reg. Office (Use separate sheet if required)
Name/s of Individual/ Proprietor / All Partners /Authorized Person	 (Use separate sheet if required)
Addr. of All Partners/ Authorized Person Tel. No:- Mob. No.:- Email- ID:- Fax No.:-	 (Use separate sheet if required)
Name & Addr. of POA holder Tel. No:- Mob. No.:- Email- ID:- Fax No.:-	 (Use separate sheet if required)
Name & Addr. of Contact Person in case of urgency Tel. No:- Mob. No.:- Email- ID:- Fax No.:-	 (Use separate sheet if required)

Authorized Signatory of Company Rubber stamp

Authorization Letter for Attending Pre-bid Meeting / Tender Opening
(On the letter head)

No.....

Date.....

To
The.....
Municipal Corporation of Greater Mumbai,
Mumbai.

Sub: Tender No.....due date.....

Sir,

We here by authorize Mr.as our authorized representative, to represent us on the following occasion:-

- i. Pre-bid Meeting to be held on.....at.....a.m./p.m.
- ii. Tender Opening on..... at..... a.m. /p.m.

Kindly permit him to attend the same.

Yours faithfully,

Signature:

Name of signatory:

Designation:

Rubber Stamp:

Format of letter from Food and Drugs Administration

No. _____
Office of the Commissioner,
_____ Division

Dated: _____

PERFORMANCE CERTIFICATE*

This is to certify that M/s. having manufacturing premises at..... its holding licence(s) valid up toin forms Nounder the Drugs and Cosmetics Act 1940, and Rules there under, on the said address and that the performance of the aforesaid manufacturer for preceding three (3) years is satisfactory, and that –

- a) The drugs in respect of which this certificate is issued is /are manufactured on the own licence of the manufacturer and not on the loan licence.
- b) The manufacture has his own quality control section;
- c) During the preceding three (3) years there is no instance of suspension or cancellation of a part of a licence issued to the manufacture, in respect of any of the drugs which are offered by the manufacture in the tender mentioned in Para 2 below, on account of drug under tender being not of standard quality;
- d) During the preceding three (3) years there is no instance of suspension or cancellation of factory licence (full licence) on any account;
- e) There is no instance wherein any of the drugs manufactured by the manufacturer is reported to be spurious or adulterated;
- f) No administrative action or prosecution is contemplated or launched against the manufacturer under the Drugs and Cosmetics Act 1940 and Rules there under in respect of any of the drugs offered by him in the tender mentioned in paragraph 2 below;
- g) During the periods of three (3) preceding years, the manufacturer has not been convicted under the Drugs and Cosmetics Act 1940, and Rules there under to undergo imprisonment for more than one day;
- h) The manufacturer has submitted year wise (April to March) three years statement of production and sale of the concerned drugs duly certified by Chartered Accountant. This annual sale is more than 35 per cent of the quantity of total requirement specified in the tender.

2. This certificate is issued for the purpose of tender for rate contract in respect of the drugs mentioned below: -

Name of drugs manufactured under own license No.....

(1)

(2)

Joint Commissioner,
_____ Division,
Food & Drugs Administration

Draft articles of agreement for Procurement of goods/ machinery.

E- Tender No..... Due on .../.../.....

**Standing Committee Resolution No.....of...../ Mayor's/
Municipal Commissioner's Sanction No..... Dated.....**

Contract for Supply of

During the period from.....to

THIS AGREEMENT MADE ON THIS.....Day of

Two Thousand..... Between.....

(Partner /Proprietor's Full Name) in habitant/s of Mumbai, carrying on business at.....

in Mumbai under the style and name of Messers..... for and on behalf of himself / themselves, his / their heirs, executors, administrators and assigns (Hereinafter called ' the Contractor/s') of the FIRST PART and.....Shri / Smt.

..... the Dy. Municipal Commissioner in which expressions are included unless such inclusion is inconsistent with the context or meaning therefore include Dy. Municipal Commissioner and any officers of Municipal Corporation of Greater Mumbai authorized by the Dy. Municipal Commissioner and shall also include their successors & assign / assignee for the time being holding office, of the SECOND PART and the Municipal Corporation of Greater Mumbai (Hereinafter called ' the Corporation') of the THIRD PART.

WHEREAS the Municipal Commissioner for Greater Mumbai has interalia deputed under Section 56 and 56 (b) of the Mumbai Municipal Corporation Act 1888 his powers, functions and duties under the provisions contained in Chapter III of the Mumbai Municipal Corporation Act 1888 to the Dy. Municipal Commissioner

AND WHEREAS the Dy. Municipal Commissioner in pursuance of the power vested in him / her under the provision of the Mumbai Municipal Corporation Act 1888 and in accordance with the provision of the said Act, invited Tender for supply of the and / or certain work mentioned in the schedule / specification here to annexed.

AND WHEREAS the contractor/s has/have submitted Tender for the Supply of the said..... and / or work thereof and his / their said Tender was accepted by the Dy. Municipal Commissioner on the Terms and Conditions hereinafter specified.

AND WHEREAS the said Contractor/s has / have paid deposit of Rs...../- (Rupees.....) in the office of as Contract Deposit for the due and faithful performance of this contract OR has / have furnished the General Undertaking and Guarantee for Rs...../- (Rupees.....) of Bank, for the payment interalia of the said amount of the Contract Deposit in the office of for the due and faithful performance of this contract.

NOW THESE PRESENTS WITNESS and it is hereby agreed and declared between and by the parties hereto as follows:-

1. Contract Period

That this Contract shall be deemed to have commence as from and afterDay ofTwo Thousandand shall continue in force, subject to the power of the HoD/ Dean..... for the time being to determine the same previously as hereinafter mentioned until Day of Two Thousand Or until such time as the Supply / work herein mentioned and shall have been completed and certified for by the said HoD / Dean..... / purchasing Officer as being of good quality and in good working order.

2. Supply to be made according to the Order

The Contractor/s during the continuance of this contract shall supply the goods as per the specification of the Tender Form and/or carry out any and/or works specified in the Tender Form as per the order by the HoD/ Dean..... or any other Officer of the Corporation authorized in this behalf. (Such order to be in writing and signed by the said Officer) to the entire satisfaction of the HoD/Dean..... or purchasing Officer, within stipulated period after receipt of the respective Order / opening of Letter of Credit.

