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GLORIOUS YEARS

NATIONAL FERTILIZERS LIMITED

(A Govt. of India Undertaking)

WORKS MANUAL

(Effective from 1st April, 2024)

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NATIONAL FERTILIZERS LIMITED

(A Govt. of India Undertaking)

Corporate Office:

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FOREWORD

1. The Works Manual was comprehensively revised and issued in 2021.The Manual, over a period of time, has become a standard reference document for the concerned officials across all the units & offices of the Company.
2. Lining up of contracts for Works/Services is a dynamic field where policies are constantly reviewed to help the organization achieve its socio-economic or strategic goals. Hence, there is a need to keep reference documents, like manuals, updated to ensure their continued relevance.
3. Instructions issued by Department of Expenditure from time to time have been incorporated in the current edition of Works Manual. Further, all instructions issued by Central Vigilance Commission have been subsumed into the Manual.
4. The Works Manual is to be taken as generic guidelines, which are necessarily broad in nature. However, certain instructions containing "shall" in the Manual are mandatory; any deviation from these instructions shall require relaxation from the Competent Authority as per Delegation of Powers.
5. I would like to acknowledge the hard work of the concerned officers in updating of the Works Manual.
6. I hope that this updated Manual will help the officials working in various Departments as a guiding template, deepen the impact of policy initiatives and improve the ease of doing business.

(U. Saravanan)
Chairman & Managing Director

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Annexures

<u>**CVC CIRCULARS / GUIDELINES**</u>

WORKS MANUAL

1.0 EXTENT OF APPLICATION

The procedure in the Works Manual shall apply to the execution of the contract of all types i.e. repair & maintenance, operation & maintenance, urea handling, plant up-keeping, Annual Maintenance Contract (AMCs), Annual Rate Contract (ARCs), contracts for new works, service contracts, etc. being executed by various departments.

The procedures shall not cover contracts those covered under Purchase Manual and Marketing Manual.

Cases for repairs of rotors and re-tubing of Heat Exchangers having estimated value of repair up to Rs. 25 lakhs shall be awarded by respective executive Departments, however cases of repairs of rotors and re-tubing of Heat Exchangers (where estimated value of repair is more than Rs. 25 lakhs) shall be awarded by Materials Department. Repair of rotors shall be dealt in accordance with Purchase Manual.

1.1 This Manual also does not cover the contracts for supply of Raw Materials, Feedstock and Petroleum product, i.e. Coal, LNG, Lubricants, etc. These contracts/ agreements shall be finalized as per the mutually agreed terms and conditions with the suppliers. Materials Department/Technical Deptt, as the case may be, at Corporate Office shall finalize these contracts.

1.2 Financial powers under the Works Manual shall not exceed the powers sub-delegated by C&MD to Functional Directors/ED/C.G.M/G.M./D.G.M./C.M. The powers delegated to various officers in this Manual shall be governed by prevalent sub-delegation of powers. For items, which are not specified in the delegation of powers, provisions contained in the relevant rules/ Works Manual shall be followed. For items, which are specified in the Delegation of Power, the same shall prevail upon the powers defined in the Works Manual.

2.0 GENERAL PRINCIPLES OF CONTRACT

Contract is an agreement enforceable by law. For the execution of works, accepted terms and conditions of tender/work order and schedule of accepted rate, relevant correspondence, attached thereto, shall constitute a contract.

In preparing contract for works, the following fundamental principles should be observed:

i) Order should be placed only after inviting tenders unless it is not practicable or is disadvantageous.

ii) The terms of the work order must be precise and there should not be any ambiguity or misconstruction of any provision contained therein.

iii) If the time is the essence of the contract, the same should be specifically stated to make the time factor legally enforceable.

iv) Every Work Order must include provisions for scope of work, time schedule, price schedule, payment terms, penalties leviable on the party, defect liability period etc.

v) All rates and quantities as well as the amount may be entered in figures. However, the total value of the order shall invariably be indicated both in figures and words.

vi) The terms in the Work Order should be self-contained so as to enable processing of the payments by reference to the WO alone. Accordingly, instead of giving reference to any earlier correspondence, the terms and conditions mentioned in such letters should be incorporated in the WO itself.

The terms of contract, once entered into, should normally not be varied. If in any circumstances, these are to be varied, it should be in consultation with the Finance Department and should be approved by the Competent Authority (CA).

3.0 STAGES FOR FINALISING THE WORKS CONTRACT

Following three stages are the basic prerequisites, which are required to be fulfilled, before a work is taken in hand for execution or liability incurred in connection with it:

(i) Administrative approval

(ii) Technical sanction

(iii) Appropriation or re-appropriation of funds if not available.

No normal work should be commenced or major liability thereon incurred till administrative approval has been obtained. An estimate has been sanctioned with due financial concurrence and allotment of funds wherever necessary.

3.01 Administrative Approval

Normally, all works, which are required to be taken in hand during a financial year, are included in the Budget's proposals for that year. The value of each such works is assessed on the basis of Para 5.0 of this Manual. Prior to the detailed technical estimate, in-principle approval is required from CA. This is considered as Administrative Approval to the proposal.

3.02 Technical sanction

After receipt of administrative approval, detailed estimates are required to be prepared for financial concurrence/ approval by the competent authority. The approval of the estimate indicates that the proposals are structurally sound and that the estimates are accurately calculated and based on adequate data.

- Ordinarily, technical sanction should be accorded on receipt of administrative approval, but in exceptional circumstances it is permissible for the competent authority to accord technical sanction to the work before administrative approval.

- The technical sanction should be given by the competent authority before a work is taken in hand. Any revision in the estimate may be with concurrence of Finance as well as approval of CA.

3.03 Appropriation and re-appropriation of fund

Proper budget for the work to be got executed should be available. If not, fund may be got re-appropriated.

4.0 BUDGET PROVISIONS

Provision of revenue/Capital Budget for various contracts shall be made and got approved from CA by concerned Departments. Once the budget has been approved, concerned executive departments can initiate the contract proposals within the approved budgetary limits and in accordance with the provisions contained in this Works Manual. All the contracts shall be subject to the budget provision, which shall be monitored by the respective Departments.

The Finance & Accounts Department shall examine budgetary provision and expenditure for Revenue / Capital cases. In case budget is available at the time of moving the proposal and placement of work order and /or execution of order is not in the same Financial year, provision of budgets to next/subsequent Financial Years shall be got made by the concerned Department in the budget/revised budget.

Executing Department shall ensure that necessary approvals/permissions are taken from local bodies, statutory bodies like Pollution Control Board, Factory Inspectorate, Electrical Inspectorate, fire authorities etc., as applicable, from time to time to the work to be executed.

5.0 ESTIMATE

Emphasis should be given on preparation of realistic estimate, which would ultimately have bearing on receiving competitive rates and successful execution of any works contract. Therefore, following aspect should be considered;

5.01 Due importance should be given to the preparation of estimates. The estimate should be prepared in a realistic manner. CVC guidelines/circular has suggested the followings for preparation of estimate:

Preparation of estimates for contracts is an area, which needs special emphasis. A well-defined scope of work and a realistic market rate estimate can prove to be a vital input for successful execution of a contract with high standards of quality. The estimates should take into consideration all relevant factors based on the prevailing market price of various inputs such as labour, material, equipment, etc. at the concerned locations. The estimates inter-alia should include the basic price, fabrication charges, inspection fees, duties, packing, handling and transportation charges, installation, erection, testing and commissioning charges, license fees, contingencies, applicable GST or any other statutory levies etc. as applicable at the time of conception of the project. For big turnkey projects where financial assessment of the project is done well in advance, before the finalization of the contracts, the financial amount indicated in Techno-Economic clearance/Techno- Commercial feasibility reports should be duly analyzed and updated before converting the same into a workable estimate. Any deficiency or inadequacy of data (in terms of rates or quantity) found in such reports should be highlighted beforehand in order to prepare a realistic estimate for the tenders.

5.02 Basis for working out estimate should be clearly defined. The following could be the basis.

- History of Rates. The rates/quantities of last three years should be considered and trend of rates (Increasing or decreasing) may be established. If a clear trend is established, the rates may be worked out accordingly. In case there is no clear trend, average rates of last three years works may be considered.

- Prevailing market rates/economic indices for the raw material/labour and other Input costs should also be taken into consideration.

- In case where a new item is being executed/, where previous rates not available or the items were executed/ many years back or the item is of specialized nature, budgetary quotation may be obtained from more than one party or at least two parties and wherever, it is not possible to get budgetary quotations from two parties, it may be certified by the competent authority and reasons may be given for the same.

- Information of item rates for jobs of similar nature in recent past may be obtained from other units/other fertilizer PSUs. Market survey, wherever possible may be carried out.

- For civil and electrical jobs, average of last two years executed rates may be considered. If new items are being considered latest Delhi Schedule of rates should be considered. Items not covered under DSR, executive department may consider market rate for those items.

5.03 Efforts should be made to complete the process of tendering i.e. from in principle approval/indenting to order placement in shortest possible time.

5.04 Specifications and scope of work should be clearly defined to the extent possible while seeking budgetary offers from the parties.

5.05 Efforts should be made to get at least two budgetary offers and estimate should be based on average of all the budgetary offer.

5.06 Executive department should take care to the extent possible that there should not be any major change/deviations between specifications/scope at time of seeking budgetary offer and raising the material indent.

5.07 Relevant CVC guidelines being issued from time to time on estimation methodology should be kept in mind while preparing estimates.

6.0 PRE-QUALIFICATION OF PARTIES

For awarding any works contract, the primary requirement is to generate sufficient competition. For this purpose, pre-qualification of parties is a must. As per CVC Guidelines, the estimated value of the next Contract proposed to be lined up may be mentioned in all the press notifications issued for inviting tenders and for pre-qualification of parties.

Pre-qualification consists of the following three main steps as mentioned below;

i) Wide publicity

Wide publicity may be ensured through press and display of NIT/Tender Documents for pre-qualification of parties on NFL's website and CPP portal. A copy of NIT/tender Document should be sent to the existing pre-qualified parties of all the Units.

It may be clearly mentioned that the existing pre-qualified parties are also required to apply for pre-qualification.

ii) Pre-qualification/Eligibility Criteria

Pre-qualification criteria should be decided by the Executive Dept. before issue of NIT/Tender Documents and should be mentioned in NIT/Tender Document. The CVC Office Memorandum No. 12-02-1-CTE-6 dated 07.05.2004 & 17.12.2002 may be referred while deciding the pre-qualification criteria. Apart from above, following preventive vigilance measures may please be taken care regarding Pre- qualification of parties:

- The parties may be pre-qualified to the extent possible for various item/work categories.
- All application forms/proformas should be made available on the website in downloadable form. The cost of application form can be taken at the time of submission of the application form.

- All the documents to be enclosed or information to be provided by the applicant should be clearly explained on the website and should also form part of the application forms.
- As far as possible, arrangements should be put in place so that immediately after the receipt of application, the applicant is informed about the deficiencies, if any in the documents/information submitted.
- Repeated queries in a piece-meal manner should be avoided.
- The status of individual applications/matters should be made available on the website updated from time-to-time so that the applicants remain duly informed about the status of their applications.
- Genuineness of credentials submitted by the parties may be checked and verified by the Committee and if required physical verification may be carried out. The Committee should include representatives of other department apart from executing department.

Following points must be kept in view while fixing the eligibility criteria:

A) For Civil/Electrical/ Mechanical/Production/Instrumentation/Technical Services etc. Works:

1. Average Annual financial turnover during the last three years ending 31st March of the previous financial year should be at least 30% of the estimated cost (inclusive of GST).

2. Experience of having successfully completed similar works during last 7 years ending last day of month previous to the one in which applications are invited, should be either of the following:

   a. Three similar completed works costing not less than the amount equal to 40% of the estimated cost (inclusive of GST).

   OR

   b. Two similar completed works costing not less than the amount equal to 50% of the estimated cost (inclusive of GST).

   OR

   c. One similar completed work costing not less than the amount equal to 80% of the estimated cost (inclusive of GST).

3. Definition of “similar work” should be clearly defined.

   In addition to above, the criteria regarding satisfactory performance of works, personnel, establishment, plant, equipment, solvency certificate etc may be incorporated according to the requirement of the project/contract and necessary documentation may be taken from the parties.

CVC vide Office Memorandum dated 17.12.02, which is reproduced below:-

"Guidelines were prescribed in this office OM of even number dated 17.12.2002” on the above cited subject to ensure that the pre-qualification criteria specified in the tender document should neither be made very stringent nor very lax to restrict/ facilitate the entry of bidder. It is clarified that the guidelines issued are illustrative and the organizations may suitably modify these guidelines for specified jobs / works, if considered necessary. However, it should be ensured that the PQ criteria are exhaustive, yet specific and there is fair competition. It should also be ensured that the PQ criteria is clearly stipulated in unambiguous terms in the bid documents."

There cannot be any fresh pre-qualification criteria during the period of validity of the pre-qualified list. The pre-qualification criteria can only be revised after expiry of validity of the pre-qualified list at the time of fresh pre-qualification of the parties.

iv) Evaluation of pre-qualification bids

All the pre-qualification bids received from various parties should be objectively evaluated as per the pre-qualification criteria mentioned in the NIT/Tender Document.

The bids received from the parties should be filed paginated and a proper comparative statement should be prepared clearly indicating whether the parties are meeting the required pre-qualification criteria or not. A self-contained note should be prepared by the executive Dept. for examination by F&A Department, which should be put up before a duly approved tender committee. The Tender Committee after thorough review should put up its recommendation for the approval of the Competent Authority. The period of validity of the pre-qualified list should also be specified. After approval of competent authority, the pre-qualified list should be taken on record. The parties who have been pre-qualified should be informed and list should be displayed on the NFL's website. The pre-qualified list should be reviewed for any addition or deletion at least once in a year.

Power and authority to amend the pre-qualification/eligibility criteria shall be as per DOP.

In addition to above, the criteria regarding personnel, plant, equipment etc. may be incorporated according to the requirement of the work. The tenderer/ applicant should be asked to submit the following documents/credentials:

a) Copies of registration certificate/ documents defining the constitution or legal status of tenderer, place of registration.
b) GST Registration Certificate;
c) PAN number;
d) Copies of EPF, ESI, Registration nos.
e) Copy of valid appropriate business licences/registrations, if any, applicable to the work / contract.
f) Certified/ Notarized copy of Power of Attorney/Authorization to sign the tender/ bid.
g) Solvency Certificate (for PQ only)

6.01 Due importance should be given to the preparation of estimates. The estimate should be prepared in a realistic manner. Relevant CVC guidelines to be followed for preparing estimate in a realistic manner.

<u>Time-bound programme of pre-qualification of parties</u>

The prequalification of parties should be carried out in a comprehensive and time- bound manner so as to complete the exercise in six months period from the date of issue of NIT.

Timely action should be initiated for fresh pre-qualification of parties before the expiry of validity of existing list.

6.02 Common list of pre-qualified parties for all the units

There should be a common list of pre-qualified parties for all the units in cases where the nature of work or supplies are such which does not involve local parties/ suppliers, who may not like to quote for other units depending upon the various aspects of value of job, creation of infrastructure at new site, etc. For example, there can be common pre- qualification list for contracts such as painting of machinery, piping & structures, hot & Cold insulations, repair of compressors/ turbine rotors etc.

6.03 List of pre-qualified parties for individual units

In cases/ jobs where the nature/ value of job is such that there is involvement of local parties/ suppliers and for which it may not be viable for outside parties or where there is no response from outside parties, each unit can pre-qualify the parties for its requirements. As already mentioned, the copy of pre-qualification NIT may be sent to the parties who are pre-qualified by other units. Wherever feasible, Nangal, Panipat, and Bathinda should have common list being located in the same region.

6.04 Period of pre-qualification:

Pre-qualification of parties shall be done once in three years. At annual review stage of pre-qualification, non-responsive parties may be cautioned or removed from the pre- qualified list. If, due to any specific reasons, the list has not been reviewed within a period of 3 years, approval of competent authority shall be obtained to revalidate the same. Further validation should be done once only on exceptional circumstances for a maximum period of one year.

Request received from the parties from time to time for pre-qualification, shall be kept pending by the executive department for consideration at appropriate time. However, these requests can be considered earlier also if the situation so warrants with the approval of competent authority.

During the period of validity of prequalification, the tender shall be invited from pre-qualified bidders/parties and bids from uninvited bidders are treated as unsolicited and are normally not entertained, except in special circumstances.

6.05 At the time of new/renewal application for pre-qualification, the tenderer/bidder should also be asked to declare that they bind themselves to abide by NFL's General Terms and Conditions of Contract (GTC). Such GTC should be part of the prequalification's application.

7.00 DELISTING AND BLACKLISTING OF PARTIES

a) Delisting (Limited Period) of Contractors:

In case, a contractor repeatedly fails to perform, commits, breach of contract/tender conditions, causes abnormal delays, supplies sub-standard material, fails to rectify/settle discrepancies / deficiencies in the services/work within a reasonable time, the particular contractor should be de-barred/delisted from the approved list of contractors for a limited period of one to two years after giving due notice for non-performance and notice of default. Delisting/debarment should be done on the basis of recommendations of the executive department concurred by Finance Department and approved by Unit Head. In case of CO/CMO/ZO, the de-listing/debarment shall be approved by the authority competent to approve the award of tender/contract. Such action against the contractor will be communicated, along with the brief of the case, to all the other Units. The other Units will also follow this decision. In case, the party is delisted for non-execution of order, the same shall be cancelled. However, such a contractor shall be allowed to execute other existing order(s) which was/were issued prior to delisting. In case there are running cases, where offer of such contractors are under consideration, the same shall not be considered. In case of review of contractor lists, delisted parties shall not be removed from the lists on the grounds that they have been delisted earlier; but clear remarks about a particular party being delisted shall be given in the contractor lists. Also, the date when such delistment shall be over shall also be given / recorded in contractor lists.
After delistment period is over, the delistment shall be automatically considered as over and no further approval shall be required for re-starting issuance of enquiries/WOs to such parties provided they otherwise qualify for such issuance of enquiries/WOs.

(b) 2nd time Delistment of Contractors:

In case a delisted contractor / party again fails to perform and is required to be again delisted with in a period of two years from the date of revocation of delistment, such party shall be delisted for a maximum period of 3 years. Such party shall not qualify for enlistment again unless approval of next higher authority (to the authority who approves 2nd time delistment) is obtained after recording valid reasons for again enlisting such party who should also meet the eligibility criteria prevalent at that point of time.
The party delisted 2nd time shall not be retained on the contractor list. Separate records of such parties shall be maintained along with the Black listed parties.

(c) Black Listing of contractors:

In case, a contractor is found guilty of bribery, corruption, dishonesty, mal-practice, submission of forged documents, misrepresentation, spurious supplies, fails to refund the amount due to the Company, fails to return the material issued for reprocessing/maintenance, such contractor will be blacklisted for a maximum period of 3 years. This shall be on the basis of recommendations of the executive department, concurrence of the Finance

Department and approval of Unit Head [Functional Director/ C&MD in case of Corp. Office/CMO/ZO]. Action taken against such a contractor shall be intimated to all the Units who will also follow the decision to blacklist the supplier in their respective Units. Vigilance Department and Technical Department of Corporate Office shall also be informed about this action (through endorsement of a copy of decision to CO), along with the brief of the case, for informing the other agencies, as required. Revocation of black-listment shall be with the concurrence of F&A Department and with the approval of next higher authority (to the authority who approved black-listing).

However, C&MD can approve revocation for the delistment/black-listment done with his/her approval.

No fresh contract will be awarded to black listed party during period of blacklisting even though the case may be at advanced stage for placement of Contract at the time of blacklisting. However, other contracts under execution may be reviewed by Committee chaired by Unit Head with GM (O&M), HOD's of executive department and F&A Departments, w.r.t. criticality of Contract for plant operation or Project schedule, and justifications may be recorded by Committee in case contracts under execution are to be continued.

After the delistment/blacklisting period is over, the party should apply afresh for enlistment with proof of their 'Technical and Financial' capabilities existing at that time and request of party for re-listment will be considered provided that party meets the eligibility criteria prevalent at that point of time. This may also be incorporated while issue of letter to the party intimating their delistment / blacklisting.

(d) The concerned contractor shall be informed about the action taken regarding Delisting, 2nd time Delisting, Black Listing and also for revocation of such action by NFL.

(e) List of Delisted and Blacklisted parties shall also be displayed on Company's web-site by M S Department of Corporate Office.

(f) The L-1 Party who backs out and does not accept work order/LOI, their EMD will be forfeited and will not be allowed to participate in re-tender case and should be black listed after issuing show cause notice and following due procedures.

(g) Where ever as per previous experience pooling or cartelization by the parties has been observed, open press tender may be issued with relaxed pre-qualification criteria to increase competition.

(h) In case of delisting / permanent delisting / Black Listing, a show cause notice to the effect shall be duly served to the party.

(i) Delisting/ Blacklisting should be extended to allied party /sister concern of delisted/Debarred/ blacklisted party.

(j) The pre-qualified parties who do not quote for the job in a limited tender enquiry should be specifically asked the reasons for not submitting their quotations. Parties who don't submit the reasons for abstaining from submitting the quotations are liable for removal from Pre-Qualified list after review. Suitable instruction in line with above may be incorporated in NIT for pre-qualification of parties/issuing NIT to pre-qualified parties.

8.00 EMERGENT WORKS

NIT for Emergent works should be raised only in exceptional cases for sudden and unforeseen requirements. The reasons, necessitating the emergent works shall specifically be recorded in the proposal while raising the NIT. Prior to raising Emergent NIT all efforts should be made to get the jobs executed through existing ARCs within existing guide lines if these items rates are available.

8.01 The proposal should be initiated and NIT raised by the concerned Department specifying reasons and giving proper justification and should be signed by concerned Head of the Department. In the event of his absence from Headquarters, the next higher officer should sign the proposal/NIT if such proposal/NIT cannot wait till his return to the headquarters.

8.02 The enquiries must be sent by the fastest means, i.e. FAX, e-Mail or through courier, for submitting the offers within 7 to 10 days or as decided by the Executing Department. It should also be displayed on Company's Website if estimated value is more than Rs. 1 lakh to have the better competition. It should be specifically mentioned in the enquiry that work is to be got executed within the minimum time period with minimum mobilization time. Work Orders must be released within a week's time after receiving quotation.

8.03 Emergent works shall be resorted to against Emergent NIT with due approval of competent authority. As per DOP, in exceptional cases if circumstances warrant, NIT may be processed through FAX and/or E-Mail, or hand collection of offers by a duly constituted committee having member of the executing Department by inviting parties.

To the extent possible the parties may be asked to submit sealed offers. In addition the parties may be informed on telephone also of such requirements to enable them to submit their offers. Such emergent enquiries may also be displayed on company's website also on priority to enable the Parties to assess the same and submit their offers in time. These cases shall be processed on lowest/other than lowest/ single Tender basis etc, as the case may be. The expenditure on such contracts shall in general, be met from Repair and Maintenance/Operation Capital Budgets, if not available shall be met from Unforeseen Budget/special budget, if situation so warrants. However, the approval of competent authority would be obtained as per the delegation of power.

8.04 All Emergent works shall be resorted to through a Committee with due approval of the Head of the Unit. The composition of the Committees for processing such contract shall comprise of representatives from Executive Department, F&A and other departments as per the requirement.

However, a report on emergent works and their status shall be submitted by executive department to the Unit Head & D(T) in case of Corporate Office, copy endorsed to Head of the F&A Department and forwarded to D(T) every quarter by 10th of the following month.

9.00 TENDERS

As for as possible, wide publicity of the NIT should be done as per the CVC Guidelines. Estimated value of the Next Contract proposed to be lined up may be mentioned in all the contracts having estimated value more than Rs 40.00 Lakhs

9.01 Classes of Tenders

1) Open Tenders: Open tender shall mean the tenders invited in open and public manner and with adequate notice.

(i) Open Tender (estimated value more than Rs 40.00 Lakh and up to Rs 100.00 Lakh)

Enquiry shall only be issued on following (No advertisement in newspaper):

A. NFL website
B. NFL e-tendering site
C. CPP Portal

In addition to above, known contractors / parties may also be intimated through email.

(ii) Open Tender (estimated value above Rs 100.00 Lakh)

In addition to above websites (S.No. A,B,C above), tender advertisement should also be advertised in the leading newspaper as under :

- Hindi National Daily – 1 No.
- English National Daily – 1 No.
- Regional Language – 1 No. (optional)
- Indian Trade Journal

In addition to above, known contractors / parties may also be intimated through email.

(iii) Refer Eligibility Criteria mentioned in Pre-qualification.

Note : E-tendering mode shall be adopted in all contracts having estimated value more than Rs 10.00 Lakh. E-tendering guidelines are given in Annexure-XIX.

2) Limited Tenders: Upto Rs 40.00 Lakh Direct invitation/enquiry to all or limited numbers of parties/contractors on the approved list or select list.

No eligibility criteria is required to be incorporated for issuing enquiry on LTE basis to pre-qualified parties/vendors, Process licensor approved / suggested parties/vendors and PSUs.

Note:

- NITs having estimated value of more than Rs. 1 Lakh will be displayed on Company's Website also.
- Note for Publishing LTE on website: "The notice is being published for information only and is not an open invitation to quote in this limited tender. Participation in this tender is by invitation only and is limited to selected Procuring Entity's enlisted contractors. Unsolicited offers are liable to be ignored. However, Contractors who desire to participate in such tenders in future may apply for enlistment with Procuring entity as per procedure"

3) (i) Single Tender:

Open or limited tender invited but only one technically acceptable quotation received and the order placed with or without negotiation.

Single tender shall be opened after approval of HOD.

(ii) Single Select Party :

a) Placing an order on one selected party with or without negotiation.

b) Invitation/enquiry to a single party on the approved list.

NOTE:

(i) Competent authority to approve the placement of Work Order shall be as per DOP.

(ii) All cases involving sanction of Foreign exchange expenditure exceeding of Rs. 100.00 Lakhs in each case shall require prior approval of C&MD.

4) Petty Works:

a) All petty works up to the value of Rs. 15000 shall be considered as petty Contracts. These contracts can be affected by Execution Section without calling for tenders and without issuing Work orders through a nominated committee on emergent basis.

b) The total value of the Petty works on annual basis shall be as per current Delegation of Power with reference to local/petty purchases.

5) Proprietary works /services : Proprietary works /services shall mean works/services hired from OEM/OED/OES and which cannot be executed by any other service provider for specific works/services. This needs to be certified by executing deptt. Enquiry in such cases to be issued to OED/OEM/OES/authorized representatives of OEM with valid authorization from OEM/OED/OES".

6) Quality and Cost based selection (QCBS) of bidder: For highly technical and complex where quality is important, QCBS may be followed subject to procurement to be declared as a Quality Oriented Procurement by competent authority as per DOP. Proposed QCBS methodology is attached as Annexure-XXIV.

9.02 Tender System and General Principles:

Tenders, wherever possible, shall be issued on GeM Portal. Detailed instructions for user organization registration, supplier registration, listing of products, terms and conditions, online bidding, reverse auction, demand aggregation, payment procedure, etc. are available on GeM portal https://gem.gov.in.

For bids issued through GeM portal, provisions/guidelines of GeM portal shall be applicable.

For all other cases, NIT would be issued in the Performa at Annexure-I. Normally, enquiries will be dispatched under Registered Post/Speed Post except where otherwise provided. The tenders must be invited for all works. Party has to submit declarations in response to NIT.

(i) Definition of Terms and General Terms & Conditions(GTC/GTCC):

Definition of Terms and General Terms & Conditions (GTC) are also to be sent to parties for their acceptance as per Annexure-IX & X. Definition of Terms and General Terms and Conditions of the Contract (Annexure-IX & X) shall always be attached with the Notice Inviting Tenders. While framing tender documents for large project /turnkey works, these guidelines (GTC) may be suitably adopted.

(ii) Special Conditions in the Notice Inviting Tender (NIT) :

Since jobs pertaining to different departments are invariably different in nature, some special conditions may have to be stipulated in the NIT which are not covered under the General Terms and Conditions. Such special conditions should be made clear in the NIT by way of Special Terms and Conditions of Contract (STC) for compliance by the tenderers. Any additions, deletions, or variations to the GTC felt necessary for a particular work shall be done by an appropriate entry in the STC. Conditions of a special nature and projects specific conditions shall be rationally incorporated. Special conditions shall be approved by the authority competent to accept/approve the tender. While drafting STC, the circumstances warranting them shall be duly considered, including but not limited to the following:

a) Where the wording in GTC specifically requires that further information is to be included in STC and the conditions would not be complete without that information;

b) Where the wording in GTC indicates that supplementary information may be included in STC, but the conditions would still be complete without that information;

c) Where the type, circumstances or locality of the works requires additional clauses or sub clauses; and

d) Where the laws of the country, or exceptional circumstances, necessitate alterations in GTC. Such alterations are affected by stating in STC that a particular clause, or part of a clause in GTC, is deleted and giving the substitute clause or part, as applicable.

A. Scope of Work

Scope of Work shall be given in tender documents and the scope of work should be very clear, unambiguous and exhaustive. The work/facilities to be provided by NFL to the bidder should also be given in tender documents.

B. Special Terms & Conditions

Any special terms & condition which are not covered in General Terms & Conditions should be clearly given and attached with tender documents.

C. Schedule of Rates

Schedule of Rates shall be given with NIT in prescribed Performa consisting of followings:

-Item code
-Item Description
-Unit of Measurement
-Quantity
-Rate (to be given in figures and words)
-Amount (to be given in figures and words)
-Total (to be given in figures and words)

Rates, amount and total are to be filled by bidder with duly signed by authorized person of the bidder

(iii) Two Part Bid procedure may be adopted in respect of Contract irrespective of their values to ensure the unconditional bids as well as Technical acceptance of the parties as per the NIT's Terms & Conditions / Scope of Work / Special Conditions to the Contracts.

- FIRST PART:

In the first part, there are two envelopes.

Envelope no 1 consists of EMD & cost of tender documents, if not taken earlier.

Envelope no 2 consists of signed copies of full scope of work, technical specifications, experience and technical & commercial terms & conditions, Certified documents required as per tenders and un-priced copy of price bid wherever required.

- SECOND PART:

Envelope no 3 consists of signed copy of Price Bid, schedule of rates/prices for various items along with the break-up of prices, asked for. No condition should be specified in the Price Bid. Conditional Price Bid should be rejected.

All the three sealed envelopes duly superscribed as EMD, Technical Bid and Price Bid respectively and superscribing clearly the reference of NIT and the date of opening of tender may be kept in an outside sealed envelope, superscribing clearly the reference of NIT and the date of opening of tender.

In case the tender is received in open condition, then the entire risk for loss of confidentiality shall be with the party. NFL shall not own any responsibility on this account whatsoever.

Main envelope may be opened on the scheduled date of opening of tenders. Envelope No 1 of EMD is to be opened first. After ensuring the EMD, second envelope of Technical bid with terms and condition may be opened. After bringing all the qualified parties reasonably at par, the second part (containing Pricing Schedule) may be opened in the presence of representatives of the parties who wish to be present at the time of price bid opening. Any revision in price structure and/or change in commercial terms and conditions which have a bearing on prices, if done after the due date and time for submission of bids, shall amount to post tender revision and is not permitted. Only in cases, where techno-commercial negotiations are conducted with all the bidders to clarify the deviations vis-à-vis tender specifications/requirements, which lead to changes in terms/conditions and/or technical specifications, the bidders may be given a fair chance to revise their price bids accordingly.

(iv) In case of Two Part Bids, approval as per following would be required for opening of Price Bids:

a.	All contract where the estimated value is less than Rs. 5 Lakh.	With the approval of DGM/HOD of respective executive department/ plant in the unit/CO.
b.	All works having estimated value between Rs. 5 Lakh and Rs. 20 Lakhs.	With the recommendations of executive Department, Concurrence of F&A and approval of GM (O&M) of the unit.
c.	All works having estimated value above Rs. 20 Lakhs.	Recommendations of Tender Committee, Concurrence of F&A and approval of Unit Head/Functional Director at CO (as per the delegation of Power).

In all cases involving competitive bidding under two-part bid system where approval of CMD/DT is required, as per DOP (based on estimated value of the job/contract), the following procedure shall be followed:

A. The eligibility criteria to be incorporated would require final approval of D(T) after recommendations of tender committee, concurrence of local finance and approval of unit head.

B. The technical recommendations of the committee duly concurred in by local finance and approved by unit head shall be submitted for final approval of D(T) before notifying opening of price bid. However, if more than one offer is received and all the offers are considered technically suitable, Unit Head is authorized to approve opening of price bids after recommendations of unit level committee and concurrence of unit finance.

Note: For the cases with estimated value equal to or more than Rs 1.00 Cr, the eligibility criteria to be incorporated would require approval of unit head after recommendations of Tender Committee and concurrence of local F&A.
For the cases with estimated value less than Rs 1 Cr, the eligibility criteria, if , to be incorporated, it would require approval of competent authority who is authorized to award of work order as per DoP after recommendations of executing department and concurrence local F&A.

(v) TENDERING:

Except where otherwise stated, following tendering procedure will be followed:

(1) Jobs with the estimated costs of Rs. 50,000/- and less; the work need not be tendered but can be executed through the agencies / contractors empanelled for this category of work on the basis of approved schedule of rates for a specific period.

Work estimated to cost more than Rs. 50,000/- and upto Rs. 40 lakhs, limited tender by direct invitation to all or limited number of contractors on the approved list in the locality. The tender invitation should be put on the official website where the estimated value is more than Rs.1.00 lakh and also sent to all sister units for the similar publicity.

(2) Works estimated to cost more than Rs. 40 lakhs and up to Rs 100 lakh
: by invitation tenders through display on NFL website, NFL e-tendering site and CPP portal. In addition to above, known contractors / parties may also be intimated through email.

(3) Works estimated to cost more than RS. 1.0 crore : In addition to NFL website, NFL e-tendering site and CPP portal , tender advertisement should also be advertised in the leading newspaper as under :
- Hindi National Daily – 1 No.
- English National Daily – 1 No.
- Regional Language – 1 No. (optional)
- Indian Trade Journal

In addition to above, known contractors / parties may also be intimated through email.

Further, if the contractors have been pre-qualified, the tenders may be invited from the pre-qualified contractors.

(4) Work on single tender basis should be carried out only in exceptional cases. In case it is unavoidable, prior approval of competent authority shall be obtained after giving detailed justification.

(5) Proprietary works /services : Proprietary works /services shall mean works/services hired from OEM/OED/OES and which cannot be executed by any other service provider for specific works/services. This needs to be certified by executing deptt. Enquiry in such cases to be issued to OED/OEM/OES/authorized representatives of OEM with valid authorization from OEM/OED/OES".

(6) Quality and Cost based selection (QCBS) of bidder: For highly technical and complex where quality is important, QCBS may be followed subject to procurement to be declared as a Quality Oriented Procurement by competent authority as per DOP. Proposed QCBS methodology is attached as Appendix-III.

Notes:

Notwithstanding the provisions of above paragraph, the competent authority (as per delegation of power) may authorize to issue enquiry through limited tenders in respect of works of above Rs. 40 lakhs where:

a) Due to emergency, the Company’s interest warrants such a course.

b) The qualified parties are limited and open tenders are not likely to serve any purpose due to nature of job.

