### Index

<table>
<thead>
<tr>
<th>Chapter Number</th>
<th>PARTICULARS</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chapter 1</td>
<td>Introduction</td>
<td>3</td>
</tr>
<tr>
<td>Chapter 2</td>
<td>Institutional Arrangement in the Project</td>
<td>6</td>
</tr>
<tr>
<td>Chapter 3</td>
<td>Procurement Arrangements in the Project</td>
<td>9</td>
</tr>
<tr>
<td>Chapter 4</td>
<td>Procurement of Goods, Civil Works, and Non-Consulting Services</td>
<td>29</td>
</tr>
<tr>
<td>Chapter 5</td>
<td>Selection of Consulting Services</td>
<td>58</td>
</tr>
<tr>
<td>Chapter 6</td>
<td>Community Procurement</td>
<td>77</td>
</tr>
</tbody>
</table>

### LIST OF ENCLOSURES

<table>
<thead>
<tr>
<th>Attachment</th>
<th>PARTICULARS</th>
<th>Page Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attachment</td>
<td>Procurement Formats</td>
<td>80</td>
</tr>
<tr>
<td>Enclosure - 1</td>
<td>Format of Invitation of Bids (IFB) National Competitive Bidding</td>
<td>88</td>
</tr>
<tr>
<td>Enclosure - 2</td>
<td>Minutes of Bid Opening (NCB Goods/ Works)</td>
<td>89</td>
</tr>
<tr>
<td>Enclosure - 3</td>
<td>Suggested Format for Bid Evaluation Report for Civil Works (NCB)</td>
<td>91</td>
</tr>
<tr>
<td>Enclosure - 4</td>
<td>Suggested Format for Bid Evaluation Reports for Goods and Equipment (NCB)</td>
<td>99</td>
</tr>
<tr>
<td>Enclosure - 5</td>
<td>Formula for Price Adjustment (application in respect of contracts of Rs.45.00 lakhs and above).</td>
<td>110</td>
</tr>
<tr>
<td>Enclosure - 6</td>
<td>Format for seeking Bank’s clearance for increase in Contract Value beyond 15% of the Original Contract Value as well as for granting extension of the Stipulated Time for performance of the Contract.</td>
<td>113</td>
</tr>
<tr>
<td>Enclosure - 7</td>
<td>Procurement Check List for Contracts Above Prior Review Threshold for Civil Works</td>
<td>115</td>
</tr>
<tr>
<td>Enclosure - 8</td>
<td>Procurement Check List for Contracts Above Prior Review Threshold for Goods and Equipment</td>
<td>119</td>
</tr>
<tr>
<td>Enclosure - 9</td>
<td>Procurement Check List for Post-Award Review of Contracts for Civil Works</td>
<td>122</td>
</tr>
<tr>
<td>Enclosure - 10</td>
<td>Procurement Check List for Post-Award Review of Contracts for Goods and Equipment</td>
<td>128</td>
</tr>
</tbody>
</table>
CHAPTER 1
INTRODUCTION

1.1 CONTEXT

The purpose of this Manual is to inform the concerned staff of NPMU, SPMU and implementing agencies, the objectives of the project, and guidelines for implementation of the project and to keep the officers informed about various procurement procedures applicable to this project. As the responsibility for the implementation of project, award and administration of contracts lies with the Borrower, it is important to get acquainted with the procurement procedures of the World Bank. Procurement of all works, goods and consultancy services under the project would be carried out in accordance with the World Bank’s "Guidelines: Procurement under IBRD Loans and IDA Credits" dated January 2011; and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers” dated January 2011 and the provisions stipulated in the Financing Agreement [Hereafter called “Bank Procurement Guidelines” or “Bank Guidelines”]. These Guidelines published by the World Bank need to be understood and followed by the Central and State Governments so as to enable them to procure ‘Works’, ‘Goods’ and ‘Consultant Services’ in the project. Adoption of these procedures will ultimately result in efficiency, economy, fairness and transparency in procurement. If there is a conflict between the procurement procedures laid down in the World Bank Procurement Guidelines and this manual, the GFR 2005 or state government or any PEA’s procurement procedures then World Bank Procurement Guidelines will prevail in the Project.

1.2 PROJECT NAME AND DESCRIPTION

Up to now, the approach to managing India’s coastal zone has been a purely regulatory one, as per the Coastal Regulation Zone (CRZ) Notification of 1991, promulgated under the Environment (Protection) Act of 1986. This approach does not provide room to balance coastal zone conservation and necessary economic growth in the area or seek convergence with other development activities. Increasing developmental pressure during the last decade led to violations of legal provisions and the economic sector simultaneously demanded for rationalizing the present regulatory measures. In July 2004, the Ministry of Environment and Forests (MoEF) constituted an Expert Committee, under the chairmanship of Prof. M.S. Swaminathan, to carry out a comprehensive review of the Coastal Regulation Zone notifications, taking into account the findings and recommendations of all previous committees, judicial pronouncements, representations from various stakeholders and suggest suitable amendments. The committee also had the mandate to make the regulatory framework consistent with well-established scientific principles of coastal zone management and more flexible, depending on the local characteristics of the coastal zone stretches to be protected.
The Swaminathan Committee submitted its report in February 2005, recommending a number of reforms to facilitate conservation of ecosystems in the coastal zone, and at the same time promoting economic development and poverty reduction in the coastal areas.

The Swaminathan Committee recommended that, to support the implementation of integrated coastal zone management approaches, the Government of India should strengthen the technical and human resource capacity in the country. As part of its recommendation, the Swaminathan Committee recommended establishment of the National Institute for Sustainable Coastal Zone Management.

The MoEF is now mandated to implement the recommendations of the Swaminathan Committee and has requested the World Bank for support in the implementation of the Swaminathan Committee report and various initiatives to be undertaken to institute a pro-active management of the Coastal Zone. To achieve the objectives of integrated coastal zone management in the coastal areas of India, the Ministry of Environment and Forests (MoEF), Government of India has prepared Integrated Coastal Zone Management (ICZM) project with the financial assistance from the World Bank.

1.3 SCOPE OF THE PROCUREMENT MANUAL

Procurement Manual contains procedures to be followed for procurement of goods, works and consultancy services for implementation of ICZM Project. The manual is based on World Bank Guidelines and will be applicable for the PEs/stakeholders in implementation of program, namely, NPMU, SPMU and all other implementing agencies. The Manual includes draft of Invitation of Bids; briefs of Contract Data; eligibility for sub-contracting the works; pre-bid conference; procurement process, evaluation of bids for works and goods, award of contract and review requirements by the World Bank at appropriate stages.

Appropriate Standard Bidding Documents of the Bank as agreed by the GOI Task force with the World Bank (as amended from time to time) shall be followed for procurement of goods, works and services for individual sub-projects following National Competitive Bidding Procedures as per approved Procurement Plan, and for changes, if any, prior clearance of the World Bank shall be required. The State Financial Rules, Manual of Orders and Accounts Code relating to procurement of goods, works and services have been kept in view in the preparation of this Manual to the extent they are consistent with the World Bank guidelines.

For Procurement of Goods and Works following International Competitive Bidding Procedures and for Consulting Services by Firms shall use the World Bank SBDs/SRFP available in the World Bank website as given below:

1.4 MODIFICATION TO MANUAL

The Manual shall be a reference tool for the project implementation by the Project Implementing Agency and related agencies. The guidelines and procedures for procurement of goods, works and services laid down in this manual can be modified by MOEF with prior approval of the World Bank.

1.5 DEFINITIONS

“Project” means ‘Integrated Coastal Zone Management Project’ (World Bank assisted).

“Accounting Year”, “Year”, or “Financial Year” mean the year commencing from 1st of April and ending on 31st of March of succeeding year.

“Package” means clubbing of similar types of equipment.

“Committed expenditure” means expenditure for which firm purchase orders/ work orders have been placed and includes the bills pending for payment.

“NPMU” means National Project Management Unit set up by Ministry of Environment and Forest for facilitating, implementing, coordinating and monitoring Project activities at the National level.

“SPMU” means State Project Management Unit set up in the state to facilitate, implement, coordinate and monitor the Project activities at the State level.

“PEA” means any pilot investment executing agency, which could be a government department or a specialized agency, as nominated by the project state and/or MoEF

CHAPTER 2
INSTITUTIONAL ARRANGEMENTS IN THE PROJECT

2 INSTITUTIONAL ARRANGEMENTS

2.1 Project Institutional Structure

2.1.1 Institutional arrangements: The project has four implementing agencies - MoEF at the national level with lead responsibilities, and the Departments of Forests and Environment of the three participating states. The MoEF and the said State Departments have the sole mandate and experience in coastal zone management and were, therefore, the obvious choice to lead project implementation.

2.1.2 Each of these four main partners has already set up special purpose vehicles in the form of registered societies (NPMU and SPMUs), to manage the project and achieve the PDOs; coordinate project activities on a full-time basis and directly execute some of the relevant project sub components. In addition, empowered committees (such as the Governing Council at the national level, and State Empowered Committee or State Steering Committees at the state levels) have been set up for inter-sector coordination.

Table 2.1: Implementing Agencies and their Responsibilities

<table>
<thead>
<tr>
<th>Implementing Agencies</th>
<th>Responsibilities</th>
<th>Special Purpose Societies</th>
<th>Delegated Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoI - MoEF</td>
<td>Providing national policy and implementation framework; approval of project's overall annual action plans and budget; and implementation oversight.</td>
<td>NPMU (Society for Integrated Coastal Management - SICOM)</td>
<td>Project implementation leadership; accountability to achieve PDOs; Implementation of Component One.</td>
</tr>
<tr>
<td>Gujarat Forests and Environment Department</td>
<td>Providing state policy and implementation framework; approval of state level annual action plans and budget; ensuring timely counterpart financing from state budget; and implementation oversight.</td>
<td>SPMU (housed in the Gujarat Ecology Commission or GEC)</td>
<td>State level project implementation leadership; accountability to achieve PDOs; Implementation of State Components.</td>
</tr>
<tr>
<td>Orissa Department of Environment and Forests</td>
<td></td>
<td>SPMU (Orissa SPM Society)</td>
<td></td>
</tr>
<tr>
<td>West Bengal Environment Department</td>
<td></td>
<td>SPMU (housed in the Institute of Environmental Sciences and Wetland Management or IESWM)</td>
<td></td>
</tr>
</tbody>
</table>
2.1.3 The NPMU and SPMUs will be responsible for all procurement, ensuring prudent financial management, quality assurance, monitoring and evaluations under the project. The NPMU and SPMUs will collaborate with a range of government departments or specialized agencies (the PEAs) that have jurisdiction, demonstrated capacity and expertise in management and execution of the proposed pilot investments. PEAs will be responsible for contract management including signing of contracts, regular supervision, contract payments and accounting. In the cases of community procurement, force accounts, and procurement of small incremental operating facilities through local shopping, PEAs will manage the entire procurement process with necessary support from NPMU/SPMUs. The sharing of roles and responsibilities, including administrative and fiduciary arrangements among the NPMU/SPMUs and the PEAs has been agreed and documented in the signed bilateral MOUs.

2.1.4 The NPMU/SPMUs will collaborate with and seek support from and partnership with a range of other agencies to strengthen the capacity of the main implementing agencies. These will include international, national and local knowledge centers; academic and research institutes; private sector business houses and industries; urban and rural local government bodies; civil society groups, NGOs, community based organizations and other government departments responsible for coastal zone development and protection.

2.1.5 During implementation, only the NPMU will submit consolidated reimbursement requests for the entire project based on interim unaudited financial reports (state level consolidation will be done by the SPMU and forwarded to NPMU). There will be only one special account for this project.

2.1.6 To be able to efficiently implement the above-mentioned responsibilities, adequate provision of staff, capacity and resources has been made within the NPMU and SPMUs (and within the PEAs as required and relevant). The proposed institutional arrangements, powers, roles and responsibilities of the various actors and their organizational linkages are presented in Annex 6 of the PAD, and complete details are described in the Project Implementation Plan (PIP).

2.1.7 The NPMU and SPMU will implement the project along with the following PEAs implementing agencies under them:-

a. NPMU
   i. The Survey of India
   ii. The National Center for Sustainable Coastal Management
   iii. The MS Swaminathan Research Foundation
   iv. The Gujarat Ecology Commission for DANDI activity

b. SPMU, Gujarat
   i. The Gujarat Ecology Commission
   ii. The Marine National Park
   iii. The GEER foundation
   iv. The Jamnagar Municipal Corporation
v. The Gujarat Pollution Control Board
vi. The Bhaskaracharya Institute for Space Applications and Geo-Informatics (BISAG).
vii. The Tourism Corporation of Gujarat Ltd.
viii. The Kachchh Circle (Forest Division)

c. SPMU, Odisha

i. The Water Resources Department
ii. The Orissa State Pollution Control Board
iii. The Orissa State Disaster Management Authority (OSDMA)
iv. The Department of Forest & Environment (Wildlife Wing)
v. The Department of Fisheries
vi. The Department of Culture
vii. The Micro, Small & Medium Enterprises Department.
viii. The Chilka Development Authority (CDA)
ix. The Paradip Municipality
x. The Orissa Tourism Development Corporation

d. SPMU, West Bengal

i. The Digha Shankarpur Development Authority
ii. The Directorate of Forest
iii. The Department of Disaster Management.
iv. The Institute of Environmental Studies and Wetland Management
v. The Public Health Engineering Directorate
vi. The Sundarban Infrastructure Development Corporation Limited
vii. The Calcutta University
viii. The West Bengal Fisheries Development Corporation Limited
ix. The West Bengal State Electricity Distribution Company Ltd.
x. The Zoological Survey of India
CHAPTER 3
PROCUREMENT ARRANGEMENTS IN THE PROJECT

3 PROCUREMENT ARRANGEMENTS

3.1 INTRODUCTION:

3.1.1 The NPMU and SPMUs will be responsible for all procurement, financial management, quality assurance, monitoring and evaluations under the project. PEAs will be responsible for assisting NPMU/SPMU in technical aspects of procurement and will also be responsible for contract management, regular supervision, and certification for payments. Exceptions to the above rule are the cases of (a) community procurement, force accounts, and procurement of small works, office equipment, furniture and IT equipment following shopping procedure, consumables under incremental operating costs (IOC) through local shopping for which all responsibilities will lie with the PEAs; and (b) PEAs who have adequate procurement capacity, and has been found suitable, based on an assessment of procurement capacity by the World Bank, to undertake the entire procurement of goods and civil works on their own.

3.1.2 NPMU and SPMU of each state shall prepare its procurement plan and procurement activity schedule for the project life. Procurement plan is essentially planning of what procurement of goods and works is to be carried out and at what time during the year. Separate procurement plan shall be prepared for Consultancies, Goods and Works. Procurement plan shall include Goods/Consultancies/Works to be procured; and the details regarding their estimated value, method of procurement, review by the Bank, bid opening date or receipt of technical proposal date. Methods of procurement to be adopted as well as review of contracts by the World Bank will be decided based on the total value of a tender/IFB rather than on the value of each individual contract/ schedule/ lot/ slice within the tender.

3.1.3 The Procurement Plan and Procurement Activity Schedule shall be submitted to the World Bank for review and clearance. The procurement action will be initiated only after World Bank’s no-objection to the Procurement Plan and the Procurement Activity Schedule. The Procurement Plan (including all its revisions) shall be disclosed in the NPMU/SPMU website, notice boards and World Bank’s website.

3.1.4 The Project shall update the Procurement Plan annually or as needed throughout the duration of the project. The updated procurement plan shall be cleared with the World Bank and published as described in Section 3.1.3.

3.1.5 All procurements in the project will be carried out as per the agreed procurement plan. The procurement plan at the States will be executed by SPMU. At the state level NPMU has no role in procurement except that all the prior review contracts will come to the Bank through NPMU. All procurement done outside the procurement plan will be ineligible for reimbursement from the Bank.
3.1.6 Ineligible expenditures: There is no expenditure which does not fulfill eligibility conditions of Procurement/Consultant Guidelines that were identified during project preparation\(^1\). During implementation if such requirements arise, those will be financed from the governments' own resources and will not be eligible for financing from the Credit/Loan.

3.2 SELECTION OF CONSULTANTS

3.2.1 Selection process for all consultancies either required by PEA\(s\) or by NPMU/SPMU for their respective project components will be handled by NPMU/SPMU. Exceptions\(^2\) to the above rule are the cases of (a) recruitment of individual contract staff and consultants for routine project management activities, where agreed in principle by NPMU/SPMU, for which all responsibilities will lie with the PEA\(s\); and (b) with effect from April 2013 as per agreed with the World Bank, selection of consultancies below a threshold amount of US$200,000 equivalent for each contract in the case of specific PEA\(s\) who have adequate procurement capacity, and has been found suitable, based on an assessment of procurement capacity by the World Bank, to undertake the entire procurement of goods and civil works on their own.

3.2.2 In case the consultancy services are required by the PEA, the TOR of the consultancies will be framed by the respective PEA\(s\) and the whole Selection process i.e., Advertisement, Short-listing, Proposal Evaluation, Award of Contract etc., will be carried out by the NPMU/SPMU with technical assistance from respective PEA. However Signing of the Contract will be done by PEA. Once consultancies are awarded, PEA\(s\) will be responsible for management and supervision of the consultancy contract to obtain the agreed outputs and release of payments. NPMU/SPMU will participate in the review of interim and final outputs and provide overall guidance to PEA\(s\) in management of consultancy contract.

3.2.3 Some PEA\(s\), as per agreed with the World Bank, such as the NCSCM, the OSDMA and the WBSEDCL will procure all Goods and Civil Works by themselves. These PEA\(s\), with effect from April 2013, will also be eligible and be entirely responsible for selection of consultancies below a threshold amount of US$200,000 equivalent for each contract. For these PEA\(s\), the procedures listed in all applicable sections below will apply.

3.2.4 The Bank’s Consultant Guidelines January, 2011 will be applicable for Selection of all consultancies under the Project. The Bank’s standard RFP will be used as a basis for selection of all consultancies under the Project.

3.2.5 The methods for selection of Consultants of firms include the following and have been dealt in details in the subsequent chapters:

a) Quality and Cost Based Selection (QCBS);

---

\(^1\) The specific case of ineligibility of purchase of satellite imageries from National Remote Sensing Agency (NRSA) that was identified during project preparation remained valid for the duration up to March 2013; and purchases subsequent to April 01, 2013 is eligible as a consequence of adopting World Bank Procurement Guidelines of January 2011 replacing the use of said Guidelines of 2004 (revised up to October 2006).

\(^2\) These exceptions (to the rule that all selection of consulting services will be done by NPMU/SPMUs only) were agreed with the World Bank in view of accelerating procurement given the slower than anticipated progress on procurement until the Fourth Joint Implementation Support Mission, January-February 2013.
b) Quality Based Selection (QBS);
c) Selection under a Fixed Budget (FBS);
d) Least Cost Selection (LCS);
e) Selection Based on Consultants Qualification (CQ);
f) Single Source Selection (SSS).

3.2.6 The choice of the appropriate method of selection is related to the nature, size, complexity and likely impact of the assignment, technical and financial considerations. The method of selection for each consultancy shall be given in the procurement plan and NPMU/SPMU (or in the specific cases, the PEAs)\(^3\) will execute the procurement plan agreed with the Bank. No selection of consultancy shall be initiated outside procurement plan and such selection shall not be eligible for Bank financing.

3.2.7 Proposal opening and evaluation committee:

a) For selection of each consultancy a proposal opening and evaluation committee shall be formed. The proposal opening and evaluation committee will have 3-5 members and will have representation of the PEA involved and would be headed by the Additional Project Director or any other person nominated by the Project Director of NPMU/SPMU. An outside technical expert wherever necessary will also be a member of the proposal opening and evaluation committee. In the case none of the PEA is involved in the consultancy assignment, no representation of any officer of any PEA is necessary in the proposal opening and evaluation committee. In the case of NPMU, a representative of finance cell shall be a member of every proposal opening and evaluation committee set up by the National Project Director. When specific PEAs are responsible for the entire selection process\(^4\), the proposal opening and evaluation committee for consultancies (other than for selection of Individual Consultants) will be headed by an officer nominated by the Nodal officer of the PEA; and will also have up to two members nominated by the Project Director of NPMU/SPMU.

b) The proposal opening and evaluation committee will technically and commercially evaluate the proposals. The technical/financial evaluations of the committee with recommendations will be placed before the Project Director (or the Nodal officer of the specific cases of PEAs)\(^5\). Consultancy contract negotiations will be done by a committee nominated by Project Director of NPMU/SPMU (or the Nodal Officer of the PEA in the specific cases of PEAs responsible for the entire selection process). The proposal opening and evaluation committee and negotiation committee can be same. The negotiation committee should consist of at least two members from proposal opening and evaluation committee and one member should be a finance representative of the SPMU/NPMU (or the specific cases of PEAs)\(^6\).

\(^3\)Inserted w.e.f 01 April 2013.
\(^4\)Inserted w.e.f 01 April 2013.
\(^5\)Inserted w.e.f 01 April 2013.
\(^6\)Inserted w.e.f 01 April 2013.
3.2.8 The delegation of powers for selection and award of consultancy services contracts:

a) The delegation powers for selection/hiring of consultancy services is as under:

<table>
<thead>
<tr>
<th>S.no</th>
<th>Proposal Up to</th>
<th>Powers of</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procurement at SPMU</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Up to Rs.3.0 Crore with or without bid premium</td>
<td>Project Director, SPMU</td>
</tr>
<tr>
<td>2</td>
<td>Beyond Rs.3.0 Crore</td>
<td>Project Director, SPMU will be empowered to award the contract with prior approval of the Steering Committee/State Empowered Committee</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Procurement at NPMU</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Up to Rs.3.0 Crore with or without bid premium</td>
<td>Project Director, NPMU</td>
</tr>
<tr>
<td>2</td>
<td>Beyond Rs.3.0 Crore</td>
<td>Project Director, NPMU will be empowered to award the contract with the approval of Governing Council</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Procurement at the Specific PEAs</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Up to US$200,000 equivalent with or without bid premium</td>
<td>Nodal Officer of PEA</td>
</tr>
<tr>
<td>2</td>
<td>Above US$200,000 and up to Rs.3.0 Crore with or without bid premium</td>
<td>Project Director, NPMU/SPMU as applicable</td>
</tr>
<tr>
<td>3</td>
<td>Beyond Rs.3.0 Crore</td>
<td>Project Director, NPMU/SPMU as applicable will be empowered to award the contract with the approval of Governing Council/Steering Committee/State Empowered Committee</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Procurement at all other PEAs</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Recruitment of individual contract staff or consultant for routine project management activities.</td>
<td>Entire selection will be done by Nodal Officer of PEA, subject to agreement with Project Director of NPMU/SPMU prior to initiation of the selection process.</td>
</tr>
<tr>
<td>2</td>
<td>All other selection of consulting services</td>
<td>Entire procurement process will be primarily managed by NPMU/SPMU, with support from PEA.</td>
</tr>
</tbody>
</table>

b) Wherever the Proposal Price is more than the Estimated Cost, and the Proposal Price exceed the power of Project Director SPMU/NPMU (as per table 3.1), the proposal will be sent to the Steering Committee/ Empowered Committee/ Governing Council, as the case may be, for approval, along with justification for approval. Whenever the

---

7 Revised from Rs.1.5 crore to Rs. 3.0 crore w.e.f. October 01, 2013.
8 Revised from Rs.1.5 crore to Rs. 3.0 crore w.e.f. October 01, 2013.
9 Revised from Rs.1.5 crore to Rs. 3.0 crore w.e.f. October 01, 2013.
10 Revised from Rs.1.5 crore to Rs. 3.0 crore w.e.f. October 01, 2013.
11 Inserted w.e.f 01 April 2013.
12 Inserted w.e.f 01 April 2013.
13 Revised from Rs.1.5 crore to Rs. 3.0 crore w.e.f. October 01, 2013.
14 Revised from Rs.1.5 crore to Rs. 3.0 crore w.e.f. October 01, 2013.
15 Inserted w.e.f 01 October 2013.
Proposal Price including premium over and above the Estimated Cost is within the delegated powers of the Project Director of NPMU/SPMU (as per Table 3.1) the award of the contract for the consultancy service will be disposed at the level of Project Director of NPMU/SPMU itself.

3.2.9 **Thresholds for International Consultants**: The short list of consultancies estimated to cost US$ 800,000\(^{16}\) or less may comprise entirely national level consultants.

In such cases include the following text in the REOI “In accordance with paragraph 2.7 of the Guidelines for the Selection and Employment of Consultants by World Bank Borrowers, the short list for this assignment may comprise entirely of national consultants, however foreign consultants may also express interest for consideration. For that effect, all interested firms are informed that all documents, including the Request for Proposals, the Proposal and consultant’s contract for the proposed assignment will be issued in English, and contract price and corresponding payments will be in Indian Rupees.”

3.2.10 **Thresholds for Prior review by the World Bank\(^ {17}\)**: Prior review of the procurement process by the World Bank is indicated in the procurement plan and as summarized below:

3.2.11 First contract of any value from NPMU or SPMUs; subsequent contract valued over US$ 600,000 equivalent for firms including NGOs, and above US$50,000 equivalent for individuals; all contracts to be awarded on single source selection basis having value in excess of US$20,000, will be subject to prior review by the World Bank. Selections and contract awards to hire Project Director, procurement consultants, inspection agents and legal advisors are subject to prior review, irrespective of the contract value.

3.2.12 Prior review would be at the following stages:

a) Terms of Reference;
b) Short Listing; draft RFP and cost estimate [all together];
c) Technical Evaluation report;
d) Combined evaluation report for information and comments, if any;
e) Minutes of Negotiation and draft initialed negotiated contract;
f) The amendments in the case of contracts subject to prior review, before granting a substantial extension of the stipulated time for performance of a contract, agreeing to any substantial modification of the scope of the services, substituting key staff,

---

\(^{16}\)Earlier the limit was US$500,000 which was revised to US$600,000 w.e.f. 27th August 2012 and to US$800,000 w.e.f. 13th June 2013.

