

VAZHNDHU KATTUVOM PROJECT

Procurement Formats

Various stakeholders and the roles and responsibilities of each one of them is given below for reference.

- State Project Management Unit (SPMU)
- District Project Management Unit (DPMU) – District Project Manager(DPM) and APM (Village Funds)
- PFT -Team Leader and Facilitator-Procurement/Accounts/Monitoring
- VPRC - 10-20 members consisting of Village president, PLF secretary and other members elected from Grama Sabha
- VPRC Finance & Proc.Sub-committee- 3 members from VPRC committee
- VPRC Business plan monitoring sub- committee- 3 members from VPRC committee
- Social Audit committee- 5 members elected from Grama Sabha

Role of SPMU

- Prepare Annual Procurement Plan
- Prepare Procurement Manual
- Assist in procurement at State level
- Build procurement Capacity of District Staff
- Train PFT staff in Procurement
- Build Procurement Capacity

Role of DPMU

Formulate Rate Bank with likely sources of supply to required quality/Specification for all items which are generally to be procured and circulate for guidance of all VPRC

Issue guidance as required on procurement/contract management with model agreements to VPRC

Role of APM (VF)

- Prepare annual Procurement Plan for the district.
- Assist procurement at the district level
- Training for capacity building of PFT/VPRC in Procurement
- Provide guidance and monitor procurement at VPRC level

Role of PFT: Provide guidance on procurement to VPRC

Role of Facilitator (Accounts & Monitoring)

- Train VPRC /Finance & Procurement Subcommittee members on Procurement
- Provide guidance and handhold VPRC in procurement.
- Provide guidance and handhold audit functions of SAC at village level

Role of VPRC:

- Approval of procurement of materials/services and releasing funds
- Provide guidance and coordinate the activities of various sub committees in procurement related functions
- Arrange display of all procurement related information as required for transparency and accountability

Role of Finance and Procurement Sub Committee

- Provide guidance to EAFs on the financial /documentation procedures to be followed in procurement
- Provide guidance to VPRC on training institutions and courses available for training in appropriate skills and for requisitioning services of resources persons/aids/appliances for disabled etc
- Assist to purchase good quality at cheaper price
- Maintain Finance and Procurement sub –committee minutes register.

Role of SAC

- Monitor VPRC activities
- Check/Verify Procurement of Works/Goods/Services at community level-VPRC/EAF
- Submit reports to Gram Sabha regularly

STATE AND DISTRICT LEVEL

It is important to prepare a plan regarding procurement issues and work out a budget for procuring goods, services and other, if needed. Procurement Plan at all levels should be prepared and duly approved by the concerned authority should be available before procuring. The process should start in the last quarter of the FY.

Procurement Plan formats (for Goods-Materials, Equipments)

Item Description (what to buy)	Period for which needed	Quantity (How many to buy)	From where to buy	Estimate d cost	Which procurement method will be used
Pick individual items OR do packaging of similar items and write them in the column			Identify from where this package or item is most likely to be bought and write them in this column		Write the procurement method planned to be used and write them in this column

Procurement Plan formats (for Services)

What type of service is needed	Period for which needed	Needed for how many days	Type of Agency (Individual or Firm)	Estimated cost	Which procurement method will be used

Procurement of Goods

Goods procured under VKP include:

Computers, Accessories, Office furnitures, Office Equipments, Stationery, Training Materials and the like which are normally delivered in finished conditions to specified standards.

Procedures, minimum conditions and steps for procuring goods are:

To procure goods, quotation should be called for before buying the goods

- No quotation needs to be taken up to value Rs. 500/-
- Minimum 3 price quotes from shops should be taken preferably in writing or as minutes signed by concerned staff and DPM for value above Rs. 500 and up to Rs 5000.
- Shopping method should be used for goods procured for minimum value of Rs. 5000/- and maximum of Rs. 20,00,000
- Only generic specifications without mentioning the brand names should be used while inviting quotations. While identifying suppliers, efforts should be made to short list a minimum of 3-6 agencies using Yellow Pages, Industry Association Directories and databanks maintained by other departments
- Rate contract of the Directorate General of Suppliers and Disposals (DGS&D) would be acceptable in lieu of National Shopping method
- Duration of calling for quotation is 15-30 days, depending upon the complexity of the item and should be strictly adhered to.
- Goods estimated to cost above Rs20,00,000 per contract would be procured following National Competitive Bidding (NCB) procedures.
- Procedures for NCB method are a. only model bidding documents for NCB shall be used for bidding b. invitation of bid shall be advertised at least in one widely circulated National daily newspaper and one local newspaper
- All bids invited should be published in District tender bulletin
- All quotations should be valid for 60 days.