9.03 Period of submission of Tenders:

Sufficient notice should be given for submission of tenders, which under normal circumstances may be as under:

a) Limited Tender : Minimum 21 days

b) Single Tender : Minimum 7-10 days

c) Open Tender

i. Open tender in India - Minimum 21 (Twenty-One) days from the date of 1st display / publication in website /paper

ii. Global tender Enquiry (GTE) – 4-6 weeks from the date of advertisement

Note: No Global Tender Enquiry (GTE) up to Rs. 200 crores shall be invited or such limit as may be prescribed by the Department of Expenditure from time to time, except present relaxation granted by DOE/DOF VIDE LETTER NO 18055/15/2022-PSU(E.31784) dated 10/06/2022. In exceptional cases where the Ministry or Department feels that there are special reasons for inviting GTE, for tenders below such limit, it may record its detailed justification and seek prior approval for relaxation from the Competent Authority specified by the Department of Expenditure.

However, the minimum days may be relaxed only in exceptional circumstances with the approval of competent authority.

9.03.1 Bid Validity and Extension thereof:

A bid shall remain valid for the period mentioned in the NIT/Tender normally not more than 120 (one hundred and twenty) days from date of opening of tender. The validity period should not be unreasonably long as keeping the tender unconditionally valid for acceptance for a longer period entails the risk of getting higher prices from the tenderers. The entire process of scrutiny and evaluation of tenders, preparation of comparative statement and notification of award must be done expeditiously and within the original tender validity period. If, however, due to some exceptional and unforeseen reasons, the executive department is unable to decide on the placement of the contract within the original validity period, it may preferably request, before expiry of the original validity period, all the responsive tenderers to extend their tenders up to a specified period. While asking for such extension, the tenderers are also to be asked to extend their offers as it is, without any changes therein. They may also be told to extend the validity of the EMD for the corresponding additional period (which is to be specified in the request). A tenderer may not agree to such a request and this will not lead to forfeiture of its EMD. But the tenderers, who agree to extend the validity, are to do so without changing any terms, conditions, and so on, of their original tenders.

Note:- Extension of Tender Opening Date may be done indicating reasons and considering the merit of the case. Competent authority to approve the tender opening date extension shall be the Head of Executive Department.

9.04 EMD, Security Deposit, PBG

1) Earnest Money and Security Deposit must be insisted upon in respect of contract.
2) In cases where contractors don't agree, waiver of EMD/SD /PBG etc. shall be approved by the authority who approves the order as per DOP. Offers without EMD are otherwise liable for rejection straightaway.

3) Earnest Money:

The Earnest Money is to be paid by each tenderer to enable the Company to ensure that a tenderer does not refuse to execute the work after it has been awarded to him. For the cases processed thru GeM, the Earnest Money deposit provisions shall as per prevailing GeM guidelines.

The EMD shall be forfeited and appropriated by NFL in regard to the NIT without prejudice to any other right or remedy to NFL under the following conditions:

a) If a Bidder withdraws his Bid during the validity or agreed extension validity period duly agreed by the bidder.

b) If the bid is varied or modified in a manner not acceptable to the NFL during the validity or agreed extension validity period duly agreed by the bidder.

c) In the case of a successful Bidder, if the bidder fails to commence the work awarded to him or sign the Contract agreement in accordance terms of Contract.

d) In the case of a successful Bidder If the successful bidder fails to furnish Security Deposit /Performance Guarantee in accordance terms of Contract.

e) If bidder is delisted/debarred or blacklisted by NFL.

The failed Contractor/tenderer for the reasons as stated above shall be debarred from participating in the re-tender for that work. The GST as applicable on forfeiture of Bid Security (EMD) shall be borne by NFL.

In cases the tender is higher or lower than the estimated cost, the earnest money will continue to be based on the estimated cost of the tender.

4) It may be ensured that no tender is accepted which is not accompanied with the requisite earnest money, which should be deposited by the tenderers in any of the following forms:

i. By e-transfer in NFL account through RTGS/NEFT, crossed Demand Draft/Banker's cheque in favour of NFL

ii. Bank Guarantee in the prescribed format from any scheduled Bank excluding Gramin/Co-op Banks. The BG should be valid for a period of minimum 4 months from last date of submission of tender. The party should give an undertaking for extension of the validity of the BG in case the same is desired by NFL. Tender shall be rejected in case Bank Guarantee is not as per the specified proforma provided in General Conditions of Contract.

-Cheques shall not be accepted in any case.
-No interest shall be payable on Earnest Money Deposit.

iii. The following rates for EMD will be applicable:

S.No.	Description	Amount (Rs) *
A	Works exceeding Rs. 10.00 Lakhs but up to Rs. 25.00 Lakhs	25,000
B	Works exceeding Rs. 25.00 Lakhs but up to Rs. 50.00 Lakhs	50,000
C	Works exceeding Rs. 50.00 Lakhs & above	1,00,000

***** Inclusive of taxes

5) Security Deposit:

The Security Deposit together with EMD/Initial Security Deposit shall be 10% of the contract / Works order value excluding taxes.

In case of AMC/ARC, Initial Security Deposit (ISD) shall be 2.5% of the Contract Work Order Value which is required to be deposited within 15 days of the issue of the Letter of Intent (LOI) / WO by the successful tenderer. EMD can be adjusted against SD or retuned as per terms of the contract.

The balance amount shall be recovered @ 7.5% from each running bill and the final bill as to make the total security deposit at 10% of the Contract / Work Order Value. In case work is split between two or more parties, SD shall be submitted based on the value of split order.

No interest shall be paid on security deposit. Any amount recoverable from the contractor shall be deducted from security deposit. Security deposit shall be returned to contractor after obtaining "No objection certification" from executive department after expiry of "Defect Liability Period".

In the event of non-performance /non-compliance with any provisions of the Contract by the Contractor or termination of contract due to default of the contractor, other than Force Majeure reasons, the Security Deposit/Performance Guarantee shall be forfeited.

Security deposit is for Annualized Contract/Work order value. Contract having provisions for extension after satisfactory performance in the first year shall not require additional SD, provided the party has fulfilled all his contractual statutory obligations for the first year. In the event, document pertaining to successful completion of his statutory obligations are not provided, SD will be deducted afresh from the second-year value while retaining first year value.

6) Bank Guarantee

Wherever necessary, Bank Guarantee (BG) is to be taken from the party. BG should be in the prescribed format from any scheduled Bank excluding Gramin/ Co-op Bank. The BG should be valid for the Period as per terms of the work order plus 3 months as claim period.

B.G. shall be received in original, the photocopy or attested copy etc. in lieu of original shall not be accepted. Original B.G. shall be kept in safe custody of F&A Deptt.

<u>Note</u>:

In case of ARC/AMC, either BG or SD may be taken from the contractor. While in other cases, BG should be preferred. The requirement may be mentioned in NIT.

Bank Guarantees submitted by parties on GeM format towards SD cum PBG shall be accepted for the orders placed thru GeM only.

In order to ensure the genuineness/ authenticity of the BGs at the time of submission, guidelines stipulated in NFL CO circular dated 17-02-2018, 23-02-2018 and 26-09-2020 may be referred.

In case of foreign bidders, if Bank Guarantee is from a foreign bank branch situated outside India, the Bank Guarantee must be issued through any of the Scheduled Commercial Bank in India based on counter guarantee issued by foreign bank in favour of such Indian bank.

9.05 Refund of Earnest Money / PBG / SD cum PBG

Earnest Money should be refunded to the unsuccessful tenderers on the recommendations of the Head of executive department immediately after placement of work order against the tender. SD of the parties on whom Work Orders have been placed, shall, however, be refunded as per terms and conditions of the Work order after consulting the executive department. PBG/SD-cum-PBG should be refunded on the recommendations of the executive department and approval of Head of executive department, after completion of the stipulated period and conditions.

The concerned executive department while sending the proposal for vetting of WOs to F&A department shall simultaneously also submit the recommendation (duly approved as per company's rules) for making refund of EMDs by F&A department to un-successful bidders. F&A Department shall vet the WOs only after receiving the recommendation for refund of EMDs to un-successful bidders.
(Ref : CO F&A IOM dated 24-01-2020)

In case of two part bidding, bid securities of unsuccessful bidders during first part i.e. technical evaluation etc. shall be returned within 30 days of declaration of result of technical evaluation on recommendation of executive deptt. (OM no. F/1/2/2022-PPD dated 01.04.2022).

9.06.1 Rejection of tender:

NFL reserves the right to accept or reject any offer without assigning any reason thereof and may be complied with as per CVC Guidelines vide letter no 15/3/05 dated 24th March 2005. This clause is to safeguard the interest of NFL and should be operated in exigencies only. Clear and logical reasons are to be recorded for any such action of rejection/recall of tenders on the file.

At any time prior to the date of submission of bids, NFL may, whether at his own initiative or in response to a clarification sought by a prospective bidder, amend bid documents by issuing a corrigendum. The corrigendum/ addendum shall be notified in writing to all known prospective bidders and shall be published on CPP/ website of NFL.

9.06.2 The tenderer, after submitting the tender, is permitted to withdraw, substitute or modify the tenders in writing without forfeiture of Bid Security/ EMD, provided these are received duly sealed and marked like the original tender, up to the date and time of receipt of the tender. Any such request received after the prescribed date and time of receipt of tenders will not be considered. No bid may be withdrawn in the interval between the deadline for submission of bids and expiration of the period of bid validity. Withdrawal of a bid during this period will result in forfeiture of the bidder's bid security (EMD) and other sanctions.

Note: Bank guarantees submitted by parties on GeM format towards SD cum PBG shall be accepted for the orders placed through GeM portal only.

9.06.3 Normally, tenders shall be invited with reference to a pre-determined period of completion of works. In case of delay in completion of the contract, liquidated damages @ 1% of the contract value plus applicable GST per week of delay or part thereof subject to a maximum of 10% (ten percent) of contract value plus applicable GST should be levied. The penalties proposed for identified lapses of omission or commission must be disclosed in the tender documents in clear monetary terms.

Note: The depending on the nature of the work to be ordered and the urgency of the requirement, a shorter period of delay for purpose of levy of LD may be incorporated in the NIT terms with approval of tender approving authority."

9.06.4 Participation in the tender by Indian Agents/OEM (Ref : CVC circular No. 03/01/12 dated 13-01-2012) :

a) In a tender, either the Indian agent on behalf of the principal/OEM or Principal/OEM itself can bid but both cannot bid simultaneously for the same item/product in the same tender.

b) In an agent submits bid on behalf of the principal/OEM, the same agent shall not submit a bid on behalf of another principal/OEM in the same tender for the same item/product.

9.06.5 CONSULTANTS (Ref: CVC Circular No. 08/06/11 dated 24-06-2011):

a. A firm which has been engaged by the Company to provide goods or work for the project and any of its affiliates will be disqualified from providing consultancy services for the same project. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project and any of its affiliates will be disqualified from subsequently providing goods or works or services related to the initial assignment of the same project.

b. The consultants or any of their affiliates will not be hired for any assignment, which by its nature, may be in conflict with another assignment of the consultants.

c. Project Manual Guidelines may be referred.

9.06.06 Procurement Policy for MSME (Annexure-XXVII for compliance)

i) The Procurement Policy for Micro and Small Enterprises, 2012 has been notified by the Government in exercise of the powers conferred in Section 11 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Details of the policy are available on the MSME website. This policy is also applicable to procurement of Services. See Appendix IV for compliance.

ii) Micro and Small Enterprises (MSE) must, along with their offer, provide proof of their being registered as MSE (indicating the terminal validity date of their registration) for the item tendered, with any agency mentioned in the notification of the Ministry of Micro, Small and Medium Enterprises (Ministry of MSME), indicated below:

a) District Industries Centres;
b) Khadi and Village Industries Commission;
c) Khadi and Village Industries Board;
d) Coir Board;
e) National Small Industries Corporation;
f) Directorate of Handicraft and Handloom; and
g) Any other body specified by the Ministry of MSME.

iii) For ease of registration of Micro and Small Enterprises (MSEs), Ministry of MSE has started Udyam Registration Certificate which is an online registration system (free of cost) w.e.f. 18th September, 2015 and all Micro & Small Enterprises (MSEs) who are having Udyam Registration Certificate should also be provided all the benefits available for MSEs under the Public Procurement Policy for Micro and Small Enterprises (MSEs), Order 2012.

iv) The MSEs are provided tender documents free of cost and are exempted from payment of earnest money, except Works Contracts, subject to furnishing of relevant valid certificate for claiming exemption.

v) Chapter–V of the MSMED Act, 2006 also has provision for ensuring timely payments to the MSE suppliers. The period agreed upon for payment must not exceed forty-five days after the supplies. For delays in payment the buyer shall be liable to pay compound interest to the supplier on the delayed amount at three times of the bank rate notified by the Reserve Bank.

vi) In tender, participating Micro and Small Enterprises (MSE) quoting price within price band of L-1+15 (Fifteen) per cent shall also be allowed to supply a portion of requirement by bringing down their price to L-1 price in a situation where L-1 price is from someone other than a MSE and such MSE shall be allowed to supply up to 25 (Twenty five) per cent of total tendered value. A sub–target of 4% within 25% has been earmarked for procurement from MSEs owned by the SC or ST entrepreneurs and 3% from within 25% has been earmarked for supply from the MSEs owned by Women entrepreneurs. Provided that, in event of failure of such MSEs to participate in tender process or meet tender requirement and L-1 price, 4% /3% sub-target for procurement earmarked for MSEs owned by SC or ST entrepreneurs and women entrepreneurs respectively shall be met from other MSEs.

vii) Within this 25% (Twenty-Five per cent) quantity, a purchase preference of Four per cent (that is, 20 (Twenty) per cent out of 25 (Twenty Five) per cent) is reserved for MSEs owned by Scheduled Caste (SC)/Scheduled Tribe (ST) entrepreneurs (if they participate in the tender process and match the L-

1 price). Provided that, in event of failure of such SC/ ST MSE to participate in tender process or meet tender requirements and L-1 price, Four per cent sub-target shall be met from other MSE. MSEs would be treated as owned by SC/ST entrepreneurs:

a) In case of proprietary MSE, proprietor(s) shall be SC/ST

b) In case of partnership MSE, the SC/ST partners shall be holding at least 51% (Fifty-one per cent) shares in the unit

c) In case of Private Limited Companies, at least 51% (Fifty-one per cent) share shall be held by SC/ST promoters.

viii) In the opinion of Ministry of MSME, in case of tender item is non-splitable or non-dividable, etc. MSE quoting price within price band L-1+15% (Fifteen per cent) may be awarded for full/complete supply of total tendered value to MSE, considering spirit of policy for enhancing the Govt. procurement from MSE, in terms of sub-para vi) above.

ix) This policy is meant for procurement of only goods produced and services rendered by MSEs and not for any trading activities by them. An MSE Unit will not get any purchase preference over another MSE Unit.

x) The Public Procurement Policy for MSEs is meant for procurement of only Goods produced & Services rendered by MSE and do not apply to Works Contract as notified vide IOM No. NFL/MTLS/MSE/5 dated 17-03-2017. The relevant clauses on MSME being specific to nature of contract may be incorporated in Special Conditions of Contract (STC) of NIT/Tender Document on case-to-case basis considering applicability thereof to contract / work and above said IOM dated 17-03-2017.

9.06.07 Startups:

The condition of prior turnover and prior experience may be relaxed for Startups (as defined by Department of Industrial Policy and Promotion) subject to meeting of quality & technical specifications and making suitable provisions in the Tender document. The quality and technical parameters are not to be diluted. The exemption from submission of EMD may also be provided to all 'start-up' as recognized by Department for Promotion of Industry and Internal Trade (DPIIT)., For availing the relaxation, bidder is required to submit requisite certificate towards Startup enterprise registration issued by Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry.

9.06.08 Preference to make in India
Refer Annexure-XXV for compliance

9.06.09 Model Clauses for Tenders
Model Clause Certificate as mentioned in Annexure-XXVI vide Order dated 23.02.2023 (F.No.7/10/2021-PPD) for Restrictions under rule 144 (xi) of the General Financial Rules (GFRs) 2017 as amended time to time shall be obtained from all bidders participated in the tender.

9.07 Delayed/Late offers (bids):

Delayed/late Offers in Single Bid as well as Two-Bid System are those offers, which are received after the due date/time as proclaimed in NIT.

9.08 Treatment to Delayed/late offers (bids): (A) Late/ delayed offers in Single Bid as well as Two-Bid System:

(A1) No late/delayed offer should be considered except in case of enquiry to Single Party on nomination basis or Proprietary item basis. However, admittance of late/ delayed offers in such cases shall be done with the approval of Head of Executive Department.
(A2) Tender Opening Committee shall ascertain whether the offer is late/delayed offer based on the guidelines/ parameters as stated above. The Committee shall handover such sealed late/delayed offers to concerned dealing officer against signatures in a register having columns as below:-

<table>
<tr><td>(1)
Sr. No.</td><td>(2)
Tender No.</td><td>(3)
Due date.</td><td>(4)
Name of Bidder.</td><td>(5)Date of receipt of late/ delayed offer</td><td>(6) Name of concerned officer of executive department receiving late/ delayed offer.</td></tr>
<tr><td>(7)
Signature of concerned officer of Executive department</td><td colspan="2">(8) Date when Sealed late/ delayed offer handed over to concerned officer Of Executive department</td><td colspan="2">(9) Signatures of tender opening committee.</td><td>(10) Remarks if any.</td></tr>
</table>

Late/delayed offers which are not to be opened shall be kept in safe custody. For such cases, the concerned Officer shall record (in the register of late/delayed offers) in the remarks Column that this late/delayed offer was not to be opened.
In case where late/delayed offers (both in Single bid as well as two-bid system) are not being opened, the concerned bidder is to be informed as below:
"Your offer against our Tender No........ Dated........ Due on ………….. at…………hrs has been received at………hrs on……..… Thus your offer is a late/delayed offer.
As you have not submitted your offer in time, your late/ delayed offer is not being opened/considered. In case you have submitted EMD with your bid or e-transfer in NFL account through RTGS/NEFT, please inform the same so that your EMD can be returned back.

In case a bidder has submitted EMD in their late/delayed offer and the same is not being opened, the original EMD submitted by the bidder shall be returned to them immediately. For this purpose, the envelope shall be opened (only outer envelope/ technical envelope in case of two part bid system) by the Tender Opening Committee. The Original EMD instrument shall be taken out and returned back to the bidder. The offer shall be re-sealed by the Committee and shall be kept with NFL. Such late/delayed offers are not to be returned back to the bidder.

9.09 Opening of Tenders

All tenders will be received in sealed cover by post or deposited in a locked and sealed tender Box, kept at a conspicuous place. The tender box shall be kept locked and the key would be kept with an officer of the Executive Department. Tenders box opening shall be sealed by pasting paper and signing the same by the representative of the executive Department for opening the tender on due date and time. The tenders shall be opened by the committee. There will be at least two such officers, one from the Executive Department and one from Finance and Accounts Department. At the time and place fixed, the tenders will be opened and read out, wherever possible and practical, in the presence of tenderers who may be present. Tenders will be authenticated by initials of the officers of the Executive Department and Finance & Accounts Departments. Tenders shall be numbered serially and marked as Serial No./Total No. of tenders. All pages of the tender shall be initialed by the representatives of Executive and F&A Departments. Further, first & last page of the tender documents shall be duly signed with name, designation & date by the representatives of Executive and F&A Departments. All cuttings and overwriting would also be initialed by representatives of Executive and F&A Departments and the numbers of such cuttings / overwriting would be specified on last page of Tender. The prices and delivery terms shall be encircled. Once tenders are opened, no alteration / modification shall be permitted in the tender. All tenders shall be kept as confidential documents in safe custody.

These will, then, be entered in a Register. Total number of tenders received, shall also be entered. Representative of Executive & Finance Departments shall sign the statement in the Register. Representatives of the parties, who may be present, shall also sign in the register.

(1) The format of this register shall be maintained as below:
Date of tender opening:

Sr. No.	Tender No. & Date	Brief Description of job	No of parties to whom NIT issued	LTE / Open	No. of in-time offers recd.	Remarks
1						
2						

(Name & signature of F&A Rep.) (Name & signature of Executive Department Rep.)

Such record shall be maintained for all tenders. Entries as per Column No. 1, 2, 3, 4 & 5 i.e. Sr. No., Tender No. & date, Brief description of the job, No. of parties to whom enquiry issued, LTE/OPEN, shall be made in the register as and when enquiries for different cases are issued to the parties. Other entries shall be made by the Committee members who open the Tenders on that particular day.

(2) Signatures of the representative of parties who are present during tender

opening are to be obtained on separate sheet. The format of this sheet shall be as below:

Tender no. and date	Description	Due on	No. of tenders issued	No. of in-time offers received	No. of delayed / late tender	date of opening

S. No.	Name of the company	Name & signature of representative of parties		Remarks
		Name	Signature	

Offers have been opened as above.

(Name & Sign. of F&A Rep) (Name & Sign. of Executive Deptt. Rep)

Notes:

i. Details viz. Name of all parties whose offers are opened on a particular day against each tender shall be entered in the sheet as per Sr. No. 2 above irrespective of the fact whether any representative of that company attended tender opening or not.

ii. Separate sheets shall be made for each tender/case for which offers are opened on that day.

iii. Such records shall be maintained separately for in-time and late/delayed offers.

9.10 Offers received by Fax/ E-mail/without proper superscription on envelop

Offers shall generally be invited in sealed envelopes with the instructions to Bidders to mention the complete tender Number of NFL and due date on the outer envelope. However, sometimes offers may be received by FAX and or e-mail. Sometimes offers may also be received in sealed envelope without proper superscription on the envelop i.e. without giving details of tender No., due date, etc.

Tenders received in open condition by way of FAX/e-mail or in closed/sealed conditions but without proper superscription on envelope shall be dealt with in the following manners: -

a. Tenders received by FAX/e-mail or in open condition before due date shall be put in an envelope super scribed with tender reference and due date of opening, stapled and thereafter shall be deposited in proper Tender box to be opened subsequently on due date.

Such offers shall be admitted only with the approval of HOD/DGM

Unless specifically asked in NIT for submission of offers by FAX/e-mail, vendor should send their original signed offer in sealed envelope subsequent to sending their prior offer by FAX/e-mail. In case there is difference in rates, terms and conditions in signed original offers viz-a-viz offer earlier received by FAX/e-mail, such offers shall be treated as void/unacceptable and may not be processed further for evaluation/placement for orders.

b. Tender received before due date in closed/sealed condition but without necessary superscription on the envelope shall be opened to ascertain the tender No. and due date of opening. The same shall be super scribed with the required details i.e. Tender No. and due date, etc. by the concerned executive department officials with the remark "opened due to absence of superscription" duly signed by him and put in the Tender Box.

c. In case a party submits bid in single part as against two part prescribed in tender document, the bid so received in original would be resealed and placed along with price bids of other parties. However a photocopy of bid would be taken out with price part blank suitably to enable technical evaluation of the bid.

d. Loss of confidentiality shall be solely on the parties part in case the tenders are not submitted in manner as prescribed in the tender document.

9.11 Scrutiny & Evaluation of Tenders:

Issue of NIT, Receipt of Tenders, Custody of tenders, and Tabulation in Comparative Statement, Recommendations and presentation to the Tender Committee will be coordinated by the Executive Department maintaining confidentiality of these documents.

If response is poor in LTE from pre-qualified parties, then re-tendering should be done through Open Tender along with intimation to pre-qualified parties.

1) Evaluation of Tender

i) Technical Bids:

The technical aspect of bids should be evaluated by preparing a Technical CST indicating technical terms and conditions as per requirement of NIT and Parties‟ response. The Executive Department shall prepare the Tech CST. Tender documents must be signed by expressly authorized person.

The deviation/exception from ITB/NIT requirements should be scrutinized thoroughly. The deviations, which otherwise comply with NIT requirements, such as alternate, equivalent or superior material of construction /equipment are considered acceptable deviations.

The deviations, which are not acceptable, are considered substantial deviation and such bids should be considered non-responsive.

The TCS shall indicate reasons for acceptance/rejection of bids and clearly indicate technically acceptable bids.

Executive Department should certify that all acceptable bids are technically at par for common evaluation.

ii) Commercial Bids:

A Comparative Statement of commercial terms and conditions as per NIT requirement and party's response thereof should be prepared by the Executive Department.

The deviations should be scrutinized. Deviations such as non-submission of EMD, non-acceptance of securities etc. should be considered substantial deviation and such bids should be considered commercially non-responsive. However, in case the above bids have to be considered, the same should be with loading as mentioned in the tender documents. Tender committee should record the reasons for acceptance of such bids and approval for the same should be obtained after financial concurrence and approval of competent authority.

Deviations, consequence of which can be measured in terms of value, such as payment terms, non-acceptance of liquidated damages etc. are not considered substantial deviations. However, for evaluation purposes, these deviations will be taken into account after loading the price bid suitably.

The commercial comparative statement shall indicate reasons for acceptance / rejection of bids and clearly indicates commercially acceptable bids.

The bids, which are technically and commercially acceptable, are considered substantially responsive bids.

The price bids of only those bidders should be opened which are substantially responsive. The price evaluation statement of all such bids should be prepared for comparison and selection of suitable Vendor for placement of order.

Loading for deviations, *if applicable*, to be considered on following lines:

a) EMD: EMD value not submitted to be loaded on the quoted rates
b) SD cum PBG: Loading shall be shortfall in BG value as agreed by bidder with respect to NIT value. Loading shall be done as per lending rate SBI MCLR+1% on basic price for duration of delivery period by Bidder with additional one month period.
c) LD: Proportionate loading for deviation in LD clauses shall be: if bidder quotes damages as 1) 0.5% per week subject to ceiling of 2.5% of Damages accepted on undelivered value: 2.5% loading on basic price 2) Non-acceptance of L/d: 5% loading of basic price

iii) Price Bid:

After the price bids are opened a Quotation Comparison Statement (QCS) of all the bids shall be prepared by the Executive Department.

The factors (other than price) to be used for determining the lowest evaluated bid should to the extent practicable be expressed in monetary terms or given a relative weightage in the evaluation. The methodology of bid-evaluation should be clarified in the NIT itself or communicated to all tenderers before price bid opening with proper approval.

The Executive Department shall ascertain whether the bids :

- Meet the requirement of NIT;
- Have been properly signed;
- If some discrepancies are found between the rates given in words and figures or the amount shown in the tender, the following procedure shall be followed:

(a) When there is a difference between the rates in figures and words, the rates which correspond to the amount worked out by the tenderer shall be taken as correct.

(b) When the rate quoted by the tenderer in figures and words, tallies but the amount is incorrect, the rate quoted by the tenders shall be taken as correct.

(c) When it is not possible to ascertain the correct rate in the manner prescribed above, the rate as quoted in words shall be adopted.

iv) Deviations to NIT/Tender

These conditions should be made clear in the NIT itself.

A bid, which contains substantial deviations from or reservations to the terms, conditions and specifications from the NIT, may be considered, only after specific approval of the Competent Authority on the basis of detailed justifications / reasons recorded by the Ex. Deptt., if the situation warrants to accept the same.

The bidder shall not be permitted to correct or withdraw deviations or reservations of his own, once price bids have been opened.

The purpose of bid evaluation is to determine the cost of each bid to the Department in a manner that will permit a comparison of bids on the basis of their evaluated cost.

The bid with the technically acceptable lowest evaluated cost but not necessarily the lowest quoted price may be selected for placement of work order.

An extension of bid validity shall be asked in writing from all bidders, if justified due to exceptional circumstances.

The bids conforming to the specifications and the lowest in value will be rated in the QCS as lowest (L-1), second lowest (L-2), third lowest (L-3) and so on.

The bids shall be evaluated only on the basis of set criteria to be clearly stated in the bid documents/informed to all bidders before the price bid opening. There will not be any change in the criteria after opening of price bids. No document presented by the bidder after closing date and time of the bid to be taken into account for evaluation unless it is of a purely technical nature which have no bearing financially on the contract and which does not seek major changes in technical specification given in the bid documents. If a bidder offers a rebate unilaterally after due date of submission of bids, it is not to be taken into account for evaluation purposes, but if that bidder emerges as the lowest evaluated bidder the rebate offered by him is to be taken into account while forwarding the recommendations to the accepting authority for placement of order. If any cost compensation is carried out on account of technical deviation or on other factors the same is to be mentioned in the QCS in terms which can easily be understood by non-technical officials.

Use of white ink for correction in vital documents viz. TC Notes Payments vouchers/ Certificates etc. Is not desirable. Corrections if any required to be made in these documents can be carried out by circling/cutting the previous figures/word and indicating the correct figure/word using pen with proper initials. Format of Technical CST & commercial CST is at Annexure-XXI"

2) Award of Work

2.1 Evaluation of the tender shall be based on overall lowest and negotiations to be held with L-1(or H-1, if applicable). Efforts can be made to match individual item rates during negotiations with common lowest rates. Further, evaluation of the tender shall not be based on L-1 for a group of items only. It should be ensured that the L-1 party remains L-1 during actual execution of the contract

In case of the tie of total evaluated value of two or more bidders, the L-1 parties shall be asked to provide maximum discount and whosoever provides the maximum discount shall be awarded. In case even after discount there are multiple L-1 bidders, in such a case, lottery/draw system may be considered.

2.2 The NIT should clearly specify that the Company reserve the right for splitting the contract in two or more parties. The basis of splitting the contract along with splitting percentage may also be mentioned in the tender documents, wherever possible, to make it more transparent.

2.3 Splitting of the contract

In case the contract has to be split into two or more parties, the same should be recorded in the tender committee recommendations before opening the price bid, giving reasons thereof. The percentage of the total value of the job shall also be indicated for splitting purposes.

In case the order is split between two or more parties, all the parties shall work for all the items quoted and the total value of the contract shall be split in proper properties based on the status of the party, i.e. L-1, L-2 and L-3. For example, in a contract where these parties are required to be kept, the committee can record the reasons for employing three contractors and also give percentage against each party of the total contract value. The party originally L-1 by overall lowest basis should get a bigger share of the contract.

2.4 Before floating the tender, a proper pre-qualified list of parties, recommended by the Committee and approved by Competent Authority, should be available for floating the tenders. Once the parties are pre-qualified, as mentioned above, and the tenders floated, the parties are to be treated at par for the purpose of evaluation and the performance of the party in the previous contract etc. cannot be basis for evaluation.

2.5 The power for signing of work orders would be as under:

Upto Rs 1 Lakh : Engr- AM
Upto Rs 3 Lakh: Dy Mgr- Mgr
Upto Rs 10 lakh: Sr. Mgr
Upto Rs 20 Lakhs: Ch. Mgr
>Rs 20 Lakh: DGM/HOD

3) Extension of Contract

The extension of contract is to be done as per the contractual provisions and the approving authority for such extension shall be same as that of original contract.

Any extension not covered under the provision of contract should generally be avoided and shall not be considered as a regular practice. The extension of contract shall be granted only in exigency of work due to unavoidable circumstances with due justifications and approval of such extension shall be dealt as per DOP.

10.0 TENDER COMMITTEES

10.01 All proposals for works exceeding Rs. 20 Lakh in value (including taxes and statutory duties) would require scrutiny and recommendations of by a Tender Committee.

Tender Committee shall be constituted as mentioned below:

REVENUE items

Sr. No.	Value	Tender Committee	Tender Accepting Authority as per DOP
1	Above ₹ 1000 Lakhs	HOD of Executive Dept.	Director (T) up to Rs. 1500 Lakh
		HOD of HR Dept.	
		HOD of F & A Dept.	
2	Above ₹ 100 Lakhs and up to ₹ 1000 Lakhs	HOD of Executive Dept.	Unit Head up to Rs. 1000 Lakh
		HOD of HR Dept.	
		HOD of F & A Dept.	

3	Above ₹ 20 Lakhs and up to ₹ 100 Lakhs	Executive Dept. (not below rank of E-5)	General Manager
		HR Dept. (not below rank of E-5)	
		F & A Dept. (not below rank of E-5)	

CAPITAL items

Sr. No.	Value	Tender Committee	Tender Accepting Authority as per DOP
1	Above ₹ 1000 Lakhs	HOD of Executive Dept.	Director (T) up to Rs. 1500 Lakh
		HOD of HR Dept.	
		HOD of F & A Dept.	
2	Above ₹ 50 Lakhs and up to ₹ 1000 Lakhs	HOD of Executive Dept.	Unit Head up to Rs. 1000 Lakh
		HOD of HR Dept.	
		HOD of F & A Dept.	
3	Above ₹ 20 Lakhs and up to ₹ 50 Lakhs	Executive Dept. (not below rank of E-5)	General Manager
		HR Dept. (not below rank of E-5)	
		F & A Dept. (not below rank of E-5)	

Note:

(i) The Financial Power for acceptance of TC recommendations shall be in line with Power for approval of sales/Purchase/Works and other contracts as mentioned in the DoP (and as modified from time to time).

(ii) The TC constituted for evaluation of offer and submitting recommendations for acceptance by Tender Accepting Authority shall be constituted with the following Principles:

  (a) TC Member should be one or two level below the Tender Accepting Authority (depending upon the availability).

  (b) TC member should be independent and should not be reporting to another member of the same TC.

  (c) TC should constituted of only 3 members (one from executive Deptt., one from F & A Deptt., one from HR Deptt.). Any additional member can be co-opted only in specific cases where a specific expertise is required, whenever considered necessary.

(iii) Tender Committees in other cases may be constituted depending upon the merit of the case.

(iv) Executive Department would be the convener for the Tender Committee meetings.

(v) At unit level, constitution of Tender committee (TC) shall be approved by Unit Head.

(vi) At Corporate level, Tender Committee shall be approved by officers exercising the powers of Unit Head as per DOP.

(vii) Nomination of TC Members shall be with Designation instead with Name and Designation.

(viii) If a different level of official is nominated to the TC, this should be justified in the proposal and approved by Competent Authority.

(ix) Approval for change in nominated members of TC due to unforeseen reasons shall be recorded in the MoM which shall be finally approved by Competent Authority as per procedure.

(x) TC shall be approved for complete tendering process i.e. for acceptance of techno-commercial bids cum recommendation for price bid opening and award of work.

(xi) Nomination from HR and F&A Departments in TC shall be specifically approved with designation.

(xii) Size of TC/Nomination of the members of TC shall be limited and expansion shall be on merit of the case justified as per provision of Works Manual.

10.02 Functions of the Tender Committee:

A comprehensive note should be prepared by Executing Department for consideration of tender committee wherein all deviations, executive department comments, Finance Department's comments should be brought out, so that informed decisions are taken by Tender Committee while making recommendation.

The functions of the Tender Committee will be as follows:

1. The scrutiny of the tenders will include a complete technical & financial check of the specifications/samples, rates and other terms and conditions of the tender. The Tender Committee shall take note of the comments/recommendations of Executive department, and F&A during the course of scrutiny of tenders. On the basis of above scrutiny, the Tender Committee will recommend acceptance of the lowest acceptable tender.

2. The Tender Committee will examine, if it is necessary in any particular case, the proposed deviations from the stipulated conditions of the contract and recommend the extent to which relaxation can be agreed. The Tender Committee will record, in its minutes, the recommendation it chooses to make regarding the acceptance of tender under such conditions as considered necessary.

3. While making the recommendations, the Tender Committee will record, in detail, reasons for not accepting the lower quotations. In respect of capital items, the recommendations will also specify the existence or otherwise of the budget provision and availability of funds.

4. The Tender committee should give an undertaking at the appropriate time (i.e. while recording final recommendations) that none of them has any personal interest in the Companies/Agencies participating in the tender process. Any member having interest in any company should refrain from participating in the Tender Committee. For the purpose of discharging the functions laid down above, Tender Committee should meet as often as necessary to expedite the disposal of business.

10.03 The lowest technically acceptable tender should normally be accepted. The financial status, capability to execute the quality job as per the specifications, their past performance etc. shall be the factors to judge the reliability of the tenderers. Where the lowest or the next lower or all tenders are ignored, detailed reasons for the same should be recorded.