2(a). Failure to execute Orders

If the Contractor/s fail to comply with the orders and / or carry out the work within the period stipulated, the Municipal Commissioner / Dean..... / purchasing Officer shall exercise his discretionary power to recover from the Contractor/s as agreed, liquidated damage or by way of penalty as may deem reasonable under the circumstance and the same shall be recovered from any dues of the Contractor/s.

2(b). Period Unless otherwise stated elsewhere in this Contract, goods shall be delivered by the Contractor/s within stipulated period from the date of receipt of Order / Opening of Letter of Credit by the Corporation.

3. Place of Delivery

The goods ordered for shall be delivered by the Contractor/s at the office of....., or at such other Office or Establishment of the Corporation, situated within the limits of Greater Mumbai as may mentioned in the respective Order. All charges for carriage and / or delivery thereof and/or stacking at such place/s shall be borne by the Contractor/s. The said goods to be supplied shall be new and of sound quality and to be in proper working condition. The defective and / or damaged part and / or any other non-working functional part of the said goods shall be replaced forthwith by the Contractor/s and for which no charge of any nature whatsoever, shall be paid by the Municipal Corporation of Greater Mumbai.

4. Quality

The goods supplied by the Contractor/s in accordance with the contract, shall be new and of the best quality and in working condition of their respective kinds, in accordance with the Municipal specifications, if any and of the exact size, kind and description required and shall be subject to the approval of the party or parties sign the same and in case of their not being approved shall be liable to be rejected.

5. Penalty for Inferior Supply

If the goods supplied are found of inferior quality or not as per the specification, the Contractor shall replace the goods withindays from the date of intimation at the cost & risk of the Contractor and also liable to pay the fine imposed by the Municipal Commissioner, failing which Earnest Money Deposit & Contract Deposit of the Contractor shall be forfeited & the Tenderer shall be liable for penal action, including Blacklisting etc. In addition to forfeiture of Earnest Money Deposit & Contract Deposit, if any fine is imposed by the Municipal Commissioner the same shall be payable by the contractor immediately on demand, failing which the same shall be recovered from other dues of the Contractor by the Corporation.

6. Risk and Cost Purchase

In case the Contractor/s, shall at any time during the continuance of these presents fail to supply satisfactorily the goods within the prescribed time as herein provided and or in case shall fail at once to replace any part/s that may have been rejected as herein provided with other of approved quality, the Commissioner shall be at liberty forthwith to procure the same in the open market at the risk and cost of the contractor/s. Similarly if the work underlying the contract is not executed satisfactorily within the stipulated period or after the same having been disapproved wholly or partly is not rectified or re-done to the satisfaction of the Officer in Charge within the said specific period, the Commissioner shall get the same executed or rectified or re-done through any other agencies, at the entire risk of the contractor/s as to cost and consequences. The extra cost thereof (if any) and all expenses thereby incurred, which shall include a minimum charge of 5 %. In all cases of defaults, which may be raised to a maximum of 15 % in special cases at the discretion of the Commissioner shall be payable by and/or may be deducted from any moneys due or become due to the Contractor/s under this or any other contract/s between the Contractor/s and the Corporation. The Commissioner may, however fix such other subsequent date as he may think fit by which the delivery of the said article and or execution of the said work shall be completed.

7. Submission of Bill

The Contractor/s on completion of the delivery of the goods and after satisfactory Installation and commissioning of the Equipment and / or completion of the work mentioned in the respective order, shall present his/their bills in duplicate to the purchasing Officer within 8 (eight) days after satisfactory supply of goods/ commissioning of the said Equipment.

8. Monetary dealings with the Municipal Employees

The Contractor/s shall not lend to or borrow from, or have or enter into any monetary dealings or transactions, either directly or indirectly, with any Municipal Employees, and if he / they or any of them shall do so, the Municipal Commissioner shall be entitle to terminate this contract forthwith and forfeit the Earnest Money Deposit / Contract Deposit without prejudice to the other rights and remedies of the Corporation, claim damages from the Contractor/s for the breach of the Contract.

9. Breach of Contract

In case of failure on the part of the Contractor/s at any time during the continuance of this Contract to comply with any of the condition herein contained or in case of any breach whatsoever of any portion of this contract, the Commissioner shall be at liberty, absolutely to determine the same by giving the Contractor/s one calendar month's previous notice in writing of his intention to do so and in such case the Contractor/s shall be responsible for and shall make good to the Corporation all loss, cost and damage of every description which the Corporation may sustain in consequence of such failure or breach or determination of the Contract and without prejudice to generality of the foregoing, the said sum of Rs.....deposited as Earnest Money Deposit & Contract Deposit as aforesaid shall be absolutely forfeited to the Corporation as liquidated damages for such failure or breach or determination of the contract.

10. Dissolution of the Contract

The Contractor/s shall not at any time dissolve partnership in respect of this contract or otherwise, change or alter their respective interests therein or assign, sublet or make over the present contract or the benefit thereof or any part thereof to any person/s whomsoever without the previous consent in writing of the Municipal Commissioner for the time being. In case the Contractor/s shall at any time commit any breach of this covenant then the Earnest Money Deposit / Contract Deposit shall be forfeited to the Corporation and shall be retained by the Corporation as and for liquidated damages.

11. Disputes etc to be decided by the Commissioner

If any dispute or difference shall arise between the HoD/Dean..... or other officer aforesaid on the one hand and the Contractor on the other hand, concerning the supplies to be made by the contractor/s under these present or any of them or the quantity or quality thereof the delivery, stacking measurement, weighment for making thereof or other action taken, or purchasing respectively to have been imposed or taken under these presents or regarding any default or alleged default or illegal or improper action on the part either of the Contractor or of the HoD/ Dean or other Officer aforesaid or the mode of carrying out any giving effects to provisions of these presents, or concerning the meaning or intention of this contract or any part thereof or concerning any certificate or order made or purporting to have been made hereunder, or in any way whatsoever relating to interest of the Corporation or of the contractor,

every such dispute and difference shall from time to time be referred to and be settled and decide by the Commissioner, who shall be competent to enter upon the subject matter of such dispute or difference with or without formal reference or notice to the Contractor or others concerned, or any of them and the Municipal Commissioner shall decide the same.

12. Commissioner's direction & decisions to be final and binding

The directions, decisions, certificates, orders and awards given and made on such reference as aforesaid of the Commissioner (which said direction, decisions, certificates, orders and awards respectively may be made from time to time) shall be final and binding upon the Corporation and the Contractor and shall not be set aside on account of any technical or legal defects therein or in the Contract, or on account of any formality, omission, delay or error of proceedings or on any ground or for any pretence, suggestion, charge insinuation of fraud, collusion and etc.