\(^{17}\)Prior review thresholds were revised on 27th Aug 2012. Earlier Prior review thresholds were “First contract of any value from NPMU or SPMUs; subsequent contract valued over US$ 200,000 equivalent for firms including NGOs, and above US$50,000 equivalent for individuals; all contracts to be awarded on single source selection basis irrespective of value will be subject to prior review by the World Bank. Selections and contract awards to hire Project Director, procurement consultants, inspection agents and legal advisors are subject to prior review, irrespective of the contract value.”
waiving the conditions of a contract, or making any changes in the contract that would in aggregate increase the original amount of the contract by more than 15 percent, the NPMU/SPMU shall seek the World Bank’s “no objection” to the proposed extension, modification, substitution, waiver, or change. After no-objection from the World Bank, the contract amendment shall be signed. A copy of all such amendments to the contract shall be furnished to the World Bank; and, g) The final contract with check list shall be submitted to the World Bank for record and to obtain the WBR Number.

3.2.13 Responsibility Matrix:

a) In case the consultancy assignment (other than for selection of Individual Consultants) is for PEA, the sharing of the responsibility by NPMU/SPMU and the PEA for conducting various tasks of the selection process is summarized in the Table 3.2. For selection of Individual Consultants, the entire selection will be done by Nodal Officer of PEA, subject to agreement about need of such selection with Project Director of NPMU/SPMU prior to initiation of the selection process.

Table 3.2: Responsibility matrix – For consultancy required by PEA

<table>
<thead>
<tr>
<th>S.no</th>
<th>Activities</th>
<th>Where Entire Selection is by NPMU or SPMU</th>
<th>Where Entire Selection is by the Specified PEA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Organizational Entity</td>
<td>Organizational Entity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>NPMU/SPMU</td>
<td>PEA</td>
</tr>
<tr>
<td>1</td>
<td>Assessment of requirement</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>2</td>
<td>Deciding on the Mode of Selection</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>3</td>
<td>Preparation of TOR/RFP</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>4</td>
<td>Advertisement for short listing</td>
<td>P</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Short listing of consultants</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>6</td>
<td>Receipt of technical and financial proposal</td>
<td>P</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Evaluation of Proposals</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>8</td>
<td>Negotiations</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>9</td>
<td>Award of consultancy</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>10</td>
<td>Signing of contract</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>11</td>
<td>Approval of the Payments</td>
<td>P</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Supervision of the consultancy contract</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>13</td>
<td>Release of the Payment to the consultants</td>
<td>S</td>
<td>P</td>
</tr>
</tbody>
</table>

- P --- Primary responsibility
- S--- Secondary responsibility

---

18Inserted w.e.f. 01 April 2013.
b) In case PEA is not involved then SPMU/NPMU will be solely responsible for the all the activities mentioned in the above Table 3.2.

3.2.14 Method of procurement to be adopted: The following methods of selection will be adopted depending upon size and complexity of assignment, as defined in the Consultancy Guidelines:

<table>
<thead>
<tr>
<th>Category</th>
<th>Method of Selection</th>
<th>Threshold (US$ Equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultants’ Services</td>
<td>CQS</td>
<td>Up to US$100,000 per contract</td>
</tr>
<tr>
<td></td>
<td>SSS</td>
<td>with prior agreement with the World Bank</td>
</tr>
<tr>
<td>Individuals</td>
<td>No Limit</td>
<td></td>
</tr>
<tr>
<td>Use of NGO</td>
<td>As per paragraph 3.16 of the World Bank Guidelines</td>
<td></td>
</tr>
<tr>
<td>QCBS/QBS/FBS/LCS</td>
<td>No limit</td>
<td>&gt; US$800,000</td>
</tr>
<tr>
<td>(i) International shortlist</td>
<td>Up to US$800,000</td>
<td></td>
</tr>
<tr>
<td>(ii) Shortlist may comprise national consultants only</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

19 The earlier threshold was US$500,000. The thresholds were revised to US$600,000 w.e.f 27th August 2012, and to US$800,000 w.e.f. 13th June 2013.
3.3 PROCUREMENT FOR GOODS AND WORKS

3.3.1 The World Bank’s Procurement Guidelines January, 2011 will be applicable for procurement of all goods and Works under the Project. The World Bank’s bidding documents as listed in this document will be used as basis for all procurement of goods and works under the Project.

3.3.2 The methods of procurement that may be followed include the following and have been dealt in details in the subsequent chapters:

   a) International Competitive Bidding (ICB).
   b) Limited International Bidding (LIB)
   c) National Competitive Bidding (NCB).
   d) Shopping (S).
   e) Direct Contracting (DC).

3.3.3 Major goods and equipment to be procured under this project would include procurement of variety of Laboratory equipment, marine research vehicle, small boats, deep suction machine, generators, floating photogrammetric workstations, office equipment, furniture, etc. Most of the laboratory equipment are sophisticated, high value and shall be carried out following ICB /LIB/ NCB procedures depending on the value of the contract. Office equipment, computers and furniture would be procured adopting DGS&D rate contract or shopping method.

3.3.4 Procurement of Goods and Civil Works by NPMU/SPMU: The process to be followed for procurement by NPMU/SPMU is as under:

   (i) Administrative Approval
   For Goods and Civil Works for the purpose of NPMU/SPMU: Administrative approval of all procurement will be accorded by the Project Director, NPMU/SPMU.

   For Goods and Civil Works for the purpose of PEA: The PEA will obtain administrative approval of the Project Director, NPMU/SPMU once all bills of quantities, specifications and drawings as relevant has been finalized by PEA and after obtaining all necessary PEA internal technical approvals. Such administrative approval of Project Director, NPMU/SPMU could be obtained through any of the following means: (i) approval of the procurement Plan or its revisions; (ii) approval of the Annual Action Plan; or (iii) approval of the specific bid if not covered by the approved Procurement Plan or by the approved Annual Action Plan.

   (ii) Preparation of Bid document:
   For Goods and Civil Works for the purpose of NPMU/SPMU: Bid Documents will be approved by a Bid Evaluation Committee of 3-5 members formed at NPMU/SPMU headed by the Additional Project Director, and including procurement staff of NPMU/SPMU (who will have a lead role in preparation of the Bid Documents). External technical expert where ever necessary will also be members of the Bid Evaluation committee. In case of NPMU a representative of the finance cell shall be a member of every Bid Evaluation Committee set up by the Project Director of NPMU. 
For Good and Civil Works for the purpose of PEA: Bid Documents will be prepared by NPMU/SPMU with the help of respective PEAs. Bid Documents will be approved by a Bid Evaluation Committee of 3-5 members which shall be formed at NPMU/SPMU headed by the Additional Project Director, and including procurement staff of NPMU/SPMU (who will have a lead role in preparation of the Bid Documents), and representation of the PEA (who will be responsible for the technical details in preparation of the bid document). External technical expert where ever necessary will also be members of the Bid Evaluation committee. In the case of NPMU a representative of finance cell shall be a member of every Bid Evaluation Committee set up by the Project Director of NPMU.

(iii) Advertisement:
After the preparation of the bid documents advertisement shall be made by NPMU/SPMU.

(iv) Receipt of Bids:
The bids shall be received at the office of NPMU/SPMU or any other place decided by the Bid Evaluation Committee, and as specified in the Bid Documents.

(v) Evaluation:
The Bid Evaluation Committee will technically and commercially evaluate the bids. The BER of the committee with recommendations will be placed before the Project Director of NPMU/SPMU.

(vi) Award:
Based on the recommendation of the Bid Evaluation Committee, the Project Director of NPMU/SPMU will take award decision for the contract and issue the Notification of Award.

(vii) Signing of Contract:
The Nodal Officer of the PEA or the Project Director NPMU/SPMU will sign the contract with the contractor as the case may be.

(viii) Contract Administration and Payments:
For Goods and Civil Works for the purpose of NPMU/SPMU: The contract will be managed including supervision, monitoring and all payments by the NPMU/SPMU.

For Goods and Civil Works for the purpose of PEA: The contract will be managed including supervision, monitoring and all payments by the PEA. NPMU/SPMU will participate in the review of interim and final outputs and provide overall guidance to PEAs in the management of contract.

3.3.5 Procurement of Goods and Civil Works by PEAs: The process to be followed for procurement by PEAs is as under:

A: As all major procurements in the project will be handled at the NPMU/SPMU, only the community procurement, force accounts, and local shopping (procurement) of goods and civil works shall be done by PEAs. NPMU/SPMU will provide guidance to PEAs for such procurement, including helping preparation of relevant documents.
Some PEAs, as per agreed with the World Bank, such as the NCSCM\textsuperscript{20}, the OSDMA and the WBSEDCL will also procure all Goods and Civil Works by themselves following this procurement manual for the works included in the procurement plan.

(i) Administrative Approval:
For all procurement by PEA, administrative approval will be taken from the Project Director, NPMU/SPMU. If there is a deviation in the DPRs prepared at the time of project preparation, technical approvals will be taken by PEA as per the current practice of the PEA, in agreement with the NPMU/SPMU. The administrative approval of Project Director, NPMU/SPMU could be obtained through any of the following means: (i) approval of the procurement Plan or its revisions; (ii) approval of the Annual Action Plan; or (iii) approval of the specific bid if not covered by the approved Procurement Plan or by the approved Annual Action Plan.

(ii) Preparation of Bid document:
A Bid Evaluation Committee of 3-5 members shall be formed at the PEA, headed by an authorized officer of the PEA. Bid documents (ICB/NCB/NS) for goods and civil works shall be prepared by committee. All bid documents where estimate cost is above US$300,000 shall be shared with NPMU/SPMU for information and comments if any.

(iii) Advertisement:
After the preparation of the Bid Document, advertisement will be undertaken by the Nodal officer of PEA wherever required.

(iv) Receipt of Bids:
All bids will be received at the office of the Nodal Officer of the PEA.

(v) Evaluation:
(a) Shopping (by all PEAs): The Bid Evaluation Committee will technically and commercially evaluate the bids. The bid evaluation report of the committee with recommendations will be placed before the Nodal Officer (and/or Competent Authority) of the PEA for approval.

(b) ICB/NCB (for PEAs specifically agreed with the World Bank): The Bid Evaluation Committee will technically and commercially evaluate the proposals. The evaluations of the committee with recommendations will be placed before the Nodal Officer (and/or Competent Authority) of the PEA. Entire procurement including approval and award will be the responsibility of the PEA. However, concurrence on the BER will be needed from the Project Director of NPMU/SPMU in cases where the bid price exceeds US$300,000. Wherever the bid price exceeds US$5 million for civil works and US$3 million for goods, the bid evaluation report (BER) will need to be approved by, as relevant, the Governing Council of the NPMU or the State Steering Committee / State Empowered Committee of the SPMU.

(vi) Award:
(a) Shopping: Within the administrative approval of the NPMU/SPMU, and based on the recommendation of the Bid Evaluation Committee, the Nodal Officer of the PEA will award the contract. If the recommend award contract price is more than the

\textsuperscript{20}Inserted w.e.f. 01 April 2013.
administrative approval obtained, then the revised administrative approval has to be obtained from the Project Director, NPMU/SPMU.

(b) ICB/NCB (for PEAs specifically agreed with the World Bank): Based on the approval of BER and the recommendation to award the contract by the Bid Evaluation Committee, the Nodal Officer of the PEA will issue notification for award. In case where the value of the contract is in excess of US$300,000, the Nodal Officer of the PEA will issue notification for award only after obtaining the concurrence of Project Director NPMU/SPMU.

(vii) Signing of Contract:
The Nodal Officer of the PEA will sign the contract with the contractor.

(viii) Contract Administration and Payments:
The contract will be managed including supervision, monitoring and all payments by the PEA. NPMU/SPMU will participate in the review of interim and final outputs and provide overall guidance to PEAs in the management of contract.

3.3.6 Delegation of Powers for Awarding a Tender/Contract:

a) The powers of the procurement of Goods and civil works are as per Table 3.4.

b) Wherever the Bid Price is more than the Estimated Cost, and the Bid Price exceed the power of Project Director SPMU/NPMU (as per Table 3.4), the BER will be sent to the Steering Committee/ Empowered Committee/ Governing Council, as the case may be, for approval, along with justification for approval. Whenever the Bid Price including premium over and above the Estimated Cost is within the delegated powers of the Project Director of NPMU/SPMU (as per Table 3.4) the award of the contract will be disposed at the level of Project Director of NPMU/SPMU itself.

3.3.7 In case of Bid Premium, i.e., where Bid Value is more than the Estimated Cost, the BER will be sent to higher authority for approval, only if the bid value exceeds the power of earlier authority as per Table 3.4, along with justification for approval.

3.3.8 Responsibility Matrix: In case the procurement of goods and civil works is for PEA, the sharing of the responsibility by NPMU/SPMU and PEA for conducting various tasks of the procurement process are summarized in the Table 3.5.

**Table 3.4: Delegation of Powers for procurement of Civil Works and Goods**

<table>
<thead>
<tr>
<th>Type</th>
<th>Procurement By</th>
<th>Award Amount</th>
<th>Powers Delegated to</th>
</tr>
</thead>
<tbody>
<tr>
<td>Works or Non-Consulting Services</td>
<td>NPMU or SPMU</td>
<td>A 5.0million</td>
<td>All the powers for the acceptance will be with the Project Director of NPMU/SPMU, who may further delegate the powers as and when required.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B Above US$</td>
<td>Project Director, NPMU will be empowered to award the contract with the approval of Governing Council. In the case of SPMUs, the Project Director, SPMU will be empowered to award the contract with the approval of the Steering Committee/State Empowered Committee.</td>
</tr>
<tr>
<td>Type</td>
<td>Procurement By</td>
<td>Award Amount</td>
<td>Powers Delegated to</td>
</tr>
<tr>
<td>------</td>
<td>----------------</td>
<td>--------------</td>
<td>---------------------</td>
</tr>
<tr>
<td></td>
<td>NCSCM, OSDMA and WBSEDCL and any other PEA as agreed with the World Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Up to US$300,000</td>
<td>Nodal Officer (Competent Authority) of the PEA.</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Above US$300,000 and below US$5 million</td>
<td>Entire procurement including approval and award will be the responsibility of the PEA. However concurrence on the BER will be needed from the Project Director of NPMU/SPMU.</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Above US$5 million</td>
<td>Procurement handled by PEA; but BER to be approved by Governing Council/ State Steering Committee / State Empowered Committee as applicable through the Project Director of NPMU/SPMU.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>All Other PEA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Up to US$50,000 using shopping procedures</td>
<td>Nodal Officer (Competent Authority) of the PEA.</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Above US$50,000</td>
<td>Will be procured by SPMU/NPMU.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Goods</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NPMU or SPMU</td>
<td>A</td>
<td>Up to US$5.0 million</td>
<td>All the powers for the acceptance will be with the Project Director of NPMU/SPMU, who may further delegate the powers as and when required.</td>
</tr>
<tr>
<td>B</td>
<td>Above US$5.0 million</td>
<td>The Project Director, NPMU will be empowered to award the contract with the approval of Governing Council. In the case of SPMUs, the Project Director, SPMU will be empowered to award the contract with the approval of State Steering Committee / State Empowered Committee.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NCSCM, OSDMA and WBSEDCL and any other PEA as agreed with the World Bank</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Up to US$300,000</td>
<td>Nodal Officer (Competent Authority) of the PEA.</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Above US$300,000 and below US$3 million</td>
<td>Entire procurement including approval and award will be the responsibility of the PEA. However, concurrence on the BER will be needed from the Project Director of NPMU/SPMU.</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Above US$3 million</td>
<td>Procurement handled by PEA; but the BER to be approved by Steering Committee through the Project Director of NPMU/SPMU.</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>All Other PEA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Up to US$30,000 using shopping procedures</td>
<td>Nodal Officer (Competent Authority) of the PEA.</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Above US$30,000</td>
<td>Will be procured by SPMU/NPMU.</td>
<td></td>
</tr>
</tbody>
</table>
Table 3.5: Responsibility Matrix for Goods and Civil works for PEA by NPMU/SPMU

<table>
<thead>
<tr>
<th>S.no</th>
<th>Activities</th>
<th>In case the procurement is by NPMU/SPMU for PEA</th>
<th>In case the procurement is by PEA</th>
<th>Organizational Entity</th>
<th>Organizational Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>NPMU/SPMU</td>
<td>PEA</td>
<td>NPMU/SPMU</td>
<td>PEA</td>
</tr>
<tr>
<td>1</td>
<td>Assessment of requirement</td>
<td>P</td>
<td>S</td>
<td>P</td>
<td>S</td>
</tr>
<tr>
<td>2</td>
<td>Preparation of technical specification</td>
<td>P</td>
<td>P</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Deciding on the Mode of Procurement</td>
<td>P</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Preparation of Bid documents</td>
<td>P</td>
<td>S</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Advertisement</td>
<td>P</td>
<td>P</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Sale of Bid documents</td>
<td>P</td>
<td>P</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Receipt of Bids</td>
<td>P</td>
<td>P</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Evaluation of bids</td>
<td>P</td>
<td>S</td>
<td>S (if Estimated Cost &gt; US$300,000)</td>
<td>P</td>
</tr>
<tr>
<td>9</td>
<td>Sanction of award</td>
<td>As per Delegation of Powers</td>
<td>As per Delegation of Powers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Award of contract</td>
<td>P</td>
<td>S (If Bid Price &gt; US$300,000)</td>
<td></td>
<td>P</td>
</tr>
<tr>
<td>11</td>
<td>Signing of contract</td>
<td>S</td>
<td>P</td>
<td>S</td>
<td>P</td>
</tr>
<tr>
<td>12</td>
<td>Supervision of the contract</td>
<td>S</td>
<td>P</td>
<td></td>
<td>P</td>
</tr>
<tr>
<td>13</td>
<td>Recommendation for release of Payment</td>
<td>p</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Release of the Payment to the Vendor</td>
<td>P</td>
<td>P</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Prior review approvals and NOL from the World Bank</td>
<td>P</td>
<td></td>
<td></td>
<td>S</td>
</tr>
</tbody>
</table>

3.4 THRESHOLDS FOR PROCUREMENT METHODS

The following tables 3.6 and 3.7 give the thresholds for Procurement Method for Civil Works and Goods
### Table 3.6: Thresholds for Procurement Methods - Civil Works

<table>
<thead>
<tr>
<th>Expenditure Category</th>
<th>Procurement Method</th>
<th>Value (threshold) per contract*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Works and Supply and Installation</td>
<td>International Competitive Bidding (ICB)</td>
<td>Civil works estimated to cost more than US$ 10.0 million equivalent</td>
</tr>
<tr>
<td></td>
<td>National Competitive Bidding (NCB)</td>
<td>Civil works estimated to cost more than US$ 100,000 and less than or equal to US$ 10.0 million equivalent</td>
</tr>
<tr>
<td></td>
<td>Shopping</td>
<td>Civil works estimated to cost the equivalent of US$ 100,000 or less</td>
</tr>
<tr>
<td></td>
<td>Force Account</td>
<td>Wherever agreed in the Procurement Plan and performance/productivity standards will be agreed with the World Bank before commencement of work</td>
</tr>
</tbody>
</table>

### Table 3.7: Thresholds for Procurement Methods - Goods

<table>
<thead>
<tr>
<th>Procurement of Goods</th>
<th>Procurement Method</th>
<th>Value (threshold) per contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods/ Equipment/ Machines</td>
<td>International Competitive Bidding (ICB)</td>
<td>Contracts estimated to cost more than US$ 3 million equivalent</td>
</tr>
<tr>
<td></td>
<td>National Competitive Bidding (NCB)</td>
<td>Contracts estimated to cost more than US$ 1000,000 and less than or equal to US$ 3 million equivalent</td>
</tr>
<tr>
<td></td>
<td>Shopping</td>
<td>Contracts estimated to cost less than or equal to US$ 100,000 equivalent</td>
</tr>
<tr>
<td></td>
<td>Direct Contracting</td>
<td>As agreed in the procurement plan</td>
</tr>
</tbody>
</table>

---

21Revised from US$30,000 to US$50,000 w.e.f. 13 June 2013, and to US$ 100,000w.e.f. 13 June 2013
22Revised from US$30,000 to US$500,000 w. e. f. 27 August 2012, and to US$100,000 w.e.f. 13 June 2013
23Revised from US$200,000 toUS$500,000 w. e. f. 27 August 2012, and to US$3 million w.e.f. 13 June 2013
24Revised from US$20,000 to US$300,000 w. e. f. 27 August 2012, and to US$100,000 w.e.f. 13 June 2013
25Revised from US$200,000 to US$500,000 w. e. f. 27 August 2012, and to US$3 million w.e.f. 13 June 2013
26Revised from US$20,000 to US$30,000 w. e. f. 27 August 2012, and to US$100,000 w.e.f. 13 June 2013
3.5 BIDDING DOCUMENTS TO BE USED

The Standard Bidding documents of the World Bank as agreed with the Government of India Task Force (and as amended from time to time) for all procurement under NCB will be used. For ICB/LIB contracts only World Bank’s Standard Bidding Documents (SBDs) will be used. Following bidding documents will be used for procurement of goods and works:

Table 3.8: List of Bidding Documents to be used in the Project

<table>
<thead>
<tr>
<th>S.no</th>
<th>Particulars</th>
<th>Document to be used</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Contract for works valued less than equivalent of US$ 100,000(^{27}) each - under NS procedures.</td>
<td>W5</td>
</tr>
<tr>
<td>2</td>
<td>Contract for works beyond US$ 100,000 and up to US$10Million under NCB procedures</td>
<td>W2</td>
</tr>
<tr>
<td>3</td>
<td>Contract for works beyond US$D 10 million</td>
<td>ICB using World Bank’s SBD</td>
</tr>
<tr>
<td>4</td>
<td>Contract for goods valued less than equivalent of US$ 30,000(^{28}) following NS procedures</td>
<td>E5 with provision for local advertising(^{29}).</td>
</tr>
<tr>
<td>5</td>
<td>Contract for goods beyond US$30,000 and valued less than equivalent of US$ 100,000(^{30}) following NS procedures</td>
<td>Modified E5 approved by the World Bank</td>
</tr>
<tr>
<td>6</td>
<td>Contract for goods beyond US$ 100,000(^{31}) and up to US$ 3 million(^{32}) following NCB procedures.</td>
<td>E1</td>
</tr>
<tr>
<td>7</td>
<td>Contract for goods beyond US$ 3 million following ICB procedures</td>
<td>ICB using World Bank’s SBD</td>
</tr>
</tbody>
</table>

3.6 THRESHOLDS FOR PRIOR REVIEW BY THE WORLD BANK\(^{33}\)

3.6.1 In case of Civil Works and Goods the following contracts shall be subject to prior review by the World Bank.

- All Works, Turn-keys, and Supply and Installation costing US$10 million and above will be subject to prior review. Direct Contracting in excess of US$20,000 will be subject to prior review by the World Bank.

\(^{27}\)Revised from US$30,000 to US$50,000 w. e. f. 27 August 2012, and to US$100,000 w.e.f. 13 June 2013

\(^{28}\)Revised from US$20,000 to US$30000 w. e. f. 27 August 2012

\(^{29}\)Inserted w.e.f. 13 June 2013

\(^{30}\)Inserted w.e.f. 13 June 2013

\(^{31}\)Revised from US$20,000 to US$30,000 w. e. f. 27 August 2012, and to US$100,000 w.e.f. 13 June 2013

\(^{32}\)Revised from US$200,000 to US$500,000 w. e. f. 27 August 2012, and to US$3 million w.e.f. 13 June 2013

\(^{33}\)The prior review thresholds were revised w. e. f. 27 August 2012. The earlier prior review thresholds for goods and works were as “All ICB contracts, if any and the first NCB contract of works and goods from MOEF and each participating state and subsequent contracts above US $ 500,000 for works and US $ 200,000 and above for goods; and all contracts irrespective of value awarded on Direct Contracting method will be subject to prior review by the World Bank”.

---

23 of 132
• All procurement for **Goods, IT Systems, and Non-Consulting Services** costing US$1 million and above will be subject to prior review by the World Bank.

• Prior review would be at the following stages:
  o Draft Bidding document
  o Minutes of Pre Bid conference for information and comments if any
  o Amendment to Bidding document
  o Bid Evaluation Report and recommendation to award contract
  o Final signed contract with check list for World Bank’s record and allotment of WBR number
  o The amendments for increasing the cost beyond 15% of original value or extension of time shall also be subject to World Bank’s prior review. Such amendments shall be submitted to the World Bank for prior review before the variation order is issued by which contract value will exceed by 15% or time extension is granted.

3.6.2 In case of Consultancy Services, the following contracts shall be subject to prior review by the World Bank.

• First contract of any value from NPMU or SPMUs; subsequent contract valued over US$ 500,000 equivalent for firms including NGOs, and above US$200,000 equivalent for individuals; all contracts to be awarded on single source selection basis having value in excess of 20,000 USD, will be subject to prior review by the World Bank. Selections and contract awards to hire Project Director, procurement consultants, inspection agents and legal advisors are subject to prior review, irrespective of the contract value.

• Prior review would be at the following stages:
  o Terms of Reference;
  o Short Listing; draft RFP and cost estimate [all together].
  o Technical Evaluation report
  o Combined evaluation report for information and comments if any.
  o Minutes of Negotiation and draft initialed negotiated contract; and
  o Amendments to the contracts, as applicable.

