

# **MEDICAL EDUCATION DEPARTMENT GOVERNMENT OF RAJASTHAN**

**OPEN TENDER FOR PURCHASE OF MEDICAL EQUIPMENT FOR MEDICAL  
COLLEGE AT PALI, RAJASTHAN**

**On E-Tender Basis**

Tender Enquiry No.: HSCC/PUR/PALI/LW/02 dated 01.02.2018



**HSCC (INDIA) LTD**  
**(A GOVERNMENT OF INDIA ENTERPRISE)**

Plot No. 6-A, Block-E, Sector-1,

NOIDA (U.P.) - 201 301

**PHONE: 0120-2540153**

**FAX: 0120-2542447**

**URL: [www.hsccltd.com](http://www.hsccltd.com)**

# Medical Education Department, Government of Rajasthan

## INVITATION FOR BIDS (IFB) FOR SUPPLY, INSTALLATION, TESTING & COMMISSIONING MEDICAL EQUIPMENT E-Tendering

IFB no. HSCC/PUR/PALI/LW/02 dated 01.02.2018

HSCC (India) Limited as Executing Agency for and on behalf of **Medical Education Department, Government of Rajasthan** invites **On-line bids** from eligible bidders, in single stage two bid system for supply, installation, handing-over of various items for **Medical College at Pali, Rajasthan**.

Item no.	Name of Item	Deptt.	Qty	EMD Rs.
1	Skeletons articulated –Fibre Bone	Anatomy Museum	3	1800.00
2	Bones (Dis-articulated) sets –Fibre Bone	Anatomy Museum	5	2100.00

The bidders are required to be registered at HSCC e-tender portal [www.tenderwizard.com/HSCC](http://www.tenderwizard.com/HSCC). Please log on to [www.tenderwizard.com/HSCC](http://www.tenderwizard.com/HSCC) only for downloading bid document and for participation through **E-Tendering basis**. For submission and other details, please refer HSCC e-tender portal [www.tenderwizard.com/HSCC](http://www.tenderwizard.com/HSCC). For submission of the bids, the bidders are required to have Digital Signature Certificate (DSC) from one of the authorized Certifying Authorities. The bidders are required to submit Original Bid Security as per Bid Document and submit in the office of **CGM, HSCC (India) Ltd., E-6A, Sector-1, Noida – 201301 before the date and time fixed for opening of the bid either by registered post or by hand failing which the bid will be declared nonresponsive**

Complete set of Bid Documents has been made available at E-Tender portal [www.tenderwizard.com/HSCC](http://www.tenderwizard.com/HSCC), [www.hsccltd.com](http://www.hsccltd.com) Prospective bidders are advised to regularly scan through HSCC E-Tender portal [www.tenderwizard.com/HSCC](http://www.tenderwizard.com/HSCC), [www.hsccltd.com](http://www.hsccltd.com) as corrigendum/ amendments etc., if any, will be notified on this portal only and no separate advertisement will be made for this.

**Chief General Manager, HSCC (I) Limited**  
**For & on behalf of Medical Education Department,**  
**Government of Rajasthan**

Sl. No.	Description	Schedule
i.	On line sale of tender enquiry documents	<b>01.02.2018 to 01.02.2018</b> upto 12.30 hrs
ii.	Place of sale of Tender Enquiry Documents	HSCC (India) Ltd, Plot No. 6-A, Block-E, Sector-1, Noida (U.P)-201301
iii.	Cost of the Tender Enquiry Document	<b>Free of cost</b>
iv.	Pre Tender Meeting Date & Time	<b>08.02.2018</b> , 11:00 hrs. IST
v.	Pre Tender Meeting Venue	Same as (ii) above
vi.	Closing date & time for receipt of Tender	<b>22.02.2018</b> , 13.00 hrs IST
vii.	Time and date of opening of Techno – Commercial tenders	<b>22.02.2018</b> , 13:30 hrs IST
viii.	Venue of Opening of Techno Commercial Tender	Same as sr no. (ii) above