13. The Commissioner not compellable to defend or answer any suit relating to any certificate or award made by him.

The Commissioner shall not be made party to be required to defend or answer any action, suit or proceeding at the instance of the Corporation or the Contractor nor shall be compellable by any proceeding whatsoever to answer or explain any matter relating to any certificate or award made by him or to state or show how or why or on what grounds he settle, ascertained or determined or omitted to settle, ascertain or determine in any manner whatsoever, nor shall he be compellable to state or give his reasons for any proceeding whatsoever which he may take or direct to be taken in or about, or show to any person or persons for any purpose whatsoever any document whatsoever or any calculations or memoranda whatsoever in his possession or power relating thereto.

14. Corporation's lien over all moneys due to the Contractor or his deposit

The Corporation shall have a lien on and over all or any moneys that may become due and payable to the Contractor/s under these present and or also on and over the deposit or security, amount or amounts made under this contract and which may become repayable to the Contractor/s made the conditions in that behalf herein contained, for or in respect of any debt or sum that may become due and payable to the Corporation by the Contractor/s either alone or jointly with another or others and either under this or

under any other contracts or transactions of any nature whatsoever between the Corporation and the Contractor/s and also for or in respect of any Municipal Tax or Taxes or other money which may become due and payable to the Corporation by the Contractor/s either alone or jointly with another and others under the provision of the Mumbai Municipal Corporation Act, or any other Statutory enactment or enactment in force in modification or substitution thereof. AND further that the Commissioner on behalf of the Corporation shall at all times be entitled to deduct the said debt or sum or tax due by the Contractor/s from the moneys, security or deposit which may become payable or returnable to the Contractor/s under these presents provided however that nothing in this clause shall apply to any moneys due and payable by the Contractor/s in his/ their capacity as a trustee/s either alone or jointly with others. The provisions of this conditions shall also apply and extended to the Banker's Guarantee if any given by the Contractor/s either in addition to or in substitution of the cash or contract deposit to be made under this contract.

15. Termination of the Contract

These presents in every clause matter and thing herein contained shall cease and determined on the expiry of the guarantee period on installation and satisfactory commissioning and performance of the said Machine. (Unless the same shall have been previously determined by the Commissioner as hereinbefore provided) except only as to the rights and remedies of the parties hereto in respect of any clause or thing herein contained which may have been broken or not performed.

16. Return of the Contract deposits:

If the Contractor/s shall duly and faithfully carry out this contract and shall duly satisfy all claims properly chargeable against him / them hereunder the said sum of Rs..... shall be returned to the Contractors and any balance due to the Contractor/s under these present shall at the same time be paid to him / them.

17. Banker's Guarantee

In the event of the said deposit of Rs..... having been made by the Contractor/s by delivery to the Commissioner of the General Undertaking and Guarantee of the Bankers of the Contractor/s under any of the provision of this Contract becoming subject to or liable for any penalty or damages liquidated or unliquidated or of the said deposit of Rs..... becoming forfeited as hereinbefore

mentioned and in any such case the amount of any such penalty or damages and the deposit so forfeited if not previously paid to the Commissioner shall immediately on demand be paid by the said Bankers to and may be forfeited by the Commissioner under and in terms of the said General Undertaking and Guarantee. If no penalty or damage or forfeiture of deposit claimable from or against the Contractor/s and Bankers shall at the expiration of this contract be freed and released from the obligations of the said General Undertaking and Guarantee in respect of this contract without prejudice, however, to the continuing liability of the Contractor/s and of the said Bankers and the right of the Commissioner and / or the Corporation to claim subsisting Tender or Contract entered into by the Contractor/s with Commissioner and / or the Corporation.

18. Partnership

Every receipt for money which may become payable or for any security which may become transferable to the Contractors under these present shall if signed in the partnership name by any one of the Contractor/s be of a good and sufficient discharge to the Commissioner and Corporation in respect of the money or security purporting to be acknowledged thereby and in the event of the death of any contractors, during the pendency of this contract it is thereby expressly agreed that every receipt by any of the surviving Contractor/s shall if so signed as aforesaid, be a good and sufficient discharge as aforesaid. PROVIDED that nothing in this clause contained shall be deemed to prejudice or affect any claim which the Commissioner or Corporation may hereafter have against the legal representatives of any Contractor/s so dying or in respect of any breach of any of the conditions hereof. PROVIDED ALSO that nothing in this clause contained shall be deemed to prejudice or affect the respective rights or obligations of the Contractor/s and of the legal representatives of any deceased Contractor/s inter se.

19. Charges

All costs, charges and expenses incurred in connection with this contract including stamp duty and all other disbursements, shall be paid by the Contractor/s.

20. Singular – Plural

Words in the Singular number shall include the plural and plural the singular.

21. Meaning The Word ‘The Municipal Commissioner’ or ‘Commissioner’ wherever they occur in this Tender or in the Contract shall be construed to mean ‘Additional Municipal Commissioner’.

22. Acknowledgement

Every notice served upon any one of the Contractor/s in pursuance of the Terms and Conditions of this Contract shall be deemed to have been duly served upon the

Contractor/s if it is addressed to the place of the Contractor/s given by them and duly posted, even if the same may not have actually reached / received by them.

23. Penalty

If successful Tenderer fails to comply with orders within the delivery period stipulated, the Municipal Commissioner / Dean (Hospital) / purchasing Officer shall exercise his discretionary power either:

To recover from contractor as agreed, the liquidated damages or by way of penalty half percent of the price of the equipment which the contractors has failed to deliver as aforesaid per week or part thereof during which the delivery of such equipment may be in arrears subject to maximum limit @ 10% of the balance amount of the stipulated price of the equipment undelivered. Such penalty is to be deducted always by the consignee from the contractors balance bill, B.G. or EMD or any money due to the contractor from Brihanmumbai Mahanagarपालिका.

OR

To cancel the contract and orders and forfeiture of EMD, contract Deposit and blacklisting the firm/company along with their partners/ directors.