Letter for inviting Quotations and format for submitting Quotations are given in the following pages. Only these formats can be used under VKP:

**FORMAT FOR INVITATION OF QUOTATIONS FOR SUPPLY OF
GOODS/ EQUIPMENT
UNDER SHOPPING PROCEDURES**

Ref. No. _____

Dated _____

To

Dear Sir/Madam,

Sub.: INVITATION FOR QUOTATIONS FOR SUPPLY OF:

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

Brief Description Specifications*

Quantity	Delivery/ Place of Installation of the goods	Period Delivery Requirement, if any

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

2. Government of India has received a credit/loan from the International Development Association (IDA)/International Bank for Reconstruction and Development (IBRD). **[Select one of the options].**

Towards the cost of the above procurement, the Project intends to apply a part of the proceeds of this credit/loan to eligible payments under the contract for which this invitation for quotations is issued.

3. BID PRICE

a) The contract shall be for the full quantity as described above. Corrections, if any, shall be made by crossing out, initialing, dating and rewriting.

b) All duties, taxes and other levies payable by the contractor under the contract shall be included in the total price.

c) The rates quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account.

d) The prices shall be quoted in Indian Rupees only.

4. Each bidder shall submit only one quotation.

5. VALIDITY OF QUOTATION

Quotation shall remain valid for a period of not less than 30 days after the deadline date specified for submission.

6. EVALUATION OF QUOTATIONS

The purchaser shall evaluate and compare the quotations determined to be substantially responsive i.e. which are properly signed; and confirm to the terms and conditions and specifications.

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

7. AWARD OF CONTRACT

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

7.1 Notwithstanding the above, the purchaser reserves the right to accept or reject any quotation and to cancel the bidding process and reject all quotations at any time prior to the award of the contract.

7.2 The bidder whose bid is accepted will be notified of the award of the contract by the Purchaser prior to the expiration of the quotation validity period. The terms of the accepted offer shall be incorporated in the purchase order.

8. Payment shall be made within --- days after delivery, installation and/or training, if applicable, of the goods.

9. Normal commercial warranty / guarantee shall be applicable to the supplied goods.

10. You are requested to provide your offer latest by _____hrs. on _____(date).

11. Quotations will be opened in the presence of the Bidders or their representatives who choose to attend at _____AM/PM on _____in the office of the

12. We look forward to receiving your quotations and thank you for your interest in this project.

(Purchasing Authority)

Name: _____

Address: _____

Tel. No. : _____

Fax No. : _____

FORMAT OF QUOTATION*
(In letterhead of the supplier with seal)

To: _____

Date _____

Sl. No	Description of Item	Unit Quoted	Rate Quoted in INR	Numbers Quoted	Total Price	Delivery within days

Gross Total cost : Rs. _____

We agree to supply the above goods in accordance with the technical specifications for a total contract price of Rs. _____ (Amount in figures) (Rupees _____ amount in words) as per the delivery schedule given in Quotation above.

We also confirm that the normal commercial warranty/ guarantee of _____ months shall apply to the offered goods.

We confirm that the above offer is valid for ---- days.

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

Signature of Supplier

Name: _____

Contact No: _____

(Seal)

Public Opening of Bids/ Quotation

Under VKP, all quotations submitted should be opened in a meeting in the presence of bidders or their representatives, if the value is above Rs. 5,000. The quotation should be opened on the already specified dates and time. On unavoidable circumstances, the dates fixed shall be clearly communicated.

