



केन्द्रीय रेशम बोर्ड CENTRAL SILK BOARD  
(वस्त्र मंत्रालय, भारत सरकार Ministry of Textiles - Govt. of India)

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## **C I R C U L A R**

Sub:- Forwardal of Purchase procedure & CVC Guidelines-Reg.

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It is observed by this office that most of the CSB Main Institutes and other Independent units are submitting proposals with-out following Purchase Procedures and CVC Guidelines properly, which is viewed seriously by the Competent Authority. In view of the above, I am enclosing herewith a copy of content of important General Financial Rules (GFR) and Central Vigilance Commission (CVC) Guidelines for inviting quotation, opening tender, Evaluation of Technical as well as Financial Bid etc at Annexure-'A' for favour of your kind information and further necessary action. The content of the Annexure-'A' may please be brought to the notice of all the concerned units functioning under your control with an instruction to follow the guidelines strictly.

This issue with the approval of the Competent Authority.

Sd/-

Encl: As Above.

(K.JAYAMMA)  
ASSISTANT DIRECTOR(A&A)

To

All the CSB Main Institutes, ROs, CCs & Other  
Independent units as per the list enclosed.

CENTRAL SILK BOARD,  
GOVT. OF INDIA - MINISTRY OF TEXTILES,  
BANGALORE-5660 068

**The following GFR may strictly be followed for purchasing Equipments/Goods/Hiring of Service etc:-**

**Rule 145:** Purchase of goods without quotation. Purchase of goods up to the value of Rs. 15,000/- only on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the competent authority in the following format.

I,....., am personally satisfied that these goods purchased are of the requisite quality and specification and have been purchased from reliable supplier at reasonable price.”

**Rule 146:** Purchase of goods by the local purchase committee (LPC). Purchase of goods costing above Rs. 15000/- only and below Rs. 1,00,000 only on each occasion may be made on recommendations of a duly constituted Local Purchase Committee consisting of minimum three members of an appropriate level as decided by the Head of the Department. The Committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier.

- Purchase of goods by purchase committee
- Before recommending placement of the purchase order, the members of the committee will jointly record a certificate as under

“ Certified that we,..... , members of the purchase committee are jointly and individually satisfied that the goods recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question.”

**Rule 147:** Purchase of goods directly under rate contract: in case a Ministry or Department directly procures Central purchase organization (e.g. DGS&D) rate contract goods from suppliers; the prices to be paid for such goods shall not exceed those stipulated in the rate contract and the other salient terms and conditions of the purchase should be in line with those specified in the rate contract.

**Rule 148:** A demand for goods should not be divided into small quantities to make piecemeal purchases to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand.

**Rule 149:** Purchase of goods by obtaining bids: Except in cases covered under Rule 145, 146 and 147, Ministries or Departments shall procure goods under the powers referred to in Rule 140 by following the standard method of obtaining bids by

- Advertised Tender Enquiry
- Limited Tender Enquiry
- Single Tender Enquiry

**Rule 150: Advertised Tender Enquiry:**

- Procurement value of above Rs. 25 Lakh in each case
- Advertisement in at least one National daily have wide circulation in the Indian Trade Journal (ITJ)
- Mandatory posting of tender enquiries, corrigenda thereto on the Central Public Procurement Portal-[www.eprocure.gov.in](http://www.eprocure.gov.in)
- E-procurement mandatory for estimated value Rs. 2 Lakh or more
- Complete bidding documents are to be uploaded in the e-procurement portal of a department or the CPP Portal.
- The minimum time to be allowed for submission of bids should be three weeks or 21 days from the date of publication.

**Rule 151: Limited Tender Enquiry:**

- May be adopted when the estimated value of the goods to be procured is up to Rs. 25 Lakh
- Tender Enquiries are to be sent by speed post/registered post/courier/e-mail to the firms which are borne on the list of registered suppliers for the goods in question.
- The number of supplier firms in Limited Tender Enquiry should be more than three

**Rule 152: Two bid system:**

- Useful for procuring complex and high value Machinery and Plant
- Bids obtained in two separate packets
- 1<sup>st</sup> packet contains all technical details alongwith commercial terms and conditions
- 2<sup>nd</sup> packet contains price bids for all the items of the technical bid
- 1<sup>st</sup> packet opened first and technical bids are evaluated by a nominated committee
- At the second stage, 2<sup>nd</sup> packet containing price bids of only those bidders whose technical bids have been found responsive, are opened on/at a declared date and time with prior intimation to the technically responsive Bidder.