24. Guarantee

The Contractor/s shall for a period of Twenty Four calendar months after the acceptance and satisfactory Installation and commissioning of the equipment, maintain, uphold and keep them in thorough repairs and working order at their own cost and expenses and to the entire satisfaction of the Municipal Commissioner or the Dean or the purchasing Officer, the entire Machinery / Equipment / Furniture and shall also be responsible for and be liable under the provisions of this clause to make good any defect that may during that period develop in the normal and proper working of the Machinery / Equipment / Furniture. In case of repairs of Machinery / Equipment which is not manufactured in India, the manufacturer / Agent during the guarantee / warranty period should bear the all the taxes, custom duties, and to & fro cost of transporting etc. of the Machinery / Equipment while the same is returned to India duly repaired by the

Manufacturer. During the entire period of guarantee the Tenderer shall replace the equipment and or part of the equipment entirely on its break down / non functional, which shall be at the cost of the Tenderer and includes the labour charges, transport charges and etc shall also be borne by the Tenderer. Also if during the period of guarantee, if the equipment fails to work as per the norms already decided the guarantee period will be extended by such period during which the equipment remains defective.

25. Scope of the Contract

And where it is further hereby agreed between the parties of all the parts herein that the Terms and conditions of the Instruction to the Tenderers including the Annexures thereof and the specification of the equipment shall form parts & parcel of these Contract Agreement.

26. Operation of the Contract Clauses

Theor his / her successor/s for the time being holding the office of the shall be the competent officer to operate the various clauses under this contract and to sign and serve notices under the various clauses of the said contract. All such notices signed by theshall be deemed to have been signed by the Municipal Commissioner or the Additional Municipal Commissioner.

IN WITNESS WHEREOF the Contractors and have hereunto set hands and seal of the Corporation has been hereunto affixed.

SIGNED, SEALED AND DELIVERED

By.....

Of.....

In the presence of

1).....

2).....

CONTRACTOR

SIGNED, SEALED AND DELIVERED

By.....

in the presence of

- 1).....
- 2).....

.....

The Common Seal of the Municipal Corporation of Greater Mumbai was

Affixed on thisday of

S E A L

Two Thousand..... in the presence of

- 1).....
- 2).....

Two members of the Standing Committee Of the Municipal Corporation of Greater Mumbai.

Witness.....
 Municipal Secretary.....

Draft articles of agreement for Execution of Works

E- Tender No..... Due on .../.../.....

**Standing Committee Resolution No..... of..... / Mayor's/
Municipal Commissioner's Sanction No. Dated.....**

Contract for Carrying out work of

During the period from.....to

THIS AGREEMENT MADE ON THIS.....Day of

Two Thousand Between.....

(Partner /Proprietor's Full Name) in habitant/s of Mumbai, carrying on business at

in Mumbai under the style and name of Messers for and on behalf of himself / themselves, his / their heirs, executors, administrators and assigns (Hereinafter called ' the Contractor/s') of the FIRST PART and.....Shri/ Smt.

..... the Dy. Municipal Commissioner in which expressions are included unless such inclusion is inconsistent with the context or meaning therefore include Dy. Municipal Commissioner and any officers of Municipal Corporation of Greater Mumbai authorized by the Dy. Municipal Commissioner and shall also include their successors & assign / assignee for the time being holding office, of the SECOND PART and the Municipal Corporation of Greater Mumbai (Hereinafter called ' the Corporation') of the THIRD PART.

WHEREAS the Municipal Commissioner for Greater Mumbai has interallia deputed under Section 56 and 56 (b) of the Mumbai Municipal Corporation Act 1888 his powers, functions and duties under the provisions contained in Chapter III of the Mumbai Municipal Corporation Act 1888 to the Dy. Municipal Commissioner

AND WHEREAS the Dy. Municipal Commissioner in pursuance of the power vested in him / her under the provision of the Mumbai Municipal Corporation Act 1888 and in accordance with the provision of the said Act, invited Tender for the work

of..... and / or certain work mentioned in the schedule / specification here to annexed.

AND WHEREAS the contractor/s has/have submitted Tender for the said work and his / their said Tender was accepted by the Municipal Commissioner with the approval of the Mayor/ Standing Committee/ Education Committee of the Corporation on the Terms and Conditions hereinafter specified.

AND WHEREAS the said Contractor/s has / have paid deposit of Rs...../- (Rupees.....) in the office of as Contract Deposit for the due and faithful performance of this contract OR has / have furnished the General Undertaking and Guarantee for Rs...../- (Rupees.....) of Bank, for the payment interallia of the said amount of the Contract Deposit in the office of for the due and faithful performance of this contract.

NOW THESE PRESENTS WITNESS and it is hereby agreed and declared between and by the parties hereto as follows:-

In this agreement words and expressions shall have the same meanings as are respectively assigned to them in the General Conditions of Contract for works hereinafter referred to.

The following documents shall be deemed to form and be read and construed, as part of this agreement viz.

- a) The said E- Tender and Letter of Acceptance
- b) The drawings
- c) The specifications
- d) General Conditions of Contract for Civil Works of the Municipal Corporation of Mumbai as amended up to date.
- e) Performance Security
- f) Appendices
- g) Any other document listed in the contract data as forming part of the contract.

In consideration of the payments to be made by the Commissioner to the contractor as hereinafter-mentioned the contractor hereby covenants with the

Commissioner to complete the Works / Supply in all respects with the provision of the contract.

The Commissioner hereby covenants to pay to the Contractor in consideration of the completion of the works/ supply the contract sum, at times and in the manner prescribed by the contract.

IN WITNESS WHERE of the parties hereto have caused their respective common seals to be hereto affixed (or hereunto set their respective hands and seals) the day and year above written.

Signed and delivered by the contractors

.....

.....

In the presence of

Trading under the name & style of

.....

Full Name

Address

.....

.....

Contractors

Signed by the Director / Dy. MC

in the presence of

.....

Director/ Dy. MC

The Common seal of the Municipal Corporation of Brihan Mumbai was hereunto affixed on the 20..... in the presence of two Members of the Standing Committee / Education Committee of the Municipal Corporation.

(1) (1)

.....

.....

(2) (2)

.....

.....

and in the presence of the Municipal Secretary.

.....

.....

Municipal Secretary

(Blank draft form is available on the counter of Chief Accountant –Treasury, MCGM)
**BANKERS' GUARANTEE IN LIEU OF TENDER AND
CONTRACT DEPOSIT FOR WORK**

THIS INDENTURE made thisday of20.... BETWEEN
THE.....BANK

incorporated under the English/Indian Companies Act and carrying on business in
Mumbai (hereinafter referred to as 'the bank' which expression shall be deemed to
include its successors and assigns) of the first part

.....
.....
inhabitants carrying on business at.....