3.6.3 The summary of thresholds limits for Goods, Works and Consultancy is enclosed vide Table 3.9.
### Table 3.9: Revised Procurement Thresholds for India ICZM Project  
(Effective June 13, 2013)

<table>
<thead>
<tr>
<th>Category</th>
<th>Method</th>
<th>Value threshold for applicability</th>
<th>Prior Review Threshold</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Goods and Equipment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICB</td>
<td>&gt;$ 3 million</td>
<td>&gt;$ 1 million</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NCB</td>
<td>&lt;$ 3 million and &gt;$ 100,000</td>
<td>&gt;$ 1 million</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shopping by SPMU/NPMU</td>
<td>&lt;$ 100,000 and &gt;$ 30,000</td>
<td>NA</td>
<td>No prior review needed as the upper limit is $100,000 for using shopping by SPMU or NPMU.</td>
</tr>
<tr>
<td></td>
<td>Shopping by PEA</td>
<td>&lt;$ 30,000</td>
<td>NA</td>
<td>No prior review needed as the upper limit is $30,000 for using shopping by PEA.</td>
</tr>
<tr>
<td></td>
<td>LIB or Direct Contracting (DC)</td>
<td>No threshold</td>
<td>&gt;$ 20,000</td>
<td>All cases subject to applicable conditions. All cases of DC for amounts above $20,000 will need prior review by Bank.</td>
</tr>
<tr>
<td><strong>Works; Supply and Installation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ICB</td>
<td>&gt;$ 20 Million</td>
<td>&gt;$ 10 million</td>
<td></td>
</tr>
<tr>
<td></td>
<td>NCB</td>
<td>&lt;$20 Million and &gt;$100,000</td>
<td>&gt;$ 10 million</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shopping by SPMU/NPMU</td>
<td>&lt;$ 100,000 and &gt;$ 50,000</td>
<td>NA</td>
<td>No prior review needed as the upper limit is $100,000 for using shopping by SPMU or NPMU.</td>
</tr>
<tr>
<td></td>
<td>Shopping by PEA</td>
<td>&lt;$ 50,000</td>
<td>NA</td>
<td>No prior review needed as the upper limit is $50,000 for using shopping by PEA.</td>
</tr>
<tr>
<td></td>
<td>Force Account</td>
<td>No Threshold</td>
<td>-</td>
<td>Only with prior agreement with the World Bank.</td>
</tr>
<tr>
<td></td>
<td>Direct Contracting (DC)</td>
<td>No Threshold</td>
<td>&gt;$ 50,000</td>
<td>All cases subject to applicable conditions. All cases of DC for amounts above $50,000 will need prior review by Bank.</td>
</tr>
<tr>
<td><strong>Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>QCBS or QBS or FBS or LCS</td>
<td>No Threshold</td>
<td>&gt;$ 600,000</td>
<td>Terms of Reference (ToR) of all consultancies for an amount above US$20,000 will need to be cleared with the World Bank.</td>
</tr>
<tr>
<td></td>
<td>CQS</td>
<td>&lt;$ 100,000</td>
<td>NA</td>
<td>Short list of consultants for services, &lt;$800,000 per contract may comprise entirely of national consultants.</td>
</tr>
<tr>
<td></td>
<td>Individual Consultants</td>
<td>No Threshold</td>
<td>&gt;$ 50,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Single Source Selection (SSS)</td>
<td>No threshold</td>
<td>&gt;$ 20,000</td>
<td>All cases subject to applicable conditions. ToR for all assignments using SSS, irrespective of value, will need to be cleared with the World Bank.</td>
</tr>
</tbody>
</table>
3.8 PROCUREMENT STAFF AND THEIR CAPACITIES

3.8.1 In the procurement process there is a substantial involvement of the procurement staff of NPMU/SPMU. The NPMU and SPMU will be supported by Procurement and Financial Management support consultant with one procurement specialist and two procurement assistants.

3.8.2 Further the NPMU and SPMUs will have at least one procurement officer. These staff will be adequately trained in World Bank’s procurement procedures at the Administrative Staff College of India (ASCI), Hyderabad or the National Institute of Finance Management (NIFM), New Delhi.

3.8.3 The TOR for Procurement staff will be agreed with World Bank.

3.9 FORCE ACCOUNT

3.9.1 Restoration of cultural properties by the Department of Culture in Orissa, where the expertise for architectural restoration is not available in the open market; coral transplantation activities in Gujarat by the Gujarat Environment and Ecology Research Foundation and the Marine National Park, where again the expertise is not available in the open market; and mangrove plantation in uninhabited islands and in villages where there is no active or effective community based organization, in Gujarat, Orissa and West Bengal will be implemented using force account.

3.9.2 The DPRs describe the work items (BOQ) to be executed following the force account. The SPMU will submit the appropriate productivity standards, internal controls and linkages to the disbursement for each activity listed in the procurement plan for the World Bank’s clearance before commencement of work.

3.9.3 The NPMU and SPMUs will hire an independent monitoring consultant for the project, which will include special audit for force account. The independent monitoring consultants will provide reports on expenditures incurred, asset verification, and technical quality of outputs. These, along with external and internal audit reports will be relied upon and/or triangulated for post-review of activities undertaken using force account methods.

3.9.4 Satellite Imagery’s will be procured from the National Remote Sensing Agency (NRSA) or the National Remote Sensing Corporation (NRSC) using force account with effect from 01 April 2013 as a consequence of adopting World Bank Procurement Guidelines of January 2011 replacing the use of said Guidelines of 2004 (revised up to October 2006). However, the specific case of ineligibility of purchase of satellite imagery’s from National Remote Sensing Agency (NRSA) that was identified during project preparation remains valid for the duration up to March 2013.
3.10 COMMUNITY PARTICIPATION IN PROCUREMENT

3.10.1 In addition to the procurement to be undertaken by PEA’s and SPMU, there is community participation in procurement for Entry point activities, livelihood activities and plantation. For community works, it is proposed that

- In case of mangroves plantation: The community will undertake the work themselves.
- In case of Entry Point Activities and work of livelihood enhancement: The communities can undertake the works themselves or invite a minimum of three quotations from the qualified contractors.

3.10.2 Before the funds are released to the community an MOU will be signed between implementing agencies and communities to undertake works.

3.10.3 A separate Community Procurement Manual has been prepared for the Project which has already been approved by the World Bank. All community procurement in the Project will be as per details and procedures of such approved Community Procurement Manual.

3.11 National Competitive Bidding

3.11.1 NCB will be conducted in accordance with paragraphs 3.3 and 3.4 of the World Bank Procurement Guidelines and the following provisions:

(a) Only the model bidding documents for NCB agreed with the GOI Task Force (and as amended from time to time) shall be used for bidding;

(b) Invitations to bid shall be advertised in at least one widely circulated national daily newspaper, at least 30 days prior to the deadline for the submission of bids;

(c) No special preference will be accorded to any bidder either for price or for other terms and conditions when competing with foreign bidders, state-owned enterprises, small-scale enterprises or enterprises from any given state;

(d) Except with the prior concurrence of the World Bank, there shall be no negotiation of price with the bidders, even with the lowest evaluated bidder;

(e) Extension of bid validity shall not be allowed without the prior concurrence of the World Bank for the first request for extension if it is longer than four weeks; and for all subsequent requests for extension irrespective of the period - such concurrence will be considered by the World Bank only in cases of Force Majeure and circumstances beyond the control of the Purchaser/Employer;

(f) Re-bidding shall not be carried out without the prior concurrence of the World Bank. The system of rejecting bids outside a pre-determined margin or bracket of prices shall not be used in the project;
(g) Rate contracts entered into by DGS&D will not be acceptable as a substitute for NCB procedures. Such contracts will be acceptable however for any procurement under Shopping procedures; and

(h) Two or three envelop system shall not be used.

3.12 POST REVIEW

3.12.1 All contracts not covered under prior review will be subject to post award review. The post review will be conducted as part of supervision missions or review by consultants to be appointed by the World Bank.

3.13 PROCUREMENT MONITORING SYSTEM

3.13.1 As a part of the PMS, the NPMU/SPMUs/PEAs shall maintain the following two registers recording the pre-award and post-award stages:

   (i) Tender/Proposal Register:
       To monitor the various stages of the tender process the award of the contract. This register shall have separate folio for each tender and proposal and shall contain the estimated and actual dates of performing various stages of tender/proposal. (Refer Annexure 1 and 2 for goods and work and consultants respectively).

   (ii) Contract Register
       To monitor the status of each contract with respect to contracted value, amount invoiced and amount paid till the completion of the contract. (Refer Annexure 3 and 4 for goods and work and consultants respectively).

       • The contract details shall be captured from the tender/proposal register and actual payment details shall be captured from the Cash Books.

       • These registers shall form the basis for preparation of procurement management reports discussed later in this section.

3.13.2 Revision of the estimated dates: The dates for the pre award and post award activities shall be projected at the time the preparation of the procurement plan. However during the process of the actual award the contract, the activities may get delayed. This delay in the activities may necessitate the revision of the original dates. The revised dates would be entered in the tender or the “proposal registers” and update procurement activity schedule.

3.13.3 Procurement Management Reports (PMRs). The end of each quarter, the PEA shall generate the PMRs. The basic source for generating the PMRs shall be tender/proposal register and the contract register maintained at the PEA. The PEA shall forward a copy of PMRs to NPMU/SPMU for consolidation.
CHAPTER 4
PROCUREMENT OF GOODS, WORKS AND NON-CONSULTING SERVICES

4 Procurement Processes

4.1 PROCUREMENT PLAN

The Procurement Plan for the project life cycle has been prepared and agreed with the World Bank. Procurement Plan is a tool for proper monitoring and execution of procurement activities. Procurement planning and its execution is therefore an integral part of project implementation and monitoring, which must be done and reviewed periodically to anchor the project over its life.

4.2 PROCUREMENT PROCEDURES

Procurement procedure/guidelines are a set of general steps in which purchase transaction is carried through from inception to its conclusion. These steps together form the purchase policy of the project.

The procurement procedure/guidelines broadly consist of the following activities;

1. Assessment of requirement
2. Deciding procurement strategy
3. Mode of procurement
4. Preparation of tender document
5. Advertisement of the tender
6. Issue of tender documents
7. Opening of the tenders
8. Evaluation of the tenders
9. Award of contract
10. Disclosure
11. Quality Assurance
12. Notification of delivery to consignee and receipt of consignment
13. Storage
14. Resolution of disputes, if any
15. Laws governing the contract
16. Arbitration
17. Insurance
18. Patent rights
19. Force Majeure
20. Complaint redress mechanism

34 Non-consulting services are defined as services for which the physical aspects of the activity predominate. These are bid and contracted on the basis of performance of a measurable physical output, and for which performance standards can be clearly identified and consistently applied. Some examples are taxi services, housekeeping services, security services, etc. Procurement methods applicable for Goods Procurement are applicable to non-consulting services.
21. Procurement audit
22. Record keeping

4.3 DECRING PROCUREMENT STRATEGY

The procurement strategy should cover:

- Key objectives of the procurement for the project;
- Chosen procurement option;
- Chosen procurement route (open or restricted as allowed by the procurement manual)
- Key milestones (check that enough time will be allowed for various steps)
- Key documents e.g. requirements, specifications, bidding documents etc.

Key factors influencing the procurement strategy relate to the degree of complexity, innovation and uncertainty about the requirement, together with the time needed to achieve a successful outcome.

4.4 MODE OF PROCUREMENT

The methods of procurement to be followed are:

A) International Competitive Bidding (ICB)
B) National Competitive Bidding (NCB)
C) Limited International Bidding (LIB)
D) Shopping
E) Single tender/ Direct Contracting
F) Force Account

A) International Competitive Bidding (ICB)

This method is generally adopted where the supplies need import and/or foreign firms are expected to participate irrespective of the value. This method is to be adopted where the estimated cost of the procurement of works is more than US$ 10 million and more than US$ 3 million equivalent for goods.

Steps to be followed are:

(i) Apart from wide publicity nationally, Invitation for Bids (IFB) shall also be forwarded to embassies and trade representatives of countries of likely suppliers/ contractors of the goods and works and also to those who have expressed interest in response to the general procurement notice.

(ii) Invitation for Bids shall also be published in UNDB, dgMarket, National Newspapers and project website.


---

35Revised w.e.f. 13th June 2013
(iv) Sale of bid documents should start only after publication of invitation for bids in newspapers and UNDB/ dgMarket.

(v) Bidding period shall be 45 to 90 days from the date of start of the sale of bid documents.

(vi) Domestic preference shall be allowed to domestic manufacturers/contractors with respect to foreign manufacturers/contractors as per procedure mentioned in the bid documents.

(vii) Bid opening, bid evaluation, notification & publishing of award of contract, complaint redress, etc., as described in the following paragraphs.

B) National Competitive Bidding (NCB)

i) NCB is the competitive bidding procedure normally used for public procurement in the country and may be the most efficient and economic way of procuring goods or works, by their nature and scope. The procedures shall provide for adequate competition in order to ensure reasonable prices. The method to be used in the evaluation of tenders and the award of contracts shall be made known to all bidders and not be applied arbitrarily.

ii) NCB will be adopted normally where the contract value is less than the equivalent of US$ 10 million and above US$ 100,000\textsuperscript{36} for works and is less than the equivalent of US$ 3 million\textsuperscript{37} and above US$ 100,000\textsuperscript{38} for Goods.

iii) Various steps involved in procurement under NCB have been enumerated in the subsequent paragraphs.

C) Limited International Bidding (LIB)

Limited International Bidding (LIB) is essentially ICB by direct invitation without open advertisement. It may be an appropriate method of procurement where (a) there are only a limited number of suppliers, or (b) other exceptional reasons may justify departure from full ICB procedures. Under LIB, borrowers shall seek bids from a list of potential suppliers broad enough to assure competitive prices, such list to include all suppliers all over the world. Domestic preference is not applicable in the evaluation of bids under LIB. In all respects other than advertisement and preferences, ICB procedures shall apply, including the publication of award of contract in UNDB online and in dgMarket and use of the World Banks Standard Bidding documents.

D) Shopping

Shopping procedure is adopted where the estimated cost of procurement is less than US$ 100,000\textsuperscript{39} in case of Works and US$ 100,000\textsuperscript{40} in case of goods. The following considerations should be kept in view for adopting this procedure;

\textsuperscript{36}Revised from w.e.f. 13\textsuperscript{th} June 2013
\textsuperscript{37}Revised from w.e.f. 13\textsuperscript{th} June 2013
\textsuperscript{38}Revised from w.e.f. 13\textsuperscript{th} June 2013
\textsuperscript{39}Revised from w.e.f. 13\textsuperscript{th} June 2013
\textsuperscript{40}Revised from w.e.f. 13\textsuperscript{th} June 2013
a. Shopping is a procurement method based on comparing price quotations obtained from several national/ international suppliers/ contractors, usually at least three to ensure competitive prices. Under international shopping quotations should be solicited from at least three suppliers in two different countries. Quotes obtained from a manufacturer and two of its dealers for the same item will not be considered as separate quotations.

b. It is an appropriate method for procuring readily available off-the-shelf goods or goods of standard specifications, commodities and works that are small in value and are ordinarily available from more than one source.

d. Approval of competent authority may be obtained for items of goods to be purchased along with specifications or civil works to be constructed/ renovated/ repaired along with specifications, estimated costs. It is a good practice to identify upfront the agencies from whom quotations should be invited.

e. The requests for quotations shall contain the description, specification, quantity of the goods, terms of delivery of goods or description of works as well as desired completion period and place of works. If the quotations are called for more than one item/work, it should also be indicated whether the evaluation would be for each item or for each civil work or as a package of all items/works together.

f. Quotations could also be obtained by telex or facsimile. The terms of the accepted offer shall be incorporated in a purchase order or brief contract.

g. Rate contracts finalized by the Directorate General of Supplies & Disposals (DGS&D) will be acceptable for any procurement under shopping.

h. State Government rate contracts, if any, shall be treated as one of the three quotations in the shopping process.

i. If the Borrower has been unable to obtain at least three quotations, it shall provide the World Bank with the reasons and justification why no other competitive method could be considered and obtain a no objection before proceeding on the basis of the only responses already received.

Following points should always be mentioned in the letter of inviting quotations.

**Calling Quotations**

- Give description, specifications and quantity.
- The request for quotation may include, if needed, the required minimum qualification of the bidder (such as license to execute the work under consideration, or certificate of legally valid agency of the

---

40th Revised from w.e.f. 13th June 2013
manufacturer of an equipment); but such request will be kept at the minimum.

- Say that the contract shall be for the full quantity of each item.
- All duties, taxes and other levies payable on the raw materials and components shall be included in the total price.
- Sales tax in connection with the sale shall be shown separately.
- 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.
- The Prices shall be quoted in Indian Rupees only.
- Each bidder shall submit only one quotation.
- Quotation shall remain valid for a period not less than 15 days after the deadline date specified for submission.
- Warranty and maintenance obligations will be clearly defined.
- Sales tax in connection with sale of goods shall not be taken into account in evaluation.

**Evaluation of Quotations**

- The Purchaser will evaluate and compare the quotations determined to be substantially responsive i.e. the quotations which conform to the laid down terms & conditions, and specifications.
- The Quotations would be evaluated for the entire item together or would be evaluated separately for each item as defined in the request for quotation.

**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.
- Purchase order should include:
  - Description, specification, model number quoted by the firm and quantity along with price.
  - Delivery period.
  - Terms of delivery i.e. free on rail (f.o.r.) station of dispatch or free delivery to the consignee.
  - Payment terms.

**E) Single Tender/ Direct Contracting for Goods**

The procedure for Direct Contracting may be adopted if any one of the following conditions is met. The value of each contract for such procurement should not exceed the limits prescribed previous chapter.

(i) The single tender system may be adopted in case of articles including equipment, which are specifically certified as of proprietary in nature, or where only a particular firm is the manufacturer of the articles demanded or in case of extreme emergency.

(ii) The single tender system without competition shall be an appropriate method under the following circumstances:
• Extension of existing contracts for goods or works awarded with the prescribed procedures, justifiable on economic grounds;
• Standardization of equipment or spare parts to be compatible with existing equipment may justify additional purchases from the original supplier; and
• Need for early delivery to avoid costly delays.

All direct contracting will be prior reviewed by the World Bank.

F) Force Account

Force Account, which are works such as construction and installation of equipment and non-consulting services carried out by a government department of the Borrower’s country using its own personnel and equipment, 41 may be the only practical method of procurement under specific circumstances. The use of Force Account requires that the Borrower sets maximum aggregate amounts for the use of Force Account, to which the World Bank shall give its no objection, and applies the same rigorous quality checks and inspection as for contracts awarded to third parties. Force Account shall be justified and may only be used, after World Bank no objection, under any of the following circumstances:

(a) Quantities of construction and installation works that are involved cannot be defined in advance;
(b) Construction and installation works are small and scattered or in remote locations for which qualified construction firms are unlikely to bid at reasonable prices;
(c) Construction and installation works are required to be carried out without disrupting ongoing operations;
(d) Risks of unavoidable work interruption are better borne by the Borrower than by a contractor;
(e) Specialized non-consulting services such as aerial surveys and mapping, as a matter of the Country’s law or official regulations for consideration such as national security, can only be carried out by specialized branches of the government; and/or
(f) Urgent repairs to prevent further damages, requiring prompt attention, or works to be carried out in conflict-affected areas where private firms may not be interested.

41 A government-owned construction unit that is not managerially, legally, or financially autonomous shall be considered a Force Account unit. "Force Account" is otherwise known as "direct labor", "departmental forces", or "direct work".

34 of 132
4.5 PREPARATION OF TENDER DOCUMENTS

4.5.1 For procurement to be carried out under this project, the GOI Task Force approved standard bidding documents of the World Bank projects, as amended from time to time for works/goods will be used under NCB. For ICB, the World Bank’s standard bidding documents will be used. Sale of tender documents should begin only after the publication of notification for tender in newspapers. The tender documents shall furnish all information necessary for a prospective bidder to prepare a tender for the goods and/or works to be provided. Tender documents should be made available to all those who request for them regardless of registration status and they should be allowed to bid. However, the request should be in writing along with the requisite fee of the tender/bid, if any.

4.5.2 The bid/tender document should invariably contain the following sections to make it self-explanatory and some of the important clauses are elaborated in the following paragraphs:

- Invitation for bids (IFB)
- Instructions to bidders (ITB)
- General terms & conditions
- Contract data including bill / schedule of quantities (BOQ)
- Award criteria
- Notification of award
- Execution of contract
- Quality control
- Payment terms
- Taxes and duties
- Completion certificate
- Warranty/ defect liability period
- Drawings
- Dispute resolution
- Arbitration
- Force majeure

4.5.3 Bill of quantities (BOQ) or Schedule of Requirement will indicate the description of items/works to be provided along with quantities and the phased manner (if necessary) in which the goods/works are required to be delivered or constructed.

4.5.4 The formats of Bidding Documents of World Bank which shall be used for the implementation of the project are listed in Table 3.8.

4.6 INVITATION FOR BIDS (IFB)

4.6.1 At the start of the project a general procurement notice (GPN) will be issued in national newspapers and UNDB/dgMarket indicating the items/services to be procured under ICB and that the prospective bidders/tenderers should be on lookout for the specific invitation for bids.

4.6.2 Specific invitation for bids (IFB) should provide a brief description of goods/works, very important contract conditions, source of financing of the project, eligibility
requirements, time and place, full office address along with telephone/fax number and email address, if any, for submission of applications/bids, wherefrom bid documents can be obtained. Contractors should be made responsible for all materials including cement and steel without having to rely on departmental supplies. Format of IFB to be adopted is given vide Enclosure 1.

4.6.3 Notification/Advertisement:

Timely notification of bidding opportunities is essential in competitive bidding:

- Invitation to bid shall be published in daily newspapers with wide circulation all over India, at least in one English national daily newspaper and in one regional language daily newspaper. If the advertisement is for more than one item, it should also be indicated whether the evaluation would be item wise or as a package. In case of IFB for ICB, the notification shall also be published in the ‘United Nation’s Business Development’ (UNDB) and dgMarket online and forwarded to embassies and trade representatives of countries of likely suppliers of goods and also to those who have expressed interest in response to the GPN. The bidders shall be allowed the option to submit the bids for any one or more items/ schedules specified in the ‘Schedule of Requirements’ and to offer discounts for combined schedules/ items of similar nature. The advertisement should also be placed at the project website. The Notification/Advertisement should also be published in the Indian Trade Journal (published from Kolkata) in addition to the website and national newspaper etc. as mentioned above.

- If it is a condition in the invitation for tenders that earnest money/ bid security is to be deposited by the supplier/ contractor, the bid of a supplier/ contractor not complying with this requirement shall be outright rejected. Mistakes (in case of bank guarantees), miscalculations, submission of copies of instrument of bid security instead of the original will result in rejection of the bid/ tender.

- In a package, the earnest money/ bid security should be indicated taking into account all items forming the package. This cannot be changed later on. Once it is decided that the contract shall be for a package, the earnest money/ bid security for that package shall be indicated and the same cannot be changed according to each item.

- The last date for receipt of tender shall be the day following the date for closure of the sale of bid documents. The last date and time of sale and receipt of bid/ tender documents should be clearly indicated in the notification/ advertisement.

- Tender sale period shall be between 30 to 60 days for NCB and 45 to 90 days for ICB, from the date of start of sale of bid/ tender documents.

- Tenders may be sold from different places but bid/ tender must be received at one place only, to avoid problems arising out of late/ delayed tender submission. Tenders/ bids should normally be opened immediately after the deadline of time fixed for submission on the same day.
• The advertisement shall clearly state the name, address, telephone/ fax number and e-mail address of the contact person for seeking clarifications if any, and the date, time and place of submission of bids/ tenders.

• The advertisement shall also indicate clearly the sources of funds wherefrom the procurement will be funded.

• The key dates should not be falling on government/ public holidays. If the date of opening of bids/ tenders is declared a government/ public holiday, the next working day shall be the date of bid opening at the appointed time.

4.7 INSTRUCTIONS TO BIDDERS (ITB)

4.7.1 In this section various procedures to be followed in the selection of the bidders and precautions to be taken by them are indicated under following heads:

• Scope of work
• Sources of funds
• Eligibility criteria
• Pre-bid conference
• Qualification of bidders
• Earnest Money
• Bid price
• Submission of bids
• Bid Security
• Validity of bids submitted
• Opening of bids
• Evaluation of bids
• Post qualification
• Award of contract
• Performance security
• Fraud and Corruption

4.7.2 Important clauses are discussed in brief in the subsequent paragraphs.

4.8 CLARIFICATIONS ON TENDER/BID DOCUMENTS

4.8.1 Tender documents shall furnish clearly and precisely, the details of the work to be carried out, the location of the work, the goods to be supplied, the place of delivery or installation, the schedule of delivery or completion, specifications/ technical specifications, minimum performance requirements, the warranty and maintenance requirements, if any, and the method of evaluation. The basis for tender evaluation and selection of the lowest technically suitable and evaluated tender shall be clearly outlined in the instructions to bidders and/ or specifications. Any clarification asked by the bidders will be consolidated and reply prepared without identifying the bidders
name and reply sent to all prospective bidders well in advance of bid opening date giving sufficient time to bidders to submit their bids.

4.8.2 Tender documents should state clearly whether the bid prices will be fixed or price adjustment will be allowed to reflect any changes in major cost components of the goods/works.

4.9 STANDARDS AND TECHNICAL SPECIFICATIONS

4.9.1 The bid/tender documents shall include generally accepted standards or technical specifications. Unbiased technical specifications shall be prepared with no mention of brand names and catalogue numbers by a committee of experts associating the trade representative, if required. The functional performance, design, quality, packaging and additional requirements should be clearly spelt out in the specifications. The specifications should be generic and should not appear to favour a particular brand or supplier.

4.9.2 Preparation of technical specifications, bill of quantities and civil drawings must be completed before tendering. Specifications for the items to be procured should be drawn up with clarity in every case. No deviations from the specifications after opening of the tender should be allowed.

4.9.3 The major objectives of the specifications are:

- To let the procurement cell/staff understand exactly the features required in the item,
- To let the supplier know exactly what the buyer wants,
- To permit the easier, quicker and accurate verification of items upon receipt.

4.10 VALIDITY OF TENDERS/BIDS

4.10.1 In the case of NCB/ICB a tender submitted by the bidder has to be valid for at least 90 days. In the case where W9 bid document is used the validity period is 45 days. In the case of NS the bid validity period will be 45 days.

4.10.2 If the contract cannot be finalized within this period, the bidder has to be requested to extend his validity period. Extension of bid validity will not be allowed without prior concurrence of World Bank for all NCBs and ICBs (a) for the first request for extension if it is longer than 4 weeks and; (b) for all subsequent requests for extension irrespective of the period.

4.10.3 If extension of bid validity is required, it should be sought from all bidders before stipulated expiration date (for valid bids only) and not from the lowest alone and the World Bank should be notified accordingly. The extension shall be for the minimum period required to complete the evaluation. In the case of fixed priced contracts, if the award is delayed beyond initial validity period of the initial bid validity, the contract
price will be adjusted by a factor (as also stipulated in the bid documents) specified in the request for extension. The factor is based on the country’s projected inflation for the period in question. The department inserts the value in the bid document prior to issue.