- 2nd packets of technically non responsive bids to be returned to those bidders, unopened with EMD before opening of price bids/seeking revised price bids.
- One of the advantages of this system is the freedom of the procurement officers from the pressure of the L1 bid.
- However, this will also require a very high degree of knowledge, application and integrity of the personnel evaluating the technical bids.

**Rule 153: Late bids**

- In the case of Advertised Tender or Limited Tender Enquiry late bids i.e. bids received after the specified date and time of receipt of bids, should not be considered.

**Rule 154: Single Tender Enquiry:**

- Procurement from a single source may be resorted to in the following circumstances
  1. Only a particular firm is the manufacturer of the required goods (OEM).
  2. In a case of emergency, the required goods are necessarily to be procured from a particular source/OEM.
  3. For standardization of machinery or spare parts to be compatible to the existing sets of equipment, the required item to be purchased only from a selected firm(OEM).

**NOTE:** In circumstances 1 and 3 above, Proprietary Article Certificate (PAC) is to be provided by the user department.

**Rule 155: contents of bidding Document:**

**All the terms, conditions, stipulations and information to be incorporated in the Bidding Document/Enquiry letter by referring Chapter 1 to 7 of GFR 155 as per the requirement of office/institute concerned.**

**Rule 157: Bid Security:**

Required to safeguard against a bidder's withdrawing or altering its bid during the bid validity period in the case of advertised or limited tender enquiry (also known as Earnest Money)

- To be obtained from the bidders except those “Who are registered with the Central Purchase Organization, National Small Scale Industries Corporation (NSIC) or the concerned Ministry or Department.
- The bidders should be asked to furnish bid security alongwith their bids
- Amount of the Bid Security should ordinarily range between 2% to 5% of the estimated value of the goods to be procured. The exact amount of Bid Security should be accordingly determined by the Ministry/Department and indicated in the bidding documents.
- May be accepted in the form of A/c Payee DD, FDR, Banker’s Cheque or BG from any of the commercial banks in an acceptable form.
- The bid security is to normally remain valid for a period of 45 days beyond the final bid validity period
- Bid securities of the unsuccessful bidders should be returned to them at the earliest after the expiry of the bid validity and latest on or before the 30<sup>th</sup> day after award of the contract.

**Rule 158: Performance Security:**

- To ensure due performance of the contract, performance security is to be obtained from the successful bidder for winning the contract, irrespective of their registration status
- Amount should be 5 to 10% of the value of the contact to be awarded
- Acceptable forms: A/c payee DD, FDR or BG from a commercial Bank in an acceptable form
- Validity: should remain valid for a period of 60 days beyond the date of completion of all contractual obligations of the supplier including warranty obligations
- Bid security should be refunded to the successful bidder on receipt of the performance security

**GFR/CVC Guidelines for opening tender / quotation:**

Following precautions are required to be taken as per CVCs instructions.

1. The opening of tenders must be done in presence of the bidder or authorised representatives.
2. While opening the tenders by the tender opening committee, each tender should be numbered serially, initialled by all the officers/Staff with date & time in the envelope as well as in the Technical/Financial Bids of each party/Contractor.

3. Tenders should be opened immediately after the deadline of receipt of tenders with minimum time gap in between. At least two duly authorized officials/officers of the Institute/Office should jointly open the tenders.
4. The tender opening officials are to announce the salient features of the tenders like description and specification of the goods, quoted price, terms of delivery, delivery period, discount if any, whether EMD furnished or not and any other special feature of the tender for the information of the Bidder or their authorised representatives who are choose to be present at the time of opening tender.
5. The original, duplicate, triplicate copies in a tender set are to be marked accordingly by the tender opening officials/officers.
6. Alternations in tenders, if any, made by the Bidders, shall be initialled with date & time by the officers/officials opening the tenders to make it perfectly clear that such alteration were present on the tenders at the time of opening. Wherever any erasing or cutting is observed, the substituted words should also be encircled and initialled with date & time to make clear that such erasing/cutting of the original entry was present on the tender document.