Orders should normally be placed on the lowest technically acceptable Tenderer. However, even if one party is L-1, the aspect of reasonability of rates should be looked into considering the nature of work to be executed.

When open or limited tenders result in one effective offer only, fresh tenders should be invited unless the rates are considered reasonable or inviting fresh tenders would entail substantial loss or inconvenience.

Offer of a party may be rejected on receiving non-workable rates i.e. abnormally low or high rates quoted by the party for a particular item. However, abnormally low or high rates may be defined / decided by the Tender Committee on case-to-case basis and fresh tenders invited.

Tender Committee may certify that rates quoted by the tenderer are workable.

10.04 Negotiations shall not be resorted to in case of open/limited tenders. If negotiations are considered necessary to be resorted to, the guidelines of the Central Vigilance Commission should be kept in view.

The highest/lowest bidder (H-1/L-1), for the purpose of negotiation shall be considered purely based on Unit price (landed cost) irrespective of quantities quoted by the Tenderer. However, the quantities quoted corresponding to the price offered must not be less than the minimum quantities specified in the schedule of rates, if any.

No clause on negotiation may be incorporated in tender document/NIT

The latest guidelines of CVC, issued vide letter No. 005/CRD/012 dated 3rd March 2007 are as below:-

(i) As post tender negotiations could often be a source of corruption, it is directed that there should be no post-tender negotiations with L-1, except in certain exceptional situations. Such exceptional situations would include, procurement of proprietary items, items with limited sources of supply and items where there is suspicion of a cartel formation. The justification and details of such negotiations should be duly recorded and documented without any loss of time.

ii) Negotiations should not be allowed to be misused as a tool for bargaining with L-1 with dubious intentions or lead to delays in decision-making. Convincing reasons must be recorded by the authority recommending negotiations. Competent authority should exercise due diligence while accepting a tender or ordering negotiations or calling for a re-tender and a definite timeframe should be indicated so that the time taken for according requisite approvals for the entire process of award of tenders does not exceed one month from the date of submission of recommendations. In cases where the proposal is to be approved at higher levels, a maximum of 15 days should be assigned for clearance at each level. In no case should the overall timeframe exceed the validity period of the tender and it should be ensured that tenders are invariably finalized within their validity period.

iii) It is reiterated that in case L-1 backs-out, there should be a re-tender.

11.0 PAYMENT TO CONTRACTORS:

BILLS:

i) All contractors shall submit claims of bills giving GSTIN/PAN No. etc wherever applicable and incorporating the details of the Name of the work / Running Account Bill/ Final Bill / Name of contractor /Contract No. & LOI and date of work order / date of start of work / schedule of completion / actual date of completion / Contract value / total value billed up to date and particulars of advances like secured advance/on A/c Payment along with recoveries towards security deposits, elect, water, income tax, material issued, GSTIN and LD etc.

ii) Running account bill form shall be used for making running account payments and final payment to the contractor against the work done and measured including those relating to the lump-sum contracts.

iii) Entries relating to description and quantities of work executed shall be scrutinized by executing Department before the bill of the contractor is prepared. Arithmetical calculations shall be checked. Thereafter an abstract of all measurements shall be prepared giving executed quantities against each item of work mentioned in the contract. Thereafter entries in the abstract shall be transcribed in bill. Rates should agree with those given in contract. The bill should be supported with material consumption, issue statement, ESI, PF, Wage Sheet & HR Clearance from HR Department for the respective period. E-payment is mandatory.

Advance Payments

- Advance Payment

Advance payments need to be discouraged except in exceptional cases and hence, NITs should not contain any provision for advance payments. Whenever payment of advance is considered unavoidable, the same should be interest bearing advance (@ SBI (one year) MCLR plus 1%) and be allowed only after getting an acceptable unconditional Bank Guarantee for an equivalent amount towards the advance payment and interest thereon with sufficient validity so as to protect the Company’s interest. Such bank guarantee should be from a Scheduled Bank operating in India except Rural and Co-operative Banks. The Bank Guarantees submitted by the party should be verified/confirmed from the concerned Bank by the Finance Department before release of advance payment as per CO F&A IOM dated 26-09-2020 regarding modified system and procedure relating to on-line confirmation and acceptance of bank guarantee by the company. Such Bank Guarantees should be unconditional and without demur so that it can be en-cashed merely on demand. Timely action for revalidation/ encashment of BG must be taken by F&A Department. In case of default by the party, encashment within validity of bank guarantee shall be based on recommendation of executive Department. While evaluating the Technical/un-priced commercial bids, if the parties demand advance payment, the same can be accepted in exceptional cases on payment of interest and submission of bank guarantee. Price bids should be opened only after ensuring the above.

There will not be any loading of interest on these advances as the interest is being charged separately.

i) Mobilization Advance:

"Mobilization Advance" may be applied as per CVC guidelines vide Circular No. 4CC-1-CTE-2 dated 10.04.2007 ,corrigendum circular no. 5/2/08 dated 05-02-2008 , No.01-11-CTE-SH100 dated 17.02.2011and NFL CO F&A IOM dated 07-09-2018.

As per Circular dated 10.04.2007, following are the guidelines:

- Decision to stipulate interest free mobilization advance in the tender document should rest at the level of Board (with concurrence of finance in the organizations). However, in case of interest bearing mobilization advance, organizations may delegate powers at appropriate level such as the CMD or Functional Directors.

- Though the commission does not encourage interest free mobilization advance, but if the management feels its necessity in specific cases, then it should be clearly stipulated in the tender document and its recovery should be time based and not linked with progress of work. This would ensure that even if the contractor is not executing it a slow pace, the recovery of advance could commence and scope for misuse of such advance could be reduced.

- Part "Bank Guarantees" (BGs) against the mobilization advance should be taken as many numbers as the proposed recovery instalments should be equivalent to the amount of each instalment. This would ensure that at any point of time even if the contractor's money on account of work done is not available with the organization, recovery of such advance could be ensured by encashing the BG for the work supposed to be completed within particular period of time.

- The amount of mobilization advance, interest to be charged, if any; its recovery schedule and any other relevant details should be explicitly, stipulated in the tendered document up front.

- Relevant format for BG should be provided in the tender document, which should be enforced strictly and authenticity of such BGs should also be invariability verified from the issuing bank, confidently and independently by the organization.

- In case of "Machinery and Equipment advance", insurance and hypothecation to the employer should be ensured.

- annexure-1

Utilization certificate from the contractor for the mobilization advance should be obtained. Preferably, mobilization advance should be given in instalment and subsequent instalment should be released after getting satisfactory utilization certificate from the contractor for the earlier instalment.

As per Circular dated 17.02.2011, following are the guidelines:

(a) The Bank Guarantee etc. taken towards security of “Mobilization advance” should be at least 110% of the advance so as to enable recovery of not only principal amount but also the interest portion, if so required.

(b) The mobilization advance should not be paid in less than two instalments except in special circumstances for the reasons to be recorded. This will keep check on contractor mis-utilizing the full utilization advance when the work is delayed considerably.

(c) A clause in the tender enquiry and the contract of cases providing for interest free mobilization advances may be stipulated that if the contract is terminated due to default of the contractor, the “Mobilization Advance” would be deemed as interest bearing advance at an interest rate of _______% (to be stipulated depending on the prevailing rate at the time of issue of NIT) to be compounded quarterly.

Note:

- In general, interest free advance should be avoided. It should only be considered on merit and in exceptional circumstances.

- Mobilization advance shall be deducted from the running account bills as provided in contract.

- Income Tax shall be deducted at source from mobilization advance as per the section 194C of the Income Tax Act, 1961.

ii) Advance against the material on site

- Advance against material on site be given only in case where contract is for complete items of work including supply of materials by the contractor and the same is provided in contract.

- Advance given shall be regarded as Secured advance on the basis of security of materials brought to site by contractor. Advance shall be limited to 75% of the value of materials and verified by the Engineer in Charge as per the Invoices / bills supplied by contractor after ensuring that the materials brought to site shall be made after obtaining a certificate that “The quantity of materials against which the advance is paid have been actually brought to site and that the contractor has not received any advance previously on the security of the same materials and all materials are required by the contractor for use in the work for which work rates have been agreed to in the contract”.

• The Engineer in charge granting such certificate shall be held responsible for any over payment.

• Contractor shall arrange insurance cover against fire and theft and pilferage etc. at his own cost for the material against which the advance is paid.

• No advance towards perishable items and for like sand, glass etc. shall be given.

• Bank Guarantee and Indenture of appropriate amount shall be obtained from contractor by executing department. Application along with running account bills, Invoice of material, Bank Guarantee, Indenture etc. shall be sent to Project / Works Account Section for approval and payment.

iii) Advance against Running Account Bill

• All the measurement shall be in metric system. All the works in progress will be jointly measured by the representative of the Engineer in charge and the contractor or his authorized representative, progress as per methods outlined in the special conditions of the contract. Such measurement will be got recorded by the engineer in charge or his authorized representative.

• All the running account payments shall be regarded as payments by way of advance against the final payment only.

• The Engineer In-charge shall normally issue to the contractor the Completion Certificate within one month after the receiving an application thereof from contractor after verifying from the completion documents and satisfying himself that the work has been satisfactory completed in all respect in accordance with the instructions, specifications of the contract documents.

BANK GUARANTEES:

i) Bank Guarantees would be obtained from contractor considering terms of the NIT/contract on:
a) Award of Tender towards Security Deposit
b) Payment of Advance
c) Performance Guarantee

ii) Following instructions shall be followed in case of bank guarantees :

The system and procedure relating to acceptance of Bank Guarantees (BG"s) has been reviewed and it has been decided to implement the following: (Vide F&A Circular dated 06.05.2008)

• The bank guarantee should be in the prescribed format with such modification made in individual cases as may be necessary to safeguard the interest of NFL. The executing department should verify the bank guarantee received with the prescribed format duly vetted by legal cell and should forward the same to Finance & Accounts (F&A) departments. In case the same is not in order, the executive department should take up with the contractor for ensuring compliance.

- In all the cases direct confirmation of BG from issuing bank shall be obtained by F&A Department. In exceptional and emergent cases where the BG's received through contractor are accepted, an amount equivalent to BG value shall be retained from the due payment of contractor till the BG is confirmed by the bank.

- Executive department shall inform Finance & Accounts Department in advance in case Bank Guarantee is to be extended/ encashed.

- Bank Guarantee Register shall be reviewed monthly by Officer In charge of the Project Accounts department to ensure that letter to the bank for extension has been issued where ever necessary, well within the validity of the bank guarantee.

- F&A Department has to carry out the process of verification, timely renewal and encashment of BG‟s wherever required, and photocopies of BG shall be retained by the them.

- Original BGs so received shall be transferred to cash section and shall be kept in the cash chest under custody of cash section who will enter the particulars of BG received in the BG Register which shall inter alia shall contain Name of Party, BG No. & Date, Name of issuing Bank, WO No., Amount of BG & Validity of BG and shall ensure that the same are kept in safe custody.

- Confirmation of Bank Guarantees should be done as per procedure stipulated in CO F&A IOM dated 26-09-2020.

When bank guarantees are no longer required in terms of the contract stipulations, they shall be returned to the bank under intimation to the contractor and after obtaining the confirmation from the Engineer in Charge.

Lump Sum / Turnkey Contracts:

i) For lump-sum contracts to be awarded it shall be ensured for purposes of payment of bill that a schedule of payment/rates shall be drawn up before hand with contractor during drawing up of contract. It would be advisable to segregate material and erection component.

ii) In case of lump sum contracts / Turn-key contract, where terms and conditions provide for intermediate payments based on percentage of work done instead of detailed measurements, and no schedule of payments / Rate has been drawn up, such intermediate payments shall be done on the basis of certificate of Engineer-in- charge that such percentage of work has been completed and value of work completed is not less than the gross amount of bill, and approval of Head of Deptt.

iii) Bill shall be signed by Engineer-in-charge giving pay order specifying amount both in figures and words being payable to contractor. Pay order amount shall be arrived at after taking into consideration all recoveries which are to be made from contractor.

12.0 EXECUTION OF WORKS

12.1 The Engineer-in-charge should assign adequate number of qualified and experienced supervisory staff on each work depending on the size and nature of work in progress and the responsibility of each supervisor should be clearly defined in order to ensure unhindered progress of the work both as to quality and quantity. Every Officer or the subordinate in-charge of the work under contract under his charge should bring to the notice of higher authority any bad work or any hurdles and bottlenecks or anything against the interest of the company.

12.2 It is Incumbent upon various officers concerned with the work i.e. Chief Manager/Sr Manager/ Manager/Dy Manager/Asstt Manager to inspect the works frequently to ensure that the works are being executed according to design and specifications laid down / scope of work for the purpose. The concerned Officers must make adequate surprise checks to ensure the quality of work during execution.

12.3 Deployment of manpower for execution of work and compliance of statutory obligations may be ensured by the concerned department.

12.4 The status of L-1 party should remain L-1 during the execution of the contract.

12.5 Procedure for regulating issue of work order against Annual rate Works Contract:

Mechanical, electrical & instrumentation Maintenance Contracts:

1. Job order/work order for the jobs to be executed shall be prepared by individual section in-charge in triplicate.

2. First two copies of the order shall be issued to the contractor and third copy shall be retained in concerned Plant.

3. Issue of work order/job order shall be entered in the logbook.

4. After completion of the job contractor shall submit both the copies along with measurement. NFL's Engineer will verify the measurement and return one copy to the contractor.

5. Contractor shall submit monthly consolidated section wise measurement sheet for verification in the concerned plant. The verification is to be done by section in-charge. Consolidated monthly measurement sheet duly verified along with copies of job orders/work orders shall be sent to centralized Contract Cell/maintenance cell.

6. Contractor shall submit the bill in triplicate to the centralized contract Cell/ Maintenance Planning Cell (MPC) along with measurement sheet duly verified by section in-charge. The section in-charge of Contract Cell/MPC will forward the bill after verification to F&A department for payment through HOD.

Civil Maintenance Contracts:

1. Job Order/work order for the jobs to be executed shall be prepared by individual section in-charge in duplicate.

2. Both the copies of the order shall be issued to the contractor.

3. Issue of job order/ work order shall be entered in the logbook.

4. After completion of the job, contractor shall submit both the copies along with measurement. The NFL‟s engineer will verify the measurement and return one copy to the contractor.

5. Contractor shall submit monthly-consolidated section-wise measurement sheet for verification. The verification is to be done by area in-charge.

6. Contractor shall submit bill in triplicate to the Civil Department along with measurement sheet duly verified by area in-charge. The area in-charge will forward the bill after verification to F&A Deptt. for payment through HOD.

12.6 Recording of Measurement:

1) A suitable abstract should then be prepared which should give in the case of measurement for works done, the total quantities of each item of work relating to each sanctioned sub-head.

2) If the measurements are taken in connection with a running contract, a reference to the last set of measurements, if any, should be recorded. If the entire job or contract has been completed, the date of completion should be duly noted in the prescribed place.

3) If the measurements taken are the first and final measurements, this fact should be suitably noted against the entries in the Measurement Book/sheet and in the later case, the actual date of completion should be noted in the prescribed place.

4) The entries should be made in ink. No erasers are allowed. If a mistake is made it should be corrected by striking out incorrect one and underlining the correct only between the lines. Every such correction should be initialed and dated by a responsible officer. The person recording the measurements should record a dated certificate 'measured by me' over his full signature in the Measurement Book/sheet.

5) Entries should be recorded continuously and no blank page left or torn. Any page or space left blank inadvertently should be cancelled by diagonal lines, the cancellation being attested and dated.

6) On completion of the abstract, the Measurement Sheet should be submitted to the Engineer in charge who after carrying out his test check sign the bill and the measurement at the end of the abstract. From the Measurement Book/sheet all quantities should be clearly traceable into the

documents on which payments are made. When a bill is passed for a work of supplies measured, every page containing the detailed measurements must be invariably scored out by a diagonal red ink line. When the payment is made, an endorsement must be made in red ink, on the abstract of measurements, giving a reference to the number and date of the voucher of payment.

12.7 Test Checking of Measurements

Test checking of measurements should be 100% by First line of Supervisors i.e. Foreman/Engineer, 50% by Asst. Manager/Dy. Manager and 15% by Sectional In charge i.e. Manager/Sr. Manager as the case may be. (Ref CVO IOM Dated 28.08.2020).

12.8 Preparation, Examination and / or Verification & Passing Bills for Payment

1) Preparation of bills:

Before the bill of a contractor/supplier is accepted, the entries in the Measurement Sheet relating to the description and quantities of work/ supplies should be scrutinized by the Area Engineer and calculations of "Contents or Area" should be checked arithmetically under his supervision. The bill should then be prepared from the measurement sheet/book entries in one of the forms prescribed, as applicable in each case. The bill shall be prepared by the contractor in duplicate and submitted to the department.

Issue of Materials:

- Issue of materials i.e. cement /steel etc. shall be made to contractor on basis of contract agreement and to be regulated as per the provision of the of Contract.

Material shall be issued to contractor under the following condition

- ❖ Free issue: Free issue shall be made only if provided in contract.
- ❖ Issue against recoveries: Issue against recoveries shall be made to contractor at rates stipulated in contract. In case the contract does not provide the issue rate, PSL value plus prescribed departmental charges, or the current procurement cost whichever is higher shall be recovered.

Penal recoveries shall be affected in case of excess/short consumption of cement and steel as per Contract.

- Project/ Executive Department shall prepare:

Material Consumption Statement:
This statement is prepared to compute Actual consumption Vs Theoretical consumption for levy of penal rates. This statement shall be attached with each and every bill.

Material Appropriation Statement:
This statement shall provide details of all issue/return, quantity utilized Vs Returned to stores etc.

Recoveries:

The recovered include the following major expense

- Hire Charges of Equipment
- Water Charges
- Electricity Charges
- Accommodation Charges
- Security Deposit
- Liquidated damages for delay
- Tax deduction at Source
- Works Contract Tax
- Any other charge for any provision or benefit provided to the contractor as per the terms of the contract

Hire Charges of Equipment:

Hire charges of equipment shall be worked out by Finance & Accounts Dept. based on data collected from Maintenance department. Such charges shall be based on approved rates of hire charges for the equipment used by the contractor or at the rate indicated in the contract for use of such equipment.

Contracts shall generally not provide for hiring out of NFL equipment to contractors except in special cases. Rates of hire charges shall be mentioned clearly in contract in such cases.

The executive Department shall maintain record of equipment given on hire and time period for which utilized. Works Accounts Section shall be provided these details for effecting recovery.

Water, Electricity, Accommodation Charges etc.

Such recoveries may be affected on the basis of provisions made in the contract. The Electrical Department shall advise consumption of electricity through a monthly statement. Medical /accommodation charges shall be intimated to miscellaneous Accounts Section for effecting recoveries from bills of contractor. The rates for recoveries shall be charged on the basis of decided by the management.

Tax Deduction at Source

Tax deduction at source shall be as per latest guidelines issued by the Govt. of India.

Goods and Services Tax (GST)

A detailed clause regarding GST may be included in the tender documents, stipulating inter-alia that all the bidders / tenderers should ensure that they are

GST compliant and their quoted tax structure / rates are as per GST law. As per GST Act, the bid and contract must show the GST Tax rates and GST amount explicitly and separate from the bid / contract price (exclusive of GST). Asking for a bid price inclusive of taxes / GST would be a violation of the GST Act. Bid format may be suitably modified accordingly. Relevant clauses on GST for incorporation in the tender shall be as per GTC.

BUILDING AND OTHER CONSTRUCTION WORKERS WELFARE(BOCW)

NFL shall deduct BOCW(BUILDING AND OTHER CONSTRUCTION WORKERS WELFARE) cess at source as applicable, from all payment due and to be made the contractors under the contract in accordance with the provisions of BOCW Cess Act 1996 (Ref IOM: NFL /CO/HR/IR/7.5 Dated 18.01.2018). The approved clause on BOCW (BUILDING AND OTHER CONSTRUCTION WORKERS WELFARE) cess being specific to nature of contract may be incorporated in Special Conditions of Contract (STC) of NIT/Tender Document on case to case basis considering applicability thereof to contract / work in terms of IOM dated 18.01.2018

Verification of Bills

a) Running Account Bills:

Verification of Running Account bills should be done thoroughly as it involves a number of technical complexities. It is necessary that person undertaking verification be thoroughly conversant with contract agreement and physical details/progress of contract. A CONTRACT REGISTER in printed format shall be maintained for each and every contract. The Works Accounts Section shall also note account head under which the work shall be capitalized on completion in CONTRACT REGISTER. This shall obviate confusion at later stage.

b) Steps of Verification:

Detailed steps for verification of Running Account Bills have provided in Input Output Processing Instructions regarding checking with:

- Measurements have been test checked by officers according to prescribed percentage.
- Contract & previous bills with reference to time and estimated quantities.
- Extra items
- Verified measurement sheet as per clause no.
- Recoveries of Security Deposit, Advance, Income Tax Deductions etc.
- Material consumption statement.
- Material appropriate statement.
- Undertaking of contractor that he has complied with provision of all statutory enactments relating to labour license i.e. Minimum Wages Act, Contract Labour (Regulation & Abolition) Act, PF Act, Employees State Insurance Act etc. , as applicable and also Income Tax, GST etc..
- Confirmation from Executive Dept. on each running bill “that cumulative

execution of each item is within + 20% deviation of stipulated quantities as per contract except item (nos. to be specified) of work for which prior administrative approval of Unit Head has been obtained with due justification. (Such approval shall also be required to be taken for further and repeated increase in the quantity of same item in each successive Running Account Bill to depict the cumulative deviation). (Ref : CVO IOM Dated 28.08.2020)

c) Contract Register:

Contracts register shall be maintained by the F&A Department and kept in duly format duly approved by the HOD for each and every contract depending upon the requirement of the contract. All bills received in the department should be entered serially in the register and be scrutinized thoroughly with specific attention to following:

- Running Account bill should be signed by person holding "Power of Attorney" or authorized representative of the contractor.

- The certificates /statement required to be submitted by contractor/executive department along with bill have been submitted.

- Work should have been taken up and completed within the period stipulated in contract subject to extension granted by Engineer -in- Charge. In case extension has not been granted a letter should be issued by Competent Authority that release of Running Account Payment does not mean that extension has been granted and any time permitted or taken is without prejudice to the rights and contentions of the owner under the contract.

d) Verification of Final Bills:

Rights of owner (NFL) are severely curtailed once final payments is made to contractor. It is therefore extremely important to ensure that verification of final bill is done by experienced and competent person.

In addition to checks prescribed for Running Account bills the following points should also be checked:

1. A Item wise 'Deviation Statement' shall be prepared by the Executive Department showing the quantity and cost of each item of work executed as compared to the estimated quantities and amount of the contract giving reasons for excesses and savings. A copy of each administrative approval of Unit Head in case of + 20% deviation of stipulated quantities as per work order shall be enclosed by executive dept. along with above deviation statement. Approval of Competent Authority shall be obtained for such deviations before payment of final bill.

2. Completion Certificate" stating that the work has been completed in all respects strictly according to the specification given in the tender

documents.

3. "Final Statement of Recoveries" along with a certificate that no other amount is recoverable from the contractor on any account.

4. "Material Appropriation Statement" shall be given by the Executive Department indicating details of stores Issue Voucher reference numbers. Quantity issued, quantity utilized in the work and the amount chargeable to the contractor for non- return/other construction made by contractor.

5. Certificate from contractor shall be recorded on the measurement sheet and on the final bill that he has no further claims than those given in the final bill and that he accepts the payment in full and final settlement of all his claims.
6. A certificate that the contractor has returned all the gate passes issued to him for staff/labour and site is clear of temporary/other construction made by contractor.

7. An undertaking from contractor that he had discharged all the labour wages payment/ dues and other obligations as prescribed under Workmen Compensation Act / ESI and other statutory compliance pertain to state and he would indemnify owner if there is any demand against the company on this account.

8. Following additional checks shall be exercised by project/work Accounts Section in respect of final bills:

    - That the certificates and statements required to be submitted by Executive Department along with final bill have been submitted.

    - Material Appropriation Statement shall be checked with reference to records available in the Work Accounts Section.

    - It shall be seen that the work has been completed by the contractor with in stipulated period or within such extended time as may be given by project/Executing Department.

    - If extension of time has been granted to contractor, Works Accounts Section shall ensure that proper reasons have been recorded in notes leading to approval of extension of time by competent authority.

    - Total cost of completed work is with in sanctioned amount for work and in case excess is more than 10% of sanctioned amount revised administrative approval is obtained from competent authority.

    - Rates for all extra items included in bill have been duly accepted and approved by competent authority.

    - Special certificates if required from any statutory authorities have been duly received and attached or a certificate thereof has been provided by project Executing Department.

- After bills have been checked, adjustment entries and bank voucher shall be prepared after being passed for payment by officers empowered to do so. Suitable endorsement on the bill and the measurement sheet shall be made.

- Measurements have been test checked by officers according to prescribed percentage.
- All payments to the contractors shall be made preferably by EFT through RTGS/ IFSC Code being more transparent mode or otherwise by account Payee cheque only.

Following No Demand Certificate to be attached with bill:

National Fertilizers Limited

NO DEMAND CERTIFICATE

Ref No. Date :

A	Name of work	
B	Name of Contractor	
C	Date of award of job	
D	Time allowed for completion	
E	Scheduled date of completion	
F	Actual date of completion	

Certified that :

1. The Recoveries in respect Material issued to the Contractor on account of the above work have since been affected.
2. Nothing is recoverable from the Contractor on account of Water & Electricity supplied to the Contractor.
3. The Contractor has made payment to the Labour engaged by him and No Complaint has since been received from any of the Labour employed by the Contractor in the performance of the above work.
4. The work has been completed satisfactorily and is according to the specifications laid down in the Contract.
5. The requisite obligations as per Contract have been fulfilled by the Contractor.
6. Name of the Heavy Equipment were given to the Contractor on hire basis and nothing is recoverable on this Account.
7. All the Labour Hutments if any have been removed by the Contractor and Ground Rent has been recovered.
8. The work has been completed within the Schedule Period.

OR

9.The completion of the work has been delayed ___________days and as such recovery of liquidated damage to the extent of Rs_________(Rs_________) be made.

OR

10. Extension of __________days has been given by the competent authority due to the vide letter No. _______Dated_________.

AM/Sr. AM____________________ DM____________________________

Manager____________________ Chief Manager________________

Each unit/executive department has to ensure preparation of item wise Deviation Statements (not for major items alone)

- Procedure for preparation of item wise deviation statement in respect of all item rate works contracts where contract value exceeds Rs. 1 Lakh.
- The Deviation statements are required to be prepared by executive department irrespective of the fact that there is an overall savings or increased expenditure as a result of variation in executed quantities vis-à-vis awarded quantities.
- It needs to be ensured that there is no change in status of L-1 party after execution of any item rates works contracts.
- In case of jobs carried out separately or on single tender basis based on awarded rates with or without negotiation, such contracts should invariably be included in final item-wise deviation statement.
- Approval of Unit head shall be obtained with due justification as and when actual execution of any item is more than 20% of stipulated quantities as per contract even though over all execution value remains within the contract value.
- Payments for work done or supplies made on a running account should be made monthly. Both the 'quantities' & 'amount' of each distinct item of work or supply should be shown separately in the bill, except in the case of advance payments when quantities need not be specified.

12.9 A joint inspection committee consisting of member from other than executing department may be constituted for random checking of contracts being executed.

13.0 TIME SCHEDULE FOR AWARD OF CONTRACT:

Timely action should be initiated so that duly approved proposal is ready for award of work well in time before expiry of existing contract.

13.1 Extension of time for completion of contract:

In cases where the work is not likely to be completed as per original schedule, and cancellation/ termination of contract is not contemplated, the time of completion/delivery should be suitably extended in order that the contract shall continue to be in force and the contractor remains liable to execute the contract.

Extension of Time (EOT) must not be left to the end; it should be dealt with promptly during the progress of the contract. The executive department shall determine the length of such extension and notify the contractor accordingly. The cases for grant of extension of time should be carefully analysed with special reference to following:-

- Any extension due to delay being solely attributable to the contractor /supplier and not due to force majeure condition as defined under the contract, will be decided on recommendations by the executive Deptt. with financial concurrence. This extension will be with levy of LD as per the terms of contract.
- Any extension, where delay in part may be on account of NFL, will be granted with approval of the Competent Authority, on recommendation by the Executive Deptt. with financial concurrence.
- Original order was not higher and accepted on account of earlier delivery/completion period.
- The reasons need to be recorded for the approval of the Competent Authority.
- The delay has not resulted in any loss/ damage.
- The approving authority for above extension shall be as per DOP.

14.0 AGREEMENTS / CONTRACTS:

1) Essential Features:

National Fertilizers Limited, a Company registered under the Company's Act, 1956 has full powers to accept tenders and are authorised to frame subsidiary rules relating to the calling for or acceptance of the tenders and the general procedure connected with the contracts. There are, however. Certain general principles and guidelines laid down for acceptance of tenders which are required to be observed by subordinate authorities empowered to enter into contract or agreement involving expenditure from the Company's Funds:

i) No contract shall be made by a subordinate authority, which has not been authorised to do so.

ii) The Company should be made a party to every contract and "for and on behalf of the National Fertilizers Limited" should precede designation appended below the signature of the Officer authorised in this behalf and executing the contract.

iii) Terms of contract must be precise and definite and there must be no room for ambiguity or misconception therein.

iv) No relaxation of specifications agreed upon in a contract or relaxation of the terms of an agreement entered into by the Company should be made without proper examination of the financial effect involved in such relaxation. The interests of the Company should be taken due care of before agreeing to any relaxation of agreement or contract. Save exceptional circumstances, no work of any kind should be commenced without prior execution of contract documents.

v) The terms of the contract once entered into must not be materially varied without the prior consent of the authority competent to enter into the contract as so varied. No such variation involving payment to contractors by way of compensation or otherwise outside the strict terms of the contract or in excess of the contract rates shall be authorized without the prior approval of competent authority. A variation of terms of contract which has been approved by such officer shall be made by writing executed "for and on behalf of National Fertilizers Limited" by an Officer who is authorized by the order to execute the original contract.

vi) No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the prior approval.

vii) Applicable liquidated damages and or penalty shall be recovered along with GST.

2) Power to Sign Agreement

The standard form of contract agreement placed at Annexure-XX shall be adopted. Any deviation from the standard form should be with the approval of competent authority and concurrence of Finance & Legal. The agreement may be signed on behalf of NFL by approving authority or the officer authorized for the same. The contract agreement on behalf of Contractor shall be signed by the contractor or his authorized representative. Contract agreement with partnership firm shall be executed in the name of the firm only and not in the name of any individual partner.

There should be no delay in executing the agreement as soon as tenders have been accepted. The Contract Agreement shall be entered into by NFL only after submission of Security Deposit/Performance Guarantee by the Contractor. It should be ensured that Contract Agreement is executed complete in all respect including attestation of the witnesses and no part of the same is left blank or incomplete. The officer concerned should see that the original tender and all amendments shall be integral part of the contract agreement. All the pages shall be serially numbered and the agreement shall be bound and kept in safe custody.

3) Contract shall be executed on Non-Judicial Stamp of adequate value, as per prevailing rates in the concerned state.

4) All relevant documents should be mentioned as part of contract in the works contract.

5) Arbitration clause shall be inserted in all the contracts.

6) The contract should provide for Indian Law as the applicable law and arbitration as per approved clause of NFL. Deviations can be considered for international contracts only where the bidder insists otherwise and considering the nature of the contract, with the approval of competent authority.

15.0 DISPUTE RESOLUTION MECHANISM / ARBITRATION:

The dispute resolution mechanism to be provided under contact is given below

REQUEST FOR ARBITRATION

The request for arbitration shall be preceded by good faith negotiations for resolving the dispute within 30 days. Upon failure of pre-arbitration negotiations, the request for Arbitration shall be made by either of the party by giving a written notice to the other party. The request for arbitration shall specify the issues which are subject matter of dispute.

ARBITRATION:

15.1 For Indian Parties:

15.1.1 Appointment of Sole Arbitrator - Claim below 5 Crore

Where the claim including determination of interest, if any, being claimed upto the date of commencement of arbitration does not exceed Rs. Five crore, the reference shall be made to a sole arbitrator. The parties shall mutually agree on the name of Sole Arbitrator.

15.1.2 Appointment of Three Arbitrators - Claim above 5 Crore

Where the claim including determination of interest, if any, being claimed, up to the date of commencement of arbitration exceeds Rs. Five crore, the reference shall be made to arbitral tribunal consisting of three arbitrators. Each party shall nominate one arbitrator each within 30 days from the date of receipt of notice of invocation of arbitration and two nominated arbitrators shall appoint the presiding arbitrator within 30 days thereafter.

15.2 For Foreign Parties:

The appointment of one or more arbitrators in an international commercial arbitration shall be governed under the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules").

15.3 Designated Authority:

The Designated Authority shall mean the competent authority that is empowered to entertain the request for arbitration, which shall be determined on the basis of contract value. The competent authority in arbitration matters is as follows:

S. No.	Designated Authority	Contract Value
1	CMD	Full Powers
2	Functional Directors	Upto Rs. 150 Lakh
3	Designated Unit Head/ED	Upto Rs. 50 Lakh

The appropriate Designated Authority may be inserted in the Arbitration clause as per the contract value for the purpose of serving notice invoking arbitration.

15.4 Seat & Venue of Arbitration:

The seat and venue of Arbitration shall be at Delhi/Place of respective Unit/Place of respective Zonal Office. An appropriate seat & venue may be inserted in the arbitration clause as per the place of Unit/Office.

15.5 Model Clause for Arbitration:

15.5.1 For Indian Parties

“Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, scope, operation or effect of this contract or the validity or the breach thereof shall be resolved amicably though negotiations by the Parties. A “Notice of Dispute” shall be given by the party seeking resolution of a dispute to other party. If the dispute is not resolved within Thirty (30) days from the notice, the dispute shall be referred to arbitration as per the procedure mentioned herein below:

A written notice shall be given by the contractor invoking arbitration to National Fertilizers Limited through Designated Authority.

Where the claim including determination of interest, if any, being claimed upto the date of commencement of arbitration does not exceed

Rs. Five crore, the reference shall be made to a sole arbitrator. The parties shall mutually agree on the name of sole arbitrator. In case of disagreement upon the name of the sole arbitrator, the appointment of Sole Arbitrator shall be done in accordance with the provisions of Arbitration & Conciliation Act, 1996.

Where the claim including determination of interest, if any, being claimed, upto the date of commencement of arbitration exceeds Rs. Five crore, the reference shall be made to arbitral tribunal consisting of three arbitrators. Each party shall nominate one arbitrator each within 30 days from the date of receipt of notice of invocation of arbitration and two nominated arbitrators shall appoint the presiding arbitrator within 30 days thereafter. If a Party to the dispute refuses or neglects to nominate an arbitrator on its behalf within the period specified, or the two arbitrators fails to nominate Presiding arbitrator, appointment of Arbitrator(s) shall be done in accordance with the provisions of Arbitration & Conciliation Act, 1996.

The Arbitration proceeding shall be governed by the Arbitration & Conciliation Act, 1996 and any further statutory modification or re-enactment thereof and the rules made thereunder.

It is agreed by and between the parties that in case a reference is made to the Arbitrator for the purpose of resolving the disputes/differences arising out of the contract by and between the parties hereto, the Arbitrator shall not award interest on the awarded amount more than the rate SBI PLR/Base Rate applicable to NFL on date of award of contract.

The seat and venue of arbitration shall be Delhi/Place of respective Unit/Place of Zonal Office.