### 4.11 EARNEST MONEY/ BID SECURITY

4.11.1 Earnest money (bid security) to be deposited by the bidders shall be for a specified amount for each package/ schedule/ item as indicated in the bid/ tender document. It shall normally be 2 to 2.5% of the estimated cost of goods and 1% of the estimated cost of works rounded off to the nearest figure in hundreds/ thousands/ lakhs of rupees. The earnest money shall be in the form of a demand draft/ banker’s cheque/ bank guarantee from a scheduled bank preferably having a branch at the place where tenders are to be submitted, which should be valid for 45 days beyond the validity period of the bid/tender. Fixed Deposit Receipts endorsed in favour of purchaser shall also be acceptable.

4.11.2 The earnest money of unsuccessful bidders shall be refunded soon after the contract signature. The earnest money shall be forfeited in the event of withdrawal of the tender within the original validity, once submitted or in case a successful bidder fails to execute necessary agreement within the period specified or for submitting false, incorrect or misleading information in the bid. This will be in addition to the other remedies available to the purchaser/ employer in terms of the tender documents.

### 4.12 PRE-BID CONFERENCE

4.12.1 A pre-bid conference (date/ venue to be indicated in the IFB published in newspapers and bid/ tender document) may be arranged, if considered necessary, wherein potential bidders may meet with the representatives of the implementing authority to seek clarifications on the tender documents. The meeting should be scheduled at about midpoint of bidding time.

4.12.2 Minutes of meeting indicating the responses given in the meeting (including an explanation of query but without identifying the source of inquiry) shall be furnished expeditiously to all those attending the meeting and subsequently to all the purchases of bidding documents, after getting the same cleared with the World Bank. Any modification of the bidding documents which may become necessary as a result of the pre-bid meeting shall be made exclusively through issuance of corrigendum (after getting the same cleared with the World Bank) and not through the minutes of the pre-bid meeting.

4.12.3 Pre-bid conference should be arranged only in cases where it is considered necessary. It should not be called by the PEA as a matter of routine. In the case where the ICB procurement method is followed, pre-bid meeting is mandatory. In case where NCB procurement method is followed pre-bid meeting is required only where W2 bid document is used.
4.13 TERMS AND MODE OF PAYMENT

4.13.1 Payment terms for ICB and NCB are already provided in the bidding documents and should be followed as it is. In the case of shopping payment terms should be 90% payment after delivery to the consignee and balance 10% after acceptance of the goods or in accordance with the practices applicable to the specific goods and works. Tender documents should specify the mode of payment and terms of payment applicable and the type and number of documents required to be submitted by the suppliers or contractors for claiming the payments.

4.14 CONDITIONS OF CONTRACT

4.14.1 The contract document shall clearly define the scope of work to be performed, the goods to be supplied, the rights and obligations of the PEA and of the supplier or contractor, and the functions and authority of the engineer, architect, or construction manager, (if one is employed by the PEA) in the supervision and administration of the contract. Special conditions related to specific item including the technical, production and financial requirement should also be clearly specified in the tender document.

4.15 ISSUE AND SUBMISSION OF TENDER/BIDDING DOCUMENTS

4.15.1 Tender/Bid documents shall be sold to any person who makes a request in writing and deposits the required money. Sale of tender documents shall not be restricted on any account. Tender documents will be sold till one day prior to the opening of the tenders. Tender sale period shall be between 30 to 60 days for NCB and 45 to 90 days for ICB, from the date of start of sale of bid/ tender documents.

4.15.2 Bidders shall be permitted to deposit their bids on any day during the bidding period either by post or in person. Bids shall be received only at one place (i.e. by the authority inviting the Bids) and shall be kept in safe custody till the stipulated time of opening.

4.16 TENDER OPENING

4.16.1 The time, date and venue for the tender opening shall be mentioned in the IFB and bid/ tender documents. Bid/tender opening time shall be immediately after the deadline for submission of tenders/ bids as discussed above. Last date of receipt of bids and opening of Bids shall be the next day, following the close of sale of Bidding Documents. If the day happens to be a holiday, the last date of receipt and opening of bids shall be the next working day. The time of opening of bids shall be half an hour after the time of closure of receipt of bids.

4.16.2 All bids received shall be opened in presence of bidder’s representatives who choose to attend and shall sign a register evidencing their attendance.

4.16.3 All tenders received in time shall be opened. No bid shall be rejected at the time of bid opening except for late tenders. Late tenders shall be returned to the bidders/ tenderers unopened.
4.16.4 Envelopes marked “WITHDRAWAL” shall be opened first, and the name of the bidder shall be read out. Bids for which acceptable notice of withdrawal has been submitted shall not be opened. Subsequently all envelopes marked “MODIFICATION” shall be opened and submission therein read out in appropriate detail.

4.16.5 The bidder’s names, bid prices including any alternative Bid Price or deviations, discounts, bid modification and withdrawals and the presence or absence of bid security and such other details as considered appropriate shall be announced during opening of bids in the meeting. All cuttings and /over writings observed in the Bid Form and Price schedules shall be authenticated by the members of Bid Opening Committee by encircling and initialing the cuttings/ over –writings.

4.16.6 No bid shall be rejected at the bid opening, except for late bids, which shall be returned unopened to the bidder.

4.16.7 Bids and modifications that are not opened and read out at bid opening shall not be considered further for evaluation, irrespective of the circumstances.

4.16.8 Spot comparative statement (minutes of bid opening) must be prepared by the bid/tender opening official and should be signed. Sample format of minutes of the bid opening committee is enclosed vide Enclosure 2.

4.17 CONFIDENTIALITY

4.17.1 After the public opening of tenders, information relating to the examination, clarification, and evaluation of tenders and recommendations concerning awards shall not be disclosed to bidders or other persons not officially concerned with this process until the successful bidder is notified of the award of the contract.

4.18 EXAMINATION OF TENDERS/BIDS

4.18.1 The implementing agency shall ascertain whether the tenders;

- Meet the eligibility requirements specified;
- Have been properly signed by authorized signatory;
- Have the bid validity as specified in the bid/ tender documents;
- Are accompanied by the required earnest money valid for the period specified in the tender document;
- Have quoted for the entire schedule/ package and are in the required currency as indicated in the bid document;
- Are generally substantially responsive commercially and technically, to the tender documents;
- Have the necessary technical, production and financial capability to successfully execute the contract. For ensuring financial capacity a minimum turnover requirement may be indicated in bid/ tender document; and,
- Are otherwise generally are in order.
4.18.2 If the bidder/tenderer meets the above stipulations indicated in the bid documents, it is
determined as substantially responsive and is considered further for evaluation.

4.18.3 If a bid/tender is not substantially responsive, i.e., it contains material deviations from
or reservations to the terms, conditions and specifications specified in the tender
documents, it shall be considered as non-responsive and shall not be considered
further. The bidder shall neither be permitted to correct or withdraw material
derivations or reservations once tenders are opened; nor shall the purchaser/employer
make a reference to the bidders to get the infirmity in the tender corrected.

4.18.4 Historical data in relation to the tender, if not received along with the bid/tender, can
be requested from the bidder after opening of bids/ tenders and should be submitted
within a reasonable time span (say 7-10 working days).

4.19 TENDER EVALUATION AND COMPARISON

4.19.1 The purpose of tender evaluation is to determine substantially responsive tender with
the lowest evaluated cost, but not necessarily the lowest submitted price, which
should be recommended for award.

4.19.2 The bid/ tender price read out at the bid opening shall be adjusted at the time of
evaluation with correction for any arithmetical errors for the purpose of evaluation
with the concurrence of the bidder/ contractor. Where there is a discrepancy between
the rates in figures and in words, the rate in words will prevail. Where there is a
discrepancy between the unit and the line item total resulting from multiplying the
unit rate by the quantity, the unit rate will prevail.

4.19.3 Evaluation of tenders should be made strictly in terms of the provisions in the tender
documents to ensure compliance with the commercial and technical aspects.

4.19.4 Conditional discounts offered by the bidders shall not be taken into account for
evaluation.

4.19.5 The past performance of the suppliers/ contractors should be taken into account while
evaluating the tenders (this should also be indicated in bid document). However, past
performance of the suppliers/ contractors should be documented properly.

4.19.6 The purchaser shall prepare a detailed report on the evaluation and comparison of
tenders setting forth the specific reasons on which the recommendation is based for
the award of contract.

4.19.7 While making the recommendation for award of contract, last purchase price (LPP) of
the item(s), if available, will be considered for comparison.

4.19.8 Suggested format for preparation of bid evaluation report is enclosed vide Enclosure
3 and 4.

4.19.9 No preferential treatment should be given to any bidder or class of bidders either for
price or for condition unless specifically cleared with the World Bank and stipulated
in the Project Agreement. Any procedure under which bids above or below a pre-
determined assessment of bid values are automatically disqualified, is not applicable.
4.19.10 The evaluation will exclude and not take into account any allowance for price adjustment during the period of execution of the contract.

4.19.11 A bidder should not be required as a condition of award to undertake responsibilities for work not stipulated in the specifications or otherwise to modify his bid.

4.20 NEGOTIATIONS

4.20.1 There should not be any negotiations either for price or terms and conditions of the tender submitted.

4.21 POST-QUALIFICATION OF BIDDERS/TENDERERS

4.21.1 In case the pre-qualification of the bidders/ tenderers has been carried out, and the tenders have been issued to the pre-qualified bidders, the tenders shall be recommended for award on the basis of being lowest substantially responsive bids.

4.21.2 If the bidders have not been pre-qualified, the implementing agency shall determine whether the bidder whose bid has been determined as lowest evaluated substantially responsive, has the technical and production capabilities and financial resources to effectively carry out the contract as offered in the bid/ tender. The criteria to be met shall be set out in the tender documents, and if the bidder does not meet them, the bid/tender shall be rejected. In such an event, the implementing agency shall make a similar determination for the next lowest evaluated substantially responsive bidder/tenderer and so on.

4.22 REJECTION OF ALL TENDERS

4.22.1 Tender documents usually provide that implementing agency may reject all tenders. Rejection of all tenders is justified when none of the tenders are substantially responsive. However, the lack of competition shall not be determined solely on the basis of number of bids received. If all tenders are rejected, the implementing agency shall review the causes justifying the rejection and consider making revisions to the conditions of contract, or a combination of these, before inviting new tenders.

4.22.2 If the rejection is due to most or all of the tenders being non-responsive, fresh tenders may be invited.

4.22.3 Rejection of all tenders and re-inviting new tenders, irrespective of value shall be referred to the next higher authority for approval than the authority that approved the issue of tender or to the head of the unit. Before re-inviting tenders the specifications may be reviewed for revision, if any.

4.22.4 Rejection of tenders, irrespective of value, will require World Bank’s approval.
4.23 REBIDDING

4.23.1 Rebidding can happen in following cases:-

- No bids is received

- All bids are to be rejected.

4.23.2 In case Regardless of the value, if all the bids are proposed to be rejected and re-invited, the World Bank shall be consulted before such action is taken by sending the information in the prescribed format for seeking World Bank’s clearance. Before rejecting the bids, the implementing agency (NPMU/SPMU or PEA as applicable) will first have to:

- Update the estimates as per the current market rates for labour and materials (cement/ steel etc.), actual leads of materials and construction methodology proposed now.

- After updating the implementing agency has to identify the item or items and factors which contributed to the major variation over the updated estimates and

- Then seek a clarification including breakdowns of unit for the items and factors so identified.

4.23.3 After receiving the reply the implementing agency has to evaluate and based on judgment, reject if price is unjustified.

4.23.4 In case no bids are received, the Project Director is competent to approve the re-invitation of the bids. The approval will be subject to bid inviting officer proposing a request giving the reason for lack of response and proposed remedial measures including any revision to the scope of the contract, etc.

4.23.5 The recommendation of the implementing agency will be send to the World Bank within 2 weeks from communication of recommendation to the bid inviting officer.

4.24 PERFORMANCE SECURITY

4.24.1 Tender documents for works and supply of goods shall require performance security in an amount sufficient to protect the interest of the implementing agency in case of breach of contract by the contractor/ supplier. The performance security shall be in the form of a bank guarantee or any other instrument acceptable to the purchaser and the amount should be specified in the tender document.

4.24.2 The amount of performance security shall be 5 to 10% of the contract price, but normally it should be 5% and should be valid till 28 days after the date of expiry of defect liability period or the guarantee/ warranty period, as the case may be.

4.24.3 The performance security deposit shall be refunded within one month after the expiry of guarantee/ warranty period or the defect liability period (as mentioned above).

4.24.4 The performance security shall be forfeited in case any terms and conditions of the contract are infringed or the bidder fails to make complete supply satisfactorily or
complete the work within the delivery / completion period agreed in the contract without prejudice to the purchaser’s right to take further remedial actions in terms of the contract and bidding documents which formed part of the contract.

4.25 RETENTION MONEY

4.25.1 In case of contracts for works, normally 5% of the contract price shall be deducted from the bills towards retention money.

4.25.2 Half (50%) of the retention money shall be returned to the contractor after the completion of the whole of the works and the balance 50% shall be returned to the contractor after the expiry of the defects liability period along with the performance security.

4.26 LIQUIDATED DAMAGES

4.26.1 Provisions for liquidated damages shall be included in the conditions of contract for the delay in the delivery of goods or completion of works.

4.26.2 In the case of goods, the liquidated damages shall be calculated at the rate of 2% per month of delay or part thereof.

4.26.3 In the case of works, the liquidated damages will be calculated at 0.05% of the contract price per day.

4.26.4 In both the cases liquidated damages will be subject to a ceiling of 10% of the contract price and shall be levied by way of pre-estimated damages and not by way of penalty.

4.27 PRICE ADJUSTMENT

4.27.1 Bidding documents shall state either (i) bid price will be fixed; or (ii) that price adjustment will be made to reflect any charges (upwards or downwards) in major cost components of the contract such as materials, labour, POL (fuel & lubricants), plant and machinery spares.

4.27.2 Bid adjustment clause shall be provided when the estimated value of work exceeds US$ 1 million and period of completion of works or supply of goods is more than 18 months. The total percentage of materials, labour, POL (fuel & lubricants), plant and machinery spares components should be equal to “100”, in the formula.

4.27.3 The bidding documents for contracts of shorter duration may also include a similar provision for price adjustment when future local or foreign inflation is expected to be high. When the bid document says that the bid price is fixed then prices quoted by the bidder shall be fixed during the bidders performance of the contract and not subject to
variation on any account. In such cases, a bid submitted with an adjustable price quotation will be treated as non-responsive and rejected.

4.27.4 Price adjustment clause shall be provided when total value of contract exceeds US$ 1 million and stipulated period of completion of works or supply of goods is more than 18 months. The total percentage of labour, materials and POL components shall be 100 in formula, if ‘R’ in the formula represents the work done. In such cases a bid submitted with a fixed price quotation will not be rejected, but price adjustment shall be treated as zero.

4.27.5 The contract price shall be adjusted for increase or decrease in the rates and price of labour, materials, fuels and lubricants in accordance with following principles and procedures and as per formula given in the bid document

4.27.6 The price adjustment shall apply for the works done from the start date given in the contract data up to the end of initial intended completion date or extension granted by the Engineer and shall not apply to the work carried out beyond the stipulated time for reasons attributable to the contractor.

4.27.7 The price adjustment shall be determined during each quarter. Following expression of meanings are assigned to the work done during each quarter.

\[ R = \text{Total value of work done during the quarter. It would include the amount of secured advance for materials paid for (if any) during the quarter, less the amount of the secured advance recovered, during the quarter. It shall exclude value of works executed under variation for which price adjustment shall be worked separately based on the terms mutually agreed.} \]

4.27.8 To the extent that full compensation for any rise or fall in costs to the contractor is not covered by the provision of formula or other clauses of the contract, the unit rates and prices included in the contract shall be deemed to include amounts to cover the contingency of such other rise or fall in costs.

### 4.28 SUBCONTRACTING IN CIVIL WORKS

4.28.1 All bidders are required to indicate clearly in the bids, if they propose sub-contracting elements of works amounting to more than 20 (twenty) percent of the Bid Price. For each such proposal the qualification and experience of the identified sub-contractor in relevant field shall be furnished along with the bid to enable the Employer to satisfy himself about their qualification before agreeing for such sub-contracting and inclusion in the contract.

4.28.2 The contractor shall not be required to obtain any consent of the Employer in respect of following in the event of having furnished information under paragraph 4.28.1 above:

(a) The subcontracting any part of works for which the Sub-Contractor is named in the contract;
(b) The provision of labour; and
(c) The purchase of materials which are made in accordance with the standards specified in the contract.

4.28.3 Beyond above, if the Contractor proposes subcontracting of any part of work during execution of works, because of unforeseen circumstances to enable him to complete the work as per terms of the contract, the following principles shall be followed by the Engineer before agreeing to the proposal of contract:

- The contractor shall not sub-contract the whole of the works.
- The contractor shall not sub-contract any part of the work without the consent of the engineer.
- The Engineer shall satisfy:
  (a) Whether circumstances warrant such sub-contracting, and
  (b) The sub-contractor so proposed possess the necessary experience, qualification and equipment for the job proposed to be entrusted to him in accordance with the quantum of work to be sub-contracted.
  (c) Any consent by the Engineer shall not relieve the contractor from any liability or obligation under the contractor, and he shall be responsible for the acts, defaults and neglects of his sub-contractor, his agents or workmen as fully as if they were the acts, defaults or neglects of the contractor, his agents or workmen. This should be clarified to the contractor while conveying the acceptance of sub-contract.

4.28.4 If payments are proposed to be made directly to the sub-contractor, this should be agreed only subject to specific authorization by the prime contractor so that this arrangement does not alter the contractor’s obligations.

4.29 BILL OF QUANTITIES (BOQ)

4.29.1 Bill of quantities format shall include description of items (with brief specification and reference to Book of Specification where applicable), quantity, unit, rate (both in figures and words) and amount.

4.29.2 Unit rates and prices shall be quoted by the Bidder in Indian Rupees. Amount shall be worked out for the specified quantity at quoted unit rate and price. Where there is a discrepancy between the rates in figures and words, the rates in words will govern. Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by quantity, the unit rate quoted shall govern.

4.29.3 Item for which no rate or price has been entered into by the Bidder will not be paid for by the Employer when executed and shall be deemed covered by the other rates and prices in the bill of quantities.

4.29.4 Bidders may quote speculative/ non-competitive prices for items with zero quantity in BOQ as this will not affect the bid evaluation. Hence no item with nil quantity shall be entered in the BOQ.

4.30 EXTENSION OF CONTRACT

4.30.1 Normally contract once awarded should not be extended. Under exceptional circumstances, extension of existing contracts up to 15 percent of the original contract
value may be considered; it is justifiable on grounds, subject to approval of the competent authority as per delegation of powers and with the prior approval of the World Bank.

4.30.2 Format for seeking the World Bank’s clearance is enclosed vide Enclosure 6.

4.31 FRAUD AND CORRUPTION

4.31.1 It is the World Bank’s policy to require that Borrowers (including beneficiaries of World Bank loans), bidders, suppliers, contractors and their agents (whether declared or not), sub-contractors, sub-consultants, service providers or suppliers, and any personnel thereof, observe the highest standard of ethics during the procurement and execution of the World Bank financed contracts. In pursuance of this policy, the World Bank:

(a) Defines, for the purposes of this provision, the terms set forth below as follows:

(i) “corrupt practice” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;

(ii) “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;

(iii) “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;

(iv) “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;

(v) “obstructive practice” is

(aa) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a World Bank investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or

(bb) acts intended to materially impede the exercise of the World Bank’s inspection and audit rights provided for under paragraph 4.31.1(e) below.

(b) Will reject a proposal for award if it determines that the bidder recommended for award, or any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;

(c) Will declare misprocurement and cancel the portion of the loan allocated to a contract if it determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent,
collusive, coercive, or obstructive practices during the procurement or the implementation of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the World Bank to address such practices when they occur, including by failing to inform the World Bank in a timely manner at the time they knew of the practices;

(d) Will sanction a firm or individual, at any time, in accordance with the prevailing Bank’s sanctions procedures, including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time: (i) to be awarded a World Bank financed contract; and (ii) to be a nominated sub-contractor, consultant, supplier, or service provider of an otherwise eligible firm being awarded a World Bank financed contract;

(e) Will require that a clause be included in bidding documents and in contracts financed by a World Bank loan, requiring bidders, suppliers and contractors, and their sub-contractors, agents, personnel, consultants, service providers, or suppliers, to permit the World Bank to inspect all accounts, records, and other documents relating to the submission of bids and contract performance, and to have them audited by auditors appointed by the World Bank; and

(f) Will require that, when a Borrower procures goods, works or non-consulting services directly from a United Nations (UN) agency in accordance with paragraph 3.10 of the World Bank Guidelines under an agreement signed between the Borrower and the UN agency, the above provisions regarding sanctions on fraud or corruption shall apply in their entirety to all suppliers, contractors, service providers, consultants, sub-contractors or sub-consultants, and their employees that signed contracts with the UN agency.

(g) As an exception to the foregoing, paragraphs 4.31.1(d) and (e) will not apply to the UN agency and its employees, and paragraph 4.31.1(e) will not apply to the contracts between the UN agency and its suppliers and service providers. In such cases, the UN agencies will apply their own rules and regulations for investigating allegations of fraud or corruption subject to such terms and conditions as the World Bank and the UN agency may agree, including an obligation to periodically inform the World Bank of the decisions and actions taken. The World Bank retains the right to require the Borrower to invoke remedies such as suspension or termination. UN agencies shall consult the World Bank’s list of firms and individuals suspended or debarred. In the event a UN agency signs a contract or purchase order with a firm or an individual suspended or debarred by the World Bank, the World Bank will not finance the related expenditures and will apply other remedies as appropriate.

4.31.2 With the specific agreement of the World Bank, NPMU/SPMU/PEA may introduce, into bid forms for contracts financed by the World Bank, an undertaking of the bidder to observe, in competing for and executing a contract, the India’s laws against fraud and corruption (including bribery), as listed in the bidding documents. The World Bank will accept the introduction of such undertaking at the request of the Government of India, provided the arrangements governing such undertaking are satisfactory to the World Bank.
4.32 AWARD OF CONTRACT

4.32.1 Implementing agency shall award the contract, within the period of validity of tenders, to the bidder who meets the tender conditions in all aspects, has the necessary technical and production capabilities and financial resources and whose bid is substantially responsive to the tender conditions and has offered the lowest evaluated cost. The purchaser can, if so desired, depute a team of 3-4 officers to the premises of manufacturer to whom the contract is proposed to be awarded to satisfy itself that the manufacturer has the capability to produce the required quantity and also has the necessary quality testing and assurance facilities to meet the required standards. Based on the report of this committee, the purchaser may decide to award the contract to the successful bidder offering the lowest and reasonable price after approval of the competent authority.

4.32.2 Single bids should also be considered for award, if it is determined that publicity was adequate, bid specifications/ conditions were not restrictive or unclear, and bid prices are considered reasonable.

4.33 DISCLOSURE

4.33.1 For Central/State level procurements, information on pre-qualification of the contractors and award of contract would be posted on the program website. In general the following information should be put on the department’s website:

- Making publicly available, all annual procurement schedules promptly after finalization.
- Posting all bidding documents and requests for proposals.
- Making available to any member of the public, promptly upon request all shortlist of consultants and in case of pre-qualification, list of pre-qualified contractors and suppliers.
- The information on pre-qualified applicants and award of contracts.
- Posting annual progress and mid-term review reports of the project.

4.33.2 For State level procurements, the information would be shared with the public through State websites.

4.34 QUALITY ASSURANCE

4.34.1 The inspection authority and procedure for sampling and testing should be clearly specified in the tender document. The purchaser will also decide whether 100% pre-dispatch inspection is required at the manufacturer’s premises, depending on the items to be purchased. When a consignment is ready for dispatch, the supplier will inform the purchaser that the consignment is ready for the testing. Purchaser will then instruct the inspection agency to carry out the inspection. In other cases goods will be inspected on arrival at purchaser’s premises for any possible damage/ defect either in manufacture or in transit.

4.34.2 If the stores supplied do not meet the specifications and/or the performance requirement, these should not be accepted. If there are any disputes or doubts about
the quality of the products, a procedure of resolution of dispute may be followed as per the terms of the contract.

4.35 NOTIFICATION OF DELIVERY TO THE CONSIGNEE AND RECEIPT OF CONSIGNMENT

4.35.1 Notification of delivery or dispatch in regard to each and every consignment shall be made by the supplier to the purchase officer. The supplier shall further supply to the consignee a packing account quoting reference number and date of the contract/supply order, date of dispatch of the stores. All packages, containers, bundles and loose material part of each and every consignment shall be fully described in the packing account and full details of the contents of the packages and quantities of material(s) shall be given to enable the consignee to check the stores on arrival at destination. The Railway Receipt (RR) \ Lorry Receipt (LR) \ Consignment Note (CN) should be drawn in the name of the consignee and should be sent to the consignee by registered post acknowledgement due or other fastest mode immediately on dispatch of stores quoting the Number(s) and date(s) of the corresponding Inspection Note(s) in relation to the stores covered by the said RR\ LR\ CN as the case may be. The contractor shall bear and reimburse to the purchaser, demurrage charges, if any, paid by the reasons of delay on the part of the supplier in forwarding the RR\ LR\ CN to the consignee.

4.35.2 At the time of the delivery of the stores, the consignee should accept the stores on “said to contain” basis and should issue a provisional receipt certificate in the standard format. After opening the packages and detailed examination of the stores, the consignee will issue the final acceptance certificate if he is satisfied with the quality of the goods. Notwithstanding the pre-dispatch inspection of the goods/services by the inspection agency, consignee has the right to further inspect and test the goods but within a reasonable time. If the goods fail to meet the specifications given in the contract, the same should be rejected and the supplier should be asked to replace the goods or rectify the defects. Supplier shall not be allowed to remove rejected goods until the supplier has deposited the payment received together with other incidental charges such as freight, insurance, loading/ unloading charges etc. or they have replaced rejected goods with serviceable goods.

4.36 STORAGE

4.36.1 As all the goods needed/ procured cannot be consumed at one point of time, storage of goods is an inevitable process. Experience has demonstrated that properly packed good quality items do not deteriorate if stored systematically in clean, dry and well ventilated environment. Therefore, it is necessary to store the goods properly.

4.36.2 If quality assurance measures have been strictly followed during the manufacturing process, the conditions of the warehousing and storage play a major role in ensuring that quality goods reach final users in good condition. They should normally be left in their original packaging during storage.