1. TE Document free of cost
2. Bidder shall download the TE documents from the web site <http://eprocure.gov.in/cppp>, [www.hscltd.com](http://www.hscltd.com), and submit its tender by utilizing the downloaded document, along with the required non-refundable fee as mentioned in Para 1 above.
3. All prospective bidders may attend the Pre Tender meeting. The venue, date and time indicated in above.
4. Bidder shall ensure that their bid, complete in all respects, are dropped in the Tender Box located at **HSCC (India) Ltd, Plot No. 6-A, Block-E, Sector-1, NOIDA (U.P.) – 201 301** on or before the closing date and time, failing which the bid will be treated as late and rejected.
5. In the event of any of the above mentioned dates being declared as a holiday / closed day for the purchase organisation, the tenders will be sold/received/opened on the next working day at the appointed time.
6. The TE Document is not transferable.
7. Bidder shall submit the as given below:
  1. **Sealed Envelope with Bid Security (EMD)/Registration certificate for the item quoted issued by NSIC/ DGS&D for exemption of EMD submit in the tender box at HSCC, Noida.**
  2. **On line submission:**
    - a) **Tender Form duly signed**
    - b) **Price Bid /Financial Bid**
8. If Bidder submit bid security / performance security amount in the form of Demand Draft (i.e. DD)/ Bank Guarantee in favour of **HSCC (India) Ltd”**
9. **Rejection of bid:**
  1. If EMD /**Registration certificate for the item quoted issued by NSIC/ DGS&D for exemption of EMD** as mentioned in the tender document not found in envelop-I, their bid will be rejected and Envelop –II & III will not open by the committee.
  2. Tender Form not submitted as per tender document format.

### **Terms & conditions:-**

1. **Period of Validity:** A bid shall remain valid for **180 days** from the date of submission to HSCC.
2. **EMD:** Tenderer shall furnish along with its tender, earnest money for amount as shown in the NIT. The earnest money shall be furnished in one of the following forms:
  - i) Account Payee Demand Draft, (ii) Banker's cheque and (iii) Bank Guarantee as per format

The demand draft or banker's cheque shall be drawn on any commercial bank in India or country of the tenderer, in favour of the "HSCC (India) Ltd" payable at New Delhi/Noida. In case of bank guarantee, the same is to be provided from any commercial bank in India (as per the format in tender enquiry document). EMD to be valid **for 225 days** from the initial date of opening of the bid. The tenderer who are currently registered and, also, will continue to remain registered during the tender validity period with Directorate General of Supplies & Disposals or with National Small Industries Corporation, New Delhi for the specific goods as per tender enquiry specification shall be eligible for exemption from EMD. Vague stipulations in the Registration Certificate such as "to customers' specification" etc. will not be acceptable for exemption from furnishing of earnest money. In case the tenderer falls in these categories, it should furnish copy of its valid registration details in its bid (with DGS&D or NSIC, as the case may be)

Rate: a) The Prices should be quoted in Indian Rupees only. 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. All duties, GST/ taxes and other levies payable by the contractor under the contract shall be included in the total price. The rate quoted must be inclusive of Excise Duty, Packing & Forwarding charges, Sales Tax, entry tax, Freight charges and Insurance charges. The risk of damage or loss in transit if any will be rest on the suppliers only. Any variation in the statutory levies/ GST/Taxes/ duties/ cess or any new levies / Taxes/ duties/ cess on the end product will be payable at actual provided documentary evidence of the prevailing rate quoted at the date of submission of bid and changes at the time of actual supplies ( within stipulated delivery period ) is furnished.

3. b) CMC N.A.
4. **GST:** Should be mentioned on price format.
5. **Evaluation:** The tenderers will be evaluated and compared separately for each item. The tenderer has to quote for the complete requirement given under the item. Comparison of the responsive tenders shall be carried out on all inclusive quoted price at Consignee site basis, inclusive of applicable taxes, duties, incidental services. The rate quoted must be inclusive of Excise Duty, Packing & Forwarding charges, Sales Tax/**GST**, Freight charges, entry tax and Insurance charges. The quoted CMC prices will also be added for comparison & ranking purpose for evaluation
6. The bid submitted by MSME bidders shall be dealt as per the prevailing laws
7. Name of Consignee: Medical College, Pali, Rajasthan

Name of Purchaser: Medical Education Department, Government of Rajasthan

Name of Executing Agency: HSCC (India) Limited, E 6(A), Sector -1, Noida

8. **Delivery Period:** 60 days from date of Notification of Award/Purchaser order to delivery at consignee site. The date of delivery will be the date of delivery at consignee site.
9. **Installation and commissioning:** 30 days from date delivery at site or instruction by HSCC/client /handing over site.
10. **Despatch Clearance:** No goods shall be despatched before issue of Despatch note issued by HSCC, failing which entire responsibility shall rest on the supplier.
11. **Warranty:** Warranty of equipment will be **one year** on site from date of commissioning & site handing over to the supplier.

