



Resource Development Foundation

RDF

Organizational Procurement Policy

(3rd Edition)

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RDF Procurement Policy

Procurement is the acquisition of goods or services. It is favorable that the goods/services are appropriate and that they are procured at the best possible cost to meet the needs of the purchaser in terms of quality and quantity, time and location. The basic objective of the procurement function is to ensure continuity of supply of raw materials, sub-contracted items and spare parts and at the same time reduce the ultimate cost of the finished goods. In other words, the objective is not so much to procure the raw materials at the lowest price but to reduce the cost of the final product. For ensuring this, there are a large number of well known parameters such as right price, right quality, right contractual terms, right time, right source, right material, right place, right mode of transportation, right quantity and right attitude.

1.0 PURPOSE

- 1.1 The purpose of this Procurement Policy is to provide an established policy guideline for the procurement of goods and services by RDF as a whole.
- 1.2 Procurement plays an integral part in Supply Chain Management. This Policy sets forth the policies and procedures which RDF has established to guide the procurement process with the intent of ensuring compliance, consistency and transparency throughout the procurement process.
- 1.3 This policy shall be applicable to all functional areas, Programs, Components and Projects of RDF.

2.0 POLICY STATEMENT

- 2.1 RDF shall procure goods and services essential for the effective and efficient operation of its activities by the most expeditious measures.
- 2.2 No employee shall participate in the selection, award or administration of a contract if a real or apparent conflict of interest would be involved. Such conflict would arise when the employee or any member of the employee's immediate family, the employee's partner or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The employee of RDF shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to sub-agreements. Disciplinary actions shall be taken against employees for violation of the above.
- 2.3 All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition.
- 2.4 All concerned will put in their best effort to achieve the organization efficiency through procurement of right materials in right quantity at right price and at right time in accordance with the policies laid down.
- 2.5 Where appropriate, an analysis is to be made of lease and purchase alternatives to determine economically justified option of procurement.

3.0 Effectiveness of the Procurement Policy

The policies and procedures included in this Policy took effect from **01 September 2012**. However, this Policy is intended to be a living and evolving document that is expected to change over time. All proposed changes will be reviewed and ratified by the Chief Executive Officer of RDF.



4.0 Annual Procurement Plan (APP)

RDF will prepare an Annual Procurement Plan (APP) for procurement of commodities on the basis of approved Annual Work Plan and Annual Budget. Procurement Unit will prepare the Plan on getting necessary inputs from concerned departments who will have annual requirements of goods and materials. It is expected that APP will be prepared on the basis of actual procurement of last budgeted period and must be consistent and incorporated with Annual Budget of the organization.

4.1 Procurement Requirement

Procurement Requirement will consider Head office, Principal office, Divisional Office, Zonal office, Area office, Branch office requirement irrespective of capital and recurring items. Well ahead of the beginning of the Fiscal Year, all relevant Programs/Components of RDF will prepare Procurement Requirement and forward the same by April of each year to the respective person at the Procurement Dept. through proper channel. Department Heads of respective departments will justify the need of the requirements.

4.2 Approval of Procurement Plan

The CEO shall approve the final Procurement Plan. Program wise technical related plan (if applicable) will be reviewed by the technical committee which must be approved by the CEO. The Annual Procurement Plan is a dynamic document that may be modified time to time in the year based on logical and practical circumstances. Such modifications must be approved by the CEO.

4.3 Procurement Process

Determination of need: Need of any goods or services is identified by the Head of the concerned Program/Component and approved by the CEO depending on procurement size and financial involvement. The need:

- a. Must relate to the activities of the concerned Program for efficient and effective operation of the Program/Component.
- b. Must be in line with the RDF's approved policies and procedures;
- c. Must be within the sanctioned budget. It is to be noted that merely having a budgetary sanction should not be qualify for procurement of particular goods and services. There should be proper justification and reasoning in favor of the procurement at the time of raising indent.

4.3.1 Purchase Request : Once a need for goods and services has been established, the originating Head of Component must send a written request to Procurement Unit through his/her Program Head to procure the goods and services as needed. Purchase request must be specific and description of the product should be in details. Pre-established budget sanctioned approval is to be ensured before such requests are sent to Procurement Unit. The Procurement Requisition Form must be signed by the Finance Department before being forwarded to the Procurement Unit for processing to ensure that funds are available for procurement.