..... in
Mumbai under the style and name of Messers
.....(hereinafter referred
to as 'the contractors') of the second part Shri.....

THE MUNICIPAL COMMISSIONER FOR GREATER MUMBAI (hereinafter
referred to as 'the Commissioner' which expression shall be deemed, also to include his
successor or successors for the time being in the said office of Municipal
Commissioner) of the third part and THE MUNICIPAL CORPORATION OF
GREATER MUMBAI (hereinafter referred to as 'the Corporation') of the forth part

WHEREAS the contractors have submitted to the Commissioner tender for the
execution of the work of.....

.....and the terms of such tender/contract
require that the contractors shall deposit with the Commissioner as earnest money
and/or the security a sum of Rs.....

(Rupees.....)

AND WHEREAS if and when any such tender is accepted by the Commissioner, the
contract to be entered into in furtherance thereof by the contractors will provide that

such deposit shall remain with and be appropriated by the Commissioner towards the security-deposit to be taken under the contract and be redeemable by the contractors, if they shall duly and faithfully carry out the terms and provisions of such contract and shall duly satisfy all claims properly chargeable against them thereunder AND WHEREAS the Contractors are constituents of the Bank and in order to facilitate the keeping of the accounts of the contractors, the Bank with the consent and concurrence of the Contractors has requested the Commissioner to accept the undertaking of the Bank hereinafter contained in place of the contractors depositing with the Commissioner the said sum as Earnest Money and/or the Security as aforesaid AND WHEREAS accordingly the Commissioner has agreed to accept such undertaking. NOW THIS AGREEMENT WITNESSES that in consideration of the premises, the Bank at the request of the Contractors (hereby testified) UNDERTAKES WITH the Commissioner to pay to the Commissioner upon demand in writing, whenever required by him, from time to time, so to do, a sum not exceeding in the whole Rs.....(Rupees.....

.....) under the terms of the said tender and/or the contract. The B.G. is valid upto "Notwithstanding anything what has been stated above, our liability under the above guarantee is restricted to Rs..... only and guarantee shall remain in force upto unless the demand or claim under this guarantee is made on us in writing on or before all your right under the above guarantee shall be forfeited and we shall be released from all liabilities under the guarantee thereafter."

IN WITNESS WHEREOF

WITNESS (1)

Name and
Address
.....

WITNESS (2)

Name and the duly constituted Attorney Manager
Address
.....

The Bank and the said Messers
.....(Name of the Bank)

WITNESS (1)
Name and
Address
.....

WITNESS (2) for Messers

Name and (Name of the Contractor)
Address
.....

(Format)

Municipal Corporation of Greater Mumbai

No..... dt...../...../.....

Office Address:

Letter of Acceptance

To

M/s

Address:-

Sub:- (Name of Work / Supply of.....)

Ref :- Your offer to our Tender No..... dt.....

due on

dt..... for the above work/ Supply.

Sir,

Your tender offer for the above Work / Supply has been accepted by the Municipal Commissioner/ Mayor by sanction No.....dated..... /Standing Committee / Education Committee of this Corporation in their meeting held on/..../....., being the lowest responsive tender, at the total contract cost of Rs/-. The regular work order will be issued shortly / Regular / Periodical indents will be placed on you by the authorized person of user department accordingly.

You are, therefore, directed to make necessary preliminary arrangements for execution of Work / Supply.

You are also directed to furnish Performance Security Deposit / Contract Deposit amounting to Rs...../- as per tender condition, within fifteen days from receipt of this letter of acceptance.

If you fail to furnish Performance Security Deposit / Contract Deposit within stipulated time the earnest money deposit paid by you shall be forfeited and further action of black listing of your firm shall be initiated which please note.

It will also be necessary to execute a written contract. You are, therefore requested to collect necessary set of contract documents from the office of.....on payment of legal charges and stationary charges as applicable.

Thanking you

Yours faithfully,

Minimum Machinery Required for Civil Works. Annexure:- 12A

Sr.No.	Minimum Machinery & Equipment	Minimum Requirement for			
		'AA'	'A'	'B'	
C I - Building					
1	Cement Concrete Mixers	Three	Two	One	
2	Needle Vibrator	Six	Four	Two	
C II - Bridge					
1	Cement Concrete Mixers	Three	Two	One	
2	Needle Vibrators	Six	Four	Two	
C III – Road					
1	Cement Concrete Mixers	Four	Three	Two	
2	Needle Vibrators	Six	Four	Two	
3	10-12 Tonne Roller (Static)	One	One	One	
4	10-12 Tonne Roller (Tendon – Vibratory Roller))	One	---	---	
C IV - Water Supply					
1	Dewatering pumps	25 H.P.	One
		10 H. P.	Three	Two	One
		5 H. P.	Two	Two	Two
2	Dumpers	Four	Two	---	
3	Excavators	Two	One	---	
4	Grouting Pumps	Two	One	---	
5	Cement Concrete Mixers	Three	Three	One	
6	Vibrators (Electric / Pneumatic)	Eight	Six	Four	
7	Air Compressors	One	One	One	
8	Shear Legs with Pully blocks	Six	Five	Four	
9	Welding sets	Two	Two	Two	
C V - Sewerage					
1	Dewatering Pumps	5 Nos. each of 10 HP & 15 HP	5 Nos. of 10 HP	3 Nos of 5 HP	
2	Cement Concrete Mixers	Three	Two	One	
3	Needle Vibrators	Six	Four	Two	
4	Chain Pully block with tripod	Two	One	One	

Note :- 1) This is the minimum required Machinery, which shall be owned by the applicant and a Notarized Under-taking to that effect shall be submitted.

2) The user / planning department shall fix any higher requirement including suitable Plant while floating the tenders, considering the type, quantum, nature of the work and stipulated time period in which the work is to be completed, which shall be provided by the applicant while Quoting Tenders.

Minimum Machinery Required for Mechanical, Electrical & Electronic Engg. Works.