4.37 RESOLUTION OF DISPUTES

4.37.1 The dispute resolution methodology should be very clearly indicated in the contract document. As far as possible, disputes may be resolved with mutual agreement
between the purchaser and supplier/contractor through alternate dispute resolution methods to avoid going through arbitration and litigation stages.

4.37.2 There are a number of causes of disputes during the execution of contract. These may involve for example:

- Interpretation of the terms and conditions of the contract
- Delay in delivery/completion of the works
- Delay in release of payments
- Independent test results
- Condition of the item on arrival at consignee’ end after delivery
- Fixation of rate of the items, on account of variation in quantity of the items of BOQ in civil works contract etc.
- Design/specification issues

4.37.3 It is also possible for a manufacturer to dispute a decision made by the inspection agency regarding product packing or appearance or testing/inspection result. In most cases, manufacturers accept the results of independent laboratories and replace the rejected stores. Procedures for dealing with such disputes should be indicated in the contract.

4.38 APPLICABLE LAWS AND SETTLEMENT OF DISPUTES

4.38.1 The conditions of contract shall include provisions dealing with the applicable law and the forum for the settlement of disputes. International commercial arbitration in a neutral venue has practical advantages over other methods for the settlement of disputes. Therefore, the World Bank requires that Borrowers use this type of arbitration in contracts for the procurement of goods, works, and non-consulting services unless the World Bank has specifically agreed to waive this requirement for justified reasons such as equivalent national regulations and arbitration procedures, or the contract has been awarded to a bidder from the Borrower’s country. The World Bank shall not be named arbitrator or be asked to name an arbitrator. In case of works contracts, supply and installation contracts, and single responsibility (including turnkey) contracts, the dispute settlement provision shall include mechanisms such as dispute review boards or adjudicators, which are designed to permit a speedier dispute settlement.

---

42 It is understood, however, that officials of the International Centre for Settlement of Investment Disputes (ICSID) shall remain free to name arbitrators in their capacity as ICSID officials.
4.39 ARBITRATION

4.39.1 In cases of ICB/ NCB, the bid/ tender documents specify the procedure for appointment of arbitrator and his replacement etc. and provisions laid down therein should be followed. In other cases the following information should be suitably incorporated in the request inviting the quotations to obtain the consent of the bidder/ tenderer to accept the arbitration clause.

4.39.2 In the event of any question, dispute or difference arising under the contract conditions or any special conditions of contract, or in connection with the contract (except as to any matters the decision of which is specially provided for by these or the special conditions) the same shall be referred to the sole arbitration of an officer, from the government department other than the department which decided the contract, having sufficient knowledge of law, appointed to be the arbitrator by the purchaser. The decision of the arbitrator shall be final and binding on both the parties to this contract.

4.39.3 In the event of the arbitrator dying, neglecting or refusing to act or resigning or being unable to act for any reason, it shall be lawful for the purchaser to appoint another arbitrator in place of the outgoing arbitrator in the manner aforesaid.

4.39.4 It is further a term of the contract that no person other than the person appointed by the purchaser as aforesaid should act as arbitrator and if for any reason that is not possible, the matter is not to be referred to arbitration at all.

4.39.5 Arbitrator may, from time to time, with the consent of all parties to the contract enlarge the time for making the award.

4.39.6 In pursuance of a reference, the assessment of the costs incidental to the reference and award respectively shall be at the discretion of the arbitrator.

4.39.7 Subject to as aforesaid, the Arbitration and Reconciliation Act amended up to date and the rules there under and any statutory modification thereof for the time being in force shall be deemed to apply to the Arbitration proceedings under this clause.

4.39.8 The arbitrator shall be requested to give reasoned award.

4.39.9 The venue of arbitration shall be the place from which formal Acceptance of ender is issued or such other place as the purchaser at his discretion may determine.

4.40 INSURANCE

4.40.1 The goods/ works under supply must be fully insured against any loss or damage during transit or storage or during construction. Insurance shall be taken for 110% of value of the contract.

4.41 PATENT RIGHTS

4.41.1 The supplier/ contractor should have proper and valid license/ right to the use of and/ or supply the product/ services for their design, material or manufacturing and its patent, trademark or industrial design rights in the purchaser’s country. The supplier/ contractor should safeguard the interest of the purchaser from any third party claim.
towards the infringement of same and indemnify the purchaser. Provision should be kept for the same in the contract.

4.42 FORCE MAJEURE

4.42.1 There could be circumstances/ events where the supplier/ contractor may not be in a position, in spite of his best efforts, to meet the delivery/ completion schedule due to events beyond their control and not foreseeable such as wars, or revolutions, fires, floods, epidemics, natural calamities, quarantine restrictions and freight embargo etc. In such cases suitable delivery extension based on merit of the case may be granted for arranging the delivery of goods or completion of works. Also the supplier shall not be made liable for forfeiture of performance security, liquidated damages or termination of contract as per provisions made in the contract elsewhere. A suitable clause may be provided in the contract to this effect.

4.43 COMPLAINT REDRESS MECHANISM
(ALSO APPLICABLE TO PROCUREMENT OF SERVICES)

4.43.1 In order to deal with the complaints from the contractors / suppliers and public effectively, a complaint handling mechanism shall be set up at the State level and immediate action shall be initiated on receipt of complaints to redress the grievances. All complaints on receipt should be entered in a register. Within 15 days, these complaints should be discussed and mentioned in the evaluation report of the tender. If a complaint is received after award of contract, it should be discussed on the file and put up to the appropriate authority for a decision. All complaints shall be handled at a level higher than that of the level at which the procurement process is being undertaken and the allegation made in the complaints should be thoroughly enquired into, and if found correct, appropriate remedial measures shall be taken by the appropriate authorities. A register of the complaint redress shall be prepared at each level and shall contain the following information

- Serial Number of the complaints
- Date on which the complaint was made
- Particular of the person making the complaint
- Nature of the complaint
- Complaint against whom if against a person
- Detail of action taken and subsequent follow ups specifying on which date the action was taken
- Whether the complaint has been satisfied if not why.
- Action taken against the guilty
- General remarks

4.43.2 Subsequently an on line data base will be created, which will be regularly updated and which would be capable of creating on line reports for the purpose of the monitoring. The States will announce on its web site about having in place a complaint redress mechanism.
4.43.3 In case any individual officer/staff is found responsible, suitable disciplinary proceedings shall be initiated against such officer/staff. This register shall also be subject to audit by the chartered accountants engaged by the States as auditors.

4.43.4 An appropriate response should also be sent to the complainant.

4.44 PROCUREMENT AUDIT
(Also Applicable to Procurement of Services)

4.44.1 Post review of all the contracts under the Project shall be conducted by the government auditors as per laid down procedure. All documents related to procurement should be filed and kept systematically and safely.

4.44.2 In addition, the World Bank will also have the right to conduct post review of the contracts at the central, states, and the districts levels. The concerned authorities will be required to make all relevant documentation available to the World Bank, as and when required.

4.45 REVIEW OF CONTRACTS BY THE WORLD BANK
(Also Applicable to Procurement of Services)

4.45.1 It is the World Bank’s policy to require that Borrower’s, as well as bidders, suppliers, and contractors, under the World Bank financed contracts, observe the highest standard of ethics during the procurement and execution of contracts. In pursuance to this policy, the Bank will have the right to require that a provision be included in bidding documents and in contracts financed by a World Bank loan/credit, requiring bidders, suppliers, and contractors to permit the World Bank to inspect their accounts and records and other documents relating to the bid submission and contract performance and to have them audited by auditors appointed by the World Bank.

4.45.2 Contracts which are (i) not subject to prior review by the World Bank, and (ii) awarded following these guidelines will be post reviewed by the World Bank.

4.45.3 The PEA/SPMU/NPMU shall retain all documentation with respect to each contract (including contracts subject to prior review by the World Bank) during project implementation and up to two years after the closing date of the Loan Agreement. This documentation would include, but not be limited to tender documents, bids/tenders submitted by the bidders/tenderers, the original signed contract, the analysis of the respective proposals, and recommendations for award, for examination by the World Bank or its Consultants. The Borrower shall also furnish such documentation to the Bank upon request. If the World Bank determines that the goods, work or services were not procured in accordance with the agreed procedures, as reflected in the Loan Agreement and also detailed in the Procurement Plan approved by the World Bank or that the contract itself is not consistent with such procedures, it may declare misprocurement as established in the procurement guidelines. The World Bank shall promptly inform the Borrower the reasons for such determination.

4.45.4 Procurement checklists for all contracts whether post review or prior review, goods or civil works are enclosed vide Enclosure 7 to 10.
4.46 RECORD KEEPING

4.46.1 All Purchase Departments shall maintain the following basic records:

- **PURCHASE ORDER LOG** --- containing a numerical brief record of all purchase orders issued i.e. purchase order number, supplier’s name, brief description of stores, total value etc.

- **OPEN ORDER FILE** --- containing status of all outstanding orders.

- **CLOSED ORDER FILE** --- containing historical data of all completed orders.

- **VENDOR RECORD FILE** --- containing names, addresses, materials that vendor can supply, delivery and quality records etc.

- **RATE CONTRACT FILE** --- containing the purchase records of items under rate contract. It is especially important when the contract is an open one against which orders are placed.

- **PURCHASE REPORTS** --- since the purchase department handles a sizable portion of organization finances, it is desirable to have some summary reports periodically (monthly/ quarterly/ half yearly/ annually) available to the management.

4.46.2 Besides the above, the purchase officers should maintain all the records of issue, receipt, opening, evaluation of tenders, award of contracts i.e. all pre-order and post-order records in chronological order and the files kept in an identified place and should be retrievable for scrutiny whenever needed without wastage of time. The records of complaint handling, correspondence with clients, consultants, banks, vendors, etc. also should be kept separately and should be retrievable. Records should be maintained for a period of not less than two years beyond the project closing date and for any further period as may be decided by the government.

4.47 MISPROCUREMENT

4.47.1 The World Bank does not finance expenditures under a contract for goods, works, or non-consulting services if the World Bank concludes that such contract:

a) Does not fulfill the purpose for which the Project has been prepared and approved, or is a deviation from the technical requirements as agreed;

b) Has not been awarded in accordance with the agreed provisions of the Loan Agreement and as further elaborated in the Procurement Plan to which the World Bank provided no objection;

c) Could not be awarded to the bidder otherwise determined successful due to willful dilatory conduct or other actions of the Borrower resulting in unjustifiable delays, the successful bid being no longer available, or the wrongful rejection of any bid; or

d) Involves the engagement of a representative of the Borrower, or a recipient of any part of the Loan proceeds, in fraud and corruption as per paragraph 4.31.1(c).

4.47.2 In such cases, whether under prior or post review, the World Bank will declare misprocurement, and it is the World Bank’s policy to cancel that portion of the loan.
allocated to the goods, works, or non-consulting services that have been misprocured. The World Bank may, in addition, exercise other remedies provided for under the Loan Agreement. Even once the contract is awarded after obtaining a no objection from the World Bank, the World Bank may still declare misprocurement and apply in full its policies and remedies regardless of whether the loan has closed or not, if it concludes that the no objection was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Borrower or the terms and conditions of the contract had been substantially modified without the World Bank’s no objection.
CHAPTER 5
SELECTION OF CONSULTANCY SERVICES

5 SELECTION OF CONSULTANCY SERVICES

5.1 GENERAL

5.1.1 The expression “consulting services” defines services of an intellectual and advisory nature provided by the Consultants using their professional skills to study, design and organize specific projects, advise clients, conduct training and transfer knowledge. Consultants are engaged for the following reasons:

(i) Consultant offer more efficient allocation of resources by providing specialized services for limited amounts of time without any obligation of permanent employment on the part of Client.

(ii) Consultant, engaged for their superior knowledge, transfer skills and upgrade the knowledge base of their clients while executing the assignment. Knowledge transfer from Consultants to Client forms an important part of the assignment.

(iii) Consultants can offer independent advice to their client on the most suitable approaches, methodologies, and solution for their projects. Consultant services in World Bank funded projects should satisfy the following requirements:

- Meet the highest standards of quality and efficiency and
- Be unbiased, that is, delivered by a consultant acting independently from any affiliation, economic or otherwise, which may cause conflicts between the consultant’s interest and those of the client;

Independence may be the most important asset offered by Consultants. It allows consultants to choose technologies and products from a range of contractors and suppliers to satisfy the needs of the Clients and to protect its interests:

5.1.2 Consultancy services in World Bank Projects may be grouped as under:

<table>
<thead>
<tr>
<th>Preparation Services</th>
<th>Implementation Services</th>
<th>Advisory services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector studies</td>
<td>Tender documents</td>
<td>Policy and Strategy</td>
</tr>
<tr>
<td>Master plans</td>
<td>Procurement assistance</td>
<td>Re-organization/ Privatization</td>
</tr>
<tr>
<td>Feasibility studies</td>
<td>Construction supervision</td>
<td>Institutional building</td>
</tr>
<tr>
<td>Design studies</td>
<td>Project management</td>
<td>Training/ Knowledge transfer</td>
</tr>
<tr>
<td></td>
<td>Quality management</td>
<td>Management Advice</td>
</tr>
<tr>
<td></td>
<td>Commissioning</td>
<td>Technical Advice / Operating Advice</td>
</tr>
</tbody>
</table>
5.1.3 The Selection of consultants is guided by the following principles:

- High quality of services;
- Economy and efficiency;
- Competition among qualified consultants from all eligible countries;
- Participation of national consultants; and
- Transparency in the selection process

5.1.4 The SPMU/NPMU (Borrower/Employer) shall be responsible for selecting, evaluating and awarding the assignment.

5.2 SELECTION PROCEDURE

5.2.1 The steps involved in the selection of a Consultant for any consultancy services refer to:

- Preparation of Terms of References (TOR)
- Preparation of cost Estimate and Budget of the assignment
- Advertising for wide publicity **for seeking expression of interest (EOI)**
- Preparation of short listing of Consultants for the assignment
- Preparation and issue of the Request for Proposal (RFP) containing Letter of Invitation, Information to Consultants and Proposed Contract
- Receipt of Proposal from Consultants
- Evaluation of technical proposal: consideration of quality
- Evaluation of financial proposal: cost evaluation
- Final evaluation of quality and cost; and
- Negotiation and award of the contract to the selected firms;
- Publication of award on website and debriefing of unsuccessful consultants.

5.2.2 The Terms of Reference (TOR) should include:

- A precise statement of objectives;
- An outline of the task to be carried out;
- A schedule for completion of tasks;
- The support / inputs provided by the client i.e. SPMU/NPMU
- The final outputs that will be required of the consultant;
- Composition of Review Committee (not more than three numbers) to monitor the consultant’s works and procedure for; and
- Mid-term review and reports required from consultants;
- List of key professionals whose CV and experience would be evaluated.
5.2.3 The Cost Estimates or Budget should be based on SPMU/PEA/NPMU assessment of the resources needed to carry out the assignment; staff time; logistic support; and physical inputs e.g. vehicles and laboratory equipment. Cost shall be divided into two broad categories; (a) fee or remuneration and (b) reimbursable; and further divided into local and foreign currency.

5.2.4 Advertising seeking Expression of Interest (EOI) for short listing shall be published in:

- In the national gazette, provided that it is of wide circulation, or
- In at least one newspaper, or technical or financial magazine, of national circulation in the Borrower’s country, or
- In a widely used electronic portal with free national and international access in English, French, or Spanish.\(^{29}\)

5.2.5 In addition, assignments expected to cost more than US$300,000 shall be advertised in UNDB online.\(^{43}\) Borrowers may also in such cases advertise REOIs in an international newspaper or a technical or financial magazine.

5.2.6 Short Listing

SPMU/PEA/NPMU is responsible for preparation of the short list and gives first consideration to those firms expressing interest which possess the relevant qualification.

The short list shall comprise of six firms with a wide geographic spread, with not more than two firms from any one country unless there are no other qualified firms identified to meet this requirement; and at least one firm from a developing country, unless qualified firms from developing countries are not identifiable. The short list can comprise of entirely national consultants, if the value of assignment is less than US $ 800000\(^{44}\) however, if foreign firms have expressed interest, they shall not be excluded from consideration.

5.2.7 Government owned enterprises in India may participate only if they can establish that they:

- are legally and financially autonomous; and
- operate under commercial law

---

\(^{29}\)In addition, at the option of the Borrower, in the National Language as defined under paragraph 1.22 of the World Bank Guidelines

\(^{43}\)Exceptionally, when the World Bank has agreed to a short list comprising only national consultants, the World Bank may agree that the Borrower does not publish in the UNDB online contracts above US$300,000. US Dollar thresholds indicated throughout these Guidelines include all taxes and duties, if applicable.

\(^{44}\)Revised from wef 13\(^{th}\) June 2013
5.3 SELECTION METHODS

5.3.1 The methods for selection of Consultants include:

- Quality and Cost Based Selection (QCBS);
- Quality Based Selection (QBS);
- Selection under a Fixed Budget (FBS);
- Least Cost Selection (LCS);
- Selection Based on Consultants Qualification (CQ);
- Single Source Selection (SSS); and
- Commercial Practices (CP)
- Individual Consultant (IC)

5.3.2 The choice of the appropriate method of selection is related to the nature, size, and complexity, likely impact of the assignment, technical and financial considerations, and particular circumstances. It is therefore necessary to carefully define the assignment, particularly the objectives and scope of the services, before deciding on the selection method.

5.3.3 Quality and Cost Based Selection (QCBS)

(I) Quality and Cost Based Selection (QCBS) is method based on the quality of the proposals and cost of services to be provided. This method is appropriate when:

- the scope of work assignment is precisely defined and the TOR are well specified and clear; and
- an estimate with reasonable precision for the staff time as well as the other inputs and cost required of the Consultants can be assessed.

(II) The QCBS is appropriate for assignments such as:

- Feasibility studies and designs;
- Preparation of bidding documents and detailed designs;
- Supervision of construction of works and installation of equipment;
- Technical assistance services and institutional development of Client agencies; and
- Procurement and inspection services.

(III) Under QCBS the technical and financial proposals are submitted simultaneously in separate sealed envelopes (two-envelope systems). Evaluation of proposals is carried out in two stages: (1) quality; and (2) cost. The technical envelopes are opened by a Committee of officials of Client immediately after closing time for submission of proposal; the financial proposals remain sealed and shall be deposited with reputable public auditor or independent authority until they are opened publicly.

The financial envelopes of those consultants who submitted responsive technical proposals meeting the minimum qualifying mark are opened in the presence of the Consultants or their representatives. The combined evaluation is carried out by weighing and adding the quality and the cost scores, and the Consultant having the highest comprised
score is invited for negotiations. Since price is a factor of selection, staff rates and other unit rates shall not be negotiated.

(IV) QCBS permits the Client to select a preferred trade-off between cost and quality and the benefit from prices competition, even if only to a limited extent. Transparency is increased under QCBS with public opening of the financial proposals. The contract negotiations will be easier because of the limited scope of financial negotiations.

5.3.4 Quality Based Selection (QBS)

(I) Quality Based Selection (QBS) is based on an evaluation of the quality of the proposals and the subsequent negotiation of the financial proposal and contract with the consultant who submitted the highest ranked technical proposal. QBS is appropriate if:

- the downstream impact of the assignment is so large that the quality of services becomes of overriding importance for the outcome of the project;
- the scope of work of the assignment and TOR are difficult to define and there is need to select among innovative solutions;
- the assignment can be carried out in substantially different ways such that cost proposal may not easily be comparable; and
- the introduction of cost as a factor of selection renders competition unfair.

(II) QBS should be adopted for assignment such as:

- Complex country sector and multi-disciplinary investment studies.
- Strategic studies in new fields of policy and reforms
- Master plans, complex pre-feasibility and feasibility studies and design of complex projects.
- Assignments in which traditional consultants, non-government organization (NGO) and /or a U.N. agencies compete

(III) Under QBS the Client may request submission of technical proposals only. After receiving the World Bank no objection for the technical evaluation report, the Consultant with highest rendering technical proposal is invited to present its financial proposal. However, the Client may wish the financial proposals to be submitted at the same time as the technical proposals but in separate envelope (two-envelope system). In that case, financial proposals should be kept safely until the World Bank’s no-object to the technical evaluation is received. Only the financial proposal of winning consultant is opened; the others returned unopened after negotiations with the winning firm are successfully concluded.

(IV) The staff effort indicated by the consultant may differ considerably from the Client’s estimate depending on the particular methodology adopted by the consultant. Since TOR of assignments under QBS are generally less defined and relatively more complex than QCBS. Contract negotiations with the winning consultant may be lengthy and complicated.
5.3.5 Selection under Fixed Budget (FBS)

(I) Selection under a Fixed Budget (FBS) is based on disclosing the available budget to invited consultants in RFP and selecting the consultant with the highest – ranking technical proposal within the budget. It needs to be ensured that budget is compatible with the TOR and that consultant will be able to perform the tasks within the budget. FBS is appropriate only when:

- the budget is fixed and cannot be exceeded;
- the TOR are precisely defined; and
- the time and staff month effort required from the Consultant can be assessed with precision.

(II) To reduce the financial risk for consultant and to avoid receiving unacceptable technical proposals or no technical proposals at all, FBS must be used for well-defined and simple assignments with a low financial risk for the consultants. Typical assignments awarded under FBS are:

- sector studies, market studies, and surveys of limited scope;
- simple pre-feasibility studies and review of existing feasibility studies;
- review of existing technical design and bidding documents; and
- project identification for which the level of detail can be matched with the available funds

(III) Under FBS, Consultants are requested to submit their technical and financial proposals in separate envelopes. Technical proposals are evaluated first, using same procedure as for QCBS and QBS; thereafter the financial envelopes are opened in public. In case a proposal does not cover minor technical aspects included in the TOR, the Client calculates the evaluated price of that proposal by adding to the offered price the estimated cost of the missing activities or items. Proposals that exceed the indicated budget after adjustments and corrections are discarded. The Consultant, who has submitted the highest ranked technical proposal among the remaining proposals, is selected.

(IV) Since the budget is predetermined, the Consultants TOR cannot change substantially, and technical negotiations shall cover minor aspects. Financial negotiation will not include discussion of remuneration rates and of other unit rates, but only minor rearrangements of activities and staff compatibility with the plan of work and clarification of any tax liability.

5.3.6 Least Cost Selection (LCS)

(I) Under Least Cost Selection (LCS) a minimum qualifying mark for quality is established and indicated in the RFP, short-listed consultants have to submit their proposals in two envelopes. The technical proposals are opened first and evaluated. Proposals scoring less than minimum qualifying mark are rejected, and the financial envelopes of the rest are opened in public. The consultant with the lowest evaluated price is selected.

(II) The LCS method is more appropriate for small assignments of a standard or routine nature where well established practices and standards exist from which a
specific and well defined outcome is expected, which can be executed at different costs, e.g.,

- Standard accounting audits
- Engineering designs and/or supervision of simple projects.
- Repetitive operations and maintenance work and routine inspection, and
- Simple surveys

(III) Since quality is set as the minimum qualifying mark, the Client should not set such a mark higher than the usual (say at 75 to 80 per cent) to ensure quality and avoid the risk of selecting low-cost proposals of poor or marginally acceptable quality.

5.3.7 Selection Based on Consultant’s Qualification (CQ)

(I) The Selection Based on Consultant’s Qualification (CQ) method applies to very small assignments for which the full–fledged selection process would not be justified. CQ is considered for assignments such as:

- brief evaluation studies at critical decision points of projects;
- executive assessment of strategic plans;
- high level, short term, legal–expertise; and
- participation in project review expert panel.

(II) Under CQ the Clients first prepare the TOR, then requests for Expression of Interest and qualification information on the consultant’s experience and competence relevant to the assignment. The Client establishes a short list and selects the firm with the best qualifications and references. The selected firm is asked to submit a combined technical and financial proposal and is then invited to negotiate the contract if the technical proposal proves acceptable.

(III) The CQ method aims at reducing the cost and time needed to hire a Consultant.

5.3.8 Single Source Selection (SSS)

(I) Under Single Source Selection (SSS) the Client asks a specific consultant to prepare technical and financial proposals, which are then negotiated. Since there is no competition, this method is acceptable to the World Bank only in exceptional cases and made on the basis of strong and convincing justification where it offers clear advantages over the competition. This is because:

- for tasks that represent a natural continuation of previous work carried out by the firm (see next paragraph);
- in exceptional cases, such as, but not limited to, in response to natural disasters and for emergency situations both declared by the Borrower and recognized by the World Bank;
- for very small assignments; or
- when only one firm is qualified or has experience of exceptional worth for the assignment.
In all such cases, the Borrower is not required to issue an RFP and shall submit to the World Bank for its review and no objection the TOR of the assignment, a sufficiently detailed justification including the rationale for single-source selection instead of a competitive selection process, and the basis for recommending a particular firm, except for contracts below a threshold defined on the basis of risks and the scope of the project, and set forth in the Procurement Plan.

(II) When continuity for downstream work is essential, the initial RFP shall outline this prospect, and, if practical, the factors used for the selection of the consultant shall take the likelihood of continuation into account. Continuity in the technical approach, experience acquired, and continued professional liability of the same consultant may make continuation with the initial consultant preferable to a new competition subject to satisfactory performance in the initial assignment. For such downstream assignments, the Borrower shall ask the initially selected consultant to prepare technical and financial proposals on the basis of the TOR furnished by the Borrower, which shall then be negotiated.

(III) If the initial assignment was not awarded on a competitive basis or was awarded under tied financing or if the downstream assignment is substantially larger in value, a competitive process acceptable to the World Bank shall normally be followed in which the consultant carrying out the initial work is not excluded from consideration if it expresses interest. The World Bank will consider exceptions to this rule only under special circumstances and only when a new competitive process is not practicable.

5.4 SCOPE OF WORK

5.4.1 In a TOR, scope of work of the assignment is usually defined by addressing the following issues:

- definition, scope, limits, and criteria of acceptance of assignment;
- desired level of detail (level of design, accuracy, composition of cost estimate etc.)
- span of projections (time horizon, life span of project components, and so forth);
- necessary comparison of the assignment with similar projects;
- main issues to be addressed;
- alternatives to be considered;
- necessary surveys, special analysis, and models;
- special equipment requirement;
- institutional and legal framework of the project;
- transfer of knowledge, objectives and scope;
- language requirement;
- need of continuity, such as data gathering, and
- quality management requirements.
5.4.2 Phased assignments are likely to require that the scope of work be modified depending on intermediate results. For instance, the scope of work for a feasibility study originally covering a number of alternatives will be reduced if, during execution of the assignment, some alternatives prove more viable. Similarly, the scope of work can be expanded if more accurate studies than initially anticipated become necessary. In such cases, the TOR should clearly indicate the circumstances under which a decision will be made by the Client to modify the scope of work.