The cost of the proceedings shall be equally borne by the parties, unless otherwise directed by the arbitral tribunal. The decision of the arbitral tribunal shall be final and binding on all parties."

15.5.2 For Foreign Parties

Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre (“SIAC”) in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause.

The seat and venue of the arbitration shall be at New Delhi, India.

The language of the arbitration shall be English.

This Contract/LOI/NIT shall be governed by and construed in accordance with the Laws of India."

15.5.3 For CPSEs and Government Department

All commercial disputes between CPSEs inter se and CPSE(s) and Govt. Department(s)/Organization(s) shall be settled through Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) as provided vide DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018 and DPE-GM-05/0003/2019-FTS-10937 dated 20.02.2020. Following clause in all commercial contracts between CPSEs inter se and CPSEs and Government Departments/Organizations shall be included as under:

"In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Trusts inter se and also between CPSEs and Government Departments/Organizations (Other than those related to taxation), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018".

16.0 INTEGRITY PACT:

For all tenders/ Contracts valuing Rs. 1 crore and above, the tenderer(s) / bidder(s)/ contractor(s) has to enter into an "Integrity Pact" with NFL. A copy of the Integrity Pact typed on plain paper duly signed by the tender issuing officer who is the authorized signatory on behalf of NFL, has to be enclosed with the tender document. In case of uploading the tender in the website, Integrity Pact also has to be necessarily uploaded after scanning the signed copy of the pact.

Non-signing of the Integrity Pact will disqualify the offer/ bid. However, bidders may be given an opportunity to sign the Integrity Pact before rejection of the bid.

Following instructions shall be included in the tender documents, valuing Rs 1 crore and above:

"The Bidder(s) / Contractor(s) is required to enter into an "Integrity Pact" with the Principal i.e. NFL. The Integrity Pact has to be signed by the Proprietor /

Owner/ Partner/ Director or by their duly Authorized Signatory. In case of failure to return the Integrity Pact along with the offer/ bid, duly signed by the authority as mentioned above, will disqualify the offer/ bid".

17.0 Force Majeure Clause (FMC):

Conditions beyond control of either parties like war, hostility, acts of public enemy, civil commotion, sabotage, serious loss or damage by fire, explosions, epidemics, strikes, lockouts or acts of God come under the legal concept of Force Majeure (FM). Delays in performance of contractual obligations under influence of FM conditions are condonable by the other party without any right to termination or damages, provided, prompt notice of the happening of any such event is given by the affected party to the other within 15 (Fifteen) days from the date of occurrence. Works under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. However if such event continue for a period exceeding 90(Ninety) days, either party may at its option terminate the contract by giving notice to the other party.

18.0 Risk and Cost:

In those cases where the contractor fails to complete the work and the order is cancelled, the amount due to him on account of work executed by him, if payable, shall be paid to him, only after due recoveries as per the provisions of contract including additional costs, likely to be involved for getting the balance work executed by an alternative source. However, before making an alternate arrangement for execution of the leftover work, the executive department shall issue a risk notice to the Contractor to the effect that if the work is not done before a specified period, the same shall be got done at his risk and cost.

For risk and cost action after issue of notice to the defaulting party a tender enquiry will be issued excluding the defaulting party for finalization of order on alternate source. The risk and cost Order should as far as possible be on the same terms and conditions as the original Work Order and same specifications, etc. It should be ensured that risk and cost Work Order is concluded within a reasonable time.

Waiver of Risk & Purchase for defaulting bidders would require concurrence of Unit F&A and approval of Unit Head for all cases where approval has been taken at Unit level. For cases approved at CO, the same shall be approved by the approving authority of the order as per DOP.

19.0 Termination of Contract for NFL's failure or Convenience:

After placement of the contract, there may be an unforeseen situation compelling NFL to cancel the contract. In such a case, a suitable notice has to be sent to the contractor for cancellation of the contract, in whole or in part, for its (NFL) convenience, inter alia, indicating the date with effect from which the termination will to become effective. Depending on the merits of the case, the contractor may have to be suitably compensated on mutually agreed terms for terminating the contract. Suitable provisions to this effect should be to be incorporated in the tender document as well as in the resultant contract. If termination occurs because of NFL's convenience, the engineer in charge will certify the value of works executed, value of any materials lying at site.

20.0 Limitation of liability:

Overall liability of bidder under any tender shall be limited to total order value.

Annexure-I

COVERING LETTER OF NIT/INSTRUCTIONS TO THE TENDERER AND TENDER CONDITIONS

To

M/s________________________

____

____

Subject: NIT for ____

Dear Sir,

Sealed TENDERS are invited for the work as detailed below:

1)	Name of Work:	
2)	Earnest Money: **(Tender received without EMD is liable to be rejected)**	Tenderer to submit Earnest Money of _________________ (_______________________________________only) in the form of crossed Demand Draft / Banker's Cheque only, issued by any scheduled bank except rural and co-operative bank in favour of National Fertilizers Ltd, (respective unit/CO/Office), payable at(respective unit/CO/Office),. Cheque shall not be accepted in any case. In case party is seeking exemption of EMD under MSMED Act, he is required to submit the required documents showing eligibility.
3)	Estimated Value of the work :	**_________________lakhs plus GST as applicable.**
4)	Validity of Tender	**------- days** from the Date of Opening of tender/Technical Bids for the acceptance.
5)	a) Validity / Period of Contract	**_______ Months/--------years** from the date of award of the Contract
	b) Time of Completion:	**_______months /------------years**
6)	Last date and time of Issue of Tenders:	_______-___-_____up to ---------Hrs.
7)	Last date and time of Receipt of Tenders:	_______-___-_____up to ---------Hrs.
8)	The date and time of Opening of Tenders:	_______-___-_____up to ----------Hrs.
9)	Place of receipt and Opening of Tenders:	Office of DGM / Chief Manager ( ), NFL -------Unit.

11) Tender Documents may be downloaded from our website www.nationalfertilizers.com or CPP portal www.eprocure.gov.in. In case documents are downloaded directly from the said websites, and EMD shall be submitted along with tender documents in envelope No 1 (envelope applicable for manual tendering only).

Parties are advised to visit NFL website regularly. Any amendment / corrigendum to the above NIT will be displayed on aforesaid website only.

12) All requests for interpretation, clarification & queries in connection with tender shall be addressed, in writing to DGM / Chief Manager (___________) at least 7 (Seven) days prior to the closing date of the tender.

13) The Tenderer may visit the site, acquaint himself fully of the job and site condition, if required, and no claim, whatsoever, will be entertained on the plea of ignorance of difficulties involved in the execution of the work.

14) The rates should be quoted item wise for the complete Scope of Work as per Performa 'Schedule of Rates'. The rates should be quoted only in the units given in the Schedule of Rates and should be indicated both in words as well as figures. The rates quoted shall be valid for 120 days from the date of opening of Technical bid for the acceptance.

15) In case of any discrepancy, the rates quoted in words shall be treated as final. Any corrections made in the prices shall be authenticated with signatures at all places. The Tenderer shall have to submit the Schedule of Rates Performa duly filled in, failing which their Price bid will not be acceptable.

16) The tenderer shall quote single rate against each item and not the multiple rates in the Schedule of Rates. Any tender with the multiple rates quoted will be summarily rejected. Price should be quoted strictly as per the Performa enclosed for Schedule of Rates.

17) National Fertilizers Limited reserves the right to reject any or all tenders without assigning any reason whatsoever and are not bound to accept the lowest tender. The tender can be split between two or more tenderer without assigning any reason thereof as per the requirement on case-to-case basis.

18) Incomplete Tenders or Tenders not accompanied with the required Details / Documents / Tender fee/ EMD or Tenders received late would be liable to be rejected without any further reference whatsoever.

19) Submission of Tenders:

i) No oral, telephonic, fax or telegraphic tenders or modification thereof will be entertained.

ii) Tender documents should be submitted along with duly filled in all Annexures.

iii) The tender will be divided in three parts:

a) Earnest money.

b) Technical and commercial bid

c) Price bid

The above three parts should be enclosed and SEALED SEPARATELY IN THREE ENVELOPES (for manual tendering only) as follows and all the three envelopes shall be super scribed with

i) Name of Work

ii) Tender No., and date,

iii) Date of Opening of Tender

iv) Name and complete address of the tenderer and

v) All the said three envelopes should be submitted in one sealed cover by the tenderer super- scribing above stated (i) to (iv) particulars.

Envelop No. 1:

Will contain Earnest Money of amount specified in NIT in the form of DD/ Banker's cheque in favour of NFL (respective unit/CO/Office), Payable at (respective unit/CO/Office). This envelope should be super scribed "EARNEST MONEY". If the party is seeking exemption of EMD under MSMED Act, it is required to submit the requisite documents showing eligibility in this envelop.

Envelop No. 2:

Second sealed envelope super scribed "TECHNICAL AND COMMERCIAL BID" containing the following documents:

Signed copies of complete tender documents, including Proforma for schedule of quantities WITHOUT prices as enclosed & documents as asked in Para 22 along with. Tenderer should sign each copy of these documents in token of acceptance of our terms and conditions.

Envelop No. 3:

Third sealed envelope super scribed, "PRICE BID – DO NOT OPEN" (in RED ink). This envelope should only contain the 'Schedule of Quantities & Rates'/ 'Price Bid' with prices given in respective columns against each item, as enclosed herein, duly completed and signed & stamped on each page by the tenderer.

a) The price bid should be submitted clearly inscribing the name of the tenderer in the prescribed Proforma.

All the above three envelops should be placed and submitted in a single envelope superscribed as “NIT No.   /_________________________ Dated: ___/__/___,

Date of Opening of the tender___/__/___.

20) Opening of Tender :

The Tender shall be opened as under:

Envelope No. 1:

Super scribed ‘Earnest Money’ containing Earnest Money shall be opened first on the Scheduled Date & Time of opening of tenders in the presence of the Tenderers or their representative, who wish to be present at the time of Tender Opening.

Envelope No. 2:

Super scribed ‘Technical Bid’ will then be opened and discussion would be carried out with the respective Tenderers for clarifications, if any.

Envelope No. 3:

Super scribed ‘Price Bid’ will be opened if technical bid and EMD found in order on the same day or at a later date, which shall be intimated to the Tenderers.

21) The following documents have to be submitted with the offer in the envelope No. 2, failing which the tender will be liable for rejection:

(i) In case the parties are pre- qualified;

a) Declaration Forms I , II & III (Annexure-II,III & IV)

b). An Affidavit as per Annexure-VI on Non-Judicial Stamp paper of appropriate value

c) Notarized/Certified copy Power of Attorney/ Authorization in name of person who has signed the tender documents/bid (in case of Partnership Firm/Company or otherwise as the case may be.

(ii) In case parties are not prequalified, their offer will be considered as per eligibility criteria mentioned in the NIT/Tender. Tenderer shall submit along with the tenders full particulars of their capacity, experience giving the list of similar jobs carried out by them during the last seven years, the complete address or organization for which such works have been executed and also substantiate their claims furnishing the copy of their credentials as per NIT. In the absence of these documents tender will not be considered

22) NFL reserves its right to open the Price bids of only such tenderers who are found to be meeting the eligibility criteria based on the documents submitted by him/them in the Technical bids.

23) Evaluation of offer shall be on overall L-1 basis.

24) All pages shall be initialled at the lower right hand corner and signed wherever required in the tender papers by the tenderers or by a person holding power of attorney/ authorization authorizing him to sign on behalf of the tenderer before submission of tender. All corrections and alterations in the entries of tender paper will be signed in full by the tenderer with date. No eraser or overwriting is permissible.

25) No condition or deviation should be mentioned by tenderer in Price Bid. Price Bids with any condition or deviation shall liable to be rejected.

26) The prospective tenderer having any common Partner / Director / Managing Director etc. Or having any other common criteria shall be considered as sister / group / Associates Company. In such cases only one of them will be eligible for participating in the tender.

27) While submitting the offer, bidders may ensure that tender documents /offer have been signed by authorized signatory of the company. Subsequent withdrawal of offer / non-acceptance of orders placed based on the offer submitted by them will not be entertained on the ground that the offer was not signed by the authorized person.

28) One person will be allowed to represent only one company during discussion/negotiation with NFL. If same person is representing different companies with authorization letter from more than one company, such person will be allowed to represent only the first company called for negotiations.

29) NFL reserves the right to postpone the tender opening date and / or time and will intimate all the tenderers well in time, of such postponement along with notice of revised opening date and time.

30) In case, due to some unforeseen circumstances, the date of receiving / opening of the tender happen to be a holiday / closed day, the tender will be received / opened on the next working day.

31) More than one quotation in a single sealed envelope will not be considered. Not more than one tender shall be submitted by a tenderer or by a firm of tenderers. Further, more than one bid shall also include two or more bidders having common power of attorney holder .No two or more concerns in which an individual is interested as a proprietor and / or a partner shall tender for the execution of the same works. If they do so, all such tenders shall be liable to be rejected.

32) The tender is non-transferable. Unsigned tenders shall be out-rightly rejected.

33) NFL further reserves its right to accept / reject any / all tenders in whole or in part without assigning any reason thereof. Conditional tenders are liable to be rejected.

34) NFL shall not be responsible for delay, loss or non-receipt of tender document sent by post.

35) The personnel of the contractor shall not enter into any unlawful activity within the premises of NFL and have a good character.

36) In case the tender is received in open condition, then the entire risk for loss of confidentiality shall be with the party. NFL shall not be responsible on this account whatsoever.

37) The contractor shall not appoint any sub company / agency to carry out any obligation under the contract without prior written permission from NFL. If at any time such a discrepancy is detected, the contract shall stand terminated without any notice and the security deposit shall be forfeited.

38) The offers received after scheduled date and time of submitting the offer would be out rightly rejected.

39) If the tenderer(s) expire(s) after the submission of his / their tender or after the acceptance of his / their offer, NFL shall deem such tender cancelled. If a partner of a firm expires after the submission of their tender or after the acceptance of their tender, NFL shall deem such tender as cancelled, unless the firm retains its character.

40) NFL will have the right to issue addendum to tender documents to clarify, amend, modify, supplement or delete any of the conditions, clauses or items stated. Addendum so issued will form part of original invitation to tender.

41) If a tenderer resorts to any frivolous, malicious or baseless complaints / allegations with intent to hamper or delay the tendering process or resorts to canvassing/ rigging/ influencing the tendering process, NFL reserves the right to debar such tenderer from participation in the present / future tenders up to a period of 2 years.

42) Any revision, clarification, corrigendum, time extension, etc. to this Tender Document will be hosted on the above mentioned website(s) only. Bidders are requested to visit the website regularly to keep themselves updated.

43) Throughout the Tender Documents, the terms 'Bid', 'Tender' & ‘Offer‘ and their derivatives [Bidder/Tenderer, Bid/Tender/Offer etc.] are synonymous.

44) “Bidder shall not be affiliated with a firm or entity:

(a) That has provided consulting services related to the work to the NFL during the preparatory stages of the work or of the project of which the works/services forms a part of. OR

(b) That has been hired (proposed to be hired) by the NFL as an Engineer/ Consultant for the contract.”

45) Eligibility of any bidder from a country which shares a land border with India shall be dealt in accordance with the provisions mentioned in Annexure-XII.

46) The Bidder shall submit Power of Attorney/ Authorization in favour of the authorized signatory(s) of the Bid. In case of partnership firm, one or more of the partners of the firm or any other person (s) shall be designated as the authorized person (s) on behalf of the firm, who will be authorized by all the partners to act on behalf of the firm through a "Power of Attorney", specially authorizing him / them to submit & sign the tender, sign the agreement, receive payment, witness measurements, sign measurement books, make correspondences, compromise / settle / relinquish any claim (s) preferred by the firm, sign "No Claim Certificate", refer all or any dispute to arbitration and to take similar such action in respect of the said tender / contract. In case of Company, Notarized/Certified copy of Authorization/Power of Attorney (backed by the resolution of Board of Directors) in favour of the individual to sign the tender on behalf of the company and create liability against the company should be submitted. Such "Power of Attorney" should be stamped and authenticated by a Notary Public or by Magistrate and submitted along with the tender."

47) In case there is any change in status of the declaration prior to award of contract, the same has to be promptly informed to NFL by the bidder. It shall be the sole responsibility of the bidder to inform about their status on due date of submission of bid and during the course of finalization of the tender. Concealment of the facts shall tantamount to misrepresentation of facts and shall lead to action against such Bidders.

48) NFL reserves the right to verify all statements, information and documents submitted by the bidder in his tender offer, and the bidder shall, when so required by NFL, make available all such information, evidence and documents as may be necessary for such verification. Any such verification or lack of such verification, by NFL shall not relieve the bidder of its obligations or liabilities hereunder nor will it affect any rights of NFL thereunder."

49) This letter/instructions shall form part of the contract document and shall be signed and returned along with the tender documents.

50) The Tender shall be addressed to DGM / Chief Manager (_________), National Fertilizers Limited, -------------.

Thanking you,

Yours Sincerely,

For & on behalf of

National Fertilizers Limited

Name:_______________

Designation _______________

Annexure-II

DECLARARTION FORM-I

(To be submitted in Envelope No. II)

Ref. No; Dated :

To,

Issuing Authority

National Fertilizers Ltd.

---------Unit/CO

Subject : Tender No. ______________ Name of the contract ______________

I/We ____have read the conditions of tender attached hereto and agree to abide by such conditions. I/We offer to do the job of "____" work at the rates quoted in the attached Schedule of Rates and in accordance with the specifications, standards and instructions in writing of the Engineer-in-charge of M/s. National Fertilizers Limited and hereby bind myself/ourselves to complete the work schedule and progress of work.

I/We further agree to abide by the conditions of contract and to carry out all work within the specified time in accordance with specifications of materials and workmanship and instructions referred to in the Notice Inviting Tenders.

I / We agree to accept payment by ECS / EFT from your Bank. Details of my/our Bank A/c No. are as under:

Bank A/c No.

Type Account (Current A/c or Saving A/c)

Name of the Bank

Address of the Bank & Branch

Branch Code:

IFSC Code

In case of acceptance of the tender by National Fertilizers Limited, I/We bind myself/ourselves to execute the contract as per the conditions mentioned in the tender documents, failing which, I/We shall have no objection or claim to the forfeiture of the Earnest Money deposited with National Fertilizers Limited, -------- Unit/CO.

Thanking you

Yours faithfully

For M/s ____________________________

(Signature of Contractor/Tenderer with SEAL)

Address: _____________________________

Annexure - III

DECLARATION FORM-II

(To be kept in Envelope No. II)

The following declaration to be signed by Tenderer / Contractor and to be submitted along with required documents which would be duly self- certified:

<table>
<tr><th>Sr. No.</th><th>DESCRIPTION</th><th colspan="3"></th></tr>
<tr><td rowspan="3">1</td><td rowspan="3">If a Tenderer has relation(s) whether by blood or otherwise with any of employee(s) of NFL (Owner), the Tenderer must disclose the relation at the time of submission of Tender. NFL shall reserve the right to reject the Tender or rescind the Contract, if such information is found incorrect.</td><td colspan="3">YES / NO(If Yes, give the following details)</td></tr>
<tr><td>Name& Design. of the Employee</td><td>Place of Posting</td><td>Relation with the Employee</td></tr>
<tr><td></td><td></td><td></td></tr>
<tr><td>2</td><td><u>P.F. Registration No.</u> of the firm / company to be indicated along with Documentary proof thereof.</td><td colspan="3"></td></tr>
<tr><td>3</td><td><u>PAN No.</u> (Permanent Account Number) of the firm / company issued by Income Tax Deptt. along with Documentary Proof thereof.</td><td colspan="3"></td></tr>
<tr><td>4</td><td><u>GST Registration No.</u> of the firm / company issued by GST authorities along with Documentary Proof thereof.</td><td colspan="3"></td></tr>
<tr><td>5</td><td><u>ESI Registration No.</u> issued by ESI Authorities along with documentary proof thereof.</td><td colspan="3"></td></tr>
<tr><td>6</td><td><u>MSME Registration</u>
If the firm is registered as Micro/Small/Medium Enterprises as per MSMED Act, 2006, the same may be confirmed by the tenderer and submit a photocopy (Self</td><td colspan="3">Yes / No

(If Yes, a Self certified copy of</td></tr>
</table>

	certified) of the registration certificate of relevant services, in support thereof. Otherwise it will be construed that the firm is not registered as per MSMED Act, 2006.	registration certificate to be submitted) **Mention the category i.e.** Micro/Small/Medium
7	Type of Firm to be specified **(Proprietor / Partnership / Limited Co. etc**.)	
8	Name of the Firm	
9	Address of the Firm	
10	**<u>Contact Details:</u>** a) Name of the Person: b) Mobile number / Landline Number c) Email	**<u>Contact Details:</u>** a) b) c)
11	Power of Attorney/authorization for submission of tender document, as applicable Submitted	**Yes / No**
12	Tender cost amount, DD Number and Date	
13	EMD amount, DD Number and Date	

Note: Please attach separate sheets for the details, wherever necessary.

Signature of the Contractor/ Tenderer with SEAL

Place: _______________

Dated: _______________

Annexure - IV

DECLARATION FORM-III

(To be kept in Envelope No. II)

To,

Issuing Authority
National Fertilizers Ltd.
--------Unit/CO

Subject : Tender No. _____________ Name of the contract ______________

Dear Sir,

1	**UNDERTAKING** a) I/We hereby confirm that Commercial Bid i.e. Price Bid is strictly as per Schedule of Quantities (Description/ Unit/Quantity of Items), Terms & Conditions and is also Un-conditional, including rebates offered. I/We shall have no objection for rejection of the offer, if found conditional. b) All the pages of NIT and GTC issued to us have been signed for its validity in token of its acceptance by us. c) It is confirmed that all the columns in the Price Bid, submitted in the Envelope-III, have been duly filled. d) I/We agree to evaluation of price bids and loading of GST under the terms of the NIT.
2	**ACCEPTANCE OF TENDER CONDITIONS** I/We have personally read and gone through the scope of work, General Terms and Conditions of Contract (G.T.C.) and Special Terms and Conditions of NIT for the subject work, and I/we accept all the terms & conditions as mentioned in the G.T.C & NIT without any reservation and shall abide by the same.
3	**FOR DOWNLOADING THE TENDER DOCUMENT FROM WEBSITE** With reference to your NIT No.______________________dated_________ and the tender documents displayed on your web site, we hereby submit our tender for the subject work. Since we have not purchased the tender document from your office and the tender documents have been down-loaded by us from NFL website, we are hereby enclosing a demand draft No.____________dated__________of ______________________________(Bank) amounting to **Rs.________________** **(Rupees______________________________________ only**), in favour of National Fertilizers Limited, payable at --------- towards the cost of tender documents.

4	**<u>Labour License*(If applicable)*</u>** The contractor shall obtain Labour License, wherever applicable, from the appropriate Licensing Authorities i.e. Central/State Government under the Contract Labour (R&A) Act, 1970 & Contract Labour (R&A) Central Rules,1971 and submit a copy of the same to NFL, --------- before start of execution of contract work. Accordingly, we hereby give undertaking that: "As per provisions made under the Central Labour (R&A) Act 1970 & Contract Labour (R&A) Central Rules, 1971, we would obtain Labour License for the aforesaid job of ________________ ____ from the appropriate Licensing Authorities i.e. Central/State Government, as applicable from time to time, and submit a copy of the same to NFL, ---------- before start of execution of contract work".
5	I/We declare that the information and documents submitted along with the tender by me/us are correct and I/we are fully responsible for the correctness of the information and documents, submitted by us. It is further certified that I/We will not get myself/ourselves registered under more than one name
6	I/We understand that in case of any information submitted by me/us is found to be false, forged or incorrect at any time during process for evaluation of tenders, it shall lead to forfeiture of the tender Earnest Money Deposit besides banning of business as per rules of NFL
7	I/we also understand that if the certificates submitted by us are found to be false/forged or incorrect at any time after the award of the contract, it will lead to termination of the contract, along with forfeiture of EMD/SD and Performance guarantee besides any other action provided in the contract including banning of business as per rules of NFL.

Thanking you

Yours faithfully

For & on behalf of Tenderer/Contractor

Signature of the Contractor/ Tenderer with SEAL

Place: ______________

Dated: ______________

Annexure-V

REGISTRATION OF GST NUMBER

Requirement of GST Number:

The bidders are required to obtain the valid GST No., if applicable, as per laid down provisions under GST Act and submit a copy there of as documentary evidence. Further in case the registration is not applicable under GST Act the same may be confirmed and following undertaking may be given by bidder

UNDERTAKING

Whether Registration certificate obtained: Yes/No (tick whichever is applicable)

a) In case Yes, copy of valid certificate enclosed.

b) In case No, it is confirmed that registration under GST Act is not applicable.

c) In case registration under GST Act becomes applicable during the currency of contract, same shall be obtained and copy of valid GST No. shall be submitted to the NFL.

(Signature & stamp of bidder)

Annexure-VI

(To be kept in Envelope No. II)

(An Affidavit in original on Non-judicial Stamp Paper of appropriate value attested by Notary)

AFFIDAVIT

With reference to NIT No.______________________________________ Dt.__________ of National Fertilizers Ltd., -------- for the work of ___________________________________. I, ______________________S/o Sh. _________________________ R/o __________________________ do hereby solemnly affirm and declare as Proprietor / Partner / Authorized signatory of the firm on behalf of M/s ________________________________ as under :

i) That my / our firm / sister concern/their associates etc. has not been black listed, debarred, de-listed or put on holiday by any Institutional Agency / Government Department / Public Sector Undertaking for participating in the Tender, in last 3 years.

ii) No other Firm / Sister Concerns / Associates belonging to the same group are participating / submitting the Tender for this job.

iii) That information furnished by me / us in respect of the above tender is true and correct and nothing has been concealed. In case any of the information is found to be false and /or incorrect at any stage, NFL shall be at liberty to take the necessary action as deemed fit.

DEPONENT

Dated:_____________

VERIFICATION

It is certified that the above contents / facts are correct and true to the best of my knowledge and belief and nothing has been concealed therein.

DEPONENT

Place ____________________

Date: ____________________

Annexure– VII

ELIGIBILITY CRITERIA

The bidders, in order to become eligible to participate in the bid, need to meet the following eligibility criteria and submit the self-certified documentary evidences in support thereof, failing which price bid shall not be opened.

Techno-Commercial Criteria

Sr. No	Eligibility Criteria	Supporting Documents Required
1	a) The bidder shall submit the status (i.e. Name and complete Address) of the firm/company along with its constitution such as Sole Proprietorship / Partnership Firm or Limited / Private Company, Year of Establishment and Place of Business, etc. and b) Affidavit as per **Annexure-VI** on Non-judicial paper **in original and Power of Attorney / Authorization,**	- In case of sole proprietorship, the bidder shall submit affidavit on Non-Judicial stamp paper of appropriate value in **original,** duly attested by notary regarding status / style of the business entity as per **Annexure-XI** - Partnership firm shall submit a copy of Partnership Deed attested by notary - Company shall submit a notarized / certified copy of Certificate of Registration / Incorporation and a copy of Articles of Association and Memorandum of Association - Registered Society & Registered Trust shall submit certified copy of the Certificate of Registration and Deed of Formation/MOA. - Affidavit in original - The bidder shall submit Notarized/ Certified copy of Power of Attorney on Non-Judicial stamp paper of appropriate value duly attested by Notary /Magistrate in case of Sole Proprietor / Partnership Firm/Company or Authorization(backed by Board Resolution) in case of a Company in favour of a person who has signed the tender documents on behalf of tenderer / Firm / Company

2	a) The bidder should have valid Permanent Account Number (PAN), GST Registration No., PF Registration No. and ESI Registration No. b) Declaration / Disclosure regarding any relation(s) with employees of NFL, Downloading of tender forms from NFL website etc.	The bidder shall submit Declaration I, II & III with self-attested copy of related documents wherever required like i) PAN Card. ii) GST registration certificate iii) P.F Registration No. issued by PF Authorities. iv) ESI Registration No. issued by ESI Authorities, etc
3	The bidder should have successfully completed "Similar Works" with performance and completion certificate, during the last **seven** years ending last day of previous month in which NIT has been issued. Definition of "**SIMILAR WORK**" Similar works means	The bidder shall submit a copy of Purchase/Work Orders + Completion Certificate from the suppliers/contractor for at least one of the following a) Three similar completed works each costing not less than 40% amount of the estimated cost of work _____ lakh. (With performance / completion certificate) i.e. _______ **lakhs** OR b) Two similar completed works each costing not less than 50% amount of the estimated cost of work __________ lakh. (With performance/ completion certificate) i.e. _____ **lakhs** OR c) One similar completed work costing not less than 80% amount of the estimated cost of work _______ lakh. (With performance / completion certificate) i.e. _______ **lakhs** Copies of Work orders in support of the above with full technical scope of work & commercial details including work order value along with the completion certificate from the concern organization regarding the satisfactory performance indicating the contract period, executed value and date of completion. **Note:** Completed Similar works means award of WO and completion of same in stipulated period.

4	Average Annual financial turnover of the bidder during the last 3 years ending 31st March of the previous financial year should be at least 30% of estimated cost for one year i.e. **______________lakhs.**	Bidder shall submit self-attested copies of Audited Balance Sheet and Profit & Loss A/c with UDIN of chartered Accountant for the last three financial on 31st March of the previous financial year (i.e. FY --------- & -------). In case the bidder do not fall under the ambit of statutory audit and do not have audited annual reports/audited balance sheets and Profit & Loss statements, shall submit a statement indicating year wise turnover certified by Statutory Auditor/practicing Chartered accountant with UDIN.

NOTE :

1. In case of newly formed partnership firm, the credentials of individual partners from previous propriety firm(s) or dissolved previous partnership firm(s) or split previous partnership firm(s), shall be considered only to the extent of their share in previous entity on the date of dissolution / split and their share in newly formed partnership firm. For example, a partner A had 30% share in previous entity and his share in present partnership firm is 20%. In the present tender under consideration, the credentials of partner A will be considered to the extent of 0.3*0.2*value of the work done in the previous entity. For this purpose, the tenderer shall submit along with his bid all the relevant documents which include copy of previous partnership deed(s), dissolution deed(s) and proof of surrender of PAN No. (s) in case of dissolution of partnership firm(s) etc.

2. In case of existing partnership firm, if any one or more partners quit the partnership firm, the credentials of remaining partnership firm shall be re-worked out i.e., the quitting partner(s) shall take away his credentials to the extent of his share on the date of quitting the partnership firm (e.g. in a partnership firm of partners A, B & C having share 30%, 30% & 40% respectively and credentials of Rs 10 crore; in case partner C quits the firm, the credentials of this partnership firm shall remain as Rs 6 crore). For this purpose, the tenderer shall submit along with his bid all the relevant documents which include copy of previous partnership deed(s), dissolution deed(s) and proof of surrender of PAN No.(s) in case of dissolution of partnership firm(s) etc.

3. In case of existing partnership firm if any other partner(s) joins the firm, the credentials of partnership firm shall get enhanced to the extent of credentials of newly added partner(s). on the same principles as mentioned in item 1 above. For this purpose, the tenderer shall submit along with his bid all the relevant documents which include copy of previous partnership, deeds,

dissolution/splitting deeds and proof of surrender of PAN No.(s) in case of dissolution of partnership firm etc.

4. Any partner in a partnership firm cannot use or claim his credentials in any other firm without leaving the partnership firm i.e., In a partnership firm of A&B partners, A or B partner cannot use credentials of partnership firm of A&B partners in any other partnership firm or propriety firm without leaving partnership firm of A&B partners.

5. In case a partner in a partnership firm is replaced due to succession as per succession law, the proportion of credentials of the previous partner will be passed on to the successor.

6. If the percentage share among partners of a partnership firm is changed, but the partners remain the same, the credentials of the firm before such modification in the share will continue to be considered for the firm as it is without any change in their value. Further, in case a partner of partnership firm retires without taking away any credentials from the firm, the credentials of partnership firm shall remain the same as it is without any change in their value.

7. In a partnership firm "AB" of A&B partners, in case A also works as propriety firm "P" or partner in some other partnership firm "AX", credentials of A in propriety firm "P" or in other partnership firm "AX" earned after the date of becoming a partner of the firm AB shall not be added in partnership firm AB.

8. In case company A is merged with company B, then company B would get the credentials of company A also."

Signature of the Tenderer /
Contractor with Seal

ANNEXURE-VIII

EVALUATION CRITERIA

1. The contract shall be awarded on Composite L – 1 basis. However, in case, it is found that L–1 tenderer has quoted non-workable rates for one / more items due to which they become L–1, NFL reserves the right to reject such tender. This condition shall be applicable on next lowest tender (s) also.

2. If the tenderer does not quote rate of any item, it may be noted that for evaluation purposes the same shall be taken based on the highest rate quoted by the other tenderers. However, order shall be placed for the same item based on the lowest rate quoted by the other tenderers. In that case, the party shall have to execute that item(s), failing which action shall be taken as per terms & conditions of the contract.

3. Tenderer are required to quote their rates of the respective item of work as per the "UNIT" of Item mentioned in the Schedule of Quantities. If it is found that the contractor has quoted his rates against a particular item(s) by changing the "UNIT", the such quoted rates of the contractor with the changed "UNIT" shall be ignored and treated as UNQUOTED RATE against that particular Item(s)and the tender shall be evaluated as Para 2 above.

4. The revised bids on due date of opening of the tenders, as per NIT, shall not be entertained. Where for any reason the due date and / or time of opening the tender is extended, intimation regarding revised tender opening date and time shall be given / displayed on the website. In case any of the parties, who have submitted offer earlier, submits revised offer, within extended period, their revised offer only will be considered for opening. However, where techno-commercial negotiations are conducted with all the bidders to clarify the deviations vis-à-vis tender specifications/ requirements, which lead to changes in terms / conditions and / or technical specifications, the bidders shall be given a fair chance to revise their price bids accordingly.
However, revision in prices, if any, may be through Add-on/reduction on account of change in terms/conditions and/ or technical specifications w.r.t original price bid submitted by all the eligible before opening of original price bid. While evaluating the offer, the impact of add-on/reduction on the original price bid should be considered and no fresh revised price bid should be sought from bidders against the same tender.

5. If tenderer offers rebate unilaterally after due date and time of submission of tender/bids, it is not to be taken into account for evaluation purpose. But if that bidder/tenderer emerges as a lowest evaluated bidder/tenderer, the rebate so offered is to be taken into account for placement of order.

6. The rates should be quoted in words and figures. If some discrepancies are found between the rates given in the words and figures or the amount shown in the

tender, the following procedure shall be followed:-

a) When there is difference between the rates in figures and words, the rates which correspond to the amount worked out by the tenderer shall be taken as correct.

b) When the rates quoted by the tenderer in figures and words, tallies but the amount is incorrect, the rate quoted by the tenderer shall be taken as correct.

c) When it is not possible to ascertain the correct rate in the manner prescribed above, the rate as quoted in words shall be adopted.

Annexure-IX

NATIONAL FERTILIZERS LIMITED

DEFINITIONS OF TERMS

In the contract documents herein defined where the context so admits, the following words and expression will have the meanings assigned to them respectively:

1. "The OWNER or NFL" means the NATIONAL FERTILIZERS LTD., incorporated in India, having its registered office at SCOPE COMPLEX, Core No-III, 7, Institutional Area, Lodhi Road, New Delhi-110003.

“Bid” (including the term ‘tender’, ‘offer’, ‘quotation’ or ‘proposal’ in certain contexts) means an offer to supply goods, services or execution of works made in accordance with the terms and conditions set out in a document inviting such offers.

“The Bidder” (including the terms ”tenderer”, “consultant” or “service provider”) in certain context means any eligible person , firm or company, including a consortium (that is association of several persons, or firms or companies) participating in the procurement process with a procuring entity.