Sr. No.	Name of Machinery & Equipments	Minimum Requirement in case of M & E Contractor (Mechanical Category) for				Minimum Requirement in case of M & E Contractor (Electrical Category) for				Minimum Requirement in case of M & E Contractor (Electronics Category) for			
		AA	A	B	C	AA	A	B	C	AA	A	B	C
1	Electric Welding Machine with accessories	Two	One	One	One	Two	One	-	-	-	-	-	-
2	Gas Welding Set with Gas Welding accessories	Two	One	One	-	-	One	-	-	-	-	-	-
3	Portable Electric Drill	One	One	One	One	One	One	One	One	One	One	One	One
4	Crimping Tool	-	-	-	-	One	One			One	One	One	One
5	Heavy Duty Hydraulic Crimping Machine	-	-	-	-	One	One	One	One	-	-	-	-
6	Tongue Tester cum Multimeter	-	-	-	-	One	One	One	One	One	One	One	One
7	Soldering / Brazing Equipment	Set	Set	-	-	-	-	-	-	Set	Set	Set	Set
8	Megger	-	-	-	-	Two	One	One	One	-	-	-	
9	Earth Resistance Measurement Kit	-	-	-	-	One	One	-	-	-	-	-	-
10	Laptop	-	-	-	-	-	-	-	-	One	One	One	One
11	Portable Oscilloscope	-	-	-	-	-	-	-	-	One	One	-	-
12	Portable D.G.Set of min. 2.5 K.V.A.	One	One	-	-	One	One	-	-	-	-	-	-

Note:- 1) This is the minimum required Machinery, which shall be owned by the applicant and a Notarized Under-taking to that effect Shall be submitted.

2) The user / planning department shall fix any higher requirement including suitable Plant while floating the tenders, considering the type, quantum, nature of the work and stipulated time period in which the work is to be completed, which shall be provided by the applicant while Quoting Tenders.

MUNICIPAL CORPORATION OF GRATER MUMBAI

To
The.....

Central Purchase Department,
Municipal Corporation of Greater Mumbai,
Mumbai.

Sub: Tax Clearance Certificate in respect of property known as
..... and bearing Survey
No.

Ref :

Sir/ Madam,

This is to certify that the premises situated at
..... are assessed as non-residential /
commercial / office for the purpose of property taxes. The details of the property and
property taxes paid are as under-

- i. Description of property :
- ii. Ward No. :
- iii. Property stands in name of :
- iv. Property tax paid up to :
- v. Is any un- authorized construction /work carried out by the occupant? If
Yes, give details :
- vi. Other remarks, if any :

Yours faithfully

Assistant Assessor & Collector,
.....Ward.

Incoterms 2012 Reference Chart

	Rules for any mode of Transport							Rules for Sea and Inland Waterway Transport			
	EXW	FCA	CPT	CIP	DAT	DAP	DDP	FAS	FOB	CFR	CIF
	Ex Works	Free Carrier	Carriage Paid To	Carriage & Insurance Paid To	Delivered at Terminal	Delivered at Place	Delivery Duty paid	Free Alongside Ship	Free on Board	Cost & Freight	Cost Insurance & Freight
SERVICES	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays	Who Pays
Export Packing	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Marking & Labeling	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Block and Brace	1	1	1	1	1	1	1	1	1	1	1
Export Clearance (License, EEI/AES)	Buyer	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Freight Forwarder Documentation Fees	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Seller	Seller
Inland Freight to Main Carrier	Buyer	2	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller
Origin Terminal Charges	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Buyer	Seller	Seller	Seller
Vessel Loading Charges	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Buyer	Seller	Seller	Seller
Ocean Freight / Air Freight	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Seller	Seller
Nominate Export Forwarder	Buyer	Buyer	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Seller	Seller
Marine Insurance	3	3	3	Seller	3	3	3	3	3	3	Seller
Unload Main Carrier Charges	Buyer	Buyer	4	4	Seller	Seller	Seller	Buyer	Buyer	4	4
Destination Terminal Charges	Buyer	Buyer	4	4	4	Seller	Seller	Buyer	Buyer	4	4
Nominate On-Carrier	Buyer	Buyer	5	5	5	5	Seller	Buyer	Buyer	Buyer	Buyer
Customs Broker Clearance Fees	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Buyer	Buyer	Buyer	Buyer
Duty, Customs Fees, Taxes	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Seller	Buyer	Buyer	Buyer	Buyer
Delivery to Buyer Destination	Buyer	Buyer	5	5	5	5	Seller	Buyer	Buyer	Buyer	Buyer
Delivering Carrier Unloading	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer

- Notes:-
1. Incoterms do not deal with the parties' obligations for stowage within a container and therefore, where relevant, the parties should deal with this in the sales contract.
 2. FCA Seller's Facility - Buyer pays inland freight; other FCA qualifiers. Seller arranges and loads pre-carriage carrier and pays inland freight to the "F" delivery place.
 3. Incoterms does not obligate the buyer nor must the seller to insure the goods, therefore this issue be addressed elsewhere in the sales contract.
 4. Charges paid by Buyer or Seller depending on Contract of Carriage.
 5. Charges paid by Seller if through Bill of Lading or door to door rate to Buyers Destination.

Enabling the MCGM to obtain the desired said stores / equipment/ services/ works at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement, and

Enabling BIDDERS to abstain from bribing or indulging in any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and the MCGM will commit to prevent corruption, in any form, by its officials by following transparent procedures. In order to achieve these goals, the MCGM will appoint an external independent monitor who will monitor the tender process and execution of the contract for compliance with the principles mentioned above.

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

1. COMMITMENTS OF THE M.C.G.M.

- 1.1 M.C.G.M. commits itself to take all measures necessary to prevent corruption and follow the system, that is fair, transparent and free from any influence / prejudice prior to , during and subsequent to the currency of the contract to be entered into to obtain stores / equipments / services at a competitive prices in conformity with the defined specifications by avoiding the high cost and the distortionary impact of corruption on public procurement.
- 1.2 The MCGM undertakes that no employee of the MCGM, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

- 1.3 M.C.G.M. will during tender process treat all bidders with equity and reason. The M.C.G.M. before and during tender process provide to all bidders the same information and will not provide to any bidder any confidential / additional information through which the bidder could obtain an advantage in relation to the tender process or execution of contract.
- 1.4 In case any such preceding misconduct on the part of such official(s) is reported by the Bidder to the MCGM with full and verifiable facts and the same is prima facie found to be correct by the Municipal Corporation of Greater Mumbai, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the MCGM and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the MCGM the proceedings under the contract would not be stalled.

2. COMMITMENTS OF THE BIDDERS / CONTRACTORS

- 2.1 The Bidder commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it.
- 2.2 The Bidders will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the MCGM, connected directly or indirectly with the bidding process or to any MCGM person, organization or third party related to the contract in exchange

for any advantage in the bidding, evaluation, contracting and implementation of the contract.