4.3.2 Determining the Source of Supply: In case of regular items, respective Program will check store for the availabilities of the required items and place the requisition direct to store. Based on current stock position, store executive will place the requisition to Procurement Unit. Before sending requisition, indenting Program office should check the availability of the item with store. If required items is not available with store, only then raise the indent. Procurement Dept. may require lead time to meet the requirement of store. Indent for goods/services which required lead time of six (6) months may be processed subject to approval of budget.



Each purchase evaluation shall take measures for competitive review which includes, but is not limited to, the following:

- Cost of the goods or services
- Availability of goods or services
- Quality
- Reputation and performance history of the vendor
- Brand name and similar specification as required

4.3.3 Selection of Vendor: The basis for all procurement awards is the best value. Best value is a determination based on combination of fair and lowest cost, ability to meet exact requirement, reputation, and quality of goods, country of origin of goods, delivery capability, payment terms and other factors determined at the time of competitive review.

4.3.4 Vendor Evaluation Form : Vendors who have relevant experience and performance (as assessed by testimonials, quality inspection), reasonable physical facility, adequate manpower and technical support, financial soundness (as assessed by bank statement) would be able to participate in the enlistment process initiated by Procurement Dept. with due approval of committee.

After making a competitive review, Procurement Head shall initiate the purchase proposal to the concerned authorities for the review and approval. Work Order is issued by Procurement Head when the approved is received.

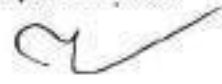
4.3.5 Conditions where Tender Enquiry not required

a. All goods and services purchased under bi-lateral or multilateral agreement

b. For the following goods and services :

- i) Travel & Transfer expenses
- ii) Legal expenses
- iii) Overseas Training
- iv) Purchase of Foreign exchange
- v) Rental of Office accommodation
- vi) Utility expense
- vii) Any government fees
- viii) Food staff
- ix) Entertainment
- x) Food supplies Seminar/Conference Venue
- xi) Oil & Petroleum products
- xii) Training / Course / Seminars

NB: In case of bulk food supplies/entertainment, the job should be supervised by a committee.



4.3.6. Procurement Responsibilities:

Procurement under RDF must follow the rules and regulations that exist in the country as well as RDF's own procurement policy. In applicable cases legal opinion may be solicited before finalization of agreement signing or any other legal issues.

Procurement staff is responsible for:

- i. Initiating and maintaining formal and professional relationships with all vendors, both current and potential
- ii. Making final delivery schedule in conjunction with Procurement Committee and other departments.
- iii. Developing wide range of sources to provide sufficient competitive bids of similar quality and cost.
- iv. Compiling the data, check market availability, lead time and market cost, after completing the forecast plan
- v. Delivers the RFP to all the enlisted agency with cover letter seeking 3 copies of each technical proposal and cost proposal
- vi. In relevant cases, receiving 3 copies of each technical proposal and cost proposal and circulate the technical proposal to Technical Evaluation Committee (TEC)
- vii. Arrange signing of Purchase Order/Work Order/Agreement

4.3.7 RDF Procurement Committee: For any types of purchases up to Tk. 50,000.00, only fund requisition is enough to procure the required goods or services. Up to Tk. 50,000.00 there is no necessity of Official Notes to purchase any items. But while purchasing any items which are above Tk. 50,000.00; i.e from Tk. 50,001.00 an official note must be approved by the CEO.

RDF has a Procurement Committee and to assist this committee there will be a sub-committee in Head Office, Barguna at RDF TOWER. Procurement Committee will be responsible for all types of purchases of RDF and the Sub-committee will only be responsible for purchases of Head office & RTRC. The Chief Executive Officer can change, modify and reorganize the committee time to time.

a. Procurement Committee (for RDF)

Joint Director, Admin.
Deputy Director & Head of HR
Assistant Director & Head of SIPS, ICS
Deputy Chief Coordinator, HR
Senior Coordinator, Store

b. Sub-committee (only for Head Office & RTRC, Barguna)

Joint Director
Deputy Director
Deputy Chief Coordinator

Procurement Committee: Is responsible for procurement of goods/services of overall activities of RDF. After taking approval of the CEO, the committee will purchase goods/services as per existing Procurement Policy. Procurement of goods/services valuing less than Tk. 50,000.00 does not need approval of the CEO only fund requisition is enough to procure the required goods or services.