12. **Performance Security:** Within fifteen (15) days from date of the issue of notification of award by the Purchaser/Consignee, the supplier, shall furnish performance security to the Purchaser/Consignee for an amount equal to ten percent (10%) of the total value of the contract, valid up to sixty (60) days after the date of completion of all contractual obligations by the supplier, including the warranty obligations, initially valid for a period of **minimum 16 months** (as applicable warranty period of 1 years) from the date of Notification of Award.
13. This Notification of Award/Purchaser order Constitutes the formation of contract, scope of supply will be governed by the technical specifications & other terms & conditions of the aforesaid Tender Enquiry document and its amendments /corrigendum issued.
14. The Time lapse on the part of HSCC approval/ **Medical College, Pali, Rajasthan** approval / local statutory approval / issue of CDEC / Despatch note/clearance/ will not be count for delivery period and site not ready/ site not handed over will not be count for installation period.

**15. Payment Terms:**

- (i) 80% payment on submission of following documents:-
- Copy of Purchase order.
  - Consignee receipt in original issued by consignee/HSCC.
  - Warranty Certificate.
- (ii) 20% payment on submission of following documents:-
- Copy of Purchase order.
  - Final acceptance/ installation & commissioning certificate issued by consignee/HSCC.
  - Warranty Certificate

16. Supply shall be accepted only after inspection and approval by the concerned authority.

17. **Liquidated Damage:** GCC Liquidated damages 23.0 may please read as the Liquidated damages as per the provision in the Rajasthan State Transparency in Public Procurement Rules 2013 Rajasthan State GF &AR which provide for recovery @ 1% of the Project Cost for delay of every week subject to a maximum of 10% of the award value of the work as per applicable Rule /Guideline.

18. **Insurance:** The supplier shall make arrangements for insuring the goods against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the following manner: The supplier shall be responsible till the entire stores contracted for arrival in good condition at destination. The transit risk in this respect shall be covered by the Supplier by getting the stores duly insured for an amount equal to 110% of the value of the goods from ware house to ware house (consignee site) on all risk basis. The insurance cover shall be obtained by the Supplier and should be valid till 3 months after the receipt of goods by the Consignee.

**19. Termination of Contract**

19.1 The Purchaser/Consignee, without prejudice to any other contractual rights and remedies available to it (the Purchaser/Consignee), may, by written notice terminate the contract in whole or in part, if the supplier fails to deliver any or all of the goods or fails to perform any other contractual obligation(s) within the time period specified in the contract, or within any extension thereof granted by the Purchaser/Consignee

19.2 In the event of the Purchaser/Consignee terminates the contract in whole or in part, pursuant to sub-clause 19.1 above, the Purchaser/Consignee may procure goods and/or services similar to those cancelled, with such terms and conditions and in such manner as it deems fit and the supplier shall be liable to the Purchaser/Consignee for the extra expenditure, if any, incurred by the Purchaser/Consignee for arranging such procurement. Unless otherwise instructed by the Purchaser/Consignee, the supplier shall continue to perform the contract to the extent not terminated

## **20.0 Resolution of disputes**

20.1 If dispute or difference of any kind shall arise between the Purchaser / Consignee and the supplier in connection with or relating to the contract, the parties shall make every effort to resolve the same amicably by mutual consultations.

20.2 If the parties fail to resolve their dispute or difference by such mutual consultation within twenty-one days of its occurrence, then, such dispute or difference shall be referred to the sole arbitrator appointed by **Medical Education Department, Government of Rajasthan**. The award of the arbitrator shall be final and binding on the parties to the contract subject to the provision that the Arbitrator shall give reasoned award

20.3 Venue/seat of Arbitration: The venue of arbitration shall be at New Delhi, India.

**21.0 Applicable Law and Jurisdiction:** The contract shall be governed by and interpreted in accordance with the laws of India for the time being in force. The contract shall be subject to the jurisdiction of Delhi court to the exclusion of all other courts.

**22.0 Delivery/Delay in the supplier's performance:** The supplier shall deliver of the goods and perform the services under the contract within the time schedule specified in the documents. The time for and the date of delivery of the goods stipulated in the schedule shall be deemed to be of the essence of the contract and the delivery must be completed not later than the date (s) as specified in the contract. Any unexcused delay by the supplier in maintaining its contractual obligations towards delivery of goods and performance of services shall render the supplier liable to any or all of the following actions:

- (i) imposition of liquidated damages,
- (ii) forfeiture of its performance security and
- (iii) termination of the contract for default

23.0 The bid submitted by the bidder should be accompanied with Power of Attorney in favour of signatory of TE documents.