- 2.3 The BIDDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the MCGM or otherwise in procuring the contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with MCGM for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with MCGM.
- 2.4 The Bidders / Contractors will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal, in particular regarding prices, specifications, certifications, subsidiary contracts, submission or non submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
- 2.5 The Bidders/ Contractors will not commit any offence under relevant Anti-corruption Laws of India. Further, the Bidders will not use improperly, for purposes of competition or personal gain or pass on to others, any information or document provided by M.C.G.M. as part of the business relationship regarding plans, technical proposals and business details including information obtained or transmitted electronically.
- 2.6 The Bidders / Contractors of foreign origin shall disclose the names and addresses of agents / representatives in India, if any, and Indian Bidders shall disclose their foreign principals or associates.

- 2.7 The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the M.C.G.M.
- 2.8 The Bidder will not bring any Political, Governmental or Diplomatic influence to gain undue advantage in its dealing with M.C.G.M.
- 2.9 The Bidder will promptly inform the Independent External Monitor (of M.C.G.M.) if he receives demand for a bribe or illegal payment / benefit and If the comes to know of any unethical or illegal practice in M.C.G.M.
- 2.10 The Bidders / Contractors will disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract while presenting his bid.
- 2.11 The Bidders / Contractors shall not lend to or borrow any money from enter into any monetary dealings directly or indirectly, with any employee of the M.C.G.M. or his relatives.
- 2.12 The BIDDER will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- 2.13 The Bidders / Contractors will undertake to demand from all sub contractors a commitment in conformity with this Integrity Pact.
- 2.14 The bidders / Contractors will not instigate third persons to commit offences outlined above or be an accessory to such offences.

3. PREVIOUS TRANSGRESSION

- 3.1 The Bidder declares that no previous transgressions occurred in the last 3 years immediately before signing of this Integrity Pact, with any other company in any country or with Public Sector Enterprises in India in respect of any corrupt practices envisaged hereunder that could justify BIDDER's exclusion from the tender process.
- 3.2 If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract if already awarded, can be terminated for such reasons.

4. DISQUALIFICATION FROM TENDER PROCESS AND EXCLUSION FROM FUTURE CONTRACTS

If the Bidders/ Contractors or anyone employee acting on his behalf whether or without the knowledge of the Bidder before award of the contract has committed a transgression through a violation of aforesaid provision or in any other form such as put his reliability or credibility into question, the M.C.G.M. is entitled to exclude the bidder from the tender process or to terminate the contract if already signed and take all or any one of the following actions, wherever required.

- 4.1 To immediately call off the pre contract negotiations without assigning any reason or giving any compensation to the Bidder. Further, the proceedings with the other Bidders would continue.
- 4.2 The Earnest Money Deposit (in pre-contract stage) and/or Security Deposit / Performance Bond (after the contract is signed) shall stand forfeited either fully or partially, as decided by the M.C.G.M. and M.C.G.M. shall not be required to assign any reasons therefor.
- 4.3 To immediately cancel the contract, if already signed, without giving any compensation to the Bidder.

- 4.4 To recover all sums already paid with interest thereon at 5% higher than the prevailing Base rate of State Bank of India.
- 4.5 If any outstanding payment is due to the Bidder from M.C.G.M. in connection with any other contract, such outstanding payment could also be utilized to recover the aforesaid sum and interest.
- 4.6 To encash any advance Bank Guarantee and performance bond/warranty, if furnished by the Bidder, in order to recover the payment already made by M.C.G.M. along with interest.
- 4.7 To cancel all other contracts with the Bidder. The Bidder shall be liable to pay compensation for any loss or damages to the M.C.G.M. resulting from such cancellation / rescission and the M.C.G.M. shall be entitled to deduct the amount so payable from the money due to the Bidder.
- 4.8 Forfeiture of Performance Bond in case of a decision by the M.C.G.M. to forfeit the same without assigning any reason for imposing sanction for violation of the Pact.
- 4.9 The decision of M.C.G.M. to the effect that the breach of the provisions of this Pact has been committed by the Bidder shall be final and conclusive on the Bidder.
- 4.10 The Bidder accepts and undertakes to respect and uphold the absolute right of M.C.G.M. to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground including the lack of any hearing before the decision to resort to such exclusion is taken.
- 4.11 To debar the Bidders/ Contractors from participating in future bidding process of M.C.G.M. for a minimum period of three years.
- 4.12 Any other action as decided by Municipal Commissioner based on the recommendation by Independent External Monitors (IEMs).

5. FALL CLAUSE

5.1 The Bidder undertakes that it has not supplied similar products / systems or subsystems in the past six months in the Maharashtra State for quantity variation upto -50% or +10%, at a price lower than that offered in the present bid in respect of any other Ministry / Department of the government of India or PSU or MCGM and if it is found at any stage that similar products / systems or sub systems was supplied by the BIDDER to any other Ministry / Department of the Government of India or a PSU or MCGM at a lower price, then that very price will be applicable to the present case and the difference in the cost would be refunded by the BIDDER to the MCGM, if the contract has already been concluded, else it will be recovered from any outstanding payment due to the bidder from MCGM.

6. EXTERNAL INDEPENDENT MONITOR / MONITORS

6.1 The M.C.G.M. appoints competent and credible external independent Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the Parties comply with the obligations under this Agreement.

6.2 The Monitor is not subject to instructions by the representatives of parties and perform his functions neutrally and independently and report to the Municipal Commissioner / concerned Additional Municipal Commissioner.

6.3 Both the parties accept that the IEM has the right to access without restriction, to all documentation relating to the project / procurement, including minutes of meetings.

6.4 The Bidder shall grant the IEM upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to sub contractors.

- 6.5 The IEM is under contractual obligation to treat, the information and documents of the Bidder / Contractor / sub-contractor, with confidentiality.
- 6.6 The MCGM will provide to the IEM sufficient information about all meetings among the parties related to the Project provided such meetings could have an impact on the contractual relations between the parties. The parties will offer to the IEM the option to participate in such meetings.
- 6.7 As soon as the IEM notices, or believes to notice, a violation of this Agreement, he will so inform the Additional Municipal Commissioner. The IEM can in this regard submit non-binding recommendations. If Additional Municipal Commissioner has not, within a reasonable time, taken visible action to proceed against such offence, the IEM may inform directly to the Municipal Commissioner.
- 6.8 The IEM will submit a written report to the Municipal Commissioner / Additional Municipal Commissioner within 8 to 10 weeks from the date of service of intimation to him by M.C.G.M./ Bidder and should the occasion arise, submit proposals for correcting problematic situations.
- 6.9 The word "IEM" would include both singular and plural.
- 6.10 Both the parties accept, that the recommendation of IEM would be in the nature of advice and would not be legally binding. The decision of Municipal Commissioner in any matter / complain will be the final decision.