“Notice Inviting Tenders(NIT)” (including the term ‘Invitation to bid’ or ‘request for proposals’ in certain contexts) means a document and any amendment thereto published or notified by the procuring entity, which informs the potential bidders that it intends to procure goods, services and/ or works.

2. The "ENGINEER-IN-CHARGE" shall mean the person designated as such by NFL and shall include those who are expressly authorized by him to act for and on his behalf for operation of this contract.

3. The "WORK" shall mean the works to be executed in accordance with the contract or part thereof as the case may be and shall include all extra, additional, altered or substituted works as required for purpose of the contract.

4. "CONSTRUCTION EQUIPMENT" means all appliances and equipment of whatsoever nature for the use in or for the execution, completion operation or maintenance of the work unless intended to form part of permanent work.

5. "SITE" means the areas in which the work is to be performed by the Contractor and shall include a part or portion of the site on which the permanent work is proposed to be constructed.

6. The "TENDER DOCUMENTS" shall consist of Short Tender Notice, General Instructions to the Tender, General Conditions of Contract, Special Conditions of Contract, Specifications, Drawings, Time Schedule Tender Form, Performa or

Agreement Form Schedule of Rates, and Addendum/Addenda to Tender Documents.

7. "THE CONTRACTOR" means any person or persons or firm or company whose Tender has been accepted by NFL with the concurrence of the Owner, and the legal personal representatives, successors and permitted assigns of such person, persons firm or company. Contractor includes "Service Provider or Consultant" also.

8. The "CONTRACT" shall mean the Agreement between NFL and the Contractor for the execution of the works including therein all contract documents.

9. The "SPECIFICATIONS" shall mean the various Technical specifications attached and referred to in the Tender documents. It shall also include the latest addition of relevant Indian Standard Specifications published before entering into contract.

10. "The DRAWINGS" shall include Maps, Plans and Tracings OR Prints thereof with any modifications approved, in writing by the Engineer-in-charge and such other drawings as may, from time to time, be furnished or approved in writing by the Engineer-in-charge.

11. The "CONTRACT DOCUMENTS" shall consist of Agreement, Tender documents as defined in Clause 6, 7 & 8 above, Acceptance of Tender and further amendments.

12. The "ALTERATION ORDER" means an order given in writing by the Engineer-in-charge to affect additions to or deletion from and alterations in the works.

13. The "COMPLETION CERTIFICATE" shall mean the Certificate to be issued by the Engineer-in-charge when the works have been completed to his satisfaction.

14. The "FINAL CERTIFICATE" in relation to a work means the Certificate issued by the Owner after the period of liability is over.

15. The "PERIOD OF LIABILITY" in relation to work means the specified period from the date of issue of Completion Certificate upto the date of issue of Final Certificate during which the Contractor stand responsible for rectifying all defects that may appear in the works.

16. "ZERO DATE" shall mean the date of issue of LETTER OF INTENT (LOI) or issue of WORK ORDER, whichever is earlier or as mentioned in work order.

17. "GTC/GTCC" means General Terms & Conditions of Contract. "STC" shall mean Special Terms and Conditions of the contract.

18. Technical Terms and Conditions & Special Terms and conditions are succeeding to GTC. In case of any discrepancy or inconsistency between technical terms and conditions, special terms and conditions and general terms and conditions, the following order of preference shall be followed:

a) Scope of Work /Technical Terms and Conditions

b) Special Terms and Conditions

c) General Terms and Conditions (GTC/GTCC)

19. "Bid security" (including the term 'Earnest Money Deposit'(EMD), in certain contexts) means a security from a bidder securing obligations resulting from a prospective contract award with the intention to avoid: the withdrawal or modification of an offer within the validity of the bid, after the deadline for submission of such documents; failure to sign the contract or failure to provide the required security for the performance of the contract after an offer has been accepted; or failure to comply with any other condition precedent to signing the contract specified in the solicitation documents

20. “Class-1 local supplier" means a supplier or service provider, whose goods, services or works offered for procurement, meet the minimum local content as prescribed for 'Class-I local supplier' under the Public Procurement (Preference to Make in India), Order 20171;

21. "Class-II local supplier" means a supplier or service provider, whose goods, services or works offered for procurement, meets the minimum local content as prescribed for 'Class-II local supplier' but less than that prescribed for 'Class-I local supplier' under the Public Procurement (Preference to Make in India), Order 20172;

22. "Competent Authority" means the officer (s) who have been delegated the financial powers to approve the decision.

23. "e-Procurement" means the use of information and communication technology (specially the internet) by the procuring entity in conducting its procurement processes with bidders for the acquisition of goods (supplies), works and services with the aim of open, non-discriminatory and efficient procurement through transparent procedures;

24. "Enlistment" means including the name of the contractor in the list of after verification of credentials.

25. "Goods" includes all articles, material, commodity, livestock, furniture, fixtures, raw material, spares, instruments, machinery, equipment, industrial plant, vehicles, aircrafts, ships, medicines, railway rolling stock, assemblies, sub-

assemblies, accessories, a group of machineries comprising an integrated production process or such other categories of goods or intangible products like software, technology transfer, licenses, patents or other intellectual properties purchased or otherwise acquired for the use of Government but excludes books, publications, periodicals, etc., for a library. The term 'goods' also includes works and services which are incidental or consequential to the supply of such goods, such as, transportation, insurance, installation, commissioning, training and maintenance

26. "Invitation to (pre-)qualify" means a document including any amendment thereto published by the procuring entity inviting offers for pre-qualification from prospective bidders;

27. "Invitation to Enlist" means a document including any amendment thereto published by the procuring entity inviting offers for bidder enlistment from prospective bidders;

28. "Local Content" means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent3.

29. "Non-Local supplier" means a supplier or service provider, whose goods, services or works offered for procurement, has local content less than that prescribed for 'Class-II local supplier' under the Public Procurement (Preference to Make in India), Order 20174

30. "Pre-qualification (bidding) procedure" means the procedure set out to identify, prior to inviting bids *or along with tender* , the bidders that are qualified to participate in the procurement;

31. "Pre-qualification document" means the document including any amendment thereto issued by a procuring entity, which sets out the terms and conditions of the pre- qualification bidding and includes the invitation to pre-qualify;

32. "(Public) Procurement Guidelines" means guidelines applicable to Public Procurement, consisting of under relevant context a set of- i) Statutory Provisions (The Constitution of India; Indian Contract Act, 1872; Sales of Goods Act, 1930; and other laws as relevant to the context); ii) Rules & Regulations (General Financial Rules, 2017; Delegation of Financial Power Rules and any other regulation so declared by the Government); iii) Manuals of Policies and Procedures for Procurement (of Goods; Works; Consultancy/ other services or any for other category) promulgated by the Ministry of Finance and iv) Procuring

Entity's Documents relevant to the context (Codes, Manuals and Standard/ Model Bidding Documents);

33. "Procurement process" means the process of procurement extending from the assessment of need; issue of invitation to pre-qualify or to enlist or to bid, as the case may be; the award of the procurement contract; execution of contract till closure of the contract;

34. "Procuring Entity" (including Procuring Authority or Employer) means any Ministry or Department of the Central Government or a unit thereof or its attached or subordinate office to which powers of procurement have been delegated;

35. "Prospective bidder" means anyone likely or desirous to be a bidder;

36. "Reverse auction" (or the term 'Electronic reverse auction' in certain contexts) means an online real-time purchasing technique utilized by the procuring entity to select the successful bid, which involves presentation by bidders of successively more favorable bids during a scheduled period of time and automatic evaluation of bids;

37. "service" is defined by exception as any subject matter of procurement other than goods or works, except those incidental or consequential to the service, and includes physical, maintenance, professional, intellectual, training, 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. It includes 'Consultancy Services' and 'Other (Non-consultancy) Services';

38. "Subject matter of procurement" means any item of procurement whether in the form of goods, services or works or a combination thereof;

39. "Works" refer to any activity, sufficient in itself to fulfill an economic or technical function, involving construction, fabrication, repair, overhaul, renovation, decoration, installation, erection, excavation, dredging, and so on, which make use of a combination of one or more of engineering design, architectural design, material and technology, labour, machinery and equipment. Supply of some materials or certain services may be incidental or consequential to and part of such works. The term "Works" includes (i) civil works for the purposes of roads, railway, airports, shipping-ports, bridges, buildings, irrigation systems, water supply, sewerage facilities, dams, tunnels and earthworks; and so on, and (ii) mechanical and electrical works involving fabrication, installation, erection, repair and maintenance of a mechanical or electrical nature relating to machinery and plants.

Annexure-X

GENERAL TERMS & CONDITIONS (GTC/GTCC)

1.0 The execution of the work may entail working in all the site and weather condition and no extra rate will be considered on this account. The contractor may have to carry out the jobs to work round the clock as per our requirement to be decided by Engineer in- charge and the Contractor should take this aspect into consideration for formulating his rates and quotation. No extra claim/overtime will be paid on this account.

2.0 Electricity, Water and Service Air will be provided free of cost at one point as per requirement of the job. All lifting tools & tackles are to be got tested under the Competent Person engaged by State Government from time to time and the certificates duly verified by Competent Authority are to be submitted to the Department before taking up the job.

3.0 Suitable accommodation will be provided for the contractor or his authorized representative on chargeable basis, if available, NFL may allot land for putting temporary Godown/ workshop for making storage, work site by the contractor, free of cost.

4.0 The contractor shall have to make his own arrangements for all Tools &Tackles, Skilled and Unskilled labours etc. required for the job. The work is subject to inspection at all time by the Engineers-in-charge and the Contractor shall have to carry out the work to the entire satisfaction of the Engineer-in- charge.

5.0 Sub-Contracting of the job will not be allowed without prior written permission of the owner (NFL). If sub-contracting is allowed by Owner in full or part, the contractor shall be solely responsible for paying each Sub-Contractor and any other person to whom any amount is due from Contractor for services, materials or supplies otherwise related to the Work. Contractor shall take all reasonable steps and actions to ensure that such services have been or will be properly performed.
Owner shall not be deemed by virtue of the Contract to have any contractual obligation to or relationship with any Sub Contractor. The responsibility of successful completion of work by sub- contractor shall lie with Contractor. Sub-contracting will in no way relieve the Contractor to execute the work as per terms of the Contract.

6.0 PAYMENT OF TAXES AND DUTIES

6.1 The rates to be quoted by the tenderer should be inclusive of all applicable taxes, duties, levies etc. but excluding GST. Statutory deductions on account of Income

Tax at source, at the applicable rates of the Gross Value of the Bill shall be made from the Contractor's monthly bills for depositing the same with respective Statutory Authorities as per the provision of the respective Acts and guidelines issued by Govt. of India. No request for increase / decrease or inclusion of any tax shall be entertained afterwards.

6.2 The rates quoted for materials should be on F.O.R. basis and are inclusive of all taxes. No GST will be paid as extra.

6.3 Addition / deletion of taxes imposed by the State Governments / Central Government after submission of tender documents and during contractual period shall be to NFL's account. Any subsequent change in the rate of GST shall be to NFL's account during contractual period only.

6.4. The Total Contract Value shall be inclusive of all applicable taxes, duties, levies etc. except GST.

a) The successful tenderer who is liable to be registered under CGST/IGST/UTGST/SGST Act shall submit GSTIN along with other details required under CGST/IGST/UTGST/SGST Act to NFL immediately after the award of contract, without which no payment shall be released to the contractor. The contractor shall be responsible for deposit of applicable GST to the concerned authority.

b) NFL shall pay GST as per provisions of GST Act. To remain competitive, bidders are advised to work out their rates excluding the impact of taxes paid on the input materials to be used in execution of contract as the same shall be set off in the form of input tax credit against GST.

c) Party shall issue the taxable invoice in the manner prescribed under the GST Act within 30 days from the date of successful completion of job/contract in case of full & final payment against 1st & final bill and within 30 days of billing period in case of annual rate contracts having provision for monthly R/A bills. In case of any difference between the taxable/assessable value / or tax charged in the tax invoice is found the contractor shall issue credit/debit note as the case may be in the manner specified in the Act, failing which NFL may withhold the payment till the rectification of such difference. Up loading of taxable invoice and credit/debit note shall be done by the contractor strictly within the period prescribed in GST Act.

d) In the event input tax credit of the GST charged by the contractor is denied by the tax authorities to NFL, then NFL shall be entitled to recover such amount from the contractor by way of adjustment from the next invoice/Security Deposit. In addition, to the amount of GST, NFL shall also be entitled to recover interest and penalty, in case it is imposed by the taxauthorities on NFL.

6.5 Liability of NFL shall be restricted to the amount of GST only, and any interest/ penalty etc. shall be to the contractor's account.

6.6 Nature of Contract and Applicable GST Rates: Rates & Guidelines shall be applicable as notified by the Central Govt. from time to time.

6.7 As per GST, the liability towards payment of GST lies with the service provider, so NFL is not responsible for any non-compliance of the GST Law by the tenderer. However, in case of services notified for liability of payment of GST, under Reverse Charge Mechanism, on the part of service receiver, the Company (NFL) shall comply with the same as the service receiver.

7.0 The rates quoted by the tenderer will be firm for the currency of the contract period including extension if any and will not be subjected to escalation irrespective of any increase what so ever, except where escalation clause is specifically mentioned in the tender document.

8.0 All Statutory Provision shall be followed and applicable even if occurred after placement of W.O. but did not exit at the time of Tender. However additional statutory implication levied by State / Central Govt after last date of submission bid shall be to NFL account and shall be reimbursed on submission of proof of payment by the Contractor

9.0 The Tenderer should make a deposit of Earnest Money and Tender Fees as per Tender Documents by an A/C Payees Demand Draft, drawn on any Scheduled Bank except Rural or Co-Operative Bank in favour of "National Fertilizers Limited, Bathinda/Nangal/Panipat/Vijaipur Unit ” payable at Bathinda/Nangal/Panipat/Vijaipur /Noida or through payment link provided on our website (www.nationalfertilizers.com) and details to be indicated in Tender document which is to be submitted in Envelop-I. The Earnest Money and Tender Fees shall not be accepted in any other form except as specified. Earnest Money and Tender Fees should accompany the Tender in separate Envelope without which tender will not be opened and it will be considered as rejected. The EMD may be forfeited and appropriated by NFL without prejudice to any other right or remedy to NFL under the following conditions:

a) If a Bidder withdraws his Bid during the validity or agreed extension of validity period duly agreed by the bidder.
b) If the bid is varied or modified in a manner not acceptable to the NFL during the validity or agreed extension validity period duly agreed by the bidder.
c) In the case of a successful Bidder, if the bidder fails to commence the work awarded to him or sign the Contract agreement.
d) In the case of a successful Bidder fails to furnish Security Deposit /Performance Guarantee.
e) If bidder is delisted/debarred or blacklisted by NFL.

The failed Contractor/tenderer, for the reasons as stated above shall be debarred from participating in the re-tender for that work.

9.1 Bid Validity:

The bid should be kept valid for acceptance for a period of 120 (one hundred twenty) days from the date of opening of tender/Technical Bid. A bid valid for shorter period may be rejected by the Owner as being non-responsive.

Under the exceptional circumstances, prior to expiry of the original Bid validity period, the Owner may request the Bidder for a specified extension in the period of validity. The request and the responses thereto shall be made in writing or by E-mail.

In the event of Owner seeking extension of period of validity of the Bids, the validity of EMD shall also be suitably extended.

A Bidder agreeing to the request of Owner seeking extension will not be required nor permitted to modify his bid, and will be required to extend the validity of his EMD correspondingly.

10.0 The following tenders will be liable to be rejected:

a) Tenders submitted by Tenderer who resort to canvassing.
b) Tenders, which do not fulfil any of the conditions, laid down in the Tender Documents or are incomplete, in any respect.
c) Tender, which contain uncalled for remarks or any alternative additional conditions.
d) Offer received after schedule date & time of submitting the offer would be out rightly rejected.

10.1 The company reserve the right to accept the lowest or any other Tender in part or in full or award parallel contracts or reject all OR any of the Tender without assigning any reasons.

11.0 If the tenderer has relations whether by blood or otherwise with any of the employees of the NFL, the tenderer must disclose the relation in the Form of Declaration attached, at the time of submission of tender failing which NFL shall reserve the right to reject the tender or rescind the Contract. It shall also be certified by the tenderer that none of NFL's ex-employee is employed with them. (In case any ex-employee of NFL is employed, furnish details separately).

12.0 The contractor may employ such employees/ labours as he may think fit and the employees so employed should be employees of contractor for all purposes whatsoever and shall not be deemed to be in the employment of NFL for any purpose whatsoever. The contractor shall abide by all rules, laws and regulations that may be in force from time to time regarding the employment or conditions of service of the employees. If under any circumstances whatsoever, NFL is held responsible in any manner whatsoever for the default or omission on the part of the Contractor in abiding by the aforesaid rules, regulations and laws or held liable or responsible to the employees of the contractor in respect of any matter whatsoever and called upon to make payments on that account, NFL shall be reimbursed by the contractor for the same as also any other expenses costs and charges incurred by NFL in any proceeding or litigation arising out of any claim, demand or act on the part of the employees of the contractor, NFL shall be entitled to claim, demand or compensation from the contractor in that event. NFL shall also be entitled to recover the aforesaid amount from the Contractor that may become due and payable to Contractor.

13.0 Interested tenderer after studying the tender documents carefully, may obtain necessary clarifications, if any in writing before tendering, submitting of tender implies that the Tenderer has obtained all the clarifications required. No claim on ground for want of knowledge in any respect will be entertained. No claim for extra charge consequent on any misunderstanding or otherwise will be allowed.

14.0 The Contractor shall be liable to the company for any omission or Commission on his part or on the part of his employees thereby causing any loss, damage or inconvenience to the company.

15.0 The Contractor shall make his own arrangement for removal of old as well as unused material, including packing materials and empty cases free of cost from work site to the place indicated by the Engineer-in-charge after completion of work and nothing extra will be paid.

16.0 The decision of Engineer-in-charge in regard to all matters relating to the Tender and for determine the category of work with reference to material of an item not mentioned in scope of work shall be final.

17.0 QUANTUM OF JOB: Estimated value of work has been worked out on technical assessment / on the basis of job executed in past. NFL will not give any guarantee for minimum billing, minimum quantum of work during the period / currency of the contract.

18.0 RISK AND COST: If the Contractor is unable to execute the work any loss incurred by the company in this respect, will be, to the Contractor's account. The company may also terminate the contract after giving a notice, if in its opinion; the work under the contract is not being done to its satisfaction. The Company will also have right to get the job done by a third party at the risk and cost of the Contractor till the expiry of the period of the contract and debit the cost plus 25% + applicable GST to the Contractor.

19.0 VALIDITY OF THE CONTRACT:- The Contract shall remain valid for a period as specified in STC/NIT reckoned from the date of its award. The job can therefore, be got done any time during the tenure of the contract. Normally Notice to 7 days be given for starting the job but the Contractor should be able to mobilize within 24 hours, if the necessity so arises.

20.0 FORCE MAJEURE: - The terms and conditions agreed upon under the contract shall be subject to Force Majeure. Neither the contractor nor NFL shall be considered in default in the performance of their obligation contained therein, if such performance is prevented or delayed or restricted or interfered with by reason of War, Hostilities, Acts of Public Enemy, Civil Commotion, Strike, Lockouts, Epidemics/Pandemics, Accidents, Fires, Explosions, Flood, Earthquake, regulation or ordinance or requirement of any Government or any sub-division thereof or authority or representative of any such Govt., and/or due to technical snag/reasons or any other Act whatsoever, whether similar or dissimilar to those enumerated beyond the reasonable control of the parties hereto or because of any act of GOD. The party so affected, upon giving prompt notice to other party of such conditions and cause thereof from within 15(Fifteen) days of occurrence of such event, shall be excused from such performance to the extent of such prevention, delay, restriction or interference for the period it persists provided that the party so affected shall use its best efforts to avoid or remove such causes of non- performance if possible and shall continue performance hereunder with the utmost dispatch whenever such causes are removed.

If the performance in whole or in part of any obligation under this contract is prevented or delayed by reason of any such event for a period exceeding 90 (Ninety) days, either party may at its option terminate the contract by giving notice to the other party.

For delays arising out of Force Majeure neither NFL nor the Contractor shall be liable to pay extra costs or to make good any losses incurred consequent to the happening of any of the event, provided it is mutually established that Force Majeure condition did actually exist.

21.0 LOSS TO PLANT DURING EXECUTION: Any damage or loss caused to plant Equipment etc. during execution of this contract will be made good by the contractor at his own cost and risk.

22.0 NFL shall have power to make any alteration in, omission from, addition to, or substitutions for original Specifications and instructions which may be considered necessary, during the progress of work and Contractor shall have to carry out the work in accordance with any instruction which may be given to him in writing duly signed by Engineer-in-charge. Such alteration, omission, additions, substitutions, shall not invalidate the contract and any altered, additional or substituted work which the Contractor may be directed to do in the manner above specified as a part of the work, shall be carried out by the Contractor on the same condition in all respects on which he has agreed to do the main work.

23. If the rate for the additional altered or substituted work are specified in the contract for the work. The Contractor is bound to carry out the additional, altered or substituted work at the same rate as per specifications in the rate contract for that work.

a) In the event the extra or substituted items of the work does not fall in category as above, the cost will be calculated on the basis of actual labour and consumable materials utilized for the job. The quoted rates will be inclusive of overhead and profit. The quantum of labour and consumable material used will be assessed by the Engineer-in-charge, whose decision in this respect will be final and binding upon the Contractor. The contractor will be required to obtain prior approval of NFL for rates payable to him for such extra items.

b) In case, the Contractor fails to do the extra and/or substituted work. NFL will have the option to get the work done through another agency at the Contractors' risk and cost.

24. SECURITY: The contractor shall deposit SD towards faithful performance of the contract.

The Security Deposit together with EMD/Initial Security Deposit shall be 10% of the contract / Works order value excluding taxes. Initial Security Deposit (ISD) shall be 2.5% of the Contract Work Order Value excluding taxes which is required to be deposited within 15 days of the issue of the Letter of Intent (LOI) /Work Order (WO) by the successful tenderer. EMD can be adjusted against SD.The balance security deposit amount shall be recovered @ 7.5% from each running bill and the final bill so as to make the total security deposit at 10% of the Contract / Work Order Value excluding taxes.In case work is split between two or more parties, SD shall be submitted based on the value of split order.

No interest shall be paid on security deposit. Any amount recoverable from the contractor shall be deducted from RA bill/security deposit. Security deposit shall be returned to contractor after successful completion of the contract and obtaining "No objection certification" from executive department after expiry of Defect Liability Period.

The successful tenderer can furnish a Bank Guarantee from any of the scheduled bank excluding Gramin / Co-operative Bank in the form specifiedby NFL against Security Deposit / Performance Guarantee (as applicable) for the faithful and proper fulfilment of the contract. The Bank Guarantee should be valid for **Contract period plus defect liability period plus 3 months claims period.** The Bank guarantee should be submitted by Bankers directly to NFL in a sealed cover and not through contractor.

The Contractor shall also arrange a copy of swift message, for confirmation of BG (including all amendments) through SFMS mode, from the BG issuing bank generated on communication regarding issue of BG to our designated bank ICICI Bank Ltd, K1, Senior Mall, Sector-18, Noida, UP, 201301, IFSC Code ICIC0000031, as per following details:-

(i) IFN 76 COV for issuance of bank guarantee
(ii) IFN 767 COV for amendment of bank guarantee
(iii) Issuing bank shall mention IFSC code as ICIC0000031 in field 7035 of IFN 76 COV/IFN 767 COV.
(iv) Issuing bank shall mention NFL beneficiary code as NFLNATIONAL04022015 in field 7037 of IFN760COV/IFN767COV.

25.0 PERIOD OF LIABILITY: Defect liability period of works shall be 12 months from the actual date of completion of work. The contractor shall at his own cost and initiative, correct repair and/or rectify any / and all defect(s) and/or imperfections in the design of the work (in so far as the contractor shall be concerned with the design of the work or any part thereof) and/or in the work performed and/or materials, components or other items incorporated therein as shall be discovered during the said defect liability period and in the event of the contractor failing to do so, NFL reserves the right to get the same repaired at the risk & cost of the contractor PLUS 25 % Departmental Charges plus applicable GST thereon , and the expenditure so incurred by NFL shall be adjusted towards the said Security Deposit and / or any other due lying with NFL.

26.0 PROCEDURE FOR MEASUREMENT/BILLING OF WORKS IN PROGRESS:

a) Measurement and Billing:
All measurement shall be in metric system. All the works in progress will be jointly measured by the representative of the Engineer-in-charge and the Contractor's authorized agent. Such measurement will be got recorded in measurement book/sheet by the Engineer-in-charge or the authorized representative and signed in token of acceptance by the Contractor or his authorized representative. The Contractor will submit a bill in approved Performa in Triplicate to the Engineer-in-charge of the work giving abstract and detailed measurements for the various items executed during a month before expiry of the 1st week of the succeeding month.

b) Running Account Payment:
All running account payments shall be regarded as payments by way of advance against the final payment only and not as payments for work actually done.

c) Completion Certificate/Final Bill:
The Engineer-in-charge shall normally issue to the contractor the completion certificate within one month after receiving an application thereof from the contractor after verifying from the completion documents and satisfying himself that the work has been completed in all respect in accordance with the instructions, specifications of contract documents. The contractor after obtaining the completion certificate is eligible to present the final bill for the work executed by him. The final bill shall be prepared on the basis of the final measurements entered in the measurement books/sheets. The final bill shall be prepared in the prescribed Performa with reference to total work covered by the contract such bill to be drawn up after applying the applicable rates specified in the schedule of rates to the relative measured quantities. The final bill shall also include all additional claims of the contractor and considered conclusive. The final bill, complete in all respects, shall be submitted by the Contractor within one month of the completion of work. No further claim shall be allowed by NFL after Final bill. Contractor shall also furnish "NO CLAIM CERTIFICATE" in the prescribed Performa along with Final Bill.

d) Final Certificate:

Within fifteen days of the contractor's application made after the expiry of the period of defect liability provided for in clause 24.0 here of and satisfaction of all liabilities of the contractor in respect there of the Engineer- in-charge that the contractor has performed his obligations in respect of the defect liability period and until issue of such final certificate, the contractor shall be deemed not to have performed such liabilities not withstanding issue of the completion certificate or payment of the final bill by NFL.

27.0 TERMS OF PAYMENT:

a) Payment of monthly running account bill complete in all respect shall be made after making necessary recoveries as per contract within 30 days of receipt of bill by NFL, complete in all respects.

   Payment of final bill shall be released within 60 days or otherwise stipulated in the NIT/WO after receipt of bill completed in all respect. Payment of Security deposit deducted shall be released after completion of defect liability period on demand within 30 days. Payment to MSME Parties shall be made with in a period applicable as per MSMED Act or payment terms as per NIT/WO , whichever is earlier.

b) The contractor has the option to receive payment through Electronic Funds Transfer (EFT)/RTGS Process. For this option, they may submit their bank particulars i.e. Customers Name, Name of the Bank, Bank Account No. (All digits in case of CBS branches),Place of branch, Branch Code (IFSC CODE-II digits) to enable NFL to release payment accordingly. All bank charges will be to their account.

c) Contractor shall submit bill in triplicate to the Department along with measurement sheet duly verified by area in-charge. The area in-charge will forward the bill after verification to F&A Department for payment through HOD.

d) NFL shall deduct TDS-Income Tax as per Income Tax Act, TDS/TCS–GST wherever applicable as per GST law, Commercial Tax, Cess including BOCW Cess at source from all payments due and to be made to the Contractor under this contract in accordance with provisions of relevant Act and Rules framed there under including any amendment and modifications thereof as applicable from time to time.

(e) The contractor shall furnish along with each running bill a certificate that he has complied with statutory provisions relating to Minimum Wages, PF & ESI and Contract Labour (R&A) Act, 1970 etc. and shall also submit copies of Wage Sheet, PF & ESI Challan(along with ECR and payment confirmation receipt).

(f) Bill should be signed by a person holding power of attorney or authorized representative of contractor.

(g) In addition to above terms, payment of final bill will be made subject to, inter alia, following terms:

   1. Payment of final bill will be made to the contractor after submission of certificate from CISF Gate that all the gate passes issued to the labour of the contractor have been returned alternatively no objection certificate may be provided from CISF.

2. The Payment of final bill will not be made until the contractor has handed over the peaceful vacant possession of land, if any, handed over to him free from all encumbrances including offices, stores, workshop, temporary structure, lighting, fixture poles etc.
3. Return of empty packing material, scrap and unconsumed material issued by NFL.
4. The contractor shall be required to give a certificate along with final bill that he has made all payments towards wages as defined under the Payment of Wages Act, 1936 and Contract Labour (R&A) Act, 1970 and has also complied with other provisions of Labour Laws in respect of manpower engaged/employed for the execution of work.
5. The contractor is further required to give an undertaking stating that in case any dispute arises on account of deployment of manpower/labour, contractor would be responsible to discharge the statutory obligations, if any, and NFL will stands indemnified against any such claim/demand made in future.
6. Following documents (as applicable) and documents to comply with statutory requirement shall be submitted along with the final bill after the successful execution of the job:
   a. Undertaking for compliance of the labour laws in the prescribed format
   b. No claim certificate in the format approved by NFL
   c. No dues certificate form respective sections.
   d. Self-attested copy of the ESI challan along with contribution history, separately for this contract.
   e. Self-attested copy of the PF challan, Payment confirmation receipt, ECR with respect to PF deposit, separately for this contract.
   f. Indemnity letter regarding statutory dues (PF, ESI, Minimum Wages, Labour Welfare Fund if applicable etc.) in the prescribed format
   g. Self-attested copy of the wage sheet, attendance record, employee register and Loan/recovery in revised format of A,B,C&D.
   h. Return of Gate passes issued by CISF / NOC from CISF

28.0 PRESERVATION OF FREE ISSUE MATERIAL: All materials issued to the contractor by the owner shall be preserved against deterioration and storage while under contractor's custody, Any damage/losses suffered on account of non-compliance with the requirement stipulated herein shall be considered as losses suffered due to willful negligence on the part of the contractor and he shall be liable to compensate NFL for the losses suffered at panel rates to be determined by the Engineer- in-charge with reference to the rates charged for the purpose of recovery shall be final and binding on the contractor.

29.0 SCRAP ALLOWANCE: Contractor will plan the work in such a way that the wastage to be minimum Following scrap allowance will be allowed. Beyond the allowance, the wastage will be chargeable to the contractor on NFL rate +25% + All Taxes will be charged extra.

Sl. No.	PARTICULARS	SALVAGEABLE
1	STRUCTURE	2.5%
2	PIPE	3.0%
3	CEMENT	3.0%

30.0 ISSUE OF MATERIAL FROM NFL: Any issue of materials from NFL stores not covered in NFL obligation will be issued and charged on NFL issue rate +25% + All Taxes will be charged extra. The issue of such material will be at sole discretion of NFL.

31.0 ISSUE OF GAS CYLINDER:
Contractor has to make his own arrangement for Oxygen and Acetylene Gas. However, the Oxygen and Acetylene gas can be issued on chargeable basis in exigencies subject to the availability constituting following components.

a) Invoice price of gas.
b) Rent for each Cylinder per day.
c) Department charges.
d) Cost of collection and return of empty Cylinder.

32.0 MATERIAL TRANSPORTATION: The contractor shall make his own arrangement for Transportation of the material from stores to site of work and to the place of erection etc. at his own cost for making temporary stores/work sites, NFL may indicate an area at its own discretion for putting up of a temporary hut/shed.

33.0 Liquidated Damages (LD): The time and date of completion of work as stipulated in the contract shall be deemed to be essence of the contract. In the event of work is not completed according to the time schedule, the contractor shall have to pay Liquidated Damages to the NFL at the rates of 1 % of the total value of work excluding taxes for delay of every week or part thereof, subject to a ceiling of 10 % of the total value excluding taxes of the work plus if applicable GST thereon. These Liquidated Damages shall be recovered from the RA/Final Bill of the contractor of this work, or from any other dues of the contractor against any other contract, or from any other dues of contractor lying with NFL.

34.0 ENGINEER-IN-CHARGE: The Engineer-in-charge shall have general supervision and direction of the work. He has authority to stop the work whenever such a stoppage may be necessary to ensure the proper execution of the contract. He shall also have authority to reject all work which directs the application of forces to any portion of the work as in his judgment is required and order force increased or diminished and to decide disputes, which arise in the execution of the work. The Engineer-in-charge reserves the right to suspend the work or the part thereof at any time and no claim whatsoever on this account will be entertained. In case of any dispute the contractor may appeal to the Engineer-in-charge whose decision shall be final and binding.

35.0 JURISDICTION: Notwithstanding any other court or courts having jurisdiction to decide the question(s) forming the subject matter of the reference if the same had been the subject matter of a suit, any and all actions and proceedings arising out of or relating to the contract (including any arbitration in terms thereof) shall lie only in the court of Competent authority civil jurisdiction in this behalf at ---- (place of unit/zo /New Delhi in case of CO/CMO where this contract has been signed on behalf of the owner) and only the said courts shall have jurisdiction to entertain and try such action(s) and / or proceeding (s) to the exclusion of all other courts.

36.00 CONCILIATION & ARBITRATION:

(i) FOR INDIAN PARTIES

Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, scope, operation or effect of this contract or the validity or breach thereof shall be resolved amicably through negotiations by the parties. A “Notice of Dispute” shall be given by the party seeking resolution of a dispute to the other party. If the dispute is not resolved within Thirty (30) days from the notice, the dispute shall be referred to arbitration as per the procedure mentioned herein below:

A written notice shall be given by the contractor invoking arbitration to National Fertilizers Limited through Designated Authority **(CMD / Functional Directors/ Unit Head).**

Where the claim including determination of interest, if any, being claimed up to the date of commencement of arbitration does not exceed Rs. Five crore, the reference shall be made to a sole arbitrator. The parties shall mutually agree on the name of sole arbitrator. In case of disagreement upon the name of the sole arbitrator, the appointment of Sole Arbitrator shall be done in accordance with the provisions of Arbitration & Conciliation Act, 1996.

Where the claim including determination of interest, if any, being claimed up to the date of commencement of arbitration exceed Rs. Five crores, the reference shall be made to arbitral tribunal consisting of three arbitrators. Each party shall nominate one arbitrator each within 30 days from the date of receipt of notice of invocation of arbitration and two nominated arbitrators shall appoint the presiding arbitrator within 30 days thereafter. If a party to the dispute refuses or neglects to nominate an arbitrator on its behalf within the period specified, or the two arbitrators fails to nominate Presiding arbitrator, appointment of Arbitrator(s) shall be done in accordance with the provisions of Arbitration & Conciliation Act, 1996.

The Arbitration proceedings shall be governed by the Arbitration & Conciliation Act, 1996 and any further statutory modification or re-enactment thereof and the rules made thereunder.

It is agreed by and between the parties that in case a reference is made to the Arbitrator for the purpose of resolving the disputes/ differences arising out of the contract by and between the parties hereto, the Arbitrator shall not award interest on the awarded amount more than the rate of SBI PLR / Base Rate applicable to NFL on date of award of contract.

The Seat and venue of Arbitration shall be at Delhi/Place of respective unit /place of Zonal office.

The cost of the proceedings shall be equally borne by the parties, unless otherwise directed by the arbitral tribunal. The decision of the arbitral tribunal shall be final and binding on all parties.