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

## **Technical Specification**

### **Item no. 01, Articulated Skeletons – Fibre Bone**

They should be of good quality, having elevations, groove and other impression closely to real.

### **Item no. 02, Dis- Articulated Skeletons –Fibre Bone**

They should be of good quality, having elevations, groove and other impression closely to real.

## TENDER FORM

Date:

To,

**HSCC**

**For & on behalf of Medical Education Department,  
Government of Rajasthan**

**Ref. TE document no.**

**Item no:-**

We, the undersigned have examined the above mentioned TE document, including all amendment/corrigendum issued the receipt of which is hereby confirmed. We now offer to supply and deliver, installation, commissioning \_\_\_\_\_ (*Description of goods and services*) in conformity with your above referred document terms for the sum of \_\_\_(NOT TO MENTION ANY PRICE DURING SUBMISSION IN TECHNICAL OFFER)\_\_\_\_\_ (total tender amount in figures and words), as shown in the price schedule(s), attached herewith and made part of this tender.

If our tender is accepted, we undertake to supply the goods and perform the services as mentioned above, in accordance with the delivery schedule specified in the List of Requirements.

We further confirm that, if our tender is accepted, we shall provide you with a performance security of required amount in an acceptable form.

We agree to keep our tender valid. We also accordingly confirm to abide by this tender up to the aforesaid period and this tender may be accepted any time before the expiry of the aforesaid period. We further confirm that, until a formal contract is executed, this tender read with your written acceptance thereof within the aforesaid period shall constitute a binding contract between us.

We further understand that you are not bound to accept the lowest or any tender you may receive against your above-referred tender enquiry.

We confirm that we do not stand deregistered/banned/blacklisted by any Govt. Authorities.

We confirm that we fully agree to the terms and conditions specified in above mentioned TE document, including amendment/ corrigendum if any

We are fully agreed all the terms and conditions of TE document including amendment/ corrigendum /technical specification issued before opening of bid. In case, anywhere any conditional terms found in our bid, the same shall be treated as deleted/cancelled/ withdrawn from our bid. Whenever there is a conflict, the acceptance of all terms and conditions of TE document in the tender form / affidavit shall prevail only.

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**(Signature with date)**

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**(Name and designation) Duly authorised to sign tender for and on behalf of**

**MANUFACTURER'S AUTHORISATION FORM**

To,

**HSCC**

**For & on behalf of Medical Education Department,  
Government of Rajasthan**

Dear Sirs,

Ref. Your TE document No \_\_\_\_\_, dated \_\_\_\_\_

We, \_\_\_\_\_ who are proven and reputable manufacturers of \_\_\_\_\_ (*name and description of the goods offered in the tender*) having factories at \_\_\_\_\_, hereby authorise Messrs \_\_\_\_\_ (*name and address of the agent*) to submit a tender, process the same further and enter into a contract with you against your requirement as contained in the above referred TE documents for the above goods manufactured by us.

We further confirm that no supplier or firm or individual other than Messrs. \_\_\_\_\_ (*name and address of the above agent*) is authorised to submit a tender, process the same further and enter into a contract with you against your requirement as contained in the above referred TE documents for the above goods manufactured by us.

We also hereby extend our full warranty, CMC as applicable as per clause 15 of the General Conditions of Contract, read with modification, if any, in the Special Conditions of Contract for the goods and services offered for supply by the above firm against this TE document.

Yours faithfully,

---

[Signature with date, name and designation]

for and on behalf of Messrs \_\_\_\_\_

[Name & address of the manufacturers]

*Note: 1. This letter of authorisation should be on the letter head of the manufacturing firm and should be signed by a person competent and having the power of attorney to legally bind the manufacturer.*

**Note:**

- **This FORM shall be on the letter head of the manufacturing firm and duly signed and stamped by competent authority and it should be as per the above format only. The original copy is to be colour scan & upload accordingly.**



### **Price Bid**

Sr no.	Name of item	Qty	Unit Price Rs.	% GST	GST amount Rs.	Unit price with GST Rs.	Total price Rs.
		a	b	c	d	e = b+d	a x e
1.							
2.							
	G. total of all items						

**Note:**

1. Unit price shall be included of all packing & forwarding, freight charges & insurance from ware house to consignee at Pali, local tax, entry tax, duties, one year warranty, VAT/ taxes /GST and other levies payable by the supplier under the contract.
2. Bidder shall fill all cost i.e. a.b,c... failing which it will presumed that the same is inclusive in the total price and nothing will be paid on this account extra.
3. Bidder shall mention present rate of GST, failing which it will be presumed that the same is inclusive in the total price and nothing will be paid on this account extra.