Sub-committee: is responsible only for procurement of goods & services for Head office (Barguna) and RTRC. The items are included as food staff, stationeries, maintenance of RDF TOWER, maintenance of vehicle, other machineries valuing not more than Tk. 25,000.00. Joint Director residing in Head Office at RDF TOWER is empowered to procure any items/machineries/services/food items/stationeries etc. without getting the approval from CEO (if deemed necessary). But before purchasing any items/services less than Tk. 25,000 sub-committee must inform CEO and should get verbal consent from him and procure the items/services through the sub-committee. For procurement more than Tk. 25,000.00, this sub-committee, will forward the indent & Note to the CEO. Option -1: After getting approval of the CEO, sub-committee will go for procuring the indented items as per existing rules and regulations of Procurement policy. Option-2: The CEO may approve and instruct the Procurement Committee to procure the indented items and send those to the Head Office, Barguna.

Committee may co-opt/replace any other member(s) as deemed necessary by the prior approval of the CEO.

Procurement of all capital items needs prior approval of CEO. Without approval of the CEO, no committee can purchase any capital item.

The Scope of work of the committee is to review and recommend for the selection of a vendor to procure such items as Production Raw Materials, Packaging Materials, Product, major capital items etc. based on best value.

5 Types of Purchases

Purchase shall be altogether of 6(six) types as noted below:

- a. Purchase against proprietary items tender
- b. Purchase against Limited Tender
- c. Purchase against Spot tender
- d. Purchase against Press tender
- e. Emergency Procurement
- f. Cash Purchase

6.1 Purchase against Proprietary item/Single Tender: Only proprietary item or items available with a particular source of supply may be purchased directly from the manufacturer or their authorized agents. The purchase will be processed as usual. Any available published rate is acceptable.

6.2 Purchase against Limited Tender: Purchases of general items will be made through limited tender enquiry when the goods are purely of non-proprietary nature. Tender enquiry with detailed terms and conditions will be sent to the enlisted Suppliers/Vendors/Contractors allowing a specific time for submission of sealed quotations.

On receipt of the quotations, purchase will be processed following all necessary formalities such as preparation of comparative statement, technical scrutiny/evaluation by a technical evaluation committee, etc.

6.3 Purchase against Spot tender: In specific cases an item or a group of items may be made through spot tender enquiry.



If no response or very poor response is received against a limited tender enquiry, if the quoted price appears to be exorbitant and if re-tendering is likely to cause delay in procurement, spot tender enquiry will be made from bonafide manufacturer/dealers/stockiest/traders through a team of 3(three) officials, one each from Procurement, Accounts/Internal Audit and the indenting department.

Minimum 3 quotations are to be collected against spot tender enquiry.

Purchase against spot tender will be processed in the same way as is required to be done in the case of limited tender.

6.4 Purchase against Press Tender:

When procurement activities is of an exceptional nature or when enlisted vendor does not provide the product or the service or the nature of procurement is unusual, in such instances RDF may issue press tender to get a fair price. Cash will be deposited into Accounts Department directly against Tender schedule.

6.5 Emergency purchase: Procurement in the event of critical situation which could result in heavy loss or hamper regular activities of RDF and where normal purchase procedures cannot be resorted to as time is the most critical factor, are termed as Emergency procurement. Emergency Procurement would require the approval of the CEO in all cases and spot quotation will be followed. An emergency team may be formed by the CEO comprising of officials one each from the Procurement, Accounts/Internal Audit and one from Indenting Department.

6.6 Cash Purchase:

RDF discourages cash purchases. However, in unavoidable circumstances, Procurement Department/Unit can purchase consumable/materials or services amounting to a maximum of Tk.100,000.00 (Taka One lac only) with the approval of the CEO.