(ii) Arbitration for Foreign Vendors /Parties:

Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by Arbitration administered by the Singapore International Arbitration Centre (“SIAC”) in accordance with the Arbitration rules of Singapore International Arbitration Centre (“SIAC Rules”) for the time being in force, which rules are deemed to be incorporated by reference in this clause.

The Seat and venue of Arbitration shall be at New Delhi, India.The language of the Arbitration shall be English.

This contract/LOI/NIT shall be governed by and construed in accordance with the Laws of India.

(iii) Arbitration for CPSEs and Government Department:

In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs) / Port Trusts inter se and also between CPSEs and Government Departments / Organizations (other than those related to taxation), such disputes or differences shall be taken by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013- DPE(GM)/FTS-1835 dated 22-05-2018.

37.0 CONTRACTOR TO REMOVE UNSUITABLE EMPLOYEES:

The contractor shall on instruction of the Engineer-in-charge immediately remove from the work any person employed thereon who may misbehave or cause any nuisance or otherwise, in the opinion of the Engineer-in-charge is not a fit person to be retained on the work and such person shall not be again employed or allowed on the works without the prior written permission of the Engineer-in-charge.

38.0 SAFETY REGULATION:

The contractor shall observe and abide by all fire and Safety regulations of the NFL. Before starting maintenance work, the Contractor shall consult NFL's Safety Officer or the Engineer-in-charge. If the Safety Engineer is not available, he will do familiarize him with such regulations, copies of which will be furnished to him by NFL, when requested. He shall be responsible for and must make good to the satisfaction of the NFL any loss or damage due to fire to any portion of the work to be done under this agreement or to any of the NFL's existing property. All the accidents to contractor's staff will be reported to the Safety Officer promptly.

This will however not relieve the contractor of any statutory obligation. The contractor shall not undertake any hot job without safety work permit. He has to maintain First Aid Box in his office. Also, necessary safety equipment like Helmets, Hand Gloves, Face Shield, Safety Belt etc. are to be provided to his workmen by the contractor. However special Safety equipment required as per the job requirement will be provided by NFL free of cost.

For any default / accident / loss due to negligence of Contractor or its workers, the liability of Contractor shall be "Absolute liability".

39.0 CONTRACTOR TO EXECUTE AGREEMENT:

The contractor's responsibility under this contract will commence from date of issue of the Letter of Intent. The Tender Documents, other documents exchanged between the Tenderer and NFL, the letter of acceptance and work order shall constitute to the contract. The successful Tenderer shall be required to execute an agreement on a non-judicial stamp paper of prescribed values with NFL within 15 days (Fifteen days) of receipt by him of the Letter of Intent. The agreement to be executed will be in Agreement Form specified by NFL. The cost of the Stamp Papers will be borne by the contractor. Until a formal agreement is prepared and executed, acceptance of this tender shall constitute a binding contract between the parties.

40.0 BIDDER TO ACQUAINT HIMSELF FULLY

The Bidder may visit the site and shall acquaint himself fully and thoroughly with the conditions and limitations including scope, requirements and official/statutory regulations, under which, conforming to which and subject to which, services/work are to be performed by him. Failure to comply with the aforesaid requirements will not relieve the BIDDER of his obligations in the event of his tender being accepted nor will any claim whatsoever be entertained on the plea of ignorance or overlooking.

The Bidder shall give an undertaking that the terms and conditions of NIT and other aforesaid conditions are acceptable to him without reservations and no deviations to NIT have been taken while making the offer.

Unless otherwise specifically stated in his bid, it will be assumed that all terms and conditions of NIT are accepted by the bidder without any reservations whatsoever.

41.0 PAYMENT FOR PREPARATION OF BID DOCUMENT : The Bidder shall not be entitled to claim any cost, charges, expenses, losses incidental to the preparation and submission of this tender in any case.

41.1 TERMINATION OF CONTRACT

Notwithstanding anything elsewhere herein provided and in addition to any other right or remedy of NFL under the Contract or otherwise including right of NFL for compensation for delay the Engineer-in- charge/officer-in-charge may, without prejudice to his right against Contractor in respect of any delay, bad workmanship or otherwise or to any claims for damage in respect of any breaches of the Contract and without prejudice to any rights or remedies under any of the provisions of this Contract or otherwise and whether the date for completion has or has not elapsed by intimation in writing, absolutely, determine the Contract:

Default or failure by Contractor of any of his obligations under the Contract including but not limited to the following, the Contract is liable to be terminated after written notice if the Contractor:

i) Becomes bankrupt or insolvent or goes into liquidation or is ordered to be wound up or has a receiver appointed on its assets or execution or distress is levied upon all or substantially all of its assets.
ii) Abandons the work
iii) Persistently disregards the instructions of the Company in contravention of any provision of the CONTRACT.
iv) Persistently fails to adhere to the agreed program of work.
v) Sublets the work in whole or in part thereof without Company's consent in writing.
vi) Performance is not satisfactory or work is abnormally delayed.
vii) Defaults in the performance of any material undertaking under this CONTRACT and fails to correct such default to the reasonable satisfaction of the Company within fifteen days after written notice of such default is provided to the Contractor.
viii) Conceals any material information or submit any false document or information furnished by the contractor regarding past experience and or contents of any document etc. are found false.

41.2 CONSEQUENCES OF TERMINATION

If the contract is terminated by NFL for the reasons detailed under clause no. 41.1 of General Terms and Conditions due to default of the contractor:

i) NFL reserves the right to get the work completed at the risk and cost of the Contractor and to recover from the Contractor any amount by which the cost of completing the work by any other agency exceeds the value of the contract plus 25% towards administrative cost, without prejudice to any other remedies/rights/claims etc. that may be available with NFL.

ii) Security Deposit/Performance Bank Guarantee Bond submitted by the Contractor shall stand forfeited.

iii) The Contractor shall have no right to claim any compensation for any loss sustained by him by reason of his having entered into any commitment or made any advance on account of or with a view to the execution of the works, or on account of expected profits.

iv) All the dues payable to the Contractor for the work executed by him before and up to termination shall only be released after making adjustments for the expenses, charges, damages and expected losses etc. incurred by NFL as a consequence of the termination of the contract.

v) Apart from above NFL reserves the right to delist/ blacklist the contractor from the approved list of pre-qualified parties or debar from participating in tendering process of NFL in all units / offices as per NFL's rules & regulations.

41.3 FORECLOSURE:

If at any point of time, after the acceptance of the tender, the Company decides to abandon or reduce the scope of the contract work or to terminate the contract due to any reason including force majeure, regulations or ordinance of any government or for any reasons whatsoever, the Officer in Charge shall give notice in writing, to that effect to the Contractor and the Contractor shall have no claims to any payment, on account of compensation or on account of profit advantage, that he would have derived by way of execution of work, but could not do so, because of foreclosure.

Such foreclosure will be by 15 (fifteen) days' notice in writing and no claim / compensation shall be payable by the OWNER as a result of such termination, excepting the fees and costs for the meaningful services rendered by the CONTRACTOR and acceptable to OWNER up to the date of termination.

42.0 RIGHTS OF OWNER

A unilateral stoppage of work by the Contractor shall be considered a breach of the CONTRACT and the OWNER reserves its right to take necessary and suitable action as it may deem fit, to adequately protect his/its interest; at the risk and cost of the contractor. Any aforesaid action shall be without prejudice to any other action, rights and remedies etc. that may also be available.

In the event the Contractor fails to fulfil his obligations under the CONTRACT, the OWNER shall have the right to get the work done by any other agency/own resources at the risk and cost of the Contractor.

43.0 TIME EXTENSION : If the Contractor requires any extension of time for completing the Work under the CONTRACT, he must apply to the OWNER within seven days from the date of the occurrence of the event on account of which he desires such extensions and the OWNER may, if he thinks such request reasonable, grant such extension of time as he may think necessary.

The extension of completion date shall also be subject to the right of NFL to claim a reduction in prices on account of reduction in statutory duties / taxes etc. which may take place during the extended period of completion. However, increase in prices during extended completion period on account of increase in statutory duties/taxes etc. admissible under this work order/contract may be considered only if extension is due to delay on the part of NFL .

Any extension of time given under the provisions of this clause shall be without prejudice to other conditions of Contract and will not absolve the Contractor from the obligations of other clauses under the Contract. The Contractor shall not be entitled to increase in prices or for any compensation whatsoever on account of the extension of time allowed.

Where a Bank Guarantee has been furnished by the Contractor in pursuance of clause (by way of Security Deposit), the Contractor shall immediately arrange to extend the validity of the Bank Guarantee at his cost to adequately cover the extended period of time for completion of work granted under this clause. In addition, the contractor shall ensure that the Labour license, Insurance policy are renewed from time to time at his cost during the extended period of contract till the completion of the project.

44.0 CONTINUED PERFORMANCE : The Contractor shall not stop work in case of any dispute pending before arbitrator/court/Tribunal in relation to the contract or otherwise unless further progress of works has been rendered impossible due to non-fulfilment of any reciprocal promise. Unilateral stoppage of work by the Contractor shall be considered a breach of CONTRACT and the OWNER shall be within its rights to take suitable and necessary action as it may deem fit to adequately protect its own interests.

45.0 Intellectual Property Right : The Contractor shall fully indemnify NFL and all agents, servants and employees of the Company against any action, claim or proceeding relating to infringement or the use of any patent, trademark or design in respect of any article or part thereof included in the Contract. In the event of any claims being made or action being brought against the Company or any agent, or servant, or employee of the Company in respect of any of the matters aforesaid, the Contractor shall be notified thereof for taking necessary action at his cost.

46.0 Contractor's Obligations w.r.t. personnel deployed and labor related compliance:

a) The CONTRACTOR shall be governed by and shall comply with the provisions of various applicable labour laws like Contract Labour (Regulation & Abolition) Act 1970, Payment of Wages Act 1936, Employers Liability Act 1938, Employment of Children Act 1938, Industrial Disputes Act, 1947, Factories Act, 1948, Minimum Wages Act 1948, Employees' State Insurance Act 1948, Employees' Compensation Act 1923 (in the absence of coverage of employees under Employee State Insurance Act, 1948), Employee Provident Fund & Misc. Provisions Act 1952, Maternity Benefit Act 1961, Payment of Bonus Act 1965, Payment of Gratuity Act 1972, Equal Remuneration Act 1976, Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act 1996 (BOCW) along with BOCW Welfare Cess Act 1996, or any modifications thereof or any other law/ Code (s) relating thereto and rules made thereunder from time to time. (THE ABOVE ACTS ARE ONLY ILLUSTRATIVE AND NOT EXHAUSTIVE.)

b) The contractor shall comply with all applicable Central, State statutes/ labour laws/codes/schemes including all other applicable statutory rules and regulations in force relating to the contract and keep NFL indemnified in respect thereof.

The contractor shall, to the extent, he is liable, comply with & give all intimation/ notices required under any Government Authority, instrument, rule or order made under any Act of Parliament, State laws or any regulations or bye-laws of any local authority relating to the contract. The Contractor shall, to the extent that he is liable to pay, indemnify NFL against any liability in respect of any fee/ charges/ fines/ penalty payable under any Act of Parliament, State Laws or any Govt. instrument, rule or order or enactment, any regulations, bye-laws of any local authority in respect of the contract awarded. In case of any violations, omissions, commissions, the consequence/s, if any, including the cost thereto shall be exclusively borne by the CONTRACTOR and NFL shall have no liability whatsoever on this account.

c) In case the CONTRACTOR selected for award of contract does not have a PF code, He shall be required to obtain the same within the stipulated time as per EPF act. The contractor shall timely apply and obtain requisite labour licenses & other requisite registrations/ licenses/ clearances from the concerned Authorities and submit a certified stamped copy of the same. Contractor shall ensure its uninterrupted continuity throughout the period of contract/ applicability.

d) The Contractor shall depute only physically and medically fit 'adult' persons against the contract i.e. persons below the age of 18 years shall not be allowed to be engaged for execution of work. The contractor may employ such persons as He may think fit and the persons so employed shall be employees of contractor for all purposes and shall not be deemed to be in the employment of NFL for any purpose whatsoever.

e) The Contractor shall pay minimum wages directly to the persons employed by him under the Contract, within the stipulated period i.e. by 7th of the following month, by direct credit in his/her bank account through NEFT/RTGS or by way of cheque. The wage rates should not be less than the stipulated minimum wage rates notified by Appropriate Government as per minimum wages act from time to time with respect to the work performed/ rendered, without any discrimination on grounds of caste/ creed/ religion/ gender. CONTRACTOR shall also enroll/cover all eligible/ entitled personnel under EPF, EPS, EDLI, ESI, Labour Welfare Fund, & all the other applicable statutory Acts/ Codes/ schemes and ensure deduction & deposition of the requisite contributions — employee's as well as employer's - for the same with the concerned Authorities/ departments within the due date (i.e. 15th of the following month in case of deposition under EPF & Misc. Provisions Act and by 15th of the following month in case of depositions under ESI Act).

f) The Contractor is also required to discharge all other statutory obligations including timely submission of reports, returns to concerned Authorities and maintain updated registers and records in prescribed proforma under all the various applicable statutes/ Labour Laws/Labour Code(s) including the rules made thereunder enacted and/or amended by the Appropriate Government from time to time.

g) The contractor shall on monthly basis submit a certified stamped copy of wage sheet in prescribed formats along-with bank transaction details besides documentary evidence in support of wage payment, deduction & deposition of EPF, ESI, Labour Welfare Fund. The contractor shall also submit a certified stamped copy w.r.t. any other payment made/ benefit extended by him towards fulfilment of his statutory obligations under applicable statutes and/or his contractual obligations towards NFL. Submission of these and other requisite documents/ records and proper maintenance and production of the same as when requisitioned by Authorities/ NFL has to be ensured for smooth clearance/ settlement of bills/payments.

h) CONTRACTOR shall follow prescribed safety regulations & procedures and shall adhere with safe work practices.

47.0 Specifications and Drawings:

(1) Adherence to Specifications and Drawings: The whole of the works shall be executed in conformity with the specifications and drawings of the contract. If Contractor performs any works in a manner contrary to the specifications or drawings or any of them and without such reference to the Engineer, he shall bear all the costs arising or ensuing therefrom and shall be responsible for any loss to NFL.

(2) Drawings and Specifications of the Works: The Contractor shall keep one copy of Drawings and Specifications at the site, in good order, and such contract documents as may be necessary, available to the Engineer or the Engineer's Representative.

(3) Ownership of Drawings and Specifications: All Drawings and Specifications and copies thereof furnished by the NFL to the Contractor are deemed to be the property of NFL. They shall not be used on other works and with the exception of the signed contract set, shall be returned by the Contractor to the NFL on completion of the work or termination of the Contract.

48.0 Signing of "No Claim" Certificate:

The Contractor shall not be entitled to make any claim whatsoever against NFL under or by virtue of or arising out of this contract, nor shall NFL entertain or consider any such claim, if made by the Contractor, after he shall have signed a "No Claim" Certificate in favour of the NFL in such form as shall be required by NFL after the works are finally measured up. The Contactor shall be debarred from disputing the correctness of the items covered by "No Claim" Certificate or demanding a clearance to arbitration in respect thereof.

49.0 No CONTRACT or understanding in any way modifying the conditions of CONTRACT shall be binding upon either parties hereto unless made in writing and approved by both parties.

50.0 INDEMNIFICATION: The contractor shall have to furnish Indemnity Bond for value specified in Special Terms and Conditions towards the material being sent for repair (This Clause shall be applicable for repair of materials).

51.0 The contract shall be governed by and construed in accordance with the Laws of India.

52.0 Integrity Pact: In case of contract valuing Rs 1 crore and above, the Bidder(s) / Contractor(s) is required to enter into an “Integrity Pact” with the Principal i.e. NFL. The Integrity Pact has to be signed by the Proprietor / Owner/ Partner/ Director or by their duly Authorized Signatory. In case of failure to return the Integrity Pact along with the offer/ bid, duly signed by the authority as mentioned above, will disqualify the offer/ bid.

53. Technical Terms and Condition, Special Terms and Condition are Succeeding to GTC. In case of any discrepancy or inconsistency between Special terms and condition and general terms and conditions, the following order of preference shall be followed: -

1. Scope of work /Technical terms and Condition
2. Special Terms and Condition
3. General Terms and Condition (GTC/GTCC)

Annexure-XI

Performa for proprietorship Affidavit on the stamp paper of appropriate and notary attested

I, ____________________________ S/o Sh. ________________________ resident of ____do hereby solemnly affirm and declare as under:

1. That on ____________(date of start of business) I the deponent has started business under the name and style of Proprietorship as a sole proprietor and at present M/s _______________________________ ______________________ is a sole proprietorship firm.

2. That I am the sole proprietor of the firm named as ______________________ situated at ____________________________(full address of firm with pin code).

3 That my above declarations are true and correct in case, my above declaration found incorrect, in that event, my bid / tender/contract may be rejected and NFL shall be fully competent to take the necessary action as deemed fit.

DEPONENT

VERIFICATION

Verified that the above contents of my affidavit are true and correct to the best of my knowledge and belief and nothing has been concealed therein.

DEPONENT

Place ___________________

Date: ____________________

Annexure-XII

PROCUREMENT FROM A BIDDER WHICH SHARES A LAND BORDER WITH INDIA

1. Order (Public Procurement No. 1) dated 23.07.2020, Order (Public Procurement No. 2) dated 23.07.2020 and Order (Public Procurement No. 3) dated 24.07.2020, Department of Expenditure, Ministry of Finance, Govt. of India refers. The same are available at website https://doe.gov.in/procurement-policy-divisions.

2. Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority. For details of competent authority refer to Annexure I of Order (Public Procurement No. 1) dated 23.07.2020. Further the above will not apply to bidders from those countries (even if sharing a land border with India) to which the Government of India has extended lines of credit or in which the Government of India is engaged in development projects. Updated lists of countries to which lines of credit have been extended or in which development projects are undertaken are given in the website of the Ministry of External Affairs, Govt. of India.

3. "Bidder" (including the term 'tenderer', 'consultant' 'vendor' or 'service provider' in certain contexts) for purpose of this provision means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency, branch or office controlled by such person, participating in a procurement process.

4. "Bidder from a country which shares a land border with India" for the purpose of this:

a. An entity incorporated, established or registered in such a country; or

b. A subsidiary of an entity incorporated, established or registered in such a country; or

c. An entity substantially controlled through entities incorporated, established or registered in such a country; or

d. An entity whose beneficial owner is situated in such a country; or

e. An Indian (or other) agent of such an entity; or

f. A natural person who is a citizen of such a country; or

g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above

5. "Beneficial owner" for the purpose of above (4) will be as under:

i. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person(s), has a controlling ownership interest or who exercises control through other means.

Explanation—

a) "Controlling ownership interest" means ownership of, or entitlement to, more than twenty-five per cent of shares or capital or profits of the company;

b) "Control" shall include the right to appoint the majority of the directors or to control the management or policy decisions, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;

ii) In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;

iii) In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;

iv) Where no natural person is identified under (i) or (ii) or (iii) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;

v) In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership

6. "Agent" for the purpose of this Order is a person employed to do any act for another, or to represent another in dealings with third persons.

7. SUBMISSION OF CERTIFICATE IN BIDS:

Bidder shall submit a certificate in this regard as **<u>Form-I</u>**. If such certificate given by a bidder whose bid is accepted is found to be false, this would be a ground for immediate rejection of the bid/termination and further action as per— Procedure for Action in case of Corrupt/Fraudulent/ Collusive / Coercive Practices‖ of tender document.

8. The registration, wherever applicable, should be valid at the time of submission of bids and at the time of acceptance of bids. In respect of supply otherwise than by tender, registration should be valid at the time of placement of order. If the bidder was validly registered at the time of acceptance / placement of order, registration shall not be a relevant consideration during contract execution.

9. PROVISION FOR WORKS CONTRACTS, INCLUDING TURNKEY CONTRACTS:

The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority. The definition of "contractor from a country which shares a land border with India" shall be as in Para 4 herein above. A Certificate to this regard is to be submitted by bidder is placed at **Form-II**

Form-I

UNDERTAKING ON LETTERHEAD

To,

M/s NATIONAL FERTILIZERS LIMITED

____

SUB: TENDER NO:

Dear Sir,

We have read the clause regarding Provisions for Procurement from a Bidder which shares a land border with India, we certify that, bidder M/s_______________________ (Name of Bidder) is :

(i) Not from such a country [ ]

(ii) If from such a country, has been registered [ ] with the Competent Authority.

(Evidence of valid registration by the Competent Authority shall be attached)

(Bidder is to tick appropriate option (☑ or X) above).

We hereby certify that bidder M/s___________ (Name of Bidder) fulfils all requirements in this regard and is eligible to be considered against the tender.

Place: [Signature of Authorized Signatory of Bidder]

Date:

Name:

Designation:

Seal:

Form-II

CERTIFICATE FOR TENDERS FOR WORKS INVOLVING POSSIBILITY OF SUB-CONTRACTING

To,

M/s NATIONAL FERTILIZERS LIMITED

____

SUB: TENDER NO:

Dear Sir

We have read the clause regarding Provisions for Procurement from a Bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; we certify that, bidder M/s____________ _____________(Name of Bidder) is:

(i) not from such a country [ ]

(ii) if from such a country, has been registered [ ] with the Competent Authority.

(Evidence of valid registration by the Competent Authority shall be attached)

(Bidder is to tick appropriate option (☑ or X) above).

We further certify that bidder M/s_________________- (Name of Bidder) will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority.

We hereby certify that bidder M/s______________________ (Name of Bidder) fulfils all requirements in this regard and is eligible to be considered.

Place: [Signature of Authorized Signatory of Bidder]

Date:

Name:

Designation:

Seal:

Annexure-XIII

Integrity Pact

(To be executed on plain paper and submitted along with technical bid/tender documents for tenders having a value of Rs.1 crore or more. To be signed by the bidder and NFL.)

National Fertilizers Limited (NFL) hereinafter referred to as “The Principal”

AND

____________________________hereinafter referred to as “The Bidder/Contractor”

PREAMBLE

The Principal intends to award, under laid down organizational procedures, contract/s for _____________________________. The Principal values full compliance with all relevant laws of the land, rules, regulations, economic use of and of fairness/transparency in its relations with its Bidder(s) and/or Contractor(s).

In order to achieve these goals, the Principal will appoint an Independent External Monitor (IEM), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal.

1. The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:

a) No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the personal is not legally entitled to.

b) The Principal will during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential/additional information through which the Bidder(s) could obtain an advantage in relation to the process or the contract execution.

c) The Principal will exclude from the process all known prejudiced persons.

2. If the Principal obtains information on the conduct of any of its employees which is a criminal offence under the IPC/PC Act, or if there be a substantive suspicion in this regard, the Principal will inform the Chief Vigilance Officer and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder(s)/Contractor(s)

1. The Bidder(s)/Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

a. The Bidder(s)/contractor(s) will not, directly or through any other persons or firm, offer promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage or during the execution of the contract.

b. The Bidder(s)/Contractor(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.

c. The Bidder(s)/Contractor(s) will not commit any offence under the relevant IPC/PC Act; further the Bidder(s)/Contractors will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or documents provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

d. The Bidder(s)/Contractor(s) of foreign origin shall disclose the name and address of the Agents/representatives in India, if any. Similarly, the bidder(s)/contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. All the payments made to the India agent/representative have to be in Indian Rupees only.

e. The Bidder(s)/Contractor(s) will, when presenting his bid, 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.

2. The Bidder(s)/Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3: Disqualification from tender process and exclusion from future contract

If the Bidder(s)/Contractor(s), before award or during execution has committed a transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/Contractor(s) from the tender process or to terminate the contract, if already signed, for such reasons.

Section 4 : Compensation for Damages

1. If the Principal has disqualified the Bidder(s) from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/Bid Security.

2. If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to Section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages of the Contract value or the amount equivalent to Performance Bank Guarantee.

Section 5 : Previous Transgression

1. The Bidder declares that no previous transgressions occurred in the last three years with any other company in any country conforming to the TII's anti-corruption approach or with any other public sector enterprise in India that could justify his exclusion from the tender process.

2. If the bidder makes incorrect statement on this subject, he can be disqualified from the tender process and appropriate action can be taken including termination of the contract, if already awarded, for such reason.

Section 6 : Equal treatment of all Bidders/Contractors/Sub-contractors.

1. The Principal will enter into agreements with the identical conditions as this one with all bidders, contractors and sub-contractors.

2. The Principal will disqualify from the tender process all bidders who do not sign this Pact or violate its provisions.

Section 7: Criminal charges against violation Bidder(s)/Contractor(s)/Sub-contractors(s)

If the Principal obtains knowledge of conduct of a Bidder(s)/ Contractor(s) which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the same to the Chief Vigilance Officer.

Section 8 : Independent External Monitor/Monitors

1. The Principal appoints competent and credible Independent External 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.

2. The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. It will be obligatory for him to treat the information and documents of bidders /contractors as confidential. He reports to the Chairman & Managing Director, NFL.

3. The Bidder(s)/Contractor(s) accepts that the Monitor has the right to access without restriction to all project documentation of the Principal including that provided by the Contractor. The Contractor will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his project documentation. The same is applicable to Subcontractors. The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/Contractor(s)/Subcontractor(s) with confidentiality.

4. The Principal will provide to the Monitor 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 Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.

5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or to take other relevant action. The monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

6. The Monitor will submit a written report to the Chairman & Managing Director,, NFL within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should be occasion arise, submit proposals for correcting problematic situations.

7. Monitor shall be entitled to compensation on the same terms as being extended to/provided to Independent Directors on NFL Board.

8. If the Monitor has reported to the Chairman & Managing Director, National Fertilizers Limited, a substantiated suspicion of an offence under relevant IPC/PC Act, and the Chairman & Managing Director, NFL has not, within the reasonable time taken visible action to proceed against such offence or reported it to the Chief Vigilance Officer, the Monitor may also transmit this information directly to the Central Vigilance Commissioner.

9. The word “Monitor” word include both singular and plural.

Section 9 : Pact Duration

This pact begins when both parties have legally signed it. It expires for the Contractor 12 months after the last payment under the contract, and for all other Bidder 6 months after the contract has been awarded.

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

Section 10 : Other Provisions

- This agreement is subject to Indian Law. Place of performance and jurisdiction is the Registered Office of the Principal i.e. New Delhi.
- Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.
- If the contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
- Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- A person signing IP shall not approach the courts while representing the matters to IEMs and he/she will await their decision in the matter.
- COMPLIANCE WITH LABOUR LAWS/CODES/SCHEMES

  "The bidder (s)/Contractor (s) shall, wherever applicable, comply with all the statutory requirements relating to the contracts such as relevant Labour Laws/Codes/Schemes including but not limited to the EPF & Misc. Provisions Act-1952, the ESI Act-1948, the payment of Bonus Act-1965, the Contract Labour (Regulation& Abolition) Act, 1970, the Minimum Wages Act-1948, etc, as amended from time to time and for the time being in force."

(For & on behalf of the Principal) (For & on behalf of Bidder/Contractor)

(Office Seal) (Office Seal)

Place_________________

Date_________________

Witness 1 : Witness 1 :

(Name & Address) (Name & Address)

__________________________ ______________________________

__________________________ ______________________________

Witness 2 : Witness 2 :

(Name & Address) (Name & Address)

__________________________ ______________________________

__________________________ ______________________________

ANNEXURE-XIV

PROFORMA FOR BANK GUARANTEE AGAINST ADVANCE PAYMENT

(On Stamp Paper issued in the Name of the Bank)

Guarantee No………………………… Dated………………

In consideration of the National Fertilizers Limited, a Company incorporated under the Indian Companies Act and having its registered office at SCOPE Complex, Core-III, Institutional Area, Lodhi Road, New Delhi 110 003 (hereinafter called "NFL ") having agreed to advance a sum of Rs……………. (Rupees…………………………… only) to M/s………………………………….. (Hereinafter called "CONTRACTOR") as……..% advance against WORK ORDER No………………….. Dated……………. for Rs………. (Rupees………………. only). We, ……………………….(Bank), having its registered office at ………………….. (Hereinafter referred to as the "BANK") do hereby undertake to pay immediately on demand by NFL an amount not exceeding Rs………………….. (Rupees…………………. only) [i.e. Rs………….. as Principal Amount and Rs……………………… as Interest for …………. Months]. NFL can demand, against this Bank Guarantee, only an amount equivalent to an amount not adjusted by NFL against the supplies by the contractor as per the WORK ORDER.

1. Bank do hereby undertake to pay the amounts due and payable under this guarantee without any protest or demur immediately on a demand by NFL. Any such demand made on the Bank shall be conclusive as regards the amount due and payable and the Bank will make the payment immediately without referring to CONTRACTOR.

2. The Bank further agrees that the guarantee herein contained shall remain or shall be released to the CONTRACTOR when the deliveries are completed or advance made towards works are fully adjusted bill of deliveries with earlier certification by NFL.

3. We ………………….(Bank) further agree with the NFL that NFL shall have the fullest liberty without the Bank's consent and without effecting in any manner or obligations hereunder to vary any of the terms and conditions of the Work Order or to extend time of performance by the Contractor from time to time or to postpone for any time or from time to time any of the powers exercisable by NFL against the Contractor and to forebear or enforce any of the terms and conditions relating to the Work Order No…………….. dated………. and the Bank shall not be relieved from its liability by reasons of any such variation or extension being granted to the Contractor or for any forbearance, act or omission on the part of NFL or any indulgence by the NFL to the Contractor or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving Bank.

4. We ………………..(Bank) further agree that it shall not revoke this guarantee during its currency of Guarantee except with the previous consent of NFL in writing.

5. This guarantee will not be discharged due to the change in constitution of the Bank or the Contractor(s). Also the guarantee will not be discharged due to change in the constitution or Management of NFL.

6. We ………………(Bank) agree to extend the validity of the guarantee for the period(s) as asked for by M/s ………………………………….

7. Notwithstanding anything contained herein before, our total liability under this guarantee is restricted to Rs………………… (Rupees……………………………. only) and shall remain in force until………………….. unless a demand or claim to enforce a claim under this guarantee is made against us in writing on or before the date i.e.……………….. all rights of NFL, under this guarantee shall be forfeited and the Bank shall be released and discharged from all liabilities hereunder.

Dated:……....…. …… Bank…………………………

(Corporate Seal of Bank)

ANNEXURE- XV

SECURITY DEPOSIT-CUM-PERFORMANCE BANK GUARANTEE FORMAT

(To be prepared on Stamp paper issued in the name of Bank)

This BANK GUARANTEE No. ________________made this day of ____________________between _____________a bank incorporated and having its registered office at ____________(hereinafter called BANK) which expression shall unless repugnant to the context or contrary to the meaning thereof include its successors and assigns on the one part and NATIONAL FERTILIZERS LIMITED, a Company registered in India under Companies Act, 1956 and having its registered office at Core -III, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi -110 003, India (Hereinafter referred to as "Owner") which expression shall unless repugnant to the context or contrary to the meaning thereof include its successors and assigns on the other part.

WHEREAS in pursuance to the agreement dated _______(hereinafter called CONTRACT) entered into between National Fertilizers Limited and _____________a Company incorporated in ______________(hereinafter called CONTRACTOR) which expression shall unless repugnant to the context or contrary to the meaning thereof include its successors and assigns, for supply of ___________as envisaged in the Contract, Contractor has to submit a Security Deposit-cum-Performance Bank Guarantee for Rs.________.

CONTRACTOR accordingly agrees to furnish the Security cum performance Bank Guarantee as hereinafter contained towards fulfilment of all of its obligations under the contract.

NOW THIS DEED WITNESSES AS FOLLOWS:

The decision of the Owner as to whether the terms and conditions of this Security Deposit- cum-Performance Bank Guarantee have been observed or not shall be final and binding on the BANK. In any case, however the Bank's responsibility under this Security Deposit-cum-Performance Bank Guarantee is limited to Rs.___________.

1. In pursuance of the Contract, the Bank hereby guarantees as a direct responsibility to OWNER that the BANK is holding the amount of Rs.________________at Owner's disposal and hereby promises and shall be bound to pay to OWNER, forthwith at Owner's written notice stating that the contractor has failed to fulfil its obligations under the contract for reasons for which contractor is liable and without any protest or demur and without recourse to contractor and without asking for any reasons as to whether the amount if lawfully asked for by Owner or not, the entire amount or the portion thereof as mentioned by Owner in the notice.

2. This Security Deposit-cum-Performance Bank Guarantee shall be valid for an initial period of ________________months from the date of this Bank Guarantee No.__________________dated __________ given by the Bank to Owner become effective. Upon issuance of Commissioning / certificate according to terms of contract on expiry of ___________months after the issuance of the above mentioned certificate of commissioning / erection / completion certificate, the Security Deposit-cum- Performance Bank Guarantee shall become null and void.

3. This Security Deposit-cum-Performance Bank Guarantee shall be in addition to and shall not affect or be affected by any other security now or hereafter held by Owner on account of money hereby intended to secure and Owner at its discretion and without any further consent from the Bank, and without affecting its rights against the Bank, may compound with, give time or other indulgence to or make any other arrangement with Contractor and nothing done or omitted to be done by Owner in pursuance of any authority or permission contained in this guarantee, shall effect discharge of the liability of the Bank.

4. UNLESS PREVIOUSLY CANCELLED BY THE OWNER, this Security Deposit-cum- Performance Bank Guarantee will remain in force initially upto __________months from the effective date of Bank Guarantee No. _______dated __________given by the Bank to the Owner and subject to provisions of paragraph 2 above will stand automatically cancelled on the expiry of the said period. Unless demand or claim under this Bank Guarantee is made on Bank in writing within three months from the date of expiry of this Bank Guarantee, all the rights of Owner against the Bank shall be forfeited and Bank shall be relieved and discharged from all the liabilities hereunder.

5. Any notice by way of request, demand or otherwise hereunder may be sent by post to the Bank, addressed as aforesaid, and if sent by post, it shall be deemed to have been given at the time when it would be delivered in due course of post, and in proving such notice, when given by post, it shall be sufficient to prove that the envelope containing the notice was posted and a certificate, signed by an officer of the owners, to the effect that the envelope was so posted, shall be conclusive.

6. The Security Deposit-cum-Performance Bank Guarantee is to be returned to the Bank after its expiry in terms of Paragraph 4 above.

7. This guarantee will not be discharged due to the change in constitution of the Bank or the Contractor(s). Also the guarantee will not be discharged due to change in the constitution or Management of NFL (owner).

8. The Bank declares that it has the power to issue this guarantee and the undersigned have full power to do so.

Dated this _day of 202----

(Indicate the name of the Bank with stamp)

ANNEXURE- XVI

BANK GUARANTEE FOR BID SECURITY DEPOSIT / EMD

In consideration of National Fertilizers Limited (NFL), having its registered office at Scope Complex, Core-III, 7 Institutional Area, Lodhi Road, New Delhi-110003 (hereinafter called "NFL" which expression shall unless repugnant to the subject or context includes its successors and assigns) having agreed to exempt _(hereinafter called the, the said tenderer(s)' which expression shall unless repugnant to the subject or context includes his successors and assigns) from the demand under the terms and conditions of tender no

_______________for____________________hereinafter called "the said tenderer' of such bid security deposit for the due fulfilment by the said tenderer(s) of the terms and conditions contained in the said tender ______________________for on production of bank guarantee for Rs.__________________________ (Rupees ____only).

1. We_____________________Bank hereinafter referred to as 'The Bank' do hereby undertake to pay to „NFL‟ an amount not exceeding Rs.________ _(Rupees____________ only) against any loss or damage caused to or suffered by 'NFL' reason of any breach by the said tenderer(s) of any of the terms and conditions contained in the said tender (the decision of the company as to any such breach having been committed and loss suffered shall be binding on us.