**THE GUIDELINES TO BE FOLLOWED FOR EVALUATING THE BIDS FOR PURCHASING EQUIPMENTS/GOODS/HIRING OF SERVICES ETC:-**

1. Whenever the two bid system is followed, the technical evolution report containing the item-wise compliance is to be prepared by the Technical Committee and check list thereon to be submitted to Central Office.
2. In case of non-receipt of sufficient bids within the due date for submission of quotes, the date for submission of quotes needs to be extended for such period as deemed fit so as to ensure the receipt of sufficient no of bids as per GFR,
3. The extension of time limit for submission of quotes is to be notified to all the firms to whom the LTE is issued. In case of open advertisement, the extension of time limit has to be published in the same Newspapers. Further, the same needs to be uploaded in the e-procurement portal as well as in CPPP and the concerned Institute's website.
4. The Technical Specification of the equipment is to be clearly be stated in the tender. There should not be any make/model no./name of the manufacture in the tender.

5. The copy of the advertisement released in the Indian Trade Journal needs to be enclosed. The letter addressed to the ITJ alone is not sufficient.
6. The technically non responsive firm's financial bids should not be opened and need not be incorporated in comparative statement. Likewise, the financial bids should not be opened in the case of a firm which has not submitted the requisite EMD in the technical bid as per the tender clause.
7. The committee should clearly state the specific reasons for rejection of the bids in their committee report instead of saying not fulfilled the conditions. The specification/terms & conditions under which it is not fulfilled needs to be furnished in their report expressively.
8. The purchase of equipment shall be as per the approved Action Plan. Reference to the approved Action Plan by clearly giving the details of research projects under which the procurement is proposed is to be mentioned in the Proforma Seeking the approval of Central Office.
9. GFR does not permit repeat orders for any quantity of already purchased items.
10. The purchase quantity should be as indicated in the tender and should not propose to purchase more than the quantity indicated in the tender.
11. The tender document needs to be uploaded in the concerned Institute's website for wider publicity in all cases of tender without fail and enclose the copy of such uploaded document along with the purchase proposal to Central Office.

The Store purchase committee (SPC) and Purchase Review Committee (PRC) of respective Institute/Unit may kindly ensure that the proposal being sent are checked with points indicated in the check-list while evaluating the bids / quotation as per check list indicated below:

A	Name of the Item	
B	Quantity Required	
C	Proposed Expenditure	
D	Is proposal recommended by the Director of the Institute	
E	Name of the L-1 parties	
F	Similar items available in the Unit / Institute and the same has been verified with Latest List of dead stock articles	
G	Justification provided for additional	
H	Is item available under DGS&D rate contract:	
I	Enquiry / Tender notice letter dated	
J	Mode of enquiry letter sent and its proof	
K	Is tender enquiry published in Website e-govern & ITJ	
L	Time Frame [Notice period] provided as stated in GFR	
M	Date of opening of Tender	
N	Is there enough competition no. of valid offers is how many?	
O	No. of offers received with EMD (valid/responsive) and without EMD ( not valid/non responsive	
P	Is opening done as per guidelines in GFR	
Q	Is comparative statement in order & L1 properly arrived at	
R	Reasons for reasonableness of rate provided?	
S	The offered rate is comparable with LPP and list of LPP submitted [File No. and specification of the item]	
T	Whether Budget provision available	
U	Administrative approval obtained from CO, If so a copy of the same may be provided.	



When submitting proposals for procurement of various scientific equipments/machineries, hiring of services etc, the CSB Institute/units should ensure and are not furnishing the documentary proof along with proposal i.e. **original bids, copy of paper advertisement cutting, proof of despatch, EMD details, Performa seeking sanction, Technical evaluation report, credentials of the suppliers, justification for reasonableness of rates , budget provision, Unserviceable declared by the nominated by SVOs, date of Last Purchase Price and comparative statement** duly recommended by the Purchase Scrutiny Committee of the concerned Units for expenditure sanction and also suggested for evaluation of technical and financial bids separately ( i.e. Financial Bids to be opened with prior intimation to the bidder who have qualified in technical evaluation as per GFR procedures) which will facilitate for early clearance of the proposal by central office.

Before sending the proposal to central office, the Institute/units may kindly ensure/examine/check the proposal once again with above points while evaluating the bids / quotations as per the provision of GFR/CVC guidelines and it may also be ensured that offers received are genuine and rates being recommended are reasonable.

Sd/-  
(K.JAYAMMA)  
ASSISTANT DIRECTOR (A&A)