- Item valuing less than Tk. 50,000.00 (Taka Fifty thousand only): Purchase committee will collect three spot quotations and procure the goods/services from the lowest bidder.
- Items valuing above Tk. 50,000.00 (Taka Fifty Thousand only) but less than Tk. 100,000.00 : Purchase committee will follow the above rules. In that case payment will be made through A/c Payee cheque but to some extent or in any special case payment may be done through cash amount. But while proceeding through cash payment, purchase committee must get approval from CEO.
- Up to Tk. 49,999.00: Need not require collecting spot quotation. In that case, purchase committee will ensure the quality product/services.

All cash procurement must be completed within 6 working days and bills submitted to the Accounts department for immediate adjustment or reimbursement. All cash memos should be signed by the seller and members of purchase committee will sign on the overleaf of all cash memos.

For smooth operation of branch offices, area offices and zone offices, following rules and regulations will be followed for procurement of necessary stationeries, lights, minor repairing works:

Branch office/Area office/Zonal office: Is authorized to procure only the stationeries, lights, minor repairing works up to Tk. 500.00/750.00/1000.00 respectively through a 3-member committee headed by Branch/Area/Zonal Manager. For more than above limit, Branch office/Area office/Zone office will forward their indents to procurement dept. through proper channel for procurement of their desired goods/services.



6.7 Repeat Order: Repeat order is applicable to meet the emergency requirement subject to fulfillment of the following terms and conditions:

- In case of Repeat Order, Committee must get approval from the Chief Executive Officer.
- Time between the earlier work order and present work order has not exceeded 90 days.
- Price remains the same or not exceeding the earlier work order.

7.0 Specification of Purchase

The specification is the key component in any contract and its importance cannot be overstated. It sets the description of the product, quality and performance standards for the contract and defines what the organization wishes to buy and what the supplier must provide.

7.1 The purpose of the Technical Specification (TS) is to define the technical characteristics of the goods and related services required.

7.2 The Procurement Unit will be responsible for the preparation of TS considering the following issues:

- TS constitute the benchmarks against which the purchaser will verify the technical responsiveness of tender and subsequently evaluate the tender.
- Technical specifications should be broad enough to avoid restrictions on similar kinds of goods.
- Specify all essential technical and performance characteristics and requirements, including guarantee or acceptable maximum or minimum price, as appropriate and reference to brand names and catalogue number should be avoided as far as possible.
- Standard of materials or purchased items required to the production and manufacturing company of the goods.
- Users should develop correct and balanced specifications derived on the basis of relevant international standards and/or on the basis of collaboration with the vendor and/or in-house interaction between departments. This should be provided to Procurement Unit at the time of request for the goods. The specification form may also be provided by users proactively for the case of new category or change of existing specifications or change of variants. Following are some indicative parameters for specification preparations:
 - a. Specification and specific requirement
 - b. Qualified products
 - c. Market grades
 - d. Sample
- Specification will be sent to technical committees by user department, for approval/modifications.
- Approved specifications will be kept as standard specification and will be referred to next
- IT department should develop specifications for computer and computer accessories. Current market information on specification should be assessed while making specifications for tenders to select IT vendors.

7.3. Technical expertise may be hired from outside in case of requirement purchased.

8.0 Enlistment/Pre-qualification of Supplies/Contractor/Vendors



8.1 For convenience of procurement and to ensure supply from genuine sources and with a view to screening out unreliable/fictitious parties, enlistment of Suppliers/Contractors shall be made through advertisement in the national dailies.

8.2 In exceptional cases, suppliers/vendors of reputed quality and fame who may have missed the opportunity to respond to the advertisement may be considered for enlistment by the procurement committee on the basis of a formal application.

8.3 In case of foreign purchase, pre-qualification on manufacturers/suppliers can also be made taking into consideration such matters as contractor integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources.

8.4. Enlistment will be made category-wise. That means, suppliers/contractors interested in business for a particular group or groups of items shall be enlisted for that particular group or groups of items. The groups will be as follows:

- a. Printing & Packaging
- b. Computer & Computer Accessories
- c. Accessories of Solar Home System
- d. Promotional Items (Ball pen, Plastic item, Leather & Rexen and any other give away items)
- e. General Order Supplier
- f. Accessories of Solar Irrigation Pumping System
- g. Research Agency
- h. Training/HR Development Organization
- i. Mini & Nano Grid

8.5. Application for enlistment shall have to be made mentioning the group or groups of items the supplier or contractor is interested to do business along with –

- a. Current Trade License
- b. TIN Number
- c. Income Tax Certificate (updated)
- d. Press declaration certificate (for printing & packaging)
- e. Bank Solvency certificate
- f. Performance certificate from 3 organizations
- g. Upto date VAT registration certificate
- h. Company Profile
- i. List of Machineries (if applicable)
- j. Manpower List
- k. List of clients



8.6. Procurement Unit will verify the information particulars furnished by an applicant and if found genuine and acceptable, will take necessary steps for enlistment of the firm.