2. We ________________________Bank do hereby undertake to pay the amounts due and payable under this guarantee without any demur merely or a demand from 'NFL' stating that the amount claimed is due by way of loss or damage caused to or would cause to or suffered by 'NFL' by reason of any breach by the said tenderer(s) of any of the terms or conditions contained in the said tender or by reason of the said tenderer's failure to keep the tender open. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs.__________________________ (Rupess only).

3. We ____________________ Bank further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the finalization of the said tender and that it shall continue to be enforceable till the said tender is finally decided and order placed on the successful tenderer and/ or till all the dues of „NFL‟ under/or by virtue of the said tender have been fully paid and its claims satisfied or discharged or till a duly authorized officer of NFL certified that the terms and conditions of the said tender have been fully and properly carried out by the said tenderer(s) and accordingly discharges the guarantee. Unless a demand or claim under this guarantee is made on us in writing on or before the _______________ to include 3 months claim over and above the period mentioned in the paragraph for the validity of the Bank Guarantee in the tender we shall be discharged from all liability under this guarantee thereafter.

4. This guarantee will not be discharged due to the change in constitution of the Bank or the Contractor(s). Also the guarantee will not be discharged due to change in the constitution or Management of NFL.

5. We __________________________ Bank, lastly undertake not to revoke this guarantee during its currency except with the previous consent of 'NFL' in writing.

Dated ________________ day of ______________________ 202

Corporate Seal for Bank

ANNEXURE-XVII

PERFORMANCE BANK GUARANTEE FORMAT

(To be prepared on Stamp paper issued in the name of Bank)

This BANK GUARANTEE No. ________made this day of _________ between __________________________________a bank incorporated and having its registered office at _____________________(hereinafter called Bank) which expression shall unless repugnant to the context or contrary to the meaning thereof include its successors and assigns on the one part and NATIONAL FERTILIZERS LIMITED, a Company registered in India under Companies Act, 1956 and having its registered office at Core -III, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi -110 003, India to the context or contrary to the meaning thereof include its successors and assigns on the other part.

WHEREAS in pursuance to the agreement No. dated____________(hereinafter called CONTRACT) entered into between National Fertilizers Limited (hereinafter called OWNER and ___________________a company incorporated in___________________(hereinafter called CONTRACTOR) which expression shall unless repugnant to the context or contrary to the meaning thereof include its successors and assigns, for supply of________as envisaged in the Contract. Contractor has to submit a Performance Bank Guarantee for Rs__________ (Rupess______________only).

CONTRACTOR accordingly agrees to furnish the Performance Bank Guarantee as hereinafter contained towards fulfilment of all of its obligations under the contract.

Now this Deed witness as follows:

1. In pursuance of the Contract, the Bank hereby guarantees as a direct responsibility to OWNER that the BANK is holding the amount of Rs.___________(Rupess _________only) at Owner's disposal and hereby promises and shall be bound to pay to OWNER, forthwith at Owner's written notice stating that the contractor has failed to fulfil its obligations under the contract for reasons for which contractor is liable and without any protest or demur and without recourse to contractor and without asking for any reasons as to whether the amount if lawfully asked for by Owner or not, the entire amount or the portion thereof as mentioned by Owner in the notice. The decision of the Owner as to whether the terms and conditions of this Performance Bank Guarantee have been observed or not shall be final and binding on the BANK. In any case, however the Bank's responsibility under this Performance Bank Guarantee is limited to Rs. (Rupees____ only).

2. This Performance Bank Guarantee shall be valid for an initial period of _______months from the date of this Bank Guarantee No._______dated_________given by the Bank to Owner become effective. Upon issuance of Commissioning/ Erection/Completion certificate according to terms of contract on expiry of __________months after the issuance of the above mentioned certificate of commissioning / erection / completion certificate, the Performance Bank Guarantee shall become null and void.

3. This Performance Bank Guarantee shall be in addition to and shall not affect or be affected by any other security now or hereafter held by Owner on account of money hereby intended to secure and Owner at its discretion and without any further consent from the Bank, and without affecting its rights against the Bank, may compound with, give time or other indulgence to or make any other arrangement with Contractor and nothing done or omitted to be done by Owner in pursuance of any authority or permission contained in this guarantee, shall effect discharge of the liability of the Bank.

4. UNLESS PREVIOUSLY CANCELLED BY THE OWNER, this Performance Bank Guarantee will remain in force initially upto ________ months from the effective date of Bank Guarantee No.________dated _________given by the Bank to the Owner and subject to provisions of paragraph 2 above will stand automatically cancelled on the expiry of the said period. Unless demand or claim under this Bank Guarantee is made on Bank in writing within three months from the date of expiry of this Bank Guarantee, all the rights of Owner against the Bank shall be forfeited and Bank shall be relieved and discharged from all the liabilities hereunder.

5. Any notice by way of request, demand or otherwise hereunder may be sent by post to the Bank, addressed as aforesaid, and if sent by post, it shall be deemed to have been given at the time when it would be delivered in due course of post, and in proving such notice, when given by post, it shall be sufficient to prove that the envelope containing the notice was posted and a certificate, signed by an officer of the owners, to the effect that the envelope was so posted, shall be conclusive.

6. This guarantee will not be discharged due to the change in constitution of the Bank or the Contractor(s). Also the guarantee will not be discharged due to change in the constitution or Management of NFL (Owner)

7. The Performance Bank Guarantee is to be returned to the Bank after its expiry in terms of Paragraph 4 above.

8. The Bank declares that it has the power to issue this guarantee and the undersigned have full power to do so.

Dated _____this___day of ______202 (Indicate the name of the Bank with stamp)

Annexure-XVIII

Proforma for Indemnity Bond

THIS DEED OF INDEMNITY made between M/s…..………………………having its registered office at________and place of business at……………………… The Contractor, which expression shall include its successor and assigns of the one part and M/s National Fertilizers Limited, a company incorporated under the Indian Companies Act and having its registered Office at SCOPE Complex, Core-III, Institutional Area, Lodhi Road, New Delhi (herein under called 'the owner') which expression shall include its successors and assigns of the other part.

WHEREAS the Owner has placed a work Order No.………….on the Contractor for______and whereas one of the conditions of the said Contract, is that the owner will supply to the contractor free issue Material for________as specified in the said Contract for the purpose of ……………………….and WHEREAS the Owner has agreed to send the said Free issue Material in the terms of the said Contract upon the terms that the Contractor should enter into covenants hereinafter contained.

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. In pursuance of the said agreement and in consideration of the promises the Contractor hereby permits and acknowledges that the Contractor holds and shall always hold the said Free Issue Materials (which will from time to time be sent by the Owner to the Contractor) under the said contract, in trust for to the order of and on account of the Owner.

2. The Contractor hereby assume full responsibilities for the said Free Issue Materials shall keep the said Free Issue Materials free of charge to the Owner in the safe place and in good condition.

3. The Contractor hereby agrees to indemnify and keep the Owner indemnified at all times hereafter against all claims, demands, proceedings, losses, damages, costs charges and expenses which may be or brought against the owner of which the owner may suffer or incur by reason of any loss or damage to the Contractor or its employees caused by the default or negligence of the Contractor or its employees or agent and/or by reasons of breach by the Contractor or its covenants obtained in clause 1 and/or clause 2 hereof.

4. The Contractor hereby admits that the owner shall have a first lien or charge for any amount due to the Owner from the Contractor hereunder on any amount which may be due from the Owner to the Contractor under the said contract.

5. The said contract shall constitute and form an integral part of these presents provided that nothing herein contained shall effect the right of the Owner under the said contract.

6. NOTWITHSTANDING anything stated herein above, Contractor's Liabilities under this Guarantee are restricted to Rs.……………(Rs……………………………. only) and it will remain in force till…………………unless an action to enforce claim under the guarantee is filed against Contractor before the aforesaid date all owner's rights under the said guarantee shall be forfeited and Contractor shall be relieved and discharged from all the liabilities there under.

Date……………………………

Annexure-XIX

E-Tendering Guidelines

1). Enrolment process in the Tender site

1. Bidders are required to enrol on the e-Procurement module of the Central Public Procurement Portal (URL: https://etenders.gov.in/eprocure/app) by clicking on the link “Online Bidder Enrolment”. Enrolment on the Portal is free of charge.

2. As part of the enrolment process, the bidders will be required to choose a unique username and assign a password for their accounts.

3. Bidders are advised to register their valid email address and mobile numbers as part of the registration process. These would be used for any communication from the Portal.

4. Upon enrolment, the bidders will be required to register their valid Digital Signature Certificate (Class III Certificates with signing key usage) issued by any Certifying Authority recognized by CCA India, with their profile.

5. Only one valid DSC should be registered by a bidder. Please note that the bidders are responsible to ensure that they do not lend their DSCs to others which may lead to misuse.

6. Bidder then logs in to the site through the secured log-in by entering their user ID /password and the password of the DSC / e-Token.

2). Tender search

1. There are various search options built in the Portal, to facilitate bidders to search active tenders by several parameters. These parameters could include Tender ID, organization name, location, date, value, etc. There is also an option of advanced search for tenders, wherein the bidders may combine a number of search parameters such as organization name, form of contract, location, date, other keywords etc. to search for a tender published on the Portal.

2. Once the bidders have selected the tenders they are interested in, they may download the required documents / tender schedules. These tenders can be moved to the respective ‘My Favourites’ folder. This would enable the Portal to intimate the bidders through SMS / e-mail in case there is any corrigendum issued to the tender document.

3. The bidder should make a note of the unique Tender ID assigned to each tender, in case they want to obtain any clarification / help from the Helpdesk.

3). Preparation of bids

1. Make folders with the name of the tender number so as to identify the folders easily during the bid document uploading.

2. File and Folder name should not contain any special characters (&, #, etc) or space in between.

3. Download the tender document, NIT, BOQ of the required tender in that folder.

4. Scan the EMD fee instruments/ Tender fee instruments for offline payments if any.

5. In the case of offline payment, the details of the DD/any other accepted instrument, physically sent, should tally with the details available in the scanned copy and the data entered during bid submission time. Otherwise the bid submitted will not be acceptable.

6. Scan and keep ready Pre-qualification documents like life certificates, PAN etc if any

7. Prepare the technical bid document and then convert into PDF

8. Prepare the BOQ i.e. fill up required figures in the downloaded XLS document. The BOQ file with the same name has to be uploaded while uploading the financial bids. If there is any change in Name it may not get uploaded or give an error.

9. Keep all the documents in the same folder for the easy bid document upload

10. The bid summary has to be printed and kept as an acknowledgement as a token of the submission of the bid. It will act as a proof of bid submission for a tender floated and will also act as an entry point to participate in the bid opening date. For any clarifications with the TIA, the bid no can be used as a reference.

4). Submission of bids

1. Bidder should log into the site well in advance for bid submission so that he/she upload the bid in time i.e. on or before the bid submission time. Bidder will be responsible for any delay due to other issues.

2. The bidder has to digitally sign and upload the required bid documents one by one as indicated in the tender document.

3. Bidder should prepare the EMD as per the instructions specified in the tender document. The original should be Posted/couriered/given in person to the Tender Processing Section, latest by the last date of bid submission. The details of the DD/any other accepted instrument, physically sent, should tally with the details available in the scanned copy and the data entered during bid submission time. Otherwise the

uploaded bid will be rejected.

4. If a standard BOQ format has been provided with the tender document to be filled by all the bidders. Bidders are requested to note that they should necessarily submit their financial bids in the format provided and no other format is acceptable. Bidders are required to download the BOQ file, open it and complete the while colored (unprotected) cells with their respective financial quotes and other details (such as name of the bidder). No other cells should be changed. Once the details have been completed, the bidder should save it and submit it online, without changing the filename. If the BOQ file is found to be modified by the bidder, the bid will be rejected.

5. The serve time (which is displayed on the bidders' dashboard) will be considered as the standard time for referencing the deadlines for submission of the bids by the bidders, opening of bids etc. The bidders should follow this time during bid submission.

6. All the documents being submitted by the bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered cannot be viewed by unauthorized persons until the time of bid opening. The confidentiality of the bids is maintained using the secured Socket Layer 128 bit encryption technology. Data storage encryption of sensitive fields is done.

7. Any document that is uploaded to the server is subjected to symmetric encryption using a system generated symmetric key. Further this key is subjected to asymmetric encryption using buyers / bid-openers public keys. Overall, the uploaded tender documents become readable only after the tender opening by the authorized bid openers. Upon the successful and timely submission of bids, the portal will give a successful bid submission message & a bid summary will be displayed with the bid no. and the date & time of submission of the bid with all other relevant details.

8. The bid summary has to be printed and kept as an acknowledgement of the submission of the bid. This acknowledgement may be used as an entry pass for any bid opening meetings.

5). Password maintenance

1. The length of the password should be of 8 to 32 characters
2. The password should be of any English lowercase and uppercase (a-z and A- Z) characters.
3. The password must contain at least one number between 0-9.
4. The password must contain at least one special character from these [! @ # $ ^ * _ ~]
5. Sample password is just like Admin123$, India2000#, etc.

6). About DSC

1. Digital Signature Certificates (DSC) is the digital equivalent (that is electronic format) of physical paper certificates.

2. Like physical documents are signed manually, electronic documents, for example e-forms are required to be signed digitally using a Digital Signature Certificate. Transactions that are done using Internet if signed using a Digital Signature certificate becomes legally valid.

3. Bidders have to procure Class 3 signing certificates only. Only Class 3 is valid for e-tendering purpose.

4. The Certifying Authorities are authorized to issue a Digital Signature Certificate with a validity of one or two years. The maximum period for which the DSC is issued is only two years. On the expiry of the term, the Digital Signature Certificate can be revalidated by paying the fees again.

5. Digital Signatures are legally admissible in a Court of Law, as provided under the provisions of IT.

6. Digital Signature Certificate (DSC) is not required by Companies but by individuals. For example the Director or the Authorized signatory signing on behalf of the Company requires a DSC.

7. Each user logs in to the tender site thro' the secured log in by giving the user id/ password allotted during registration & then by giving the password of the DSC. The DSC password will get locked if successively wrong password is given many times.

7). DSC providers for Private firms

A licensed Certifying Authority (CA) issues the digital signature. Certifying Authority (CA) means the authority that has been granted a license to issue a digital signature certificate under Section 24 of the Indian IT-Act 2000.

i. The vendors like TCS (www.tcs-ca.tcs.co.in), Sify, MTNL, nCode (dsc@ncodesolutions.com), e-Mudhra (www.e-mudhra.com) are issuing DSC's for bidders.

ii. The time taken by Certifying Authorities to issue a DSC may vary from three to seven days.

8). Advantage of "My Space" on Portal

1. The bidder can upload Non Sensitive frequently asked documents prior at any point of time once he logs in to the application. These are not encrypted.

2. The can be anything like PAN Certificate, VAT Certificate, Equipment Details, Manpower Details, Copies of Balance Sheet of last few years, Details of quantity of work executed etc.

3. In some cases the TIA might have uploaded a format while in many cases it

may just be a scanned copy of the original which needs to be uploaded.

4. This will avoid repeated upload of common documents and also save space and time.

9). System requirements

1. Windows XP with latest service pack / Windows 7/ Windows 10
2. Loaded IE 7.0 or above
3. Loaded JRE 1.6 or above
4. Antivirus Software with latest definition.
5. Internet connectivity
6. Scanner to scan the documents if required
7. Printer and PDF Creator.

10). Assistance to Bidders

(i) Any queries relating to the tender document and the terms and conditions contained therein should be addressed to the Tender Inviting Authority for a tender or the relevant contact person indicated in the tender.

(ii) Any queries relating to the process of online bid submission or queries relating to tender Portal in general may be directed to the 24x7 CPP Portal Helpdesk. The contact number for the helpdesk is 1800 233 7315.

(iii) All the vendors participating in the online e-tendering have to abide by the process involved in the entire workflow of the e-tendering.

(iv) NFL is not responsible for any mistake made by the vendor at the time of bidding process. In case any vendor submits an invalid bid due to any reason including typing mistake / human error, such invalid bid will be disqualified and such vendor shall not be allowed to further participate in that tender. The remaining process shall be completed considering the other valid bids.

(v) For submitting price bid through e-Auction, the successful Pre-qualified Vendors will have to use a Class III Digital Signature Certificate issued by any India CA approved by CCA of India as per IT Act 2000.

(vi) It is mandatory for the vendors to use the digital certificate in all their bidding Process.

(vii) It is the entire responsibility of the vendors to protect their own login id and Password and keep their digital certificate safe so that is not misused by any other person.

Annexure-XX

CONTRACT AGREEMENT

THIS CONTRACT made -----------on this------- day of---------2021 at---------(Place) BETWEEN NATIONAL FERTILIZERS LIMITED (NFL), a Public Sector Undertaking (PSU) under the Administrative Control of Department of Fertilizers, Ministry of Chemicals & Fertilizers having its Registered Office at SCOPE Complex, Core-III, 7, Institutional Area, Lodhi Road, New Delhi-110003 and its Unit/ Office at (hereinafter referred to as the "Owner", which expression shall be deemed to include its successors and assigns) through its authorized representative of the one Part.

AND

M/s_________________________(carrying on business in sole-proprietor/ partnership/ company etc.,) having its office/ registered office at (hereinafter referred to as "Contractor", which expression shall be deemed to include his/its representatives/successors and permitted assigns) through its authorized representative of the other Part.

WHEREAS the Owner is desirous of executing certain works as mentioned and described in the Work Order/ Letter of Intent No.____________ dated _________ for total Contract value of Rs. __________(Rs. _______________Only) and whereas the Contractor has agreed to execute the work as specified in the Tender Documents and Work Order/ Letter of Intent referred to above and also in the contract documents.

NOW THEREFORE THIS CONTRACT WITNESSTH AS FOLLOWS:

ARTICLE – I

1.0 CONTRACT DOCUMENTS

1.1 The following documents shall constitute the contract documents namely: -

a) This Contract

b) Tender Document/NIT

c) Work Order No. _______dated ______

d) Letter of Intent / Notification of Award No. ______dated ________

e) Contractor Quotation/bid dated _______________.

f) Owner’s Tender Document/ NIT No._______________dated ___________

g) Amendment/ Addendum/ Corrigendum dated __________(If any) to Tender Document/NIT.

h) Owner’s Letter/email dated _____________ (If any).

i) Contractor's Letter/email dated __________ (If any).

1.2 A copy each of the above documents (a) to (h) are annexed hereto and the said copies have been collectively marked Annexure-I.

ARTICLE –2

2.0 SCOPE OF WORK

2.1 In consideration of the payment to be made to the Contractor as hereinafter provided, he shall with due care, promptness, accuracy and workmanship execute the work in accordance with approved plans, Notice Inviting Tender (NIT), Special Conditions of the Contract, General Terms & Conditions of the Contract, Technical Specifications and the Work Order/ Letter of Intent.

ARTICLE-3

3.0 TERM

3.1 The Contract work shall be duly executed and completed in all aspect and handed over to National Fertilizers Ltd. within a period of _______months/year w.e.f. __________to______. The time mentioned herein shall be essence of the contract.

ARTICLE-4

4.0 TERMINATION OF CONTRACT

4.1 Notwithstanding anything elsewhere herein provided and in addition to any other right or remedy of NFL under the Contract or otherwise including right of NFL for compensation for delay the Engineer-in-charge/officer-in-charge may, without prejudice to his right against Consultant in respect of any delay, bad workmanship or otherwise or to any claims for damage in respect of any breaches of the Contract and without prejudice to any rights or remedies under any of the provisions of this Contract or otherwise and whether the date for completion has or has not elapsed by intimation in writing, absolutely, determine the Contract:

Default or failure by Contract of any of his obligations under the Contract including but not limited to the following, the Contract is liable to be terminated if the Consultant becomes bankrupt or insolvent or goes into liquidation or is ordered to be wound up or has a receiver appointed on its assets or execution or distress is levied upon all or substantially all of its assets.

-Abandons the work

Or

-Persistently disregards the instructions of the Owner in contravention of any provision of the Contract

Or

-Persistently fails to adhere to the agreed program of work

Or

-Sublets the work in whole or in part thereof without Owner consent in writing

Or

-Performance is not satisfactory or work is abnormally delayed

Or

-Defaults in the performance of any material undertaking under this Contract and fails to correct such default to the reasonable satisfaction of the Owner within fifteen days after written notice of such default is provided to the Contractor

Or

- Conceals or submit any false document or information furnished by the contractor regarding past experience and or contents of any document etc. are found false.

4.2 Owner may terminate the Contract due to any reason including reasons due to force majeure, regulations or ordinance of any Government or any other reasons beyond the reasonable control of the Owner.

Such termination will be by 15 (fifteen) days' notice in writing and no claim/compensation shall be payable by the Owner as a result of such termination, excepting the fees and costs for the meaningful services rendered by the Contractor and acceptable to Owner up to the date of termination.

4.3 CONSEQUENCES OF TERMINATION

If the contract is terminated by NFL for the reasons detailed under clause no. 4.1 of above or for any other reason whatsoever:

i) NFL reserves the right to get the work completed at the risk and cost of the Contractor and to recover from the Contractor any amount by which the cost of completing the work by any other agency exceeds the value of the contract, without prejudice to any other remedies/rights/claims etc. that may be available with NFL.

ii) Security Deposit/Performance Bank Guarantee Bond submitted by the Contractor shall stand forfeited.

iii) The Contractor shall have no right to claim any compensation for any loss sustained by him by reason of his having entered into any commitment or made any advance on account of or with a view to the execution of the works, or on account of expected profits.

iv) All the dues payable to the Contractor for the work executed by him before and up to termination shall only be released after making adjustments for the expenses, charges, damages and expected losses etc. incurred by NFL as a consequence of the termination of the contract.

v) Apart from above NFL reserves the right to delist/ blacklist the contractor from the approved list of pre-qualified parties or debar from participating in tendering process of NFL in all units / offices as per NFL's rules & regulations.

ARTICLE-5

5.1 FORCE MAJEURE CLAUSE (FMC)

The terms and conditions agreed upon under the contract shall be subject to Force Majeure. Neither the contractor nor NFL shall be considered in default in the performance of their obligation contained therein, if such performance is prevented or delayed or restricted or interfered with by reason of War, Hostilities, Acts of Public Enemy, Civil Commotion, Strike, Lockouts, Epidemics/Pandemics, Accidents, Fires, Explosions, Flood, Earthquake, regulation or ordinance or requirement of any Government or any sub-division thereof or authority or representative of any such Govt., and/or due to technical snag/reasons or any other Act whatsoever, whether similar or dissimilar to those enumerated beyond the reasonable control of the parties hereto or because of any act of GOD. The party so affected, upon giving prompt notice to other party of such conditions and cause thereof from within 15(Fifteen) days of occurrence of such event, shall be excused from such performance to the extent of such prevention, delay, restriction or interference for the period it persists provided that the party so affected shall use its best efforts to avoid or remove such causes of non- performance if possible and shall continue performance hereunder with the utmost dispatch whenever such causes are removed.

If the performance in whole or in part of any obligation under this contract is prevented or delayed by reason of any such event for a period exceeding 90(Ninety) days, either party may at its option terminate the contract by giving notice to the other party.

For delays arising out of Force Majeure neither NFL nor the Contractor shall be liable to pay extra costs or to make good any losses incurred consequent to the happening of any of the event, provided it is mutually established that Force Majeure condition did actually exist.

ARTICLE-6

6.1 INDEMNITY BY CONTRACTOR

The Contractor shall indemnify and save harmless Owner from and against all actions, suit, proceedings, losses, costs, damages, charges, claims and demands of every nature and description brought or recovered against the Owner by reason of any act or omission of the Contractor, his agents or employees, in the execution of the works or in his guarding of the same. All sums payable by way of compensation under any of these conditions shall be considered as reasonable compensation to be applied to the actual loss or damage sustained, and whether or not directly or indirectly any damage shall have been sustained.

ARTICLE-7

7.1 ENTIRE CONTRACT

The contract documents mentioned in Article-I hereof embody the entire contract between the parties hereto and the parties declare that in entering this contract, they do not rely upon any previous representation whether express or implied and whether written or oral or any inducement, understanding or agreement of any kind not included within the contract documents and all prior negotiations, representations contract and/or agreements and understanding are hereby cancelled.

ARTICLE-8

8.0 NOTICE

8.1 Subject to any provisions in the contract documents to the contrary, any notice, order of communication sought to be served by the Contractor on the Owner with reference to the contract shall be deemed to have been sufficiently served upon the Owner (notwithstanding any enabling provisions under any law to the contrary) only, if delivered by Hand or by Registered Post/ Speed Post or email to the Officer/Engineer-In-Charge as defined in the General Terms and Conditions of the contract.

8.2 Without prejudice to another mode of service provided for in the contract documents or otherwise available to the Owner, any notice, order or other communication sought to be served by the Owner on the Contractor with reference to the contract shall be deemed to have been sufficiently served upon the Contractor if delivered by Hand or through Registered Post/Speed Post or email to the Contractor at his specified address at____________.

ARTICLE-9

9.0 WAIVER

9.1 No failure or delay by the Owner in enforcing any right or remedy of the Owner in terms of contract or any obligation or liability of the Contractor in terms thereof shall be deemed to be a waiver of such right, remedy, obligation or liability, as the case may be, by the Owner or notwithstanding such failure or delay, the Owner shall be entitled at any time to enforce such right remedy, obligation or liabilities as the case may be.

ARTICLE-10

10.0 NON-ASSIGNABILITY

10.1 The contract and benefits and obligations thereof shall be strictly personal to the Contractor and shall not on any account be assignable or transferable by the

Contractor, except without written prior permission of Owner.

ARTICLE-11

11.1 DISPUTE RESOLUTION

For Indian Parties

“Any dispute or difference whatsoever arising between the parties out of or relating to the construction, meaning, scope, operation or effect of this contract or the validity or the breach thereof shall be resolved amicably though negotiations by the Parties. A “Notice of Dispute” shall be given by the party seeking resolution of a dispute to other party. If the dispute is not resolved within Thirty (30) days from the notice, the dispute shall be referred to arbitration as per the procedure mentioned herein below:

A written notice shall be given by the contractor invoking arbitration to National Fertilizers Limited through Designated Authority(as mentioned in General Terms and Conditions).

Where the claim including determination of interest, if any, being claimed upto the date of commencement of arbitration does not exceed Rs. Five crore, the reference shall be made to a sole arbitrator. The parties shall mutually agree on the name of sole arbitrator. In case of disagreement upon the name of the sole arbitrator, the appointment of Sole Arbitrator shall be done in accordance with the provisions of Arbitration & Conciliation Act, 1996.

Where the claim including determination of interest, if any, being claimed, upto the date of commencement of arbitration exceeds Rs. Five crore, the reference shall be made to arbitral tribunal consisting of three arbitrators. Each party shall nominate one arbitrator each within 30 days from the date of receipt of notice of invocation of arbitration and two nominated arbitrators shall appoint the presiding arbitrator within 30 days thereafter. If a Party to the dispute refuses or neglects to nominate an arbitrator on its behalf within the period specified, or the two arbitrators fails to nominate Presiding arbitrator, appointment of Arbitrator(s) shall be done in accordance with the provisions of Arbitration & Conciliation Act, 1996.

The Arbitration proceeding shall be governed by the Arbitration & Conciliation Act, 1996 and any further statutory modification or re-enactment thereof and the rules made thereunder.

It is agreed by and between the parties that in case a reference is made to the Arbitrator for the purpose of resolving the disputes/differences arising out of the contract by and between the parties hereto, the Arbitrator shall not award interest on the awarded amount more than the rate SBI PLR/Base Rate applicable to NFL on date of award of contract.

The seat and venue of arbitration shall be Delhi/Place of respective Unit/Place of Zonal Office.

The cost of the proceedings shall be equally borne by the parties, unless otherwise directed by the arbitral tribunal. The decision of the arbitral tribunal shall be final and binding on all parties."

11.2 For Foreign Parties

"Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause.

The seat and venue of the arbitration shall be at New Delhi, India.

The language of the arbitration shall be English.

This Contract/LOI/NIT shall be governed by and construed in accordance with the Laws of India."

11.3 For CPSEs and Government Department

In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Trusts inter se and also between CPSEs and Government Departments/Organizations (Other than those related to taxation), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018.

ARTICLE-12

12.0 JURISDICTION

Notwithstanding any other Court or Courts having Jurisdiction to decide the question(s) forming the subject matter of the reference, if the same had been the subject matter of a suit, any and all actions and proceedings arising out of or relative to the contract (including any arbitration in terms thereof) shall lie only in the court of Competent Civil Jurisdiction in this behalf at __________ (where this contract has been signed on behalf of the Owner) and only the said Court(s) shall have jurisdiction to entertain and try such action(s) and/or proceeding(s) to the exclusion of all other Courts.

IN WITNESS WHEREOF the parties hereto have duly executed this Contract in duplicate at the place, day and year first above written.

SIGNED & DELIVERED SIGNED & DELIVERED

For and on behalf of
National Fertilizers Ltd,
(Owner)
(With Rubber Stamp)

Date:
Place:
In the Presence of:
Witness
1.

Signature ______________
Name of Signatory______________
Address________________

2.
Signature ______________
Name of Signatory______________
Address________________

For and on behalf of
contractor
(With Rubber Stamp)

Date:
Place:
In the Presence of:
Witness
1.

Signature ______________
Name of Signatory_______
_Address______________

2.
Signature ______________
Name of Signatory______
Address________________

Annexure-XXI

FORMAT of Technical C.S.T

Job:

Estimate: Rs.__________________

NIT No. ______________________________

Due date of receipt of tenders: ___________

Technical Bids Opened on:______

No. of sealed tenders received: ______ Regret : __________

S. No	Eligibility criteria conditions	M/s	M/s	M/s
	Tender fees =Rs			
	EMD = Rs			
1.	Completed Works in last 7 years:			
	i) 3 nos.@ 40% of the estimate=Rs			
	ii) 2 nos. @ 50% of the estimate=Rs			
	iii) 1 no. @ 80% of the estimate =Rs			
2	Average turnover of last 3 years			
	i)			
	ii)			
	iii)			
3	Declaration Form I, II & III			
4.	PAN no. : ESI no. :			
5	PF no.			
6	GST No.			
7	Affidavit as applicable			
8	Acceptance of NIT/GTC/ Scope of work, technical terms & conditions, eligibility criteria, deviation, if any			
9	Conditions, if any, by the party.			
10	Meeting Eligibility			

Commercial CST

Item code	Description	UM	Estimate			M/s		
			Qty	Rate/item	Amount (Rs)	Rate (Rs)	Amount (Rs)	%age Deviation

Annexure-XXII

NO CLAIM CERTIFICATE

Sub: Contract Agreement no. .... dated........... for the Work of ....

We have received the sum of Rs. (Rupees .... only) in full and final settlement of all the payments due to us under the above mentioned contract agreement, between us and National Fertilizers Limited (NFL). We hereby unconditionally, and without any reservation whatsoever, certify that with this payment, we shall have no claim whatsoever, of any description, on any account, against NFL, against aforesaid contract agreement executed by us. We further declare unequivocally, that with this payment, we have received all the amounts payable to us, and have no dispute of any description whatsoever, regarding the amounts worked out as payable to us and received by us, and that we shall continue to be bound by the terms and conditions of the contract agreement, as regards performance of the contract.

Yours faithfully,

Signatures of
contractor or officer authorized to sign the contract documents on behalf of
the contractor

(Company stamp)

Date: ....

Place: ....

Annexure-XXIII

CISF GATE PASS CLEARANCE

Certified that M/s.________________________________ have deposited gate passes issued against work order No. ____________________dated ___________for ______________________________________ (Name of the work). All gate passes have been deposited by the contractor. Nothing is outstanding against this party as far as this work order is concerned.

Seal & Signature of the CISF Authority

Annexure-XXIV

Quality and Cost Based Selection (QCBS)

In QCBS selection, minimum qualifying marks (normally 70-80 (seventy – eighty) out of maximum 100 (hundred) marks) as benchmark for quality of the technical proposal will be prescribed and indicated in the RFP along with a scheme for allotting marks for various technical criteria/ attributes. During evaluation of technical proposal, quality score is assigned out of the maximum 100 (hundred) marks, to each of the responsive bids, as per the scheme laid down in the RFP. The consultants/ service providers who are qualifying as per the technical evaluation criteria are considered as technically responsive, and the rest would be considered technically nonresponsive and would be dropped from the list. Financial proposals are then opened for only eligible and responsive offers and other financial offers are returned unopened to bidders. The Financial Proposals are also given cost-score based on relative ranking of prices, with 100 (hundred) marks for the lowest and pro-rated lower marks for higher priced offers. The total score shall be obtained by weighting the quality and cost scores and adding them. The weight given to the technical score may not be confused with the minimum qualifying technical score (though they may in some case be equal). For example, the weightage given to cost score may be 30% (thirty percent) and technical score may be given weightage of 70% (seventy percent, but should never be more than 80%). The ratio of weightages for cost and Technical score could also be 40:60 (forty: sixty) or 50:50 (fifty: fifty) etc. However, the weight for the “cost” shall be chosen, taking into account the complexity of the assignment and the relative importance of quality. The proposed weightings for quality and cost shall be specified in the RFP. The firm obtaining the highest total score shall be selected. It may be noted that theoretically QCBS system with weight of 100% (hundred percent) for the ‘cost’ approximates the price based LCS system. This method of selection shall be used for highly technically complex and critical assignments where it is justifiable to pay appropriately higher price for higher quality of proposal. Table below provides a suggestive weighting for QCBS :

Description	**Remarks**	**Quality/Cost Weighting (%) Score in QCBS**
High complex/downstream consequences/specialized assignments	Use QCBS with higher technical weightage	80/20
Moderate complexity	Majority of cases will follow this range	75-65/ 35-25
Assignments of a standard or routine nature such as auditors/procurement agents handling the procurement	Use of LCS is appropriate	60-50/40-50

Annexure-XXV

Preference to Make in India

To encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, Department of Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India, issued Public Procurement (Preference to Make in India), Order 2017[1]. The order is issued pursuant to Rule 153 (iii) of GFR, 2017. The Order is applicable on the procurement of Goods, Works and Services. For the purpose of this Order:-

a) *'L1'* means the lowest tender or lowest bid or the lowest quotation received in a

tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

b) *'Margin of purchase preference'* means the maximum extent to which the price quoted by a "Class-I local supplier" may be above the L1 for the purpose of purchase preference. It has been fixed as 20 (twenty) percent.

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

d) *'Procuring entity'* means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes

Government companies as defined in the Companies Act.

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

i) **Eligibility of 'Class-I local supplier'/ 'Class-II local supplier'/ 'non-local suppliers' for different types of procurement.**

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

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

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

ii) **Purchase Preference**

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

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

1. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract for full quantity will be awarded to L1.

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

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

1. Among all qualified bids, the lowest bid will be termed as L1. If L1 is 'Class-I local supplier', the contract will be awarded to L1.

2. If L1 is not 'Class-I local supplier', the lowest bidder among the 'Class-I local supplier', will be invited to match the L1 price subject to Class-I local supplier's quoted price falling within the margin of purchase preference, and the contract shall

be awarded to such ‘Class-I local supplier’ subject to matching the L1 price.

3. In case such lowest eligible ‘Class-I local supplier’ fails to match the L1 price, the ‘Class-I local supplier’ with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the ‘Class-I local supplier’ within the margin of purchase preference matches the L1 price, the contract may be awarded to the L1 bidder.