Procedures involved are:

- Quotation should be opened by a committee consisting of not less than 3 members
- Open only at the time and date mentioned in the letter.
- Maintain a bid box where all bids received earlier will be deposited.
- Maintain a bid register where representatives of bidders and officers will sign. Include columns for name of the agency, unit price, total price, bid validity and any other conditions. Min of 3 officers should from the committee.
- Read out prices, delivery time and discounts offered etc
- All bids including the envelope should be signed by the committee members.
- No negotiations shall be carried out at any stage while procuring goods, equipment or works.

Format to be used for opening of quotations in a meeting with the presence of bidders is given below:

Format for opening of bids/quotation

File No. ----- Date & Time of quotation opening -----

Bid issued for _____

Bid issued on _____

Sl. No	Name and address of the Bidder	Total Price in Rupees

It is certified that the above details were called out publicly in our presence:

Sl. No	Name of the representative	Agency	Signature

Signatures of Bid Opening Committee Members

Sl. No	Name of the Officer	Designation	Signature

Minutes of the meeting (questions / clarification sought by the agency and the clarification given)

Signature
(Chairperson Name)
Date:

Signature
(Member Name)
Date:

Signature
(Member Name)
Date:

Quotation/Bid Evaluation

Comparison of Bids/ quotation and preparation of a comparative statement is required for all bids issued. Procedures involved are:

- Make a comparative chart of items and prices. All committee members to sign
- Clearly write whether each bidder meets the qualification criteria (Criteria for contracts valued above Rs. 50,000 will be (i) turn over should be 200% of the estimated value of the contract, a single order should have been at least 150% of the value
- If L1 is not selected, write a detailed note on the reasons
- No changes are made in specifications or evaluation criteria after the beginning of the bidding process. Any technical advice required, as in case of IT equipment and services from the District NIC officer, should be sought before issuing the invitation to bid;

Quotations Comparison Form to be used in all VKP bids/quotations is given below:

Name of firm	Quotation No. & Date	Name of Item/s and (Price quoted) Rate		Remark (Additional Information)	Decision (Selected/Rejected with Reason)
1	2	3		4	5
		Item A	Item B		<p>A seller can be rejected based on several reasons. Some of them are given below:</p> <ul style="list-style-type: none"> • The information provided in the quotation is incomplete; • The supplier cannot deliver the supplies in the time required; • The supplier does not have the capacity to deliver; • The quoted price is high; • The guarantees are not available (if applicable); • The supplier can not provide after sales support (if applicable).
		Price A	Price B		

Signature of Member 1

Signature of Member 2

Signature of Member 3

CONTRACT/WORK ORDER FOR PROCUREMENT

A written contract should be issued and signed by VKP and supplier in all cases. In case of goods, work orders are issued and for services contracts are issued. Sample of Work Order and contracts are given below:

Roc No. ----/VKP/200-

Dated : 00/00/200-

To,
(Complete Address of the Supplier)

Sir,

Sub: Vazhdhu Kaattuvom Project – Work order for Printing & supply of Registers - Regarding.

Ref : 1. Our enquiry No 19999/DPMU/o6 dated. 30.5.2006.
2. Your quotation No. SSC 1002/2005-6 dated. 09.6.06
-----oOo-----

With reference to your quotation cited, we wish to inform that the rate quoted by you Rs. (Excl.VAT @ 4%)/ (inclusive VAT @4%) for printing of Financial Registers has been accepted.

We request you to kindly arrange to Print & Supply the following Financial Registers-VPRCs on or before 9.7.08. Final proof should be approved by us before printing.

SPECIFICATION OF FINANCIAL REGISTERS – VPRCs

S.No	Details of Registers	No.of pages	No.of Register	Unit Rate	Total Rs.
1.	<u>Receipt book (1+1) (50 +50)</u> Size (22 cm x 14 cm) Numbered. Specification : Top : White Paper M/L, Bottom: colour wove. With perforation and Numbering	100 Pages (Excluding Wrapper sheet)	1350	---	---

2.	Payment Voucher (4 in Single Page) Size (22 cm x 14 cm) Numbered. Specification : Top: White Paper M/L, Bottom: colour wove. With perforation and Numbering	100 Pages (Excluding Wrapper sheet)	1350	---	---
	<u>Total Rs.</u>				---
	<u>VAT @ 4%</u>				----
	<u>G.Total</u>				----