8.7 The verification of information/particulars furnished by an applicant and the physical verification of the firms shall be by a committee constituted by the Chief Executive Officer or Joint Director, Administration. Of the other two members of the committee, one should be from Finance/Internal Audit Department and another from any other department.

8.8 Enlistment once made shall remain valid for a period of 2 (two) years and may be extended by the Procurement Committee for further one year, subject to satisfactory performance.

8.9 Suppliers/Contractors enlisted should be informed in writing and duly acknowledged.

8.10. Earnest Money

A fixed amount not exceeding 1% ~ 5% of the quoted value that all tender participants are required to furnish in the form of bank draft/pay order/demand draft issued from any bank situated in Bangladesh in favor of "Resource Development Foundation (RDF)". This may be converted into a performance guarantee, if the participant is awarded with the contract. All potential vendors have to provide prescribed earnest money described in the tender schedule within due date to be eligible for evaluation for enlistment of contract or for a single order.

Tender not accompanied by a valid Earnest Money in accordance with the Tender terms and conditions will be rejected outright by the Tender opening committee.

8.10.1 Earnest Money (EM) of unsuccessful bidders will be refunded or returned as soon as the tender is finalized or the validity period of the offer is over.

8.10.2 Any valid Pay Order having the required validity period already enclosed with any previous tender in the form as EM may be considered as payment towards the Security Deposit.

8.10.3 EM may be forfeited, if the successful bidder fails to –

- accept the correction of its quoted price with arithmetical errors,
- furnish a Performance Guarantee/Security Deposit in accordance with the Tender Schedule
- Sign/accept the Contract/letter of acknowledgement in accordance with the Tender Schedule

8.11.0 Performance Guarantee(PG)/Security Deposit(SD): The Performance Guarantee money should be deposited to RDF in the form of pay order/bank draft/Bank Guarantee drawn on any schedule bank in Bangladesh (in case of international tender foreign bank may be accepted). The Performance Guarantee will be refunded without interest after certain period which is mentioned/stipulated in Work Order, provided all contract/PO conditions are met successfully by the vendor. PG will be applicable for all work order exceeding Taka 50.00 lac in value.

8.11.1 Amount of Performance Guarantee should be minimum of 5% of Purchase/Work Order value.

8.11.2 Any valid Pay Order/Demand Draft/Bank Guarantee having required validity period already deposited with the existing tender response and/or previous tender response in the form of bid bond/earnest money may be considered as payment towards the performance guarantee for adjustment with such a letter from the vendor.



8.11.3 Head of Procurement will keep a list of Purchase Order(s) requiring performance bond guarantee showing the Purchase/Work Order number and date of Purchase/Work Order, name of the beneficiary and name of the local agent, amount of the Purchase/Work Order and required amount of performance bond guarantee, BG/Pay order/Bank draft number/name of the bank issued these instruments, date of issue, and date of expiry. PG may be extended up to completion of contract obligation.

8.11.4 Once Bank guarantee is received, Head of Procurement will forward the same to the Accounts department with a forwarding letter for verification that the PG is authentic. Head of Accounts shall inform Manager, Procurement within 7 working days regarding the authenticity of the PG. In case the PG turns out to be false, the Head of Procurement will seek an explanation from the vendor and if not satisfied propose to the Procurement Committee for suspension/blacklisting of the vendor.

8.11.5 Earnest Money however, shall be forfeited if the successful bidder fails to deposit Performance Guarantee within the stipulated time.