**Authorised Signatory**

**BANK GUARANTEE FORM**

To

HSCC (India) Limited  
E 6 (A), Sector -1, Noida

IFB No.  
Name of Item  
Item no.

WHEREAS \_\_\_\_\_ (Name and address of the supplier) (Hereinafter called "the supplier") has undertaken, in pursuance of contract no \_\_\_\_\_ dated \_\_\_\_\_ to supply (description of goods and services) (herein after called "the contract").

AND WHEREAS it has been stipulated by you in the said contract that the supplier shall furnish you with a bank guarantee by a scheduled commercial bank recognised by you for the sum specified therein as security for compliance with its obligations in accordance with the contract;

AND WHEREAS we have agreed to give the supplier such a bank guarantee;

NOW THEREFORE we hereby affirm that we are guarantors and responsible to you, on behalf of the supplier, up to a total of \_\_\_\_\_ (Amount of the guarantee in words and figures), and we undertake to pay you, upon your first written demand declaring the supplier to be in default under the contract and without cavil or argument, any sum or sums within the limits of (amount of guarantee) as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the supplier before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the contract to be performed there under or of any of the contract documents which may be made between you and the supplier shall in any way release us from any liability under this guarantee and we hereby waive notice of any such change, addition or modification.

.....  
(Signature with date of the authorised officer of the Bank)

.....  
Name and designation of the officer

.....  
Seal, name & address of the Bank and address of the Bran

**CONSIGNEE RECEIPT CERTIFICATE**  
**(To be given by consignee's authorized representative)**

The following store (s) has/have been received in good condition:

- 1) Contract No. & date : \_\_\_\_\_
- 2) Supplier's Name : \_\_\_\_\_
- 3) Consignee's Name : \_\_\_\_\_
- 4) Name of the item supplied : \_\_\_\_\_
- 5) Quantity Supplied : \_\_\_\_\_
- 6) Date of goods deliver at Consignee site :-----
- 7) Date of goods take over by HSCC at site :-----
- 8) Date of takeover by the Consignee : \_\_\_\_\_
- 9) Name and designation of Authorized Representative of Consignee : \_\_\_\_\_
- 10) Signature of Authorized Representative of Consignee with date : \_\_\_\_\_
- 11) Seal of the Consignee : \_\_\_\_\_

**Final Acceptance Certificate [Installation, commissioning & Handing over]**  
**(To be given by consignee's authorized representative)**

The following store (s) has/have been installed & commissioned in good working satisfactory condition:

1. Contract No. & date :
2. Supplier's Name :
3. Consignee's Name & Address :
4. Name of the item supplied :
5. Date of instruction for Installation & commissioned by HSCC/Client :
6. Installation & Commissioned completion date :
7. Name consignee /HSCC Representative :
8. Signature of consignee/HSCC Representative :
9. Seal of the Consignee :

No. P-45021/2/2017-B.E.-II  
Government of India  
Ministry of Commerce and Industry  
Department of Industrial Policy and Promotion  
\*\*\*\*

Dated 15<sup>th</sup> June, 2017  
Udyog Bhawan, New Delhi

To

All Central Ministries/Departments/CPSUs/All concerned

**ORDER**

**Subject: Public Procurement (Preference to Make in India), Order 2017**

**Whereas** it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

**Whereas** procurement by the Government is substantial in amount and can contribute towards this policy objective, and

**Whereas** local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

**Now therefore the following Order is issued :**

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions:** For the purposes of this Order:

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

*'Local supplier'* means a supplier or service provider whose product or service offered for procurement meets the minimum local content as prescribed under this Order or by the competent Ministries / Departments in pursuance of this order.

*'L1'* means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

*'margin of purchase preference'* means the maximum extent to which the price quoted by a local supplier may be above the L1 for the purpose of purchase preference.

*'Nodal Ministry'* means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services.