7. VALIDITY OF THE PACT

7.1 The validity of this Integrity Pact shall be from the date of its signing and extend upto two years or the complete execution of the contract to the satisfaction of both the M.C.G.M. and BIDDER / Seller, including warranty period, whichever is later. In case BIDDER is unsuccessful, this Integrity Pact shall expire after six months from the date of the signing of the contract.

7.2 If any claim is made/ lodged during the validity of this contract, such claim shall be binding and continue to be valid despite the lapse of this pact unless it is discharged / determined by the Municipal Commissioner / Additional Municipal Commissioner of the M.C.G.M.

8. FACILITATION OF INVESTIGATION

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

9. MISCELLANEOUS

9.1 This Agreement / Pact is subject to the Indian Laws, place of performance and jurisdiction is the registered office of the M.C.G.M. i.e. Mumbai and the actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

9.2 If the Contractor is a partnership or a consortium, this Agreement must be signed by all partners or consortium members.

9.3 Should one or several provisions of this Agreement turn out to be invalid, the remainder of this Pact remains valid. In this case, the Parties will strive to come to an Agreement to their original intentions.

10. The Parties hereby sign this Integrity Pact at -----on-----

	MCGM	BIDDER/SELLER
Signature	-----	-----
Name of officer	-----	-----
Designation	-----	-----
Name of Company	-----	-----
Address	-----	-----
	-----	-----
Dated	-----	-----

	WITNESS-1(MCGM)	Witness-1(BIDDER/SELLER)
Signature	-----	-----
Name of officer	-----	-----
Designation	-----	-----
Name of Company	-----	-----
Address	-----	-----
	-----	-----
Dated	-----	-----

Law Officer **D.M.C.(C.P.D.)** **A.M.C.(P)** **M. C.**

MUNICIPAL CORPORATION OF GREATER MUMBAI

ANNEXURE -16

(Chapter-9)

GRIEVANCE REDRESSAL MECHANISM

Procuring Entity, M.C.G.M. has formed a Grievance Redressal Mechanism for redressal of grievances. Any Bidder or prospective Bidder aggrieved that any decision, action or omission of the procuring entity being contrary to the provisions of the tender or any rules or guidelines issued therein, may within a period of 10 days or any such other period, as may be specified in the pre-qualification document, bidder registration document or bidding documents make an application for review of such decision or action to procuring entity [Director (M.E.&M.H.) for medical tenders, Director (E.S.&P.) and/or concerned D.M.C. for Engineering Department, concerned D.M.C. for the other tenders]. While making such an application for review, aggrieved bidders or prospective bidders shall clearly specify the ground or grounds in respect of which he feels aggrieved.

Provided that after declaration of a bidder as a successful in Packet 'A' (General Requirements), an application for review may be filed only by a bidder who has participated in procurement proceedings and after declaration of successful bidder in Packet 'B' (Technical Bid), an application for review may be filed only by successful bidders of Packet 'A'. Provided further that, an application for review of the financial bid can be submitted, by the bidder whose technical bid is found to be acceptable / responsive.

Upon receipt of such application for review, M.C.G.M. may decide whether the bid process is required to be suspended pending disposal of such review. The M.C.G.M. after examining the application and the documents available to him, give such reliefs, as may be considered appropriate and communicate its decision to the Applicant and if required to other bidders or prospective bidders, as the case may be.

M.C.G.M. shall deal and dispose off such application as expeditiously as possible and in any case within 30 days from the date of receipt of such application or such other period as may be specified in pre-qualification document, bidder registration document or bid documents, as the case may be.

Where M.C.G.M. fails to dispose off the application within the specified period or if the bidder or prospective bidder feels aggrieved by the decision of the procuring entity, such bidder or prospective bidder may file an application for redressal before the 'Procurement Redressal Committee' within 15 days of the expiry of the allowed time or of the date of receipt of the decision, as the case may be. Every such application for redressal before Redressal Committee shall be accompanied by fee of Rs.25,000/- fee shall be paid in the form of D.D. in favour of M.C.G.M.

Procurement Redressal Committee will consists of not less than three members including its Chairman who shall be the retired Judge of High Court and two members of the Committee will be from the field of Public Procurement and experience at senior level in Public Administration or Public Finance or Management or Engineering or Specific Project or Management of Public Sector Enterprises.

On receipt of the application, the Committee shall after giving opportunity of hearing to the procuring entity, M.C.G.M. as well as the Applicant, determine the issue taking into consideration the rules and guidelines as well as tender conditions, terms of the pre-qualification, bidder registration or bidding document, as the case may be and communicate its

recommendations including corrective measures to be taken to M.C.G.M. and to the Applicant, if necessary, the Committee may held more sittings to dispose the application.

No application shall be maintainable before the Procuring Committee in regard of any decision of the M.C.G.M. relating to following issues:

- a) Determination of need of procurement
- b) The decision of whether or not to enter into negotiations.
- c) Cancellation of a procurement process for certain reasons.

The Procurement Redressal Committee may recommend to the procuring entity the suspension of the procurement process pending disposal of the application, if in its opinion, failure to do so, is likely to lead miscarriage of justice.

On receipt of recommendation of the Committee, Municipal Commissioner will communicate his decision thereon to the Applicant and to the Committee within 15 days or such further time not exceeding 30 days, as may be considered necessary from the date of receipt of the recommendation and in case of non-acceptance of any recommendation, the reason of such non-acceptance shall also be mentioned in such communication.

Municipal Commissioner and/or Procurement Redressal Committee, if found, come to the conclusion that any such complaint or review is of vexatious, frivolous or malicious nature and submitted with the intention of delaying or defeating any procurement or causing loss to the procuring entity or any other bidder, then such complainant shall be punished with fine, which may extend to Five Lac rupees or two percent of the value of the procurement, whichever is higher.

Law Officer

D.M.C. (C.P.D.)

A.M.C. (P)

Municipal Commissioner