8.12 Enlistment of vendors may be cancelled for the following reasons:

- a. If a Supplier/Contractor fails to submit offer against 6 (six) successive tender enquiries
- b. If the Supplier/Contractor fails to fulfill his contractual obligations satisfactorily for the 2nd time in a year.
- c. If a Supplier/Contractor makes a written request for cancellation of his enlistment.
- d. If retention of a Supplier's/Contractor's name in the list of enlistment is not considered desirable by the management in the public interest.
- e. If the supplier/contractor refuses to execute the work after he/she has been awarded the task for the 2nd time in a year in which case the Earnest money/security deposit will also be forfeited.

8.14 **Vendor Performance Management:** In the event that a vendor is unable to fulfill its obligations as per terms and conditions stated in the Purchase/Work Order/tender document, the vendor would be notified to fulfill its obligations within stipulated time from the date of identification of failure of obligation and a time limit of maximum 20 days will be given for fulfillment. The conditions upon which the penalty would be initiated are non-delivery, partial delivery, intentionally delay, unacceptable due to quality. Failing the time limit given, vendor will be penalized by 0.5% of the order value per day of default up to a maximum of 10% of the order value for a maximum of 15 days of delay. For major cases of more than 50% quality rejection the order would be terminated and a penalty of 10% of the order value would be levied. Depending on more than one such default, Manager Procurement can initiate process for suspension/blacklisting. Parameters that would be considered include untimely delivery, partial delivery, and inferior quality of items.

An assessment should be carried out by Technical Committee and findings placed to the CEO for review.

Based on the assessment report, show cause notice should be sent to the defaulting vendor by Procurement Head.

8.15.0 Appraisal of the Blacklisting Issue

8.15.1 Foreign vendors, local vendors, service providers, and various local agents relating to blacklisting should be later called as entity.



8.15.2 Before initiating any action against an entity, RDF should weigh pros and cons of all alternatives open to it. While punishing a defaulting entity, RDF's interest should be fully safeguarded. The Procurement Committee is responsible for making the decision in this regard and should take into consideration the following.

- * There are limited manufacturers of major high-tech systems who work in collaboration with RDF. Additionally, RDF has many local systems already purchased for which spare parts and chemicals might require to be purchased on single source basis. Thus, there are very few manufacturers who possess and are willing to offer such products or services.

- * Factory work and the quality service area's work may be affected due to interruption of supplies resulting in loss of revenue and delay in manufacturing work.

- * Based on recommendations of the Procurement Committee, the blacklist/suspension letter would be delivered to contact person of vendor as stated in vendor order.

- * 8.15.4. Once a vendor has been suspended/blacklisted, security deposit/performance bank guarantee would be forfeited.

8.15.5 Defaulting vendor files should be maintained by Procurement Unit to document all action for future reference and evaluation.

9.0 Raising of Indents

9.1 All indents for purchase shall be sent to the Head of Procurement through the concerned Head of the Program and respective supervisor as per annexed Routing system.

10.0 Tender Enquires

No Purchase except cash purchases shall be made without making proper tender enquiry. Tender enquiry shall be as follows:

a. **Single Tender enquiry:** This type of tender enquiry shall be issued exclusively to the manufacturers or their authorized agents when the items are purely of proprietary nature.

Tender enquiry with detailed terms and conditions will be sent to the manufacturer or their authorized agent free of cost inviting quotation from them within a specified period of time.

b. **Limited Tender enquiry:** This type of tender enquiry shall be issued to the enlisted Suppliers/Contractors only when the items are of non-proprietary nature. Tender enquiry with detailed terms and conditions will be sent to the enlisted suppliers/vendors/contractors allowing a specific time for submission of sealed quotation.

c. **Spot tender enquiry:** This type of tender enquiry shall be issued to the genuine and bonafide dealers/stockiest/traders in specific and exceptional cases of extreme urgency of the item and/or when response against a limited tender enquiry is very poor and/or the quoted rates are abnormally high through a team of 3(three) officials one each from Procurement, Accounts/Audit and the indenting department. Minimum 3 quotations are to be collected against spot tender enquiry.

d. **Press Tender:** This type of tender inquiry will be made through publishing Press Tender in at least two national dailies. Any Procurement where sources are not identified or specific and required response may not be obtained from the enlisted vendors.



11.0 Tender Documents

11.1 Tender documents shall be the basis of evaluation and selection of any offer. Therefore, tender documents shall be prepared in such a way that all technical details and commercial terms and conditions are clearly understandable to the bidders.