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'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

3. **Requirement of Purchase Preference:** Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to local suppliers in all procurements undertaken by procuring entities in the manner specified hereunder:
- a. In procurement of goods in respect of which the Nodal Ministry has communicated that there is sufficient local capacity and local competition, and where the estimated value of procurement is Rs. 50 lakhs or less, only local suppliers shall be eligible. If the estimated value of procurement of such goods is more than Rs. 50 lakhs, the provisions of sub-paragraph b or c, as the case may be, shall apply.
  - b. In the procurements of goods which are not covered by paragraph 3a and which are divisible in nature, the following procedure shall be followed:
    - i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract for full quantity will be awarded to L1.
    - ii. If L1 bid is not from a local supplier, 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the local suppliers, will be invited to match the L1 price for the remaining 50% quantity subject to the local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such local supplier subject to matching the L1 price. In case such lowest eligible local supplier fails to match the L1 price or accepts less than the offered quantity, the next higher local supplier within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on local suppliers, then such balance quantity may also be ordered on the L1 bidder.
  - c. In procurements of goods not covered by sub-paragraph 3a and which are not divisible, and in procurement of services where the bid is evaluated on price alone, the following procedure shall be followed:
    - i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract will be awarded to L1.
    - ii. If L1 is not from a local supplier, the lowest bidder among the local suppliers, will be invited to match the L1 price subject to local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such local supplier subject to matching the L1 price.
    - iii. In case such lowest eligible local supplier fails to match the L1 price, the local supplier with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the local suppliers within the margin of purchase preference matches the L1 price, then the contract may be awarded to the L1 bidder.

.....Contd. p.3/-



4. **Exemption of small purchases:** Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.
5. **Minimum local content:** The minimum local content shall ordinarily be 50%. The Nodal Ministry may prescribe a higher or lower percentage in respect of any particular item and may also prescribe the manner of calculation of local content.
6. **Margin of Purchase Preference:** The margin of purchase preference shall be 20% .
7. **Requirement for specification in advance:** The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.
8. **Government E-marketplace:** In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.
9. **Verification of local content**
  - a. The local supplier at the time of tender, bidding or solicitation shall be required to provide self-certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.
  - b. In cases of procurement for a value in excess of Rs. 10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.
  - c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.
  - d. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.
  - e. Nodal Ministries and procuring entities may prescribe fees for such complaints.
  - f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.
  - g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the



duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9h below.

- h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:
  - i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;
  - ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);
  - iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

**10. Specifications in Tenders and other procurement solicitations:**

- a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.
- b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.
- c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.
- d. If a Nodal Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/ or other items relating to that Nodal Ministry. A copy of every instruction or decision taken in this regard shall be sent to the Chairman of the Standing Committee.
- e. For the purpose of sub-paragraph 10 d above, a supplier or bidder shall be considered to be from a country if (i) the entity is incorporated in that country, or ii) a majority of its shareholding or effective control of the entity is exercised from that country; or (iii) more than 50% of the value of the item being supplied has been added in that country. Indian suppliers shall mean those entities which meet any of these tests with respect to India."



11. **Assessment of supply base by Nodal Ministries:** The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.
12. **Increase in minimum local content:** The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.
13. **Manufacture under license/ technology collaboration agreements with phased indigenization:** While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.
14. **Powers to grant exemption and to reduce minimum local content:** Ministries /Departments of Government of India and the Boards of Directors of Government companies or autonomous bodies may, by written order,
  - a. reduce the minimum local content below the prescribed level;
  - b. reduce the margin of purchase preference below 20% ;
  - c. exempt any particular item or procuring or supplying entities or class or classes of items or procuring or supplying entities from the operation of this Order or any part of the Order.

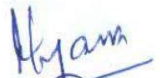
A copy of every such order shall be marked to the Member-Convenor of the Standing Committee constituted under this Order.

15. **Directions to Government companies:** In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.
16. **Standing Committee:** A standing committee is hereby constituted with the following membership:

Secretary, Department of Industrial Policy and Promotion—Chairman  
Secretary, Commerce—Member  
Secretary, Ministry of Electronics and Information Technology—Member  
Joint Secretary (Public Procurement), Department of Expenditure—Member  
Joint Secretary (DIPP)—Member-Convenor

The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. **Functions of the Standing Committee:** The Standing Committee shall meet as often as necessary but not less than once in six months. The Committee
- a. shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.
  - b. shall annually assess and periodically monitor compliance with this Order
  - c. shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content
  - d. may require furnishing of details or returns regarding compliance with this Order and related matters
  - e. may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures
  - f. may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization
  - g. may consider any other issue relating to this Order which may arise.
18. **Removal of difficulties:** Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.
19. **Ministries having existing policies:** Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1<sup>st</sup> January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.
20. **Transitional provision:** This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.



(B. S. Nayak)

Under Secretary to Government of India  
Ph. 23061257