5.5 **ESTIMATING COST & BUDGET**

5.5.1 In preparation of cost estimate, the following expenses are added:

- Consultant staff remuneration;
- Travel and transport;
- Mobilization and demobilizations;
- Staff allowances;
- Communication;
- Office rent, supplies, equipment and insurance;
- Surveys and training programs;
- Report printing;
- Taxes and duties; and
- Contingencies.

5.5.2 The cost estimate is based on an estimate of the personnel (expert per month) required for carrying out the services, taking into account the time required by each expert needed, and then making estimate for each of the related cost components. It is important to define these inputs as accurately as possible.

5.6 **EVALUATION**

5.6.1 The evaluation of the technical proposals should be done as per criteria specified in the Letter of Invitation/RFP. The following criteria are used as a basis for evaluation of technical proposals:

- Specific experience of the consultant relevant to the assignment;
- Adequacy of the proposed methodology and work plan in responding to the TOR; and
- Key staff’s qualification and competence for the assignment. Depending on the particular objectives of the assignment, two additional criteria may be required:
  - Suitability of the transfer of knowledge program (training); and
  - Participation of nationals among proposed key staff.

5.6.2 Table 5.1 below shows a range of points that may be allocated to each criterion on a scale of 1 to 100. The weights may be adjusted for specific circumstances.
5.6.3 The criterion qualifications and competence of key staff is divided into following sub criteria:

- general qualification;
- adequacy for the assignment; and
- experience of region.

5.6.4 The evaluation is carried out using the pre-qualification and experience shown in their curriculum vitae (CV). The points allotted to the criterion are distributed among the above sub criteria as per percentage given in Table 5.2 below:

<table>
<thead>
<tr>
<th>Table 5.2: Range of percentage in Point Distribution of Key Staff Qualification and Competence Sub Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-criteria</td>
</tr>
<tr>
<td>General Qualifications</td>
</tr>
<tr>
<td>Adequacy for the assignment</td>
</tr>
<tr>
<td>Experience in region and language</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

5.6.5 **Methodology & Work Plan:** The methodology and work plan is a key component of the technical proposal and should be evaluated carefully. Sub-criteria for evaluating this component of the proposal should include the following:

(i) **Technical Approach & Methodology:** Here consultants explain their understanding of the objective of the assignment, highlights the issues and their importance, and explain technical approach they would adopt to address them. They should then explain the methodology they propose to adopt, demonstrate the compatibility of these methodologies with the proposed approach.

(ii) **Work Plan:** Here consultants propose the main activities of the assignment, their content and duration, phasing and inter relations, milestones and delivery dates of the most important reports. The consistency of the technical approach and methodology with the proposed work plan is a good indication that consultants have understood the TOR and are able to translate them into a feasible working plan.
(iii) **Organization and Staffing:** In this section the Consultants propose the structure and composition of their team. It will list the main disciplines involved, the key expert responsible and proposed technical and support staff. The roles and responsibilities of key experts should be set out in job description.

The methodology, work plan and organization are all integrated. The work plan depends on the technical approach and methodology adopted, and these in turn determine the required organization.

5.6.6 The RFP has to indicate the relative weight assigned to the technical and financial proposals. For standard arrangement, the weight for quality is normally 80 percent with 20 percent given to cost. More than 20 percent weight to the cost of services is justified only for relatively routine and straightforward assignments, (such as designs of very simple structures), whereas in no case should it exceed 30 percent. For assignments in which quality considerations are relatively important, a minimum weight of 10 percent should be given to cost, and when considerations of quality are of primary importance, QBS is preferable to QCBS.

5.6.7 If cost is a factor of selection, a minimum technical qualifying mark may be provided in RFP to minimize the risk of accepting low-quality proposals at a very low cost. A qualifying mark in the range of 70 to 80 percent is typical. Any technical proposal with a score below this threshold is rejected, and the financial envelope is returned unopened. Setting the threshold too high increases the risk of rejection of a majority of proposals.

5.6.8 Table 5.3 below summarizes the five evaluation criteria provided in the Standard Request for Proposals and gives examples of sub-criteria that could be adopted by the Client when preparing the RFP.

<table>
<thead>
<tr>
<th>Evaluation criteria</th>
<th>Evaluation sub-criteria (select a maximum of three)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific experience of the consultants in the field of assignment</td>
<td>Normally no sub-criteria is specified</td>
</tr>
</tbody>
</table>
| Adequacy of the proposed methodology and work plan in responding to the TOR | - Technical approach and methodology  
- Work plan  
- Organization and staffing  
Note: The number of sub-criteria may be increased depending on the characteristic of the assignment |
| Qualification and competence of key staff proposed for the assignment | - General qualifications  
- Adequacy for the assignment  
- Experience in the region and language  
Note: These three sub-criteria are defined by the RFP and cannot be changed. |
| Suitability of the transfer of knowledge program (training) | - Relevance of program  
- Training approach and methodology  
- Qualifications of training specialists |
| National participation (nationals among key staff) | No sub criteria but only the method to apply this criteria specified |
5.6.9 Notification to Consultants: On completion of evaluation of Technical Proposal, World Bank’s no objection is received to the Technical Evaluation Report. On receipt of World Bank’s no objection for all prior review cases, Client notifies consultants whose proposal did not meet the minimum technical qualifying marks specified in the RFP, or were found to be non-responsive, indicating that the consultant’s financial proposal will be returned unopened at the end of selection process. The Client simultaneously notifies consultants whose technical proposals were above minimum technical qualifying mark, and inform them of the date and time set for opening of financial envelopes. The opening date should be at least two weeks after the notification date, to allow enough time for consultants to make arrangements to attend the opening.

5.6.10 Evaluation of Financial Proposals: On the date and time set for opening the financial proposal, the Evaluation Committee verifies that the financial proposals have remained sealed and then open them. The name of consultants, the qualifying scores, and proposed prices are read aloud and recorded as each financial proposal is opened. No modification to financial proposal is permitted. The Client prepares the minutes of the public opening, which should be attached to the Financial Evaluation Report.

5.6.11 The Evaluation Committee should first review the financial proposals for arithmetical errors and consistency between financial and technical proposals. Arithmetical errors should be corrected, omitted items evaluated, and corresponding adjustments made to the offered prices to obtain final evaluated prices. For purposes of comparing proposals, evaluated prices should be converted to Indian Rupees using exchange rate on date indicated in RFP.

5.6.12 Combined Evaluation and Final Score: If QCBS is the method of selection; the Evaluation Committee weighs and combines the scores of the technical and financial proposals to obtain a final ranking of the proposals and recommendation of award. The Final Evaluation Report is submitted to decision making authority for review and forward the report to the World Bank for its information. The Client invites the selected consultant for negotiations and informs the other consultants that they were unsuccessful and furnishes the name of selected firm. The scope of negotiation is given in paragraph 5.7 below. After technical and financial negotiations are completed, the Client shall furnish to the World Bank for all prior review cases, in sufficient time for its review, a copy of initialed negotiated contract. If the negotiated contract results in a substitution of key staff or any changes in TOR and in the originally proposed Contract, the Client shall highlight the changes and provide an explanation of why these changes are necessary.

5.7 NEGOTIATIONS

5.7.1 Negotiations shall include discussions of TOR, the methodology, staffing, Clients input and special conditions of the Contract.

5.7.2 The selected firm should not be allowed to substitute Key Staff, unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives to the assignment.
5.7.3 Financial negotiation shall include clarification of the Consultants tax liability in the Clients own country and now this tax liability has been or would be regulated in the contract.

5.7.4 Where QCBS procedure is followed, in the case of lump-sum, contract price should not be negotiated. In the Time Based Contracts, proposed unit rates for staff months and reimbursable shall not be negotiated (since there have already been a factor of selection) unless there are exceptional reasons. Reimbursable are paid on actuals upon presentation of receipts and hence not subject to negotiations. If client wants to fix a ceiling he should do so by indicating in RFP.

5.8 EVALUATION COMMITTEE

5.8.1 For technical and financial evaluation of consultants’ proposals, the Client shall appoint a committee of three to five qualified individuals of comparable hierarchical level who shall undertake the process in the highest ethical standards. After the Committee has agreed upon the criteria and sub-criteria definitions, and on rating and scoring methods, each committee member shall evaluate the proposals received independently. The Evaluation Committee should include one or two members of the team responsible for preparation of the TOR. To ensure transparency and consequent acceptability of the evaluation process and its results in sensitive case, a truly independent observer is allowed to participate in session of Evaluation Committee.

5.8.2 The Evaluation Committee submits its report and recommendation to the designated decision making authority for review and transmission to the World Bank for no objection if the contract is subject to the prior review, or for review and award for contracts for post-review.

5.9 REJECTION OF ALL PROPOSALS

5.9.1 The cases of “rejection of all proposals received” need to be referred to the World Bank for no-objection and clearance. The grounds for rejecting all proposals can be as under:

- The proposals present major deficiencies in responding to RFP.
- The cost proposals are substantially higher than the Client’s estimated budget.

5.10 ROLE OF BANK IN EVALUATION PROCESS

5.10.1 Selection of Consultants is the Client’s responsibility and Bank does not participate in the evaluation of proposals but, upon request of the Client, may provide advice in methodology and selection procedures before the actual evaluation takes place.

5.10.2 In assignments in which prior review is required, the World Bank reviews the Technical Evaluation Report, if satisfied, and sends the no objection to the Client. The World Bank may request additional explanation or information about the report contents from the Client when necessary. In exceptional cases, the World Bank may ask the Client to submit one or more proposals for its review.

5.10.3 Under QCBS, if the Bank determines that the final evaluation report, recommendations for award and / or negotiated contract are inconsistent with the
provision of RFP, it shall promptly inform the Client and state the reason for its determination, otherwise, the Bank shall provide the final “no objection” to the contract award. The Client shall confirm the award of the contract. The description and amount of the contract, together with the name and address of the firm, shall be subjected to public disclosure by the Bank upon the Clients confirmation of contract award.

5.11 **TYPES OF CONSULTANT’S CONTRACTS**

5.11.1 The type of contract with Consultant can be:

- Lump Sum;
- Time – based;
- Retainer and / or success fee
- Percentage; and
- Indefinite delivery

5.11.2 **Lump sum Contracts:** Lump sum contracts are used mainly for assignment in which the content and length of the services and duration of services is clearly defined. Lump-sum contracts shall not generally be subject to automatic price adjustment when their duration is expected to be less than 18 (eighteen) months, except for small-value multi-year contracts (for example, with auditors). The price of a lump-sum contract may be exceptionally amended when the scope of the services is extended beyond what was contemplated in the original TOR and contract.

5.11.3 Lump sum contracts are often used in relatively simple and clearly defined assignments such as:

- Planning and Feasibility studies
- Environmental studies
- Detailed design of infrastructures
- Preparation of Data Base

5.11.4 Payments are made in accordance with a contractually agreed upon schedule of delivery or against schedule of percentage of work completed.

5.11.5 A lump sum contract is easy for the Clients to administer and requires little technical supervision.

5.11.6 **Time –Based Contracts:** Under time based contract, the consultant provides services on a time basis according to quality specification and consultant’s remuneration as based on agreed upon unit rate for consultant staff multiplied by actual time spent by staff on assignment and reimbursable expenses as per actual and/or agreed unit rates. Such contracts are recommended for:

- Complex studies or studies of new approach
- Supervision of Implementation assignment
- Training Assignments
- Advisory services
5.11.7 Time based contracts transfer cost risks to the Client

5.11.8 **Retainer and/ or Success Fee Contracts**: The type of contract is often adopted to remunerate financial and management advisers who assist bank’s clients in the sale of assets, such as privatization operation. In these cases the QCBS method, in which consultants are asked to quote a retainer fee and/ or a success fee, is generally recommended for selection of Consultants. The proportion of retainer and success fee is often fixed in advance and is not subject to negotiation by the winning consultant. The retainer fee proportion is higher if the Consultant’s role constitutes more to planning and design of privatizations reforms. Success fees are appropriate when success is related to the efforts of the firms involved and is relatively easy to quantify.

5.11.9 **Percentage Contracts**: In a percentage contract consultants receive an agreed upon percentage of the actual project cost. Sample of percentage contract includes:

- Architectural services
- Engineering services
- Procurement services
- Inspection Agents

5.11.10 **Indefinite Delivery Contracts**: Indefinite delivery contracts are used for on-call specified services. The Client and the firm agree upon the unit rates to be paid to the experts and payments are made on the basis of the time actually used. Such contracts include:

- Advisory for complex projects i.e. Dam panel
- Expert Adjudicator
- Technical Trouble shooting

5.12 **SELECTION OF APPROPRIATE CONTRACT FORM**

5.12.1 Table 5.4 below indicates the correlation between type of assignment, selection method and type of contract. They should be considered with some degree of flexibility, depending on the size and characteristics of the assignment.

**Table 5.4: Correlation between Type of Assignment, Selection Method& Type of Contract**

<table>
<thead>
<tr>
<th>Type of assignments/scope of work</th>
<th>Selection Method</th>
<th>Type of Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Critical studies in the field of policy, strategy, and management of Client’s institutions</td>
<td>QBS</td>
<td>Time –based</td>
</tr>
<tr>
<td>(2) Country economic, section, or investment studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Master plans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Pre-feasibility studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Complex feasibility studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(6) Studies or design of complex projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(7) Studies in new technology or human and social</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Type of assignments/scope of work</td>
<td>Selection Method</td>
<td>Type of Contract</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------------------------------</td>
<td>------------------</td>
<td>------------------------</td>
</tr>
<tr>
<td>(1) Simple planning studies</td>
<td>QCBS</td>
<td>Lump sum</td>
</tr>
<tr>
<td>(2) Simple feasibility studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(3) Environmental studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(4) Contract and detailed design of infrastructures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(5) Preparation of bidding documents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(6) Date processing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(7) Clearly defined strategy and management studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Technical assistance for institutional development</td>
<td>QBS or QCBS</td>
<td>Time-based or indefinite delivery</td>
</tr>
<tr>
<td>(2) Technical assistance for privatization programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(1) Technical assistance in investment projects</td>
<td>QCBS</td>
<td>Time-Based</td>
</tr>
<tr>
<td>(2) Construction supervision</td>
<td>QCBS</td>
<td>Time-Based</td>
</tr>
<tr>
<td>(3) Privatization operations</td>
<td>QCBS</td>
<td>Retainer and/or success fee</td>
</tr>
<tr>
<td>(4) Financial sector reforms</td>
<td>QBS</td>
<td></td>
</tr>
<tr>
<td>(5) Procurement/inspection</td>
<td>QCBS</td>
<td>Retainer and/or success fee</td>
</tr>
<tr>
<td>(6) Simple, precisely defined assignment with fixed budget</td>
<td>FBS</td>
<td>Percentage</td>
</tr>
<tr>
<td>(7) Standard or routine assignments costing less than Rs.90.00 lakhs (US $ 200,000)</td>
<td>LCS</td>
<td>Lump sum</td>
</tr>
</tbody>
</table>

### 5.13 CONTRACTS

5.13.1 The contract invariably comprises of:

- The form of contract to be signed by the Client and the Consultant
- The (General Conditions of Contract) GCC, which must be kept unchanged
- The (Special Conditions of Contract) SSC, which are specific to the assignment, and
- The Appendices

5.13.2 It needs to be noted the text of the Form of Contract and of the General Conditions of Contract (GCC) cannot be changed. The Special Conditions of Contract (SSC) enables the Borrower to amend or supplement the clauses of the general condition to reflect local conditions and characteristics of the assignment.

### 5.14 PROCUREMENT OF SERVICES OF INDIVIDUAL CONSULTANT

5.14.1 Individual consultants are employed on assignments for which (a) a team of experts is not required, (b) no additional outside (home office) professional support is required, and (c) the experience and qualifications of the individual are the paramount requirement. When coordination, administration, or collective responsibility may become difficult because of the number of individuals, it would be advisable to employ a firm. When qualified individual consultants are unavailable or cannot sign a contract directly with a Borrower due to a prior agreement with a firm, the Borrower may invite firms to provide qualified individual consultants for the assignment.
5.14.2 Advertisement for seeking expressions of interest (EOI) is encouraged, particularly when the Borrower does not have knowledge of experienced and qualified individuals or of their availability, or the services are complex, or there is potential benefits from wider advertising, or if it is mandatory under national law. It may not, however, be required in all cases and should not take place for small value contracts. All invitations for EOIs should specify selection criteria that are solely based on experience and qualifications. When firms are invited to propose individual consultants, EOIs shall clarify that only the experience and qualifications of individuals shall be used in the selection process, and that their corporate experience shall not be taken into account, and specify whether the contract would be signed with the firm or the proposed individuals.

5.14.3 Individual consultants are selected on the basis of their relevant experience, qualifications, and capability to carry out the assignment. They do not need to submit proposals and shall be considered if they meet minimum relevant requirements which shall be determined by the Borrower on the basis of the nature and complexity of the assignment, and assessed on the basis of academic background and relevant specific experience, and, as appropriate, knowledge of local conditions such as national language, culture, administrative systems, and government organization. The selection shall be carried out through the comparison of the relevant overall capacity of at least three qualified candidates among those who have, directly or through a firm, expressed interest in the assignment or have been approached directly by the Borrower. Individuals selected to be employed by the Borrower shall be the most experienced and best qualified, and shall be fully capable of carrying out the assignment. The Borrower shall negotiate a contract with the selected individual consultant (or the firm as the case may be) after reaching agreement on satisfactory terms and conditions of the contract, including reasonable fees and other expenses.

5.14.4 The selection of individual consultants is normally not subject to prior review. The Borrower shall, however, obtain the World Bank’s no objection: (a) when it has not been able to compare at least three qualified candidates before hiring, in which case it shall provide the reasons; (b) before it invites firms to offer the services of individual consultants as per paragraph 5.1 of the World Bank Guidelines; (c) in case negotiations with the selected individual fail before proceeding to negotiate with the next best individual, or firm as the case may be; and (d) in case of single-source selection as per paragraph 5.14.6 of the World Bank Guidelines. The World Bank also requires prior review of the selection of certain categories of individual consultants.

5.14.5 When a contract is signed with a consulting firm to provide individual consultants, either its permanent staff or associates or other experts it may recruit, the conflict of

45 Advertising for EOIs shall not normally take place for individual contracts below US$50,000. Such threshold shall, however, be determined in each case, taking into account the nature, complexity, and risks of the assignment.

The World Bank may agree, if requested by the Borrower, that such assignments be subject to ineligibility for World Bank financing of individuals of the Borrower country who are under a sanction of debarment from being awarded a contract by the appropriate judicial authority of the Borrower country and pursuant to its relevant laws, provided that the World Bank has determined that the individual has engaged in fraud or corruption and the judicial proceeding afforded the individual adequate due process.
interest provisions described in these Guidelines shall apply to the parent firm. No substitution of any individual who was initially proposed and evaluated shall be permitted, and in such a case, the contract will be signed with the next ranked consultant.

5.14.6 Individual consultants may be selected on a single-source basis with due justification in exceptional cases such as: (a) tasks that are a continuation of previous work that the consultant has carried out and for which the consultant was selected competitively; (b) assignments with a total expected duration of less than 6 (six) months; (c) urgent situations; and (d) when the individual is the only consultant qualified for the assignment. The Borrower shall submit to the World Bank for its review and no objection the TOR of the assignment, a sufficiently detailed justification, including the rationale for single-source selection instead of a competitive selection process, and the basis for recommending a particular individual consultant in all such cases, except for contracts below a threshold defined on the basis of risks and the scope of the project, and set forth in the Procurement Plan.

5.15 NON GOVERNMENT ORGANISATIONS (NGOs)

5.15.1 Non-governmental organization (NGOs) may be included in the consultant shortlist if they express interest provided the Client and World Bank find their qualification satisfactory. Short lists for assignments that emphasize experience in community participation and in depth local knowledge may entirely comprise NGOs, and QCBS should be followed.

5.15.2 Short listing of NGOs shall be based on below noted criteria:

- **Regulating requirement**
  - NGO should be validly registered under Societies Registration Act of the Govt. or have other corporate status
  - NGO should be validly registered to work in the particular geographic locality.
  - NGO's Article of Association or Bye laws permit operation in the project sector
  - NGO should be non-political
  - Should not have been black listed by the Central Social and Welfare Board (CSWB) or Council for the Advancement of Peoples Action & Rural Technology (CAPART) or by Central or any State Govt. in India.

- **Human and Physical measures**
  - Committed leadership at the top supported by adequate service level leadership.
  - Existence of adequate skilled staff in relation to needs of assignment
  - NGO should have necessary physical resource base like accessible office space, vehicles, and communication facilities and so on.

- **Community Sensitivity**
  - NGO should have prior experience of community development activity and mobilization.
  - NGO should have sufficient understanding of local problems and are sensitive to issues concerning women and weaker sections of Society.
- NGO should have keen understanding and should be sensitive to works related to environment.
- Should have excellent communication skills.

- **Financial Capacity**
  - Should have required financial strength and capability (last three years turn over and audited balance sheet should be examined).
  - Should have facility to maintain separate records and accounting of funds allotted for the assignment.

- **Relevant Sectional and Operational experience**
  - Should have prior experience in related areas.
  - Should have adequate experience in Participatory Rural Appraisal.
  - Must have been functioning for last three years in similar type of assignments.

5.15.3 RFP should be issued to short listed NGO’s and their bids are obtained for the concerned services. Technical and Financial Proposals are evaluated and contract agreement signed after following the same procedure as for other consultants. Where large areas are involved for conducting IEC and community mobilization, the requirement of number of NGO may fall short of their availability. In such cases single Source Selection (SSS) method may be used with prior approval of the World Bank.

5.16 **MISPROCUREMENT**

5.16.1 The World Bank does not finance expenditures under a contract for consulting services if the World Bank concludes that such contract:

a) Has not been awarded in accordance with the agreed provisions of the Loan Agreement and as further elaborated in the Procurement Plan to which the World Bank provided no objection;

b) Could not be awarded to the consultant otherwise determined successful due to willful dilatory conduct or other actions of the Borrower resulting in unjustifiable delays, or the successful proposal being no longer available, or the wrongful rejection of any proposal; or

c) Involves the engagement of a representative of the Borrower, or a recipient of any part of the proceeds of the Loan, in fraud and corruption as per paragraph 1.23(c) of the World Bank Guidelines.

5.16.2 In such cases, whether under prior or post review, the World Bank will declare misprocurement, and it is the World Bank’s policy to cancel that portion of the loan allocated to the services that have been misprocured. The World Bank may, in addition, exercise other remedies provided for under the Loan Agreement. Even once the contract is awarded after obtaining a no objection from the World Bank, the World Bank may still declare misprocurement and apply in full its policies and remedies regardless of whether the loan has closed or not, if it concludes that the no objection was issued on the basis of incomplete, inaccurate, or misleading information furnished by the Borrower or that the terms and conditions of the contract had been substantially modified without the World Bank’s no objection.
CHAPTER 6
COMMUNITY PROCUREMENT

6 COMMUNITY PROCUREMENT

6.1 CONCEPT

6.1.1 Growing awareness of community participation in the works from planning to implementation and post implementation can help in smooth operation and maintenance and successful implementation of the project. Institutional capacity of community plays a major role for effective community participation in procurement and implementation of the program. Capacity building activities need to be undertaken in order to build and sharpen their existing skills for management and for sustaining all activities related to project implementation.

6.2 BENEFITS OF COMMUNITY PROCUREMENT

6.2.1 The benefits of involving community in procurement include:

- Enhancing community ownership
- Increasing capacity of the community
- Generating employment and economic opportunities within the community.
- Lessening the burden of procurement on Government implementing agencies.

6.2.2 The merits of community procurement refer to:

- Ownership by the community
- Command over the entire process
- Sharing of capital investment of the project
- Simplicity
- Useful in operation and maintenance

6.2.3 It needs to be noted that community involved procurement, must not compromise with the principles of competitiveness and transparency of the process. It is planned to suit the capacity of the community in rural environment.
6.3 KEY RULES OF COMMUNITY PROCUREMENT

6.3.1 Following seven rules shall be observed and complied with during the procurement of works and goods:

- **Transparency:** All procurement procedures must be carried in an open and transparent manner displaying all the details of procurement at prominent places in the villages.

- **Equal opportunity to all Suppliers:** Equal opportunity must be given to all suppliers interested in supplying items to the community and uniform evaluation procedures must be adopted.

- **Accountability:** Any office bearer or committee member undertaking procurement function remains accountable for all decisions and actions taken.

- **Ensuring value of money:** Items procured should meet the required technical specifications and the quality standards, and must be arranged at reasonable prices.

- **Avoid procurement of item from Friends and Relatives:** Procuring items from close relatives and friends of any of the office bearers must be avoided.

- **No undue benefits for anyone:** No members of the community shall accept directly or indirectly any undue benefits or advantages on account of a procurement action.

- **Equal Pay for Equal work:** There should not be any distinction of wages between male and female workers and other benefits.

6.4 REQUIREMENTS OF COMMUNITY PROCUREMENT

6.4.1 **Quality Assurance:** Procurement of goods and materials having ISI certification from authorized vendors of manufacturers shall be the first step in obtaining prescribed quality of goods/materials.

6.4.2 **Quantity Assurance:** Quantities strictly required to execute the work satisfactorily shall always be worked out prior to scheduling the procurement. Purchase of excess goods/materials always results in loss and wastage.

6.4.3 **Timing:** Appropriate timing of delivery of goods/materials matching with commencement and completion of work shall always be adhered to. Any gap might lead to either excess holding of material or to delay the completion of work, which may result in cost over-run, adversely affecting the financial viability of the project.