Terms & Conditions :

- | | |
|------------------------|--|
| Packing & Forwarding | - As per our requirement |
| Taxes | - VAT @ 4 % |
| Delivery Address | - . |
| Delivery Period | - Within 30 days from the date of receipt of order. |
| Payment Terms | - 100% payment within 7 days from the date of delivery of registers. No advance payment in any case would be made. The rate quoted should be net and no designing charges will be entertained. No escalation of prices shall be permitted on any ground. |
| Termination of Default | - DPM has the right to cancel the supply order due to willful negligence on the part of the supplier. |

District Project Manager

When the goods are delivered, a receipt should be collected from the supplier duly signed before accepting. Also it is necessary to get the installation report, once the goods are delivered and installed in the office. If the supplier does not have their own Delivery Challan formats/installation report, the following can be used:

Goods received note/receipt

Received with thanks from _____ on dated _____ the following items

DATE OF SUPPLY	DESCRIPTION	QUANTITY	UNIT PRICE	VALUE
Total				

GOODS HAVE BEEN CERTIFIED AS CORRECT RECEIPTS.

Name of receiving Officer..... Signature..... Date.....

Certified by..... Signature.....Date.....

Sample II

WORK ORDER

Roc No. 1791 /VKP-B/2006

Dated : 6 .5.2008

To,

M/s ABC corporation,
2nd Floor, 100, River View Colony,
C-5 Standard Apartments,
Gandhiji Nagar, Tiruchy

Sir,

Sub : Vazhndhu Kaattuvom Project – Supply of Laptop – purchase order - Regarding.

Ref : 1. Your quotation No. ACPLL/10001dated. 09.4.05.

-----oOo-----

With reference to your quotation cited, we wish to inform that the rate quoted by you for the purchase of 3 laptops at a total cost of Rs. including tax has been accepted.

You are therefore requested to supply the laptops at the earliest as per configuration show below.

S.No	Details of Registers	Qty	Total Rs.
1.	<u>MODEL-</u> Intel Core 2 Duo T8100 (2.10 GHZ) Processor MICROSOFT Office 2 GB RAM/200GB HDD/DVD RW DL DRIVE 14.1” Wide TFT Warranty 3 years		-----

Terms & Conditions :

Payment – 10% payment would be payable against proof of inspection and delivery of goods in good condition

Sales tax - Inclusive

Place of delivery – Vazhndhu Kaatuvom District Office, Collectorate complex

Warranty – 3 years with an extended pack

Terms of delivery – One year of battery and power adaptor form the date of delivery

Inspection – at our end

District Project Manager

Repeat Orders

When it becomes essential to place repeat orders, the points below may be taken note of before proceeding.

- Not advisable in normal circumstances, better forward planning can avoid the need for repeat orders
- In the exceptional event a new requirement arises, a repeat order not exceeding 25% of the original quantity at same price within 2 months is allowed.
- If any of the above conditions are not met re- bid
- All normal approvals should be taken

MIS Report to be submitted by District VKP offices

Once in 6 months, report should be submitted by the district unit tot the State Office on the contract awarded.

Contracts Monitoring Report (To be submitted on a Half-yearly Basis)

Sl No.	Contract/ Reference No. and Date	Brief Description of Procurement	Category Goods/Works/Services/Consultants/Other ¹	Method of Procurement ²	Estimated Cost (US\$)	Date of Issuing EoIs	Date of Issuing Invitation	Date of Receiving Quotations/ Bids/ proposals	No of Bidders Responded	No of Bidders Found Fully Responsive	Contract Award Date	Contract Value		Contract Completion date		Name of Contractor/ Consultant	Remarks	
												US\$	Rs	As per contract	Actual			

¹ Please use the abbreviations: W=Works, G=Goods, Services=S, Consulting Firms=CF, Individual Consultants=IC, Other=OT (and please specify);

² Please use the abbreviations: ICB, NCB, IS (for International Shopping), NS (for National Shopping), SS (for Single Source), DC, QCBS, QBS, LCS, FBS, CQS, OT (for others & please specify)