11.2 Full details of technical specifications supported with design/drawing or any other information that may be helpful in identifying the materials are to be furnished.

11.3 All important terms and conditions required to be incorporated in the Purchase/Work Order/Contract should be clearly spelt out.

11.4 All categories of tender enquiry should contain the bid evaluation criteria and predetermined weightage of individual criteria for evaluation and basis of selection will be mentioned. The indenting department will have responsibility to finalize the evaluation criteria and weightage given to each criterion. The factors and their corresponding weights may vary depending on types of goods and services to be procured.

11.5 Tender enquiry should keep provision for variance (such as order quantity may increase or decrease by a pre-determined percentage or number depending on the actual requirement) and spitting of awards (award may be given to one or more bidders) if so deemed necessary for timely supply of goods and services.

12.0 Cost of Tender Documents

Tender documents shall be priced and sold to the vendors as per the following rates which are subject to change from time to time:

If the estimated cost of the work is less than Tk.100,000	None
If the estimated cost is Tk. 100,000 to 500,000	Tk. 200.00
If the estimated cost is above Tk. 500,000.00	Tk. 500.00

12.0 Tender schedule will be sold by Petty cashier.

13.0 Composition of the Tender Opening Committee

13.1 All purchases other than cash purchases shall be processed through Tender Committee

13.2 The composition of the tender opening committee shall be as below:

- | | |
|---|----------|
| a. Joint Director, Admin. | Convener |
| b. Deputy Director/Assistant Director | Member |
| c. One member from the Indenting Department | |
| d. Head of Procurement | |

14.0 Opening of Tender

It is very important that the integrity of procedures for receiving and opening tenders is preserved. The time mentioned in the tender documents for the opening of tenders, shall be fixed immediately after the deadline

ender document

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for submission of tenders. Tender opening procedure will be made public allowing representatives of tender dropping agencies to be present.

14.1 Tender box will be locked and sealed well ahead of the closing time of tender. The key of the tender box shall remain with the Finance Dept.

14.2 Tender opening date and time as specified in the tender documents will be strictly complied with.

14.3 Any tender offer received after closing time, whether through the bidder's representative or by post will be treated as LATE TENDER and returned to the party unopened immediately.

14.4. Tender box will be opened in public and the offers be taken out in presence of the bidders representatives, if any, at the time

14.5 Tender will be opened by the tender committee. The offers will be entered in the tender opening register. Thereafter, signature of the bidder's representatives, if any, will be obtained on the tender opening register.

14.6 All present members of the tender opening committee will sign on each page of the offers and also the tender opening register.

15.0 Single Offer

15.1 Because of lack of competition, Single offer (less than 3 offers shall not be normally accepted) if however the quoted price is reasonable and competitive in comparison with last/previous price and if the time in hand does not permit procurement may be completed through re-tendering. Single offer may be considered with the approval of the CEO.

15.12 All usual formalities are to be observed for purchases against single offer.

16.) Comparative Statement of offers

16.1 Comparative Statement of offers is to be completed immediately after opening of the tender.

16.2 Comparative Statement will reflect all basis and relevant information like specifications, quantity, price, delivery schedule, validity of offer, country of origin, packing, increase/decrease over last purchase price, etc.

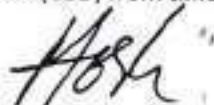
16.3 Technical scrutiny/evaluation of offers will be done by the concerned indenting department or by a Technical Committee constituted for the purpose. To accomplish the job, assistance of competent technical personnel may be taken where necessary.

16.4 Technical details as mentioned in the tender documents shall be the basis of scrutiny/evaluation.

17.0 Acceptance of Tender

17.1 Soon after the finalization of the comparative statement, the purchase approval process is to be initiated by the Procurement Head and the file to be routed as per annexed Routing System which will form integral part of the Procurement policy.

17.3 Authority to accord purchase approval shall be exercised as per delegation of power defined by Chief Executive Officer (CEO) from time to time.



17.4. All single purchase of non-capital items above the value of Tk. 1.5 Crore and capital items above Tk. 3 Crore will require approval of the **Chief Executive Officer / Executive Committee of RDF**. For purchase of lower value, the CEO has the final approval authority.