4. “Class-II local supplier” will not get purchase preference in any procurement, undertaken by procuring entities.

iii) **Applicability in tenders where contract is to be awarded to multiple bidders**

In tenders where contract is awarded to multiple bidders subject to matching of L1 rates or otherwise, the ‘Class-I local supplier’ shall get purchase preference over ‘Class-II local supplier’ as well as ‘Non-local supplier’, as per following procedure:

a) In case there is sufficient local capacity and competition for the item to be procured, as notified by the nodal Ministry, only Class I local suppliers shall be eligible to bid. As such, the multiple suppliers, who would be awarded the contract, should be all and only ‘Class I Local suppliers’.

b) In other cases, ‘Class II local suppliers’ and ‘Non local suppliers’ may also participate in the bidding process along with ‘Class I Local suppliers’ as per provisions of the Order.

c) If ‘Class I Local suppliers’ qualify for award of contract for at least 50 (fifty) percent of the tendered quantity in any tender, the contract may be awarded to all the qualified bidders as per award criteria stipulated in the bid documents. However, in case ‘Class I Local suppliers’ do not qualify for award of contract for at least 50 (fifty) percent of the tendered quantity, purchase preference should be given to the ‘Class I local supplier’ over ‘Class II local suppliers’/ ‘Non local suppliers’ provided that their quoted rate falls within 20 (twenty) percent margin of purchase preference of the highest quoted bidder considered for award of contract so as to ensure that the ‘Class I Local suppliers’ taken in totality are considered for award of contract for at least 50 (fifty) percent of the tendered quantity.

d) First purchase preference has to be given to the lowest quoting ‘Class-I local supplier’, whose quoted rates fall within 20 (twenty) percent margin of purchase preference, subject to its meeting the prescribed criteria for award of contract as also the constraint of maximum quantity that can be sourced from any single supplier. If the lowest quoting ‘Class-I local supplier’, does not qualify for purchase preference because of aforesaid constraints or does not accept the offered quantity, an opportunity may be given to next higher ‘Class-I local supplier’, falling within 20 (twenty) percent margin of purchase preference, and so on.

e) To avoid any ambiguity during bid evaluation process, the procuring entities may stipulate its own tender specific criteria for award of contract amongst different bidders including the procedure for purchase preference to ‘Class-I local supplier’ within the broad policy guidelines stipulated in sub-paras above.

iv) **Exemption of small purchases**: Notwithstanding anything contained in paragraph (i), procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from the Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

v) **Minimum local content**: The ‘local content’ requirement to categorize a supplier as ‘Class-I local supplier’ is minimum 50 (fifty) percent. For ‘Class-II local supplier’, the ‘local content’ requirement is minimum 20 (twenty) percent. Nodal Ministry/ Department may prescribe only a higher percentage of minimum local content requirement to categorize a supplier as ‘Class-I local supplier’/ ‘Class-II local supplier’. For the items, for which Nodal Ministry/ Department has not prescribed higher minimum local content notification under the Order, it shall be 50 (fifty) percent and 20 (twenty) percent for ‘Class-I local supplier’/ ‘Class-II local supplier’ respectively.

vi) **Requirement for specification in advance**: The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.

vii) **Government E-marketplace**: In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.

viii) **Verification of local content**:

a) The ‘Class-I local supplier’/ ‘Class-II local supplier’ at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that the item offered meets the local content requirement for ‘Class-I local supplier’/ ‘Class-II local supplier’, as the case may be. They shall also give details of the location(s) at which the local value addition is made.

b) In cases of procurement for a value in excess of Rs. 10 crores, the ‘Class-I local supplier’/ ‘Class-II local supplier’ shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

c) Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.

d) Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.

e) Nodal Ministries and procuring entities may prescribe fees for such complaints.

f) False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

g) A supplier who has been debarred by any procuring entity for violation of the Order shall not be eligible for preference under the Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph (h) below.

h) The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:

1. The fact and duration of debarment for violation of the Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;

2. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);

3. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

ix) **Specifications in Tenders and other procurement solicitations**:

a) Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.

b) Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of 'Class-I local supplier'/ 'Class-II local supplier' who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.

c) Procuring entities shall review all existing eligibility norms and conditions with reference to sub-paragraphs (viii) (a) and (b) above.

d) **Reciprocity Clause**

1. When a Nodal Ministry/Department identifies that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, due to restrictive tender conditions which have direct or indirect effect of barring Indian companies such as registration in the procuring country, execution of projects of specific value in the procuring country etc., it shall provide such details to all its procuring entities including CMDs/CEOs of PSEs/PSUs, State Governments and other procurement agencies under their administrative control and GeM for appropriate reciprocal action.

2. Entities of countries which have been identified by the nodal Ministry/Department as not allowing Indian companies to participate in their Government procurement for any item related to that nodal Ministry shall not be allowed to participate in Government procurement in India for all items related to that nodal Ministry/ Department, except for the list of items published by the Ministry/ Department permitting their participation.

3. The stipulation in (2) above shall be part of all tenders invited by the Central Government procuring entities stated in (1) above. All purchases on GeM shall also necessarily have the above provisions for items identified by nodal Ministry/ Department.

4. State Governments should be encouraged to incorporate similar provisions in their respective tenders.

5. The term 'entity' of a country shall have the same meaning as under the FDI Policy of DPIIT as amended from time to time.

e) Specifying foreign certifications/ unreasonable technical specifications/ brands/ models in the bid document is restrictive and discriminatory practice against local suppliers. If foreign certification is required to be stipulated because of non-availability of Indian Standards and/or for any other reason, the same shall be done only after written approval of Secretary of the Department concerned or any other Authority having been designated such power by the Secretary of the Department concerned.

f) “All administrative Ministries/Departments whose procurement exceeds Rs. 1000.

Crore per annum shall notify/ update their procurement projections every year, including those of the PSEs/PSUs, for the next 5 years on their respective website.”

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

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

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

xiii) **Manufacture under license/ technology collaboration agreements with phased indigenization**

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

b) In procurement of all goods, services or works in respect of which there is substantial quantity of public procurement and for which the nodal ministry has not notified that there is sufficient local capacity and local competition, the concerned nodal ministry shall notify an upper threshold value of procurement beyond which foreign companies shall enter into a joint venture with an Indian company to participate in the tender. Procuring entities, while procuring such items beyond the notified threshold value, shall prescribe in their respective tenders that foreign companies may enter into a joint venture with an Indian company to participate in the tender. The procuring Ministries/Departments shall also make special provisions for exempting such joint ventures from meeting the stipulated minimum local content requirement, which shall be increased in a phased manner.

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

1. reduce the minimum local content below the prescribed level; or

2. reduce the margin of purchase preference below 20 (twenty) percent; or

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

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

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

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

Secretary, Department for Promotion of Industry and Internal Trade-Chairman Secretary, Commerce-Member Secretary, Ministry of Electronics and Information Technology-Member Joint Secretary (Public Procurement), Department of Expenditure-Member Joint Secretary (DPIIT)-Member-Convenor The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

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

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

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

(Rule 153 of GFR 2017)

(Note: [1]Latest revision to the Order notified vide OM No. P-45021/2/2017-PP (BE-II) issued by DPIIT, dated 16.09.2020)

[Buyer is advised to refer latest guidelines, if any, issued by the Ministry/ Corporate

Office].

Annexure-XXVI

Model Clauses for Tenders

I. Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority.

II. “Bidder” (including the term ‘tenderer’, ‘consultant’ or ‘service provider’ in certain contexts) means any person or firm or company, including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not falling in any of the descriptions of bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.

III. “Bidder from a country which shares a land border with India" for the purpose of this Order means:

a. An entity incorporated, established or registered in such a country; or

b. A subsidiary of an entity incorporated, established or registered in such a country; or

c. An entity substantially controlled through entities incorporated, established or registered in such a country; or

d. An entity whose beneficial owner is situated in such a country; or

e. An Indian (or other) agent of such an entity; or

f. A natural person who is a citizen of such a country; or

g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above.

IV. The beneficial owner for the purpose of (iii) above will be as under:

1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

Explanation—

a. “Controlling ownership interest” means ownership of or entitlement to more than twenty-five per cent, of shares or capital or profits of the company;

b. ‘‘Control’’ shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements;

2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;

3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of individuals;

4. Where no natural person is identified under (1) or (2) or (3) above, the beneficial owner is the relevant natural person who holds the position of senior managing official;

5. In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

V. An Agent is a person employed to do any act for another, or to represent another in dealings with third person.

VI. [To be inserted in tenders for Works contracts, including Turnkey contracts] The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority. Model Certificate for Tenders (for transitional cases as stated in para 3 of this Order).

“I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I hereby certify that this bidder is not from such a country and is eligible to be considered."

Model Certificate for Tenders

‘‘I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this bidder is not from such a country or,if from such a country, has been registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

Model Certificate for Tenders for Works involving possibility of sub-contracting:

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India and on sub-contracting to contractors from such countries; I certify that this bidder is not from such a country or, if from such a country, has been registered with the Competent Authority and will not sub-contract any work to a contractor from such countries unless such contractor is registered with the Competent Authority. I hereby certify that this bidder fulfills all requirements in this regard and is eligible to be considered. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

Model Certificate for GeM:

"I have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; I certify that this vendor/ bidder is not from such a country or, is not from such a country, has been registered with the Competent Authority. I hereby certify that this vendor/ bidder fulfills all requirements in this regard and is eligible to be considered for procurement on GeM. [Where applicable, evidence of valid registration by the Competent Authority shall be attached.]"

[Buyer is advised to refer latest guidelines, if any, issued by the Ministry/ Corporate Office].

<u>**Annexure-XXVII**</u>

<u>Public Procurement Policy for Micro and Small Enterprises (MSEs):</u>

Reservation of specific items for procurement from Micro and Small Enterprises (MSE)

To enable wider dispersal of enterprises in the country, particularly in rural areas, the Central Government Ministries or Departments or Public Sector Undertakings shall continue to procure items reserved for procurement exclusively from MSE (presently 358 (three hundred and fifty-eight) items including eight items of Handicrafts) from Micro and Small Enterprises, which have been reserved for exclusive purchase from them. The latest list may be seen from the website of the MSME Ministry[1]. Ministry of MSME has clarified that the laminated paper Gr.I,II and III are not covered under the paper conversion product (SI.No.202) of the Public Procurement Policy[2]. For locating the sources of such reserved items, NSIC may be contacted.

Public Procurement Policy for Micro and Small Enterprises (MSEs)

i) From time to time, the Government of India (Procuring Entity) lays down procurement policies to help inclusive national economic growth by providing long-term support to micro, small and medium enterprises and disadvantaged sections of society . The Procurement Policy for Micro and Small Enterprises, 2012 [amended 2018 and 2021] has been notified by the Government in exercise of the powers conferred in Section 11 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Details of the policy along with the amendments issued in 2018 and 2021 are available on the MSME website[3].

ii) Micro and Small Enterprises (MSEs) registered under Udyam Registration are eligible to avail the benefits under the policy.

iii) The Policy is applicable to all the Central Government Ministries/ Departments/ CPSUs.

However, the policy is not applicable to State Government Ministries/ Departments/

PSUs.

1) To reduce transaction cost of doing business, MSEs will be facilitated by providing them tender documents free of cost, exempting MSEs from payment of earnest money deposit, adopting e-procurement to bring transparency in tendering process. However, exemption from paying Performance Bank Guarantee is not covered under the policy. MSEs may also be given relaxation in prior turnover and prior experience criteria during the tender process, subject to meeting of quality and technical specifications.

However, there may be circumstances (like procurement of items related to public safety, health, critical security operations and equipment, etc.) where procuring entity may prefer the vendor to have prior experience rather than giving orders to new entities[4].

2) Chapter V of the MSMED Act, 2006 also has provision for ensuring timely payments to the MSE suppliers. The period agreed upon for payment must not exceed forty-five days after the supplies. For delays in payment the buyer shall be liable to pay compound interest to the supplier on the delayed amount at three times of the bank rate notified by the Reserve Bank. For arbitration and conciliation regarding recovery of such payments and interests, Micro and Small Enterprises Facilitation Council has been setup in states.

3) In tender, participating Micro and Small Enterprises (MSE) quoting price within price band of L1+15 (fifteen) per cent shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSE shall be allowed to supply up to 25(twenty five) per cent of total tendered value. The 25(twenty five) per cent quantity is to be distributed proportionately among these bidders, in case there are more than one MSEs within such price band.

4) Within this 25% (Twenty Five Percent) quantity, a purchase preference of four (4) per cent s reserved for MSEs owned by Scheduled Caste (SC)/Scheduled Tribe (ST) entrepreneurs and three (3) percent is reserved for MSEs owned by women entrepreneur (if they participate in the tender process and match the L1 price).However, in event of failure of such MSEs to participate in tender process or meet tender requirements and L1 price, four percent sub-target for procurement earmarked for MSEs owned by SC/ST entrepreneurs and three (3) percent earmarked to women owned by SC/ ST entrepreneurs:

a) In case of proprietary MSE, proprietor(s) shall be SC /ST;

b) In case of partnership MSE, the SC/ ST partners shall be holding at least 51% (fifty-one percent) shares in the unit;

c) In case of Private Limited Companies, at least 51% (fifty-one percent) share shall be held by SC/ ST promoters.

iv) If subcontract is given to MSEs, it will be considered as procurement from MSEs.

v) In case of tender item cannot be split or divided, etc. the MSE quoting a price within the band L1+15% may be awarded for full/ complete supply of total tendered value to MSE, considering the spirit of the Policy for enhancing Govt. Procurement from MSEs.

vi) To develop MSE vendors so as to achieve their targets for MSEs procurement, Central Government Ministries /Departments /PSUs shall take necessary steps to develop appropriate vendors by organizing Vendor Development Programmes (VDPs) or Buyer-Seller Meets focused on developing MSEs for procurement through the Government e-Marketplace (GeM) portal. In order to develop vendors belonging to MSEs for Public Procurement Policy, the Ministry of MSME is regularly organizing State Level VDPs and National Level VDPs under the Procurement and Marketing Support Scheme. For enhancing participation of MSEs owned by SCs /STs/ Women in Government procurement, Central Government Ministries/ Departments/ CPSUs have to take the following steps:

a) Special Vendor Development Programmes/ Buyer-Seller Meets would be conducted by Departments/ CPSUs for SC/STs and Women.

b) Outreach programmes will be conducted by National Small Industries Corporation (NSIC) to cover more and more MSEs from SC/STs under its schemes of consortia formation; and

c) NSIC would open a special window for SCs/ STs under its Single Point Registration Scheme (SPRS).

d) A National SC/ST hub scheme was launched in October, 2016, for providing handholding support to SC/ST entrepreneur which is being coordinated / implemented by the NSIC under this Ministry.

vii) Where any Aggregator has been appointed by the Ministry of MSME, themselves quote on behalf of some MSE units, such offers will be considered as offers from MSE units and all such facilities would be extended to these also.

viii) This Policy is meant for procurement of only goods produced and services rendered by MSEs. Traders/ distributors/ sole agent/ Works Contract are excluded from the purview of the policy.

ix) **Exemptions from the policy:** Given their unique nature, defence armament imports shall not be included in computing 25(twenty five) per cent goal for Ministry of Defence.

In addition, defence equipments like weapon systems, missiles, etc. shall remain out of purview of such Policy of reservation. Monitoring of goals set under the policy will be done, in so far as they related to Defense sector, by Ministry of Defense itself in accordance with suitable procedures to be established by them.

x) To monitor the progress of procurement by Central Government Ministries/

Departments and CPSUs from MSEs, Ministry of MSME has launched the MSME 'Sambandh'[5] Portal on 8th December, 2017 for uploading procurement details by all CPSUs on a monthly and an annual basis which is regularly monitored by the Ministry.

xi) To redress the grievances of MSEs related to non-compliance of the Policy a Grievance cell named "CHAMPION Portal" has been set up in the Ministry of MSME.

(Note: [1] http://www.dcmsme.gov.in/schemes/Listof358itemsReserved.pdf

[2]Policy Circular No. 21(6)/2016-MA dated 26.05.2016

[3]http://dcmsme.gov.in/pppm.htm.aspx

[4]Notified vide OM No.F.20/2/2014-PPD(Pt.) issued by Department of Expenditure dated 29.09.2016.

[5]https://sambandh.msme.gov.in/PPP_Index.aspx)

[Buyer is advised to refer latest guidelines, if any, issued by the Ministry/ Corporate Office].

Government of India
Central Vigilance Commission
(CTE's Organisation)

Satarkata Bhavan,
Block A, GPO Complex,
INA, New Delhi – 110 023.

Dated the 17th December 2002.

OFFICE MEMORANDUM

Subject : - Prequalification criteria (PQ).

The Commission has received complaints regarding discriminatory prequalification criteria incorporated in the tender documents by various Deptts./Organisations. It has also been observed during intensive examination of various works/contracts by CTEO that the prequalification criteria is either not clearly specified or made very stringent/very lax to restrict/facilitate the entry of bidders.

2. The prequalification criteria is a yardstick to allow or disallow the firms to participate in the bids. A vaguely defined PQ criteria results in stalling the process of finalizing the contract or award of the contract in a non-transparent manner. It has been noticed that organizations, at times pick up the PQ criteria from some similar work executed in the past, without appropriately amending the different parameters according to the requirements of the present work. Very often it is seen that only contractors known to the officials of the organization and to the Architects are placed on the select list. This system gives considerable scope for malpractices, favouritism and corruption. It is, therefore, necessary to fix in advance the minimum qualification, experience and number of similar works of a minimum magnitude satisfactorily executed in terms of quality and period of execution.

3. Some of the common irregularities/lapses observed in this regard are highlighted as under: -

i) For a work with an estimated cost of Rs.15 crores to be completed in two years, the criteria for average turnover in the last 5 years was kept as Rs.15 crores although the amount of work to be executed in one year was only Rs.7.5 crores. The above resulted in prequalification of a single firm.

ii) One organization for purchase of Computer hardware kept the criteria for financial annual turnover of Rs.100 crores although the value of purchase was less than Rs.10 crores, resulting in disqualification of reputed computer firms.

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iii) In one case of purchase of Computer hardware, the prequalification criteria stipulated was that the firms should have made profit in the last two years and should possess ISO Certification. It resulted in disqualification of reputed vendors including a PSU.

iv) In a work for supply and installation of A.C. Plant, retendering was resorted to with diluted prequalification criteria without adequate justification, to favour selection of a particular firm.

v) An organization invited tenders for hiring of D.G. Sets with eligibility of having 3 years experience in supplying D.G. Sets. The cut off dates regarding work experience were not clearly indicated. The above resulted in qualification of firms which had conducted such business for 3 years, some 20 years back. On account of this vague condition, some firms that were currently not even in the business were also qualified.

vi) In many cases, "Similar works" is not clearly defined in the tender documents. In one such case, the supply and installation of A.C. ducting and the work of installation of false ceiling were combined together. Such works are normally not executed together as A.C. ducting work is normally executed as a part of A.C. work while false ceiling work is a part of civil construction or interior design works. Therefore, no firm can possibly qualify for such work with experience of similar work. The above resulted in qualification of A.C. Contractors without having any experience of false ceiling work although the major portion of the work constituted false ceiling work.

4. The above list is illustrative and not exhaustive. While framing the prequalification criteria, the end purpose of doing so should be kept in view. The purpose of any selection procedure is to attract the participation of reputed and capable firms with proper track records. The PQ conditions should be exhaustive, yet specific. The factors that may be kept in view while framing the PQ Criteria includes the scope and nature of work, experience of firms in the same field and financial soundness of firms.

5. The following points must be kept in view while fixing the eligibility criteria:-

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A) ***For Civil/Electrical Works***

i) *Average Annual financial turnover during the last 3 years, ending 31st March of the previous financial year, should be at least 30% of the estimated cost.*

ii) *Experience of having successfully completed similar works during last 7 years ending last day of month previous to the one in which applications are invited should be either of the following: -*

a. Three similar completed works costing not less than the amount equal to 40% of the estimated cost.

or

b. Two similar completed works costing not less than the amount equal to 50% of the estimated cost.

or

c. One similar completed work costing not less than the amount equal to 80% of the estimated cost.

iii) *Definition of "similar work" should be clearly defined.*

In addition to above, the criteria regarding satisfactory performance of works, personnel, establishment, plant, equipment etc. may be incorporated according to the requirement of the Project.

B) For Store/Purchase Contracts

Prequalification/Post Qualification shall be based entirely upon the capability and resources of prospective bidders to perform the particular contract satisfactorily, taking into account their (i) experience and past performance on similar contracts for last 2 years (ii) capabilities with respect to personnel, equipment and manufacturing facilities (iii) financial standing through latest I.T.C.C., Annual report (balance sheet and Profit & Loss Account) of last 3 years. The quantity, delivery and value requirement shall be kept in view, while fixing the PQ criteria. No bidder should be denied prequalification/post qualification for reasons unrelated to its capability and resources to successfully perform the contract.

Contd….

6. It is suggested that these instructions may be circulated amongst the concerned officials of your organization for guidance in fixing prequalification criteria. These instructions are also available on CVC's website, http://cvc.nic.in.

(M.P. Juneja)
Chief Technical Examiner

To

All CVOs of Ministries/Departments/PSUs/Banks/Insurance Companies/ Autonomous Organisations/Societies/UTs.

No. 12-02-1-CTE-6
Government of India
Central Vigilance Commission
(CTE's Organisation)

Satarkata Bhavan, Block A,
4th Floor, GPO Complex,
INA, New Delhi – 110 023.

Dated: 7th May, 2004

OFFICE MEMORANDUM

Subject : -   Pre-qualification Criteria (PQ).

Guidelines were prescribed in this office OM of even number dated 17/12/2002, on the above-cited subject to ensure that the pre-qualification criteria specified in the tender document should neither be made very stringent nor very lax to restrict/facilitate the entry of bidders. It is clarified that the guidelines issued are illustrative and the organizations may suitably modify these guidelines for specialized jobs/works, if considered necessary. However, it should be ensured that the PQ criteria are exhaustive, yet specific and there is fair competition. It should also be ensured that the PQ criteria is clearly stipulated in unambiguous terms in the bid documents.

(M.P. Juneja)
Chief Technical Examiner

To

All CVOs of Ministries/Departments/PSUs/Banks/Insurance Companies/ Autonomous Organisations/Societies/UTs.

No.005/VGL/4
Government of India
Central Vigilance Commission
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Satarkta Bhawan, Block 'A',
GPO Complex, INA,
New Delhi- 110 023
Dated the 14th July, 2009

CIRCULAR No. 17/7/09

Subject: Posting of details on award of tenders/contracts on websites.

The Commission vide circulars dated 16.03.2005, 28.07.2005 and 18.04.2007 had directed all organisations to post on their web-sites a summary, every month, containing details of all the contracts/purchases made above a threshold value (to be fixed by the organisations) covering atleast 60% of the value of the transactions every month to start with on a continuous basis. CVOs were required to monitor the progress and ensure that the requisite details were posted regularly on respective websites, and also to incorporate compliance status in their monthly report to the Commission.

2. On a review of the status of implementation by the organisations, it is observed that some organisations have not adhered to the instructions and implemented the same. Further, such information being posted on the websites are not being regularly updated on a continuous basis by certain organisations and, in some cases, the information published is disjointed and not as per the prescribed format laid down by the Commission. It is also seen that a few organisations have placed such information on restricted access through passwords to registered vendors/suppliers etc. which defeats the basic purpose of increasing transparency in administration.

3. The Commission, therefore, while reiterating its aforementioned instructions would direct all organisations/departments to strictly adhere and post summary of details of contracts/purchases awarded so as to cover 75% of the value of the transactions without any further delay. Any failure on the part of the organisations on this account would be viewed seriously by the Commission.

4. All Chief Vigilance Officers should reflect the compliance status in their monthly reports to the Commission after personally verifying the same.

(Shalini Darbari)
Director

To

All Secretaries of Ministries/Departments
All CEOs /Heads of Organisations
All Chief Vigilance Officers

No. OFF-1-CTE-1(Pt) V
Government of India
Central Vigilance Commission
*****

Satarkta Bhawan, Block 'A',
GPO Complex, INA,
New Delhi- 110 023
Dated the 24th March 2005

Office Order No. 15/3/05

Subject: Notice inviting tenders – regarding.

The Commission has observed that some of the Notice Inviting Tenders (NITs) have a clause that the tender applications could be rejected without assigning any reason. This clause is apparently incorporated in tender enquiries to safeguard the interest of the organisation in exceptional circumstance and to avoid any legal dispute, in such cases.

2. The Commission has discussed the issue and it is emphasized that the above clause in the bid document does not mean that the tender accepting authority is free to take decision in an arbitrary manner. He is bound to record clear, logical reasons for any such action of rejection/recall of tenders on the file.

3. This should be noted for compliance by all tender accepting authorities.

Sd/-

(Anjana Dube)
Deputy Secretary

All Chief Vigilance Officers

No.02-07..()1-CTE-30
Government of India
Central Vigilance Commission

Satarkata Bhawan, Block 'A',
GPO Complex, INA,
New Delhi-110023.
31 DEC 2007

OFFICE MEMORANDUM
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Sub. : Acceptance of Bank Guarantees.

A number of instances have come to the notice of the Commission where forged / fake bank guarantees have been submitted by the contrabtors/ suppliers. Organizations concerned have also not made any effective aaempt to verifY the genuineness / authenticity of these bank guarantees at the time of submission.

2. In this background, all organizations are advised to streamline the system of acceptance of bank guarantees from contractors/suppliers to eliminate the possibility of acceptance of any forged/fake bank guarantees.

3. The guidelines on this subject issued by Canara Bank provides for an elaborate procedure, which may be found heipfui. tor the organizations in eliminating the possibility of acceptance of forged/fake bank guarantees. The guidelines issued by Canara Bank provides that -

"The original guarantee should be sent to the beneficiary directly under Registered Post (A.D.). However, in exceptional cases, where the guarantee is handed over to the customer for any genuine reasons, the branch should immediately send by Registered Post (A.D.) an unstamped duplicate copy of the guarantee directly to the beneficiary with a covering letter requesting them to compare with the original received from their customer and confirm that it is in order. The A.D. card should be kept with the loan papers of the relevant guarantee.

At times, branches may receive letters from beneficiaries, viz., Central / State Governments, public sector undertakings, requiring bank's confirmation for having issued the guarantee. Branches must send the confirmation letter to the concerned authorities promptly without fail."

4. Therefore, all organizations are advised to evolve the procedure for acceptance of BGs, which is compatible with the guidelines of Banks/Reserve Bank of India. The steps *to* be ensured should include-

i) Copy of proper prescribed format on which BGs are accepted from the contractors should be enclosed with the tender document and it should be verified verbatim on receipt with original document.

ii) It should be insisted upon the contractors, suppliers etc. that BGs to be submitted by them should be sent to the organization directly by the issuing bank under Registered Post (A.D.).

iii) In exceptional cases, where the BGs are received through the, contractors, suppliers etc., the issuing branch should be requested to immediately send by Registered Post (A.D.) an unstamped duplicate copy of the guarantee directly to the organisation with a covering letter to compare with the original BGs and confirm that it is in order.

iv) As an additional measure of abundant precaution, all BGs should be independently verified by the organizations.

v) In the organisation/Wlit, one officer should be specifically designated with responsibility tor verification, timely renewal and timely encashment ofBGs.

5. Keeping above in view, the organizations ·may frame their own detailed guidelines to ensure that BGs are genuine and encashable.

6. Receipt of the above guidelines should be acknowledged.

Q.\)

(Smt. Padamaja Varma)
ChiefTechnical Examiner

To
All Chief Vigilance Officers

No. 02-07-1-CTE-30/309'2Olf
Central Vigilance Commission
Chief Technical Examiner's Organization

Satarkta Bhavan, Block-A
GPO Complex, INA, New Delhi
Dated, the 04.03.201

Circular No.04/03/2016
OFFICE MEMORANDUM

Sub: Acceptance of Bank Guarantee (BG) — Reg.

Reference is invited to the Commission's Circular No. 01/01/08 dated 31.12.2007 (issued vide OM No. 02-07-1-CTE-30 dated 09.05.2006), wherein necessity for ensuring verification of genuineness of Bank Guarantee prior to its acceptance was emphasized and steps were suggested.

2. It is, however, observed that the practice of paper based verification of BGs followed by the organizations is not only time consuming causing delay in acceptance/award of works or advance related payments but also its trustworthiness cannot always be ensured due to human intervention in it.

3. In this background, organizations are advised to follow IT enabled confirmation system which is swift and secured in addition to their existing paper based confirmation system The following methods for verification may be considered by the organizations:-

a) Getting confirmation through digitally signed secured e-mails from issuing Banks;
b) Online verification of Company portal with user ID and password followed by 2"d stage authentication system generated One Time Password (OTP) on portal for reconfirmation;
c) E-mail confirmation followed by 2"d stage authentication by system generated SMS
through registered mobile and reconfirmation through SMS to the verifying officer.

4. Keeping above in view, organizations may evolve their own procedure adopting any one or more of the above methods for ensuring genuineness of BGs, which is compatible w1th the guidelines of Banks/Reserve Bank of India.

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(Ramesh Chandra)
Chief Technical Examiner

To
All Chief Vigilance Officers

No.005/CRD/012
Government of India
Central Vigilance Commission
*****

Satarkta Bhawan, Block 'A',
GPO Complex, INA,
New Delhi- 110 023

Dated the 3rd March, 2007

Circular No.4/3/07

Sub:- Tendering process - negotiations with L-1.

Reference is invited to the Commission's circulars of even number, dated 25.10.2005 and 3.10.2006, on the above cited subject. In supersession of the instructions contained therein, the following consolidated instructions are issued with immediate effect:-

(i) As post tender negotiations could often be a source of corruption, it is directed that there should be no post-tender negotiations with L-1, except in certain exceptional situations. Such exceptional situations would include, procurement of proprietary items, items with limited sources of supply and items where there is suspicion of a cartel formation. The justification and details of such negotiations should be duly recorded and documented without any loss of time.

(ii) In cases where a decision is taken to go for re-tendering due to the unreasonableness of the quoted rates, but the requirements are urgent and a re-tender for the entire requirement would delay the availability of the item, thus jeopardizing the essential operations, maintenance and safety, negotiations would be permitted with L-1 bidder(s) for the supply of a bare minimum quantity. The balance quantity should, however, be procured expeditiously through a re-tender, following the normal tendering process.

(iii) Negotiations should not be allowed to be misused as a tool for bargaining with L-1 with dubious intentions or lead to delays in decision-making. Convincing reasons must be recorded by the authority recommending negotiations. Competent authority should exercise due diligence while accepting a tender or ordering negotiations or calling for a re-tender and a definite timeframe should be indicated so that the time taken for according requisite approvals for the entire process of award of tenders does not exceed one month from the date of submission of recommendations. In cases where the proposal is to be approved at higher levels, a maximum of 15 days should be assigned for clearance at each level. In no case should the overall timeframe exceed the validity period of the tender and it should be ensured that tenders are invariably finalised within their validity period.

(iv) As regards the splitting of quantities, some organisations have expressed apprehension that pre-disclosing the distribution of quantities in the bid document may not be feasible, as the capacity of the L-1 firm may not be known in advance. It may be stated that if, after due processing, it is discovered that the quantity to be ordered is far more than what L-1 alone is capable of supplying and there was no prior decision to split the quantities, then the quantity being finally ordered should be distributed among the other bidders in a manner that is fair, transparent and equitable. It is essentially in cases where the organisations decide in advance to have more than one source of supply (due to critical or vital nature of the item) that the Commission insists on pre-disclosing the ratio of splitting the supply in the tender itself. This must be followed scrupulously.

(v) Counter-offers to L-1, in order to arrive at an acceptable price, shall amount to negotiations. However, any counter-offer thereafter to L-2, L-3, etc., (at the rates accepted by L-1) in case of splitting of quantities, as pre-disclosed in the tender, shall not be deemed to be a negotiation.

2. It is reiterated that in case L-1 backs-out, there should be a re-tender.

3. These instructions issue with the approval of the Commission and may please be noted for immediate compliance.

(Vineet Mathur)
Deputy Secretary

All Chief Vigilance Officers

No. **01-11-CTE-SH-100**
Central Vigilance Commission
****

Satarkta Bhawan, Block 'A'
GPO Complex, I.N.A.,
New Delhi- 110023
Dated the 17th Feb, 2011

Circular No. **02/02/11**

Sub: Mobilization Advance

Commission had earlier issued guidelines on granting of 'Mobilisation Advance' vide OM No. UU /POL/18 dated 08.12.1997, OM No. 4CC-1-CTE-2 dated 08.06.2004 and OM No. 4CC-I-CTE-2 dated I 0.04.2007.

2. The matter has been further reviewed and it has decided by the Commission that following additional guidelines may be followed in case of grant of Mobilisation Advance.

(i) The Bank Guarantee etc. taken towards security of 'Mobilisation Advance' should be at least II 0% of the advance so as to enable recovery of not only principal amount but also the interest portion, if so required.

(ii) The mobilisation advance should not be paid in less than two instalments except in special circumstances for the reasons to be recorded. This will keep check on contractor misutilizing the full utilisation advance when the work is delayed considerably.

(iii) A clause in the tender enquiry and the contract of cases providing for interest free mobilisation advances may be stipulated that if the contract is terminated due to default of the contractor, the 'Mobilisation Advance' would be deemed as interest bearing advance at an interest rate of %, *(to be stipulated depending on the prevailing rate at the time of issue of NIT)* to be compounded quarterly.

(An ghal)
Chief Technical Examiner

To

All Chief Vigilance Officers

No.4CC-l-CTB-2
Government of India
Central Vigilance Commission
*****

Satarkta Bhawan, Block -A,
4th Floor, GPO Complex,
INA, NEW DELHI-110 023.

OFFICE MEMORANDUM
CIRCULAR NO.10/4/07

Sub: Mobilisation Advance.

Commission has reviewed the existing guidelines on 'Mobilisation Advance' issued vide OM No.UU/POL/18 dated:08.12.97and OM No. 4CC-l- CTE-2, dated 08.06.2004.

The following guidelines are issued in supercession of earlier guidelines issued by the Commission on 'Mobilisation Advance'

1. Provision of mobilization advance should essentially be need-based. Decision to provide such advance should rest at the level of Board (with concurrence of Finance) in the organization.

2. Though the Commission does not encourage interest free mobilization advance, but if the Management feels its necessity in specific cases, then it should be clearly stipulated in the tender document and its recovery should be time-based and not linked with progress of work. This would ensure that even if the contractor is not executing the work or executing it at a slow pace, the recovery of advance could commence and scope for misuse of such advance could be reduced. ·

3. Part 'Bank Guarantees' (BGs) against the mobilization advance should be taken in as many numbers as the proposed recovery instalments and should be equivalent to the amount of each instalment. This would ensure that at any point of time even if the contractor’s money on account of work done is not available with the organization, recovery of such advance could be ensured by encashing the BG for the work supposed to be completed within a particular period of time.

4. There should be a clear stipulation of interest to be charged on delayed recoveries either due to the late submission of bill by the contractor or any other reason besides the reason giving rise to the encashment of BG, as stated above.

5. The amount of mobilisation advance; interest to be charged, if any; its recovery schedule and any other relevant detail should be explicitly stipulated in the tendered documents upfront.

6. Relevant format for BG should be provided in the tender document, which should be enforced strictly and authenticity of such BGs should also be invariably verified from the issuing bank, confidentially and independently by the organization.

7. In case of 'Machinery and Equipment advance', insurance and hypothecation to the employer should be ensured.

8. Utilization certificate from the contractor for the mobilization advance should be obtained. Preferably, mobilization advance should be given in instalments and subsequent instalments should be released after getting satisfactory utilisation certificate from the contractor for the earlier instalment.

Sd/-
(P. VARMA)
Chief Technical Examiner

Copy to:

All CVOs : Ministries / Departments / PSUs / Banks / Uts.

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