6.4.4 **Rates:** The rates for materials, goods to be procured should be reasonable and commensurate with quality and comparable with purchases being affected for similar projects.
6.5 PROCUREMENT OF WORKS BY COMMUNITY

6.5.1 In addition to the procurement to be undertaken by PEAs and SPMU, there is a small community driven procurement for Entry point activities, livelihood activities and Plantation. In the project the community is being given the responsibility to implement the project. Each state is planning to undertake different projects through the community. The likely works to be undertaken by the community are as under:

For the PEAs involved in the National Components
- Mangroves plantation
- Entry point activities
- Other livelihood enhancement works

For the State Of Gujarat
- Mangroves plantation;

For the State Of Orissa
- Crab fattening
- Dairy & Gotary (Integration)
- Value addition of fishery products
- Other livelihood enhancement works.

For the State Of West Bengal
- Mangroves plantation
- Entry point activities
- Other livelihood enhancement works.

6.5.2 Mangrove plantation mostly involves labour. Seeds collection also involves labour and transportation. Besides labour a small percentage of the expenditure would be on purchase of Polythene bags. Entry point activities would mostly involve civil works. Same would be the case with crab fattening and value addition of fishery products.

6.5.3 Before the funds are released to the community an MOU will be signed between implementing agencies and communities to undertake works.

6.6 Approved Community Procurement Manual

6.6.1 A separate Community Procurement Manual has been prepared for the Project which has already been approved by the World Bank. All community procurement in the Project will be as per details and procedures of such approved Community Procurement Manual.
Annexure

(Procurement Formats)
**INTEGRATED COASTAL ZONE MANAGEMENT PROJECT**

**Tender/Proposal Register (for goods and works)**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Stages</th>
<th>Estimated date</th>
<th>Revised dates</th>
<th>Actual date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Designe/investigation completion date</td>
<td></td>
<td>R1</td>
<td>R2</td>
</tr>
<tr>
<td>2</td>
<td>Preparation of estimate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Prepration of bid document</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Bank's no objection date</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Call for bids (date of publication of specific procurement notice)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Bid open</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Final no objection</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Contract sign date</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Contract details**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Contract number</th>
<th>Name of the supplier</th>
<th>Contract start date</th>
<th>Contract end date</th>
<th>Contract amount</th>
</tr>
</thead>
</table>
## Annexure - 2

### INTEGRATED COASTAL ZONE MANAGEMENT PROJECT

#### Tender/Proposal Register (Consultants)

<table>
<thead>
<tr>
<th>Proposal No.</th>
<th>Description of services</th>
<th>Estimated cost (in Rs.)</th>
<th>Contract description (method of selection)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Stages</th>
<th>Estimated date</th>
<th>Revised dates</th>
<th>Actual date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Advertising for short listing</td>
<td></td>
<td>R1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Date of finalising TOR/shortlist</td>
<td></td>
<td>R2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Date of forwarding final draft of Request for proposal (RFP) to World Bank</td>
<td></td>
<td>R3</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>No Objection from World Bank</td>
<td></td>
<td>R4</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Invitation to firms (RFP issued)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Proposal receipt</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Technical evaluation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Financial evaluation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Final decision</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>No Objection from World Bank</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Contract details

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>Name of the consultant</td>
</tr>
<tr>
<td>12</td>
<td>Contract start date</td>
</tr>
<tr>
<td>13</td>
<td>Contract end date</td>
</tr>
<tr>
<td>14</td>
<td>Contract amount</td>
</tr>
</tbody>
</table>
### Annexure 3

**INTEGRATED COASTAL ZONE MANAGEMENT PROJECT**

**Contract register (for goods and works)**

- **Contract No.**
- **Contract amount**
- **Contract details**
- **Name and address of the party**
- **Description of goods/works/equipment/vehicles**
- **Contract description (method of procurement)**

<table>
<thead>
<tr>
<th>Voucher</th>
<th>Cheque</th>
<th>Amount paid (Rs.)</th>
<th>Total amount paid (Cumulative)</th>
<th>Balance Contract amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Date</td>
<td>Number</td>
<td>Date</td>
<td></td>
</tr>
</tbody>
</table>

83 of 132
### Annexure 4

**INTEGRATED COASTAL ZONE MANAGEMENT PROJECT**

Contract register (for Consultants)

| Contract No. | :______ |
| Contract amount | :______ |
| Contract details |  |
| Name and address of the party | :______ |
| Contract description (method of procurement) | :______ |

<table>
<thead>
<tr>
<th>Voucher</th>
<th>Cheque</th>
<th>Amount paid (Rs.)</th>
<th>Total amount paid (Cumulative)</th>
<th>Balance Contract amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>Date</td>
<td>Number</td>
<td>Date</td>
<td></td>
</tr>
</tbody>
</table>

84 of 132
## Annexure 3

### PART A: GOODS AND WORKS

<table>
<thead>
<tr>
<th>Contract description</th>
<th>Tender No</th>
<th>Bid documents ready estimated</th>
<th>No objection estimated</th>
<th>Call for bids actual</th>
<th>Bid open actual</th>
<th>No objection actual</th>
<th>Contract signature estimated</th>
<th>Contract and actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>International competitive bidding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Civil Works</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National shopping</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National competitive bidding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct contracting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### PART B: CONSULTANCIES

<table>
<thead>
<tr>
<th>Contract description</th>
<th>Proposal No</th>
<th>Advertising estimated</th>
<th>RFP Draft estimated</th>
<th>Final Draft estimated</th>
<th>Invitation to firms estimated</th>
<th>Proposal receipts estimated</th>
<th>Tenders/invitation to firms estimated</th>
<th>Tender to suppliers/invitation to firms estimated</th>
<th>Contract signature estimated</th>
<th>Contract and actual estimated</th>
<th>Contract and actual actual</th>
<th>Name of Supplier/contractor</th>
<th>Payments Made</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality and cost based selection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality based selection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed budget selection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Quality based selection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed budget selection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## PROCUREMENT MANAGEMENT REPORT - COMPARATIVE ACTUALS PLANNED & AS PER PAD

<table>
<thead>
<tr>
<th>Particulars</th>
<th>NCB</th>
<th>ICB</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As per PAD</td>
<td>As Per Procurement Manual</td>
<td>Actual Purchase for the year</td>
</tr>
<tr>
<td>Civil Works</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vehicle</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Project - Incentive Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Project - Pilot Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Project - Vulnerable Group Fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Enclosures
ENCLLOURE – 1

GOVERNMENT OF ------------
DEPARTMENT OF ------------
INTEGRATED COASTAL ZONE MANAGEMENT PROJECT
(WORLD BANK ASSISTED)

INVITATION FOR BIDS (IFB)
NATIONAL COMPETITIVE BIDDING

Date:
Bid No.: SPMU/_______/

1. The Government of India has applied for a credit from the International Development Association towards the cost of Rs.___________ for the Govt. of __________, Integrated coastal Zone Management Project and intends to apply a part of the funds to cover eligible payments under the contract for the construction of works as detailed below.

2. __________, invites bids for the ________________ works detailed in the table. The bidders may submit bids for any or all of the following works:

<table>
<thead>
<tr>
<th>Package No.</th>
<th>Name of Work</th>
<th>Approx. value of work (Rs. in lakhs)</th>
<th>Bid Security (Rs. in lakhs)</th>
<th>Cost of document (Rs.)</th>
<th>Period of completion in months</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Bidding documents (and additional copies) may be purchased from the office of _______________ from _______to _________(dates with period of minimum 30 days) for a non-refundable fee of Rs.____________(Each set) as indicated, in the form of cash or Demand Draft on any Scheduled Bank payable at __________ in favour of ______________. Interested bidders may obtain further information at the same address. Bidding documents requested by mail will be dispatched by registered/ speed post on payment of an extra amount of Rs.500.00. The __________ will not be held responsible for the postal delay if any, in the delivery of the documents or non-receipt of the same.

4. Bids must be accompanied by bid security of the amount specified for the work in the table above payable at ___________ drawn in favour of ______________. Bid security will have to be in any one of the forms as specified in the bidding document and shall have to be valid for 45 days beyond the validity of the bid.

5. Bids must be delivered ______________, on or before ________ hours on date __________ and will be opened on the same day at ________ hours, in the presence of the bidders who want to attend. If the office happens to be closed on the date of receipt of the bids as specified, the bids will be received and opened on the next working day at the same time and venue.

6. A pre bid meeting will be held on ________________ (preferably mid of bidding process) at ________________ are in the O/o ______________ to clarify the issues and to answer questions on any matter that may be raised at that stage as stated in clause 9.2 of Instructions to Bidders of the Bidding Document.

6. Other details can be seen in the bidding documents.
## MINUTES OF BID OPENING – (NCB Goods/Works)

Project Loan No./Credit No. : ________________________________

### Basic Data Sheet

1. Package Number : 
2. Item/Work Description : 
3. Estimated Value : 
4. Date of issue of IFB : 
5. Mode of Procurement : 
   (a) Deadline for submission of bids (date and time) : ___________ at __________hours
   (b) Bid opening date and time : ___________at__________ hours
6. No. of Bidding Documents Sold : 
7. Number of bids received : 
8. Bid Validity expires on : 

Signature of the bid opening officer: ________________
(Bid Opening Committee)
Name of bid opening officer: ________________
(Bid Opening Committee)
Title of the bid opening officer: ________________
(Name of the Project)

RECORD OF BID OPENING (NCB)

Loan Number : ________________
Credit Number: ________________

Package Number : _______________________
Description of Item / Work: ________________________________

1. The following bids received by closing date and time i.e. _________hours on ____________, were publicly opened in the presence of the bidders representatives listed below at _________ hours on ____________ (date)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Number of Bidder</th>
<th>Group</th>
<th>Bid Security in Rupees</th>
<th>Bid Amount * (CIP Destination/ In Rupees)</th>
<th>Discount offered, if any (modifications or withdrawals)</th>
<th>Alternative offer, if any</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. The following representatives of bidders are present during the bid opening:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Representative</th>
<th>Signature</th>
<th>Name of Bidder/ Name* of Manufacturer if different from bidder</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Complaints, if any:

Signature, Name and Designation of the Bid Opening Officer’s (Bid Opening Committee):
1. ____________________________________________________________
2. ____________________________________________________________
3. ____________________________________________________________
4. ____________________________________________________________

*Modify as required for each case
ENCLOSURE – 3

SUGGESTED FORMAT FOR BID EVALUATION REPORT FOR CIVIL WORKS (NCB)

1. Scope of contract and approximate cost:
   - Outline brief description of works covered by invitation.
   - Furnish estimated cost at the time of appraisal and the actual cost for the proposal contract.

2. **Bidding Document**:
   Furnish the following details and discuss:
   - Approval by World Bank/ Govt.
   - Variations from the approved document, if any.
   - Specifications and drawings (approval)
   - Implementation schedule and stipulated time for completion.
   - Important bidding conditions, such as, price adjustment, if any etc.
   (Enclose copy of bidding document with amendments if any, if not sent earlier, Annexure I).

3. **Bid Invitation Process**:
   Furnish the following details and discuss:
   - Bid invitation advertisement in national press, name of newspapers and dates of publication.
   - Dates the bidding document was available for sale.
   - Number of bidders who purchased the bidding documents and their nationality.
   - Prebid conference, minutes of meeting and resulting amendments, if any.
   - Date and time of public bid opening, attendance, highlights of the bid opening meeting, etc.
   (Enclose copies of Bid Invitation, Prebid minutes, minutes of bid opening – Annexure II, III & IV).

4. **Bid Response**:
   - State number of offers received and the nationality.
   - Furnish details of offers received:
     (i) In time :
     (ii) Late :
        
        Total :
   - Furnish table of bid prices as read out at the bid opening meeting and as converted (in increasing order of bid value):

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of bidder</th>
<th>Nationality</th>
<th>Bid price as read out</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5. Clarifications obtained, if any:

6. **Preliminary Examination of Bids**:
   - Discuss preliminary examination for eligibility (ITB Clause 3), arithmetical errors, completeness, legal validity (has been properly signed and has submitted
power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspect of bidding documents.

- Furnish details of all bids in Annexure – V.
- List the bids rejected as non-responsive.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of bidder</th>
<th>Bid price</th>
<th>Brief reasons for rejection</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. **Evaluation of Substantially Responsive Bidders:**
   - State evaluation criteria and methodology cross-referencing to bid documents.
   - Discuss conditions, if any and loading of bid prices.
   - Prepare evaluation table showing the rankings as under:
     - Rank  Bidder  Bid Price
     - 1       
     - 2       
     - 3       

(Furnish details as in Annexure VI)
- Discussion of offers:
- Determination of lowest evaluated responsive bid.
- Comments on unbalanced item bids, if any.

8. **Subcontracting**
- Comment on sub-contracting proposed and discuss qualifications/experience of sub-contractors determining whether it is acceptable.

9. **Post –qualification/ Verification for prequalified bidders:**
- Furnish actual qualification of selected bidder and determine whether the selected lowest evaluated responsive bidder is qualified to satisfactorily perform the contract. (Annexure VII) [*To qualify for a package of contacts made up of this and other contracts for which bids are invited, the bidder must demonstrate having experience and resources sufficient to meet the aggregate of the qualifying criteria for the individual contracts.*]

- If the determination is negative, bid of the lowest bidder will have to be rejected and the next lowest evaluated bid considered to make a similar determination of bidder’s capability to perform satisfactorily.

- Discuss bid capacity – Attach calculations sheet to show how they possess the capacity.

10. **Construction Methodology**
- Discuss the proposed construction methodology and other details of the selected bidder [submitted by him in terms of Clause 4.3 (k) of ITB] and comment on its acceptability.
11. **Recommendations:**
   - Furnish important features of bid recommended for award such as:
     - Advances
     - Price adjustments, if any
     - Performance security
     - Additional security proposed for unbalanced bids, if any
     - Bid validity
     - Stipulated period of completion
     - Other important terms and conditions

12. **Value of contract proposed for approval:**

   Signature of Evaluating Officer

*(Enclose checklist duly filled)*

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Copy of bid invitation and press advertisement (Annex II)
3. Prebid minutes and Copies of Amendments, if issued (Annex III)
4. Minutes of Bid Opening (Annex IV)
5. Assessment of Bids (Annex V)
6. Comparative statement of Offers (Annex VI)
7. Details of post-qualification / verification of prequalified bidders (Annex VII)
8. Details of Recommended Bidder (Annex VIII)
### Assessment of Bids

<table>
<thead>
<tr>
<th>S1. No.</th>
<th>Particulars</th>
<th>Bidder 1</th>
<th>Bidder 2</th>
<th>Bidder 3</th>
<th>Bidder 4</th>
<th>Bidder 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Name of Bidder</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Country of Origin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Bid Price</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Credentials</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Letter of Authorisation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Commercial Assessment *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Technical Assessment *</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Decision on Responsiveness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Capacity cum Capability*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assessment (Post/Prequalification)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*For details see attachment*
# EVALUATION OF THE BIDS

## Analysis for Responsiveness of Bid:

<table>
<thead>
<tr>
<th>S1. No.</th>
<th>Particulars and Clause Reference</th>
<th>Name of Bidder 1</th>
<th>Name of Bidder 2</th>
<th>Name of Bidder 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Validity of Bid</td>
<td>ITB 15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Bid Security *</td>
<td>ITB 16</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.1 Form of Bid Security</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.2 Bank and Branch</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.3 Expiry Date</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.4 Amount</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Letter of Authorization</td>
<td>ITB 18.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Bid Form</td>
<td>ITB 12.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Exceptions to Clauses, if any:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Unbalanced Bids</td>
<td>ITB 29.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Price Adjustment, if suggested</td>
<td>ITB 13.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Technical Deviations, if any</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Decision on Commercial Responsiveness</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Note: [a] Add parameters as required to suit the item under procurement & as specified in your bidding document*
COMPARATIVE STATEMENT OF OFFERS

<table>
<thead>
<tr>
<th>S1. No.</th>
<th>Item of Bill of Quantities</th>
<th>Quantity</th>
<th>Unit</th>
<th>Estimate</th>
<th>Bidder 1</th>
<th>Bidder 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Rate in Rs.</td>
<td>Value in Rs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Rate in Rs.</td>
<td>Value in Rs.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Grand Total:
## POST QUALIFICATION

<table>
<thead>
<tr>
<th>Criteria as specified in the bidding document *</th>
<th>Bidder 1</th>
<th>Bidder 2</th>
<th>Bidder 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** 1(*). List all criteria specified in the bidding document and give comments on how bidder meets or fails in criteria.

2. Give details for the recommended bidder and other lower bidders whose offer is evaluated as non-responsive / who have been determined as not meeting with this criteria.
## DETAILS OF RECOMMENDED OFFER

1. Total Value of Bid in Rupees : 
2. Advances: Mobilization / Equipment : 
3. Performance Security :  
4. Additional Performance Security for Unbalanced Bids, if any :  
5. Retention Money :  
6. Milestones to be Achieved :  
7. Liquidated Damages for different milestones :  

---

**Annexure VIII**  
(to Enclosure 3)
ENCLOSURE - 4

SUGGESTED FORMAT OF BID EVALUATION REPORT FOR
GOODS & EQUIPMENT (NCB)

1. **Scope of contract and approximate cost:**
   - Outline brief description of goods and services covered by invitation.
   - Furnish estimated cost at the time of appraisal and the actual cost for the proposal contract.

2. **Bidding Document:**
   Briefly discuss and indicate:
   - Details of approval by World Bank/ Govt.
   - Variations from the approved document, if any.
   - Specifications (approval reference, if any)
   - Requirement of accessories/spares, if any
   - Delivery requirements.
   - Important bidding conditions, such as:
     - price adjustment
     - load for
     (a) delivery schedule
     (b) payment schedule
     (c) performance and productivity
     (d) operating and maintenance costs
   (Enclose copy of bidding document and amendments if any, if not sent earlier, Annexure I).

3. **Bid Invitation Process:** Furnish the following details:
   - Date of publication of general procurement notice
   - Bid invitation advertisement in national press, Newspapers and dates of publication.
   - Period in which the bidding documents were made available for sale.
   - Number of firms who purchased the bidding documents and their nationality.
   - Date of closing and extensions, if any
   - Prebid conference, minutes of meeting and resulting amendments, if any.
   - Date and time of public bid opening, attendance, highlights of the bid opening meeting, etc.
   [Enclose copies of Bid Invitation, Prebid minutes (Annex II) and minutes of bid opening (Annexure III)].

4. **Bid Response:**
   - State number of offers received and the nationality.
   - Furnish details of offers received:
(iii) In time = 
(iv) Late = 

Total = 

- Furnish Table of bid prices as read out at the bid opening (in ascending order):

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of bidder</th>
<th>Nationality</th>
<th>Bid price as read out</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>……….</td>
<td>…………………..</td>
<td>……………..</td>
<td>………………………</td>
<td>………..</td>
</tr>
<tr>
<td>……….</td>
<td>…………………..</td>
<td>……………..</td>
<td>………………………</td>
<td>………..</td>
</tr>
<tr>
<td>……….</td>
<td>…………………..</td>
<td>……………..</td>
<td>………………………</td>
<td>………..</td>
</tr>
<tr>
<td>……….</td>
<td>…………………..</td>
<td>……………..</td>
<td>………………………</td>
<td>………..</td>
</tr>
</tbody>
</table>

5. Clarifications obtained, if any:

6. **Preliminary Examination of Bids:***

   - Discuss preliminary examination for eligibility (ITB Clause 3), arithmetical errors, completeness, legal validity (has been properly signed and has submitted power of attorney etc.), bid validity, bid security and substantial responsiveness to commercial and technical aspects of bidding documents.

   - List arithmetical errors and corrected bid price.

   - Furnish details of all bids in Annexure – IV.

   - List the bids rejected as non-responsive.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of bidder</th>
<th>Bid price</th>
<th>Brief reasons for rejection</th>
</tr>
</thead>
<tbody>
<tr>
<td>……….</td>
<td>…………………..</td>
<td>……………..</td>
<td>………………………</td>
</tr>
<tr>
<td>……….</td>
<td>…………………..</td>
<td>……………..</td>
<td>………………………</td>
</tr>
<tr>
<td>……….</td>
<td>…………………..</td>
<td>……………..</td>
<td>………………………</td>
</tr>
<tr>
<td>……….</td>
<td>…………………..</td>
<td>……………..</td>
<td>………………………</td>
</tr>
</tbody>
</table>

7. **Evaluation of substantially Responsive Bidders:**

   - State evaluation criteria, methodology cross-referencing to bid documents, assumptions, if any, made in evaluation (Annexure V).

   - Discuss briefly offers and adjustment, if any for.

   - Commercial aspects:
Omissions
O inland transportation
O delivery
O deviation in payment schedule
O spare parts
O operation and maintenance
O performance and productivity etc.

- Technical criteria:
  O efficiency
  O productivity
  O training etc.

- Prepare evaluation table showing the rankings as under:

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name of bidder/ Manufacturer/ Agent</th>
<th>Evaluated CIP destination price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>……………….</td>
<td>…………………………………...</td>
</tr>
<tr>
<td>2</td>
<td>…………………………………...</td>
<td>…………………………………...</td>
</tr>
<tr>
<td>3</td>
<td>…………………………………...</td>
<td>…………………………………...</td>
</tr>
</tbody>
</table>

(Details in Annexure VI)

- Brief discussion of offers:
- Determination of lowest evaluated responsive bidder.

8. **Post –qualification:**

- State criteria, if any, outlined in the bid document.

- Discuss actual qualification of selected bidder and determine whether the selected lowest evaluated responsive bidder is qualified to satisfactorily perform the contract.

  [If the determination is negative, lowest bid will have to be rejected and the next lowest evaluated bid considered for similar determination of bidder’s capability to perform satisfactorily. To qualify for a package of contacts made up of this and other contracts for which bids are invited, the bidder must demonstrate having experience and resources sufficient to meet the aggregate of the qualifying criteria for the individual contracts.]

(Details in Annexure VII)

9. **Recommendations:**

- Furnish important features of bid recommended such as:
  o Bidders name
  o Model, quantity and total bid price for:
  - basic machine
- list of tools
- list of special accessories
- list of 2 years maintenance spares
- Other Services

Total Rs. ____________

- Source of origin
- Payment terms
  - Agency commission
  - Delivery
  - Inspection
  - Insurance
  - Freight
  - Performance security
  - Specifications
  - Other important terms and conditions
- Date of expiry of validity of the selected bid

(Enclose contract information sheet of selected bidder, Annexure VIII)

Signature of Evaluating Officer

Signature of Competent Authority

Enclosures (enclose only those which were not forwarded earlier):

1. Copy of bidding document (Annex I)
2. Prebid minutes (Annex II)
3. Minutes of bid opening (Annex III)
4. Details of assessment of bids (Annex IV)
5. Assessment made in evaluation (Annex V)
6. Evaluated bid prices of offers (Annex VI)
7. Details of post-qualification (Annex VII)
8. Contract information and selected bidder (Annex VIII)
### 6.7 Assessment of Bids

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Name of Bidder 1</th>
<th>Name of Bidder 2</th>
<th>Name of Bidder 3</th>
<th>Name of Bidder 4</th>
<th>Name of Bidder 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Manufactured by</td>
<td>……………</td>
<td>……………</td>
<td>……………</td>
<td>……………</td>
<td>……………</td>
</tr>
<tr>
<td>2.</td>
<td>Country of Origin</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Agent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Classification</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Model Offered</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Model Number</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Total Bid Price</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Total Cost per unit as per Bid document in Indian Rupees</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Credentials</td>
<td>……………</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Letter of Authorization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Commercial Assessment*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Technical Assessment*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Decision on Responsiveness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* For details see attachment.
6.8 EVALUATION OF THE BIDS

Commercial Analysis for Responsiveness of Bid:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Name of Bidder 1</th>
<th>Name of Bidder 2</th>
<th>Name of Bidder 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Model Offered</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Model No.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Manufd. By</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Country of Origin</td>
<td>ITB 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Bid Security</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.1</td>
<td>Form of Bid Security</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.2</td>
<td>Bank and Branch</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.3</td>
<td>Expiry Date</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.4</td>
<td>Amount</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Validity of Bid</td>
<td>ITB 16</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Letter of Authorisation</td>
<td>ITB 13.3 (a)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Bid Form</td>
<td>ITB 9.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Exception to : Delivery:</td>
<td>ITB 26.5(b)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Payment Terms; and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>ITB 26.5(c)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Bid Currency</td>
<td>ITB 12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Performance Statement</td>
<td>ITB 13.3 (b)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Decision on Commercial Responsiveness</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note  
[a] Add parameters as required to suit the item under procurement and as specified in your bidding document.  
[b] Bid security of Joint Venture must be in the name of all the partners in the Joint Venture submitted the bid.
### Technical Evaluation of the Bids:

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>Technical Specifications Clause Reference</th>
<th>Name of Bidder 1</th>
<th>Name of Bidder 2</th>
<th>Name of Bidder 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Model No.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Mfd. By*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Model Type</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Decision on Commercial Responsiveness</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**a)** List the mandatory and optional features which are checked and compared as detailed in technical specifications to determine on conformity to technical specifications.

**b)** This should also cover all deviations listed by bidder in response to Clause 14.3 (c) of ITB
Annexure V
(to Enclosure 4)

Brief details of Assumptions made in Evaluation

a)

b)

c)

d)
## Annexure VI
(to Enclosure 4)

Comparative Statement of Responsive Offers

<table>
<thead>
<tr>
<th>Items</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Groups A and B separately) Cost per unit (in Rs.)</td>
<td>Bidder’s Name</td>
</tr>
<tr>
<td>1. Ex-factory/ex-showroom/ ex-warehouse or Off – the Shelf prices</td>
<td>............</td>
</tr>
<tr>
<td>2. Excise duty (if quoted separately)</td>
<td></td>
</tr>
<tr>
<td>3. Packing &amp; forwarding charges</td>
<td></td>
</tr>
<tr>
<td>4. Inland freight</td>
<td></td>
</tr>
<tr>
<td>5. Insurance</td>
<td></td>
</tr>
<tr>
<td>6. Other charges, if any</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
</tr>
<tr>
<td>7. Discounts, if any</td>
<td></td>
</tr>
<tr>
<td>8. Total unit cost as quoted</td>
<td></td>
</tr>
<tr>
<td>9. No. to be supplied</td>
<td></td>
</tr>
<tr>
<td>10. Total cost as quoted</td>
<td></td>
</tr>
<tr>
<td>11. Delivery period offered</td>
<td></td>
</tr>
<tr>
<td>12. Delivery period loading</td>
<td></td>
</tr>
<tr>
<td>13. Payment terms loading</td>
<td></td>
</tr>
<tr>
<td>14. Other loadings</td>
<td></td>
</tr>
<tr>
<td>15. Total evaluated price with loading</td>
<td></td>
</tr>
<tr>
<td>16. <strong>Ranking</strong></td>
<td></td>
</tr>
</tbody>
</table>
## Annexure VII
(to Enclosure 4)

### POST QUALIFICATION

<table>
<thead>
<tr>
<th>Criteria as specified in the bidding document *</th>
<th>Bidder 1</th>
<th>Bidder 2</th>
<th>Bidder 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Note 1**

(*) List all criteria specified in the bidding document and give comments on how bidder meets or fails in criteria.