18.0 Award of Contract / PO/ TO/WO

18.1 Contract shall be made with the bidder whose offer is most responsive to the solicitation and is most advantageous in terms of price, quality, and other factors considered. Solicitations shall clearly establish all requirements that the bidder shall fulfill in order to be evaluated. Any and all offers may be rejected when it is needed in the RDF's interest to do so.

18.2 Contract shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. Consideration shall be given to such matters as contractor's integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources.

18.3 Formal Purchase/Work Order/Contract shall be issued to the successful bidder only after obtaining purchase approval from competent authority.

18.4 The Purchase/Work Order shall reflect all terms, conditions, specifications, etc. explicitly written in conformity with the tender enquiry and the selected offer.

18.5 Total financial involvement of the purchase will be distinctly mentioned in figures as well as in words in the Purchase/Work Order.

18.6 In case of work or service that will be continued for a longer period, a Basic Ordering Agreement (BOA) may be signed with the supplier/vendor outlining the broad framework of the work or service. Individual work/task orders shall be issued in favor of

The supplier/vendor under the BOA for each task assigned under the BOA. A BOA will have a validity period as determined by the indenting department but shall generally be for a period of 6 to 12 months initially.

18.7. Any sub-agreement that is executed by the prime supplier/vendor against individual work/task order under the BOA shall be subject to the same terms and conditions of the original BOA and work/task order. However, RDF will not undertake any liability whatsoever for non-performance of the work/task done by the sub-contractor.

18.8. No advance payment will be made to any supplier/vendor. However, reasonable initial payment may be considered in specific cases where it has been specified under the schedule of payments against deliverables in the offer made by the vendor and accepted by RDF. Initial payment may be considered only after taking approval of the CEO.

18.9 The purchase/work order should specify the person at RDF as the point of contact and inspection. The Purchase/Work Order should also include the specific standards for acceptance of goods and services from vendors and suppliers.

18.11 The tender schedule will be the integral part of PO/WO/Agreement.



19.0 Letter of Credit (L/C)

19.1 Before processing any requisition for import, confirmation about availability of funds must be obtained from Finance Dept.

19.2 The following are to be ensured before processing to establish a Letter of Credit (L/C).

a. Approval of the CEO, if the procurement value exceeds Tk. 50000 for non capital items and Tk. 100000 for capital items.

b. The Proforma invoice/contract has been thoroughly checked in all respects by the concerned department.

19.3 A Purchase agreement/Purchase/Work Order has to be issued in favor of the supplier/vendor before opening of the Letter of Credit (L/C) which is to include all the terms and conditions negotiated with the supplier/vendor. This purchase agreement/Purchase work order shall then be signed or accepted by the supplier/vendors or their authorized representatives.

20.0 Material Receipt

20.1 Supplier/Vendor will deliver the goods/items to the central store within the office working hours.

20.2 Central store will receive the goods from the suppliers as per Purchase/Work order mentioned date and time of receipts in the delivery challan/invoice and shall inform the Procurement Unit.

20.3 Goods must be received against invoice/delivery challan from the supplier/vendor.

20.4 The person receiving the goods shall write "Goods received subject to the acceptance of quality" and sign, putting in date and time of receipt of goods, in the challan and give a copy of the challan to the supplier/vendor which has to be submitted with the bill.

20.5 After receiving the goods/items, Central store must inform the respective persons/dept. for the quality check. Quality check of the goods will be conducted within 4 days after receiving the goods. Quality check for Raw and Packing materials (items not requiring L/C) will be done by Procurement Unit.

20.6. If the supplied goods are found to be unacceptable, the Head of Procurement will be notified in writing immediately by the person checking the quality, mentioning specific reason for rejecting the goods supplied. Procurement Head will inform the Vendor in writing about his rejection along with a date for making replacement of the rejected quantity.

20.7. Rejected goods are to be kept in a separate place duly marked.

20.8 Rejected goods will be returned to the supplier after receiving the replacement. Rejected items will be returned to the supplier (except pharmaceuticals items) through proper document (Gate pass/Challan) with a copy to Procurement Depot.

20.9. GRM (Goods Received Memo) will be raised after obtaining the quality check as per format given at Annexure-

20.10 Central Store will provide a fortnightly status of receiving material.