2. **Give details for the recommended bidder and other lower bidders whose offer is evaluated as non-responsive / who have been determined as not meeting with this criteria.**
## Annexure VIII  
(to Enclosure 4)

### Details of Recommended Offer

Name of Bidder ________________________

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of Item</th>
<th>Specification or Part No.</th>
<th>Unit</th>
<th>Qty.</th>
<th>Rate</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Basic Item</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>List of Tools</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>List of Special accessories and spares</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>List of spares for 2- year maintenance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(iii) Total Cost
ENCLOSURE -5

PRICE ADJUSTMENT FORMULA

The formula (e) for adjustment of prices are:

\[ R = \text{Value of work} \]

**Adjustment for Labour component**

(i) Price adjustment for increase or decrease in the cost due to Labour shall be paid in accordance with the following formula:

\[ V_L = 0.85 \times P_L/100 \times R \times (L_1 - L_0)/L_0 \]

- \( V_L \) = increase or decrease in the cost of work during the quarter under consideration due to changes in rates for local labour.
- \( L_0 \) = the average consumer price index for industrial workers for the quarter preceding the date of opening of Bids as published by Labour Bureau, Ministry of Labour, Government of India.
- \( L_1 \) = the consumer price index for industrial workers for the State for the quarter under consideration as published by Labour Bureau, Ministry of Labour, Government of India.
- \( P_L \) = Percentage of Labour component of the work.

(ii) Price adjustment for increase or decrease in the cost of cement procured by the contractor shall be paid in accordance with the following formula:

\[ V_C = 0.85 \times P_C/100 \times R \times (C_1 - C_0)/C_0 \]

- \( V_C \) = increase or decrease in the cost of work during the quarter under consideration due to change in rates for cement.
- \( C_0 \) = The all India average wholesale price index for cement for the quarter preceding the date of opening of Bids as published by the Ministry of Industrial Development, Government of India, New Delhi.
- \( C_1 \) = The all India average wholesale price index for cement for the quarter under consideration as published by Ministry of Industrial Development, Government of India, New Delhi.
- \( P_C \) = Percentage of cement component of the work.

(iii) Price adjustment for increase in the cost of steel procured by the Contractor shall be paid in accordance with the following formula.

\[ V_S = 0.85 \times P_S/100 \times R \times (S_1 - S_0)/S_0 \]

- \( V_S \) = Increase or decrease in the cost of work during the quarter under consideration due to changes in the rates for steel.
- \( S_0 \) = The all India average wholesale price index for steel (Bars and Rods) for the quarter preceding the date of opening of Bids as published by the Ministry of Industrial Development, Government of India, New Delhi.
The all India average wholesale price index for steel (Bars and Rods) for the quarter under consideration as published by the Ministry of Industrial Development, New Delhi.

Note: For the application of this clause, index of Bars and Rods has been chosen to represent steel group.

Adjustment of POL (fuel and lubricant) component

(iv) Price adjustment for increase or decrease in the cost of POL (fuel and lubricant) shall be paid in accordance with the following formula:

\[ V_f = 0.85 \times \frac{P_f}{100} \times R \times \frac{(F_i - F_o)}{F_o} \]

\( V_f \) = Increase or decrease in the cost of work during the quarter under consideration due to changes in rates for fuel and lubricants.

\( F_o \) = The average official retail price of High Speed Diesel (HSD) at the existing consumer pumps of IOC at nearest center on the day 30 days prior to the date of opening of Bids.

\( F_i \) = The average official retail price of HSD at the existing consumer pumps of IOC at nearest center for the 15th day of middle calendar month of the quarter under consideration.

\( P_f \) = Percentage of fuel and lubricants component of the work.

Note: For the application of this clause, the price of High Speed Diesel oil has been chosen to represent fuel and lubricants group.

Adjustment of Plant and Machinery Spares Component

(v) Price adjustment for increase or decrease in the cost of plant and machinery spares procured by the Contractor shall be paid in accordance with the following formula:

\[ V_p = 0.85 \times \frac{P_p}{100} \times R \times \frac{(P_i - P_o)}{P_o} \]

\( V_p \) = Increase or decrease in the cost of work during the quarter under consideration due to changes in rates for plant and machinery spares.

\( P_o \) = The all India average wholesale price index for heavy machinery and parts for the quarter preceding the date of opening of Bids published by the Ministry of Industrial Development, Govt. of India, New Delhi.

\( P_i \) = The all India average wholesale price index for heavy machinery and parts for the quarter under consideration as published by Ministry of Industrial Development, New Delhi.

\( P_p \) = Percentage of plant and machinery spares component of the work.

Note: For the application of this clause, index the Heavy Machinery and Parts has been chosen to represent the plant and Machinery Spares group.
Adjustment of Local materials Component

(vii) Price adjustment for increase or decrease in cost of local materials other than cement, steel, bitumen and POL procured by the Contractor shall be paid in accordance with the following formula:

\[
V_m = 0.85 \times P_m/100 \times R \times (M_i - M_o)/M_o
\]

\[V_m\] = Increase or decrease in the cost of work during the quarter under consideration due to changes in rates for local materials other than cement, steel and POL.

\[M_o\] = The all India average wholesale price index (all commodities) for the quarter preceding the date of opening of Bids, as published by the Ministry of Industrial Development, Govt. of India, New Delhi.

\[M_i\] = The all India average wholesale price index (all commodities) for the quarter under consideration as published by Ministry of Industrial Development, Govt. of India, New Delhi.

\[P_m\] = Percentage of local material component (other than cement, Steel and POL) of the work.

The following percentage will govern the price adjustment for the entire contract:

1. Labour-\(P_{1}\) ____%
2. Cement-\(P_{c}\) ____%
3. Steel-\(P_{s}\) ____%
4. POL-\(P_{1}\) ____%
5. Plant & Machinery Spares-\(P_{p}\) ____%
6. Other Materials-\(P_{m}\) ____%

Total: 100%

Note: [The percentage of various components shall be determined for each work based upon its scope of work]
ENCLOSURE - 6

FORMAT FOR SEEKING BANK’S CLEARANCE FOR INCREASE IN CONTRACT VALUE BEYOND 15% OF THE ORIGINAL CONTRACT VALUE AS WELL AS FOR GRANTING EXTENSION OF THE STIPULATED TIME FOR PERFORMANCE OF THE CONTRACT
(For all Agreements Valued Rs. 45.00 lakhs and above)

| Credit/ Loan No. | ………………………. |
| Name of the Project | ………………………. |
| Sub Project | ………………………. |

1. WBR No. : ………………………………………….

2. Contract No. (Agreement) : ………………………………………… and date ………………………………………….

3. Name of Contractor : ………………………………………….

4. Description of work : ………………………………………….

5. a) Original Contract Value : ………………………………………….

   b) Anticipated increased contract value as of date : ………………………………………….

6. Bank’s no objection to the contract communicated on : ………………………………………….

7. a) Completion date as per contract : ………………………………………….

   b) Completion date as revised now : ………………………………………….

   c) Expected date of completion : ………………………………………….

8. Amount of increase in contract value anticipated % w.r.t. original contract value : ………………………………………….

9. Breakup for the increase in value of contract due to :

   a) Price adjustment : ………………………………………….

   b) Extra Items : ………………………………………….

   c) Variation in Quantities : ………………………………………….

   d) Contract or Claims : ………………………………………….
1) Arbitration : ........................................................

2) Other reasons : ......................................................

e) Exchange Variation : ..............................................

(iv) Total : ............................................................

10. Comments on reasons for the increase in contract value as * well as reasons for extension of the stipulated time for performance
    * (use additional sheet where necessary)

                      ........................................................
                      Chief Engineer,
                      ........................................................
                      Superintending Engineer ...........Circle
                      ........................................................
## PROCUREMENT CHECKLIST FOR CONTRACTS ABOVE PRIOR REVIEW THRESHOLD FOR CIVIL WORKS

1. Name of the Project : ..........................................  
2. Procurement Package Number and Procurement Plan reference : ..........................................  
3. Description of works : ..........................................  
4. Estimated cost of works : ..........................................  
5. Stipulated time of completion (including non-working season) : ......................................(in months)  
6. Type of contract : ICB/NCB  
7. Whether the bidders were prequalified and, if so, attach details as per Annexure- I. : Yes/No  
8. Date of clearance of bidding document by Bank : ..........................................  
10. When the bid notice was published in UNDB? : ..........................................  
11. Publicity (National Press – Name and Date of Publication) :  
   1. ..........................................  
   2. ..........................................  
   3. ..........................................  
12. Dates when the bidding documents were made available for sale : From……………to…………………..  
13. Number of bidding documents purchased by prospective bidders : ..........................................  
   a) Domestic : ..........................................  
   b) Foreign : ..........................................  
14. Prebid conference held on (Scheduled it at about mid of bidding time) : ..........................................  
15. Date of clearance of prebid conference minutes by the Bank : ..........................................  

1 Not applicable for NCB
16. Last date of receipt and date of opening of bids (both should be the same) : ..............................................

17. Number of bids received  
   a) Domestic : ..................................................
   b) Foreign : ..................................................

18. Date of clearance of award by the Bank (No Objection cable) : ..................................................

19. Award amount as cleared by the Bank : 
   Currency               Amount  
   .............................................

20. Amount of contract*  
   Currency               Amount  
   .............................................

21. Date of signing of the Contract : ..................................................

22. Contract Number : ..................................................

23. Name and nationality of the contractor : ..................................................

24. Whether the contract includes price adjustment Clause ? : Yes/ No

25. Date of start of work : ..................................................

26. Stipulated period of completion : ..................................................

27. Performance Security : 
   Percentage              Deduction          Total not exceeding  
   Initial (%)            from bills (%)       exceeding  
   
   a) Amount and currencies in proportion to the currencies of payment : ............... ............... .............
   
   b) Additional Security for unbalanced bids, if any : ............... ............... .............
   
   c) Defects liability period : .............................................months
   
   d) Validity as required : .............................................months
   
   e) Has the successful bidder furnished the performance security in various currencies in an acceptable form with

   .............................................

* Clarify reasons for variation if any from the value as cleared by the Bank vide S. No. 20
validity in accordance with the conditions of contract: If so, indicate

i) Form : ........................................
ii) Amount : ........................................
iii) Validity : ........................................
(Attach copy of Instrument)

28. Reasons for delay, if any, in forwarding the confirmed copy of the contract.
(Contracts along with the checklist, should be forwarded to the Bank within ten days of signing of agreement):

: ........................................

: ........................................

: ........................................

29. Any other remarks (attach sheet, if necessary):

: ........................................

: ........................................

: ........................................

30. Has the letter of appointment of Adjudicator been issued following the suggested format:

: Yes/ No

: ........................................

: ........................................

Signature : .................................

Name: .................................

Designation : .................................

Dated: .................................
## PREQUALIFICATION DETAILS

1. **Date of clearance of prequalification document by the Bank**: ………………………………………

2. **Date of prequalification**: ………………………………………

3. **When the pre-qualification notice was published in UNDB?**: ………………………………………

4. **Publicity : (National press – Name and Date of publication)**
   - 1: ………………………………………
   - 2: ………………………………………
   - 3: ………………………………………

5. **Dates when prequalification documents were made available for sale (ICB – 45 to 90 days/ LCB – 30 to 60 days)**: From……………To…………………

6. **Last date of receipt of prequalification application and date of opening**: ………………………………………

7. **Date of prequalification conference (Schedule it at about mid of the time given to applicants)**: ………………………………………

8. **Date of clearance of prequalification conference minutes by the Bank**: ………………………………………

9. **No. of applicants who**
   - a) purchased the prequalification documents
     - Domestic: ………………………………………
     - Foreign: ………………………………………
   - b) submitted the prequalification application
     - Domestic: ………………………………………
     - Foreign: ………………………………………
   - c) are prequalified
     - Domestic: ………………………………………
     - Foreign: ………………………………………
   - d) Date of clearance of pre-qualification by Bank

Signature ..............................
Name ..............................
Designation ..............................
### PROCUREMENT CHECKLIST FOR CONTRACTS ABOVE PRIOR REVIEW THRESHOLD FOR GOODS AND EQUIPMENT

1. **Name of the Project**: ..........................

2. **Procurement Package Number**: ..........................

3. **Procurement Plan Reference**: ..........................

4. **Description of Goods**: ..........................

5. **Estimated cost of Goods**: Rs. .................(in lakhs)

6. **Stipulated time of completion**: ......................(in months)

7. **Type of contract**: ICB/NCB

8. **Whether the Bidding Document was cleared by the Bank? If yes, when? Give reference.**: Yes/No

9. **Date of invitation of bids**: ..........................

10. **When the bid notice was published in UNDB?**: ..........................

11. **Publicity**:

   (National Press – Name and Date of Publication)
   1. ..........................
   2. ..........................
   3. ..........................

12. **Dates when the bidding documents were made available for sale (ICB – 45 to 90 days/ LCB – 30 to 90 days)**: ..........................

13. **Number of bidding documents purchased by prospective bidders**

    a) Domestic ..........................
    b) Foreign ..........................

14. **Prebid conference held on**

    (Scheduled it at about mid of bidding time) ..........................

15. **Date of clearance of Prebid Conference minutes by the Bank**: ..........................
16. Last date of receipt and date of opening of bids (both should be the same) : ..............................................

17. Number of bids received
   a) Domestic : ..............................................
   b) Foreign : ..............................................

18. Date of clearance of award by the Bank (No Objection cable) : ..............................................

19. Award amount as cleared by the Bank : Currency Amount
    .............................................. ..............................................

20. Amount of contract* : Currency Amount
    .............................................. ..............................................

21. Date of signing of the agreement : ..............................................

22. Contract Number : ..............................................

23. Name and nationality of the Supplier : ..............................................

24. Whether the contract includes price adjustment clause ? : Yes/ No

25. Date of start : ..............................................

26. Stipulated time of completion : ..............................................

27. Performance Security : .............................................. %
   a) Amount in the currency of contract : ..............................................
   b) Warranty period : .............................................. months
   c) Stipulation time of completion plus warranty period : ..............................................
   d) Has the successful bidder furnished the performance security in various currencies in an acceptable form with validity in accordance with the conditions of contract: If so, indicate
      i) Form : ..............................................

* Clarify reasons for variation if any from the value as cleared by the Bank vide S. No. 20
ii) Amount : 

iii) Validity : 

(Attach copy of Instrument)

28. Reasons for delay, if any, in forwarding the confirmed copy of the contract: 

(Contracts along with the checklist, should be forwarded to the Bank within ten days of signing of agreement)

29. Any other remarks (attach sheet, if necessary):

Signature: 
Name: 
Designation: 

Date: ..


PROCUREMENT CHECKLIST FOR POST-AWARD REVIEW OF CONTRACTS FOR CIVIL WORKS

1. GENERAL:

1.1 Name of the Project: .................................................................

1.2 Procurement Package Number and Procurement Plan Reference: .................................................................

1.3 Description of works: .................................................................

1.4 Estimated cost of works: .................................................................

1.5 Stipulated period of completion: .................................................................(in months)

   (including non-working season from the date of award)

1.6 Whether the method of procurement adopted is in accordance with the Procurement Plan:

   i) Yes/No       ii) ICB/NCB

2. BIDDING DOCUMENT

2.1 Whether the bidding document used for this work is according to the standard model document cleared with the Bank?

   Yes/No

2.2 If no, list the deviation from standards:

   1. .................................................................

   2. .................................................................

   3. .................................................................

2.3 Whether Package and Slices procedure has been adopted? If so, have you suitably modified the clause for submission and evaluation of bids?

   Yes/No

2.4 Whether price adjustment clause provided?:

   (Provide when period of completion is more than 18 months)

   Yes/ No

   Percentages

   Labour  Materials  POL

   ..........  ..........  ........

   Ensure that total percentage of labour contractor’s materials and POL equals 100, if ‘R’ in the formula represents net value of work done.
2.5 Whether bill of quantities and specifications properly checked? 
(Provide schedule of quantity for each slice separately and also one schedule for the combined work. i.e. for the package group in the same bidding document).

: Yes/No

2.6 Bid Security:

a) Whether the guidelines have been followed in fixing the Bid Security? If not, give reasons

: Yes/ No

b) What is the percentage/ amount? 
(No exemption should be permitted to any bidder or any class of bidders)

: ..................%  
Rupees……………………………………

2.7 Whether any preference on price or other conditions allowed in the bidding document/ award for any bidder or class of bidders? If yes, list the preferences. (No preferential treatment should be given to any bidder or class of bidders either for price or for conditions unless specifically cleared with the Bank and stipulated in the Project Agreement.)

: Yes/ No

2.8 Does the bidding document provide for advances?

If so, give details

: ........................................

What is the interest rate of advances?

: ........................................

2.9 a) What is the performance security specified in the bidding document

: ........................................

Initial  
Percentage Deduction  
Total Not (Value M) from bills exceeding (%)

: ............  .......  ................

2.10 Cost of bidding documents

: Rs……………………………………

123 of 132
3.0 BID INVITATION AND ISSUE OF BIDDING DOCUMENTS:

3.1 Whether the bids for this work were rejected previously and are being reinvited? If yes, whether Bank’s clearance was obtained? Give reference (Bids should not be rejected without Bank’s prior consultation) : Yes/No

3.2 Date of invitation of bids : ...........................................

3.3 Publication of NIT (give names of national newspapers and date of publication) :
1. ..................................................  
2. ..................................................  
3. ..................................................

3.4 (a) Dates when bidding documents were made available for sale;  
(b) Sale period should generally be 30 to 90 days; if not, specify reasons) :
from................ to................

4.0 PRE BID CONFERENCE

4.1 Date of pre-bid conference (Schedule it at about mid of bidding time) : ...........................................

4.2 Whether pre-bid minutes were cleared with the Bank? When? : Yes/No...........................................

4.3 Was any amendment issued after pre-bid conference? : Yes/No

5.0 SALE AND RECEIPT OF BIDDING DOCUMENTS:

5.1 Last date of receipt of bids and the date of opening of bids. (Both should be the same) : ...........................................

5.2 No. of documents purchased by prospective bidders : ...........................................

5.3 No. of bids received : ...........................................

6.0 EVALUATION:

6.1 Has award been made to the lowest : Yes/No
responsive bidder? (Give rank lowest, or second lowest or third lowest, etc. Award should be made to the lowest responsive bidder.)

6.2 Give reasons for ignoring lower offers if the lowest bidder is not awarded:

6.3 a) Has the bidder who has been awarded the contract furnished information about his capability and financial resources in response to stipulations made in IFB?

   b) Are you satisfied that he has the appropriate standards of capability and financial resources to execute the work satisfactorily?

   Comment briefly.

   c) Does he meet the minimum criteria for qualification, if any, specified in the bidding document?

6.4 Does the recommendation for award confirm that minutes of pre-bid conference were circulated to all prospective bidders?

6.5 Is the award to the lowest responsive bidder conditional?

6.6 Where any negotiations held with the bidders after opening of bids? If yes, whether Bank’s clearance was obtained before holding negotiations and when? If Bank’s clearance was not obtained why?

   (Bank does not favour any negotiations.)

6.7 Whether the award was made within the original bid validity?

   i) if no, list the reasons for delay:
      a) date of opening
      b) date of award

   ii) if extension of bid validity was sought, from all bidders and not from the lowest alone?
iii) Was the period of extension exceeded 4 weeks? : Yes/No

iv) If affirmative, was Bank’s clearance obtained? : Yes/No

v) If yes, indicate date of clearance : ...........................................

7.0 AWARD OF CONTRACT

7.1 Name of contractor : .....................................................

7.2 Date of award of contract : ...........................................

7.3 Date of signing of contract : ...........................................

7.4 Contract value as awarded : ...........................................

7.5 Contract number and date : ...........................................

7.6 Date of start of work : ..................................................

7.7 Stipulated time of completion of work : ...........................................

8.0 PERFORMANCE SECURITY :

8.1 Defects liability period : .................................................. months

8.2 Validity as required : .................................................... months

8.2 Validity as provided : .................................................... months

8.3 Has the successful bidder furnished performance: security in various currencies in an acceptable form with validity in accordance with the conditions of contract? If so, indicate:

   a) Amount and currencies in proportion to the currencies of payment : Rs...........................................

   b) Form

   c) Validity

      (Attach copy of Instrument)

9.0 ENCLOSURES :

9.1 Have the following been enclosed? : Yes/No

   i) Minutes of pre bid meeting

   ii) Complete item rate comparative statement : Yes/No

   iii) Note leading to recommendations for the award (evaluation report) : Yes/No

   iv) One conformed copy of agreement : Yes/No
10. Reasons for delay, if any, in forwarding the contract agreement: .................................................................
    (The agreement should be forwarded for post review by the Bank within ten days of signing of the agreement with all the enclosures.)

11. GENERAL:

12. Has the letter of appointment of Adjudicator been issued following the suggested format: Yes/No

Signature: ............................
Name: .............................
Designation: ............................

Date: .................
PROCUREMENT
CHECKLIST FOR POST-AWARD REVIEW OF CONTRACTS
FOR GOODS AND EQUIPMENT

1. (v) GENERAL

1.1 Name of the Project

1.2 Procurement Package Number

1.3 Procurement Plan Reference

1.4 Description of Goods

1.5 Estimated cost of Goods

1.6 Stipulated period of completion

1.7 Whether the method of procurement adopted is in accordance with the Procurement Plan

2. BIDDING DOCUMENT

2.1 Whether the bidding document used for this work is according to the standard model document cleared with the Bank?

2.2 If no, list the deviation from standards:

2.3 Whether price adjustment clause provided?

2.4 Bid Security

   a) Whether the guidelines have been followed in fixing the Bid Security? If no, give reasons.

   b) What is the percentage/amount? (No exemption should be permitted to any bidder or any class of bidders)

2.5 Whether any preference on price or

---

ENCLOSURE - 10

128 of 132
other conditions allowed in the bidding
document/ award to any bidder or class
of bidders? If yes, list the preferences.
(No preferential treatment should be
given to any bidder or class of bidders
either for price or for conditions unless
specifically cleared with the Bank and
stipulated in the Project Agreement)

2.6 Does the bidding document provide for advances?
If so, give details
What is the interest rate on advances?

2.7 Specified performance security in the bidding document – Percentage/ or amount

2.8 Cost of bidding documents

3.0 BID INVITATION AND ISSUE OF BIDDING DOCUMENTS:

3.1 Whether the bids for this item(s) were previously rejected and are being reinvited? If yes, whether Bank’s clearance was obtained? Give reference (Bids should not be rejected without Bank’s prior consultation)

3.2 Date of invitation of bids

3.3 Publication of NIT (give names of national newspapers and date of publication)

3.4 Dates when bidding documents were made available for sale: (should generally be 30 to 60 days; if not, specify reasons?)

4 PRE BID CONFERENCE

4.1 Date of pre-bid conference (Schedule it at about mid of bidding time)
4.2 Whether pre-bid minutes were cleared with the Bank? When?  : Yes/No

4.3 Was any amendment issued after pre-bid conference?  : Yes/No

4.4 Whether minutes of prebid conference and amendment transmitted to all the prospective bidders  : Yes/No

5.0 SALE AND RECEIPT OF BIDDING DOCUMENTS:

5.1 Last date of receipt of bids and the date of opening of bids. (Both should be the same)  : ………………………………………

5.2 No. of documents purchased by prospective bidders  : ………………………………………

5.3 No. of bids received  : ………………………………………

6.0 EVALUATION:

6.1 Has award been made to the lowest responsive bidder who satisfies the minimum qualification criteria specified in the bidding document. (Give rank lowest, or second lowest or third lowest, etc.)  : Yes/No

6.2 Give reasons for ignoring lower offers if the lowest bidder is not awarded the contract  : ………………………………………

6.3 Are you satisfied that the bidder who has been awarded the contract has the appropriate standards of capability and financial resources to execute the supply as required on the basis of information furnished? Comment briefly  : ………………………………………

6.4 Is the award to the lowest responsive bidder conditional?  : Yes/No

6.5 Where any negotiations held with the bidders after opening of bids? If yes, was Bank’s clearance was obtained before holding negotiations and when?  : Yes/No
If Bank’s clearance was not obtained why?  
(Bank does not favour any negotiations.)

6.6 Whether the award was made within the original bid validity?  
   i) If no, list the reasons for delay  
      a) date of opening  
      b) date of award

   ii) If extension of bid validity was sought, was that from all bidders and not from the lowest alone?

   iii) Was the period of extension exceeded 4 weeks?

   iv) If affirmative, was Bank’s clearance obtained?

   iv) If yes, indicate date of clearance

7.0 AWARD OF CONTRACT

7.1 Name of Supplier

7.2 Date of award of contract

7.3 Date of signing of contract

7.4 Contract value as awarded

7.5 Contract number and date

7.6 Date of start

7.7 Stipulated time of completion of work

8.0 PERFORMANCE SECURITY:

8.1 Specified warranty period

8.2 Validity as required

8.3 Has the successful bidder furnished performance security in various currencies in an acceptable form with validity in accordance with the conditions of contract? If so, indicate:
a) Amount in currency of the contract: Rs……………………………………
b) Form: ....................................................................
c) Validity
(Attach copy of Instrument)

9.0 ENCLOSURES :

9.1 Have the following been enclosed?
i) Minutes of pre bid meeting: Yes/No

ii) Complete item rate comparative statement: Yes/No

iii) Note leading to recommendations for the award (Evaluation Report): Yes/No

iv) One confirmed copy of agreement: Yes/No

10. Reasons for delay, if any, in forwarding the contract agreement. :
(The agreement should be forwarded for post review by the Bank within ten days of signing of the agreement with all the enclosures.)

11. GENERAL :
(Any other relevant information concerning the above procurement)

Signature: ........................................
Name: ...........................................
Designation: ......................................

Date: ...........................