

TENDERING

The following types of tendering process are utilized:

- (1) Single Tender Enquiry
- (2) Limited Tender Enquiry
- (3) Open or advertised.
- (4) Global Tender.
- (5) Tendering through GeM.

(1)(a) **Single Tender:**

For Items which are of proprietary nature and items which are standardized tenders shall be invited on Single Tender Basis through manufacturers or their authorized dealers. Procurement of items against single tender shall be processed in accordance with the delegation of powers after recording proper justification. Complete justification for procuring the item from single source is to be provided by the indenter along with administrative approval of competent authority.

(b) **Proprietary Tender:**

Equipment manufacturer from whom the materials belonging to the equipment are to be procured is called proprietary source and no such administrative approval is necessary to procure from them on single tender.

When a particular item belongs to a sub assembly manufactured by other than the equipment manufacturer, the manufacturer of sub-assembly is called proprietary source for such item and these can be procured from them on single tender.

The proprietary nature of the manufacturer of such sub-assembly can be ascertained either from parts catalogue/manual/leaflets or physically ascertaining from the sub-assembly.

Single tender is also resorted to for the items/services which are standardized depending on their better quality/better performance/better service. Such items/services can be standardized with the approval of M.D.

All critical items which are being intimated from Corporate Office time to time are to be procured on single tender basis from Original Equipment Manufacturers or original manufactures with sub-assemblies.

In all the above proprietary procurement proprietary certificate is to be provided by the indenter.

The enquiry for single tenders can be sent by post/courier/hand/through fax or email and offers can be obtained in any of these modes. Verbal enquiries are avoided completely.

The manufacturer may respond with their offer directly or may authorize/direct any of the dealers to submit offer on their behalf. When dealer is submitting the offer, they should enclose the price list of the manufacturer. If the hard copy of the price list of the Principal is not available, the proposal can be processed based on the price certification of the Principal Company.

(2) **Limited Tender:**

Limited tenders are to be issued to established sources like approved vendors or known manufacturers. Limited tenders can be in the form of single part or two part bids.

Limited Tender Enquiry will be resorted to in case of material / services that are required to be procured from established and proven sources (approved vendors).

Limited Tenders shall be issued considering the following:

- a) The sources are limited and whose products / services are proven.
- b) The demand is very urgent as confirmed by the users Dept.
- c) When reliable manufacturers / registered suppliers/ traders/contractors are known.
- d) Where tender estimated value is low and does not justify going for open tender
- e) When open tender system adopted during previous one/two years has established sufficient and assured sources of supply/services at competitive rates.

In case of limited tender purchase enquiry, Requests for Quotation (RFQ) shall be sent to at least 5 approved vendors. If five vendors for the same material category/group/service are not available from the approved list, the enquiry shall be limited to the extent of available approved vendors. The number of tenderers shall generally be not less than three.

In case parties available are less than three, the reasons shall be recorded and decided with approval of competent authority. However, additional vendors will have to be identified / developed for future requirements.

The due date for submission of quotation for all tenders shall be fixed with respect to:

- (a) Nature of material / job involved
- (b) Delivery/work completion period.
- (c) Tenderers are local / nation-wide / offshore

The lead time for submission of tenders is as indicated below :

Tenders	Lead time for Submission of Tenders offline	Lead time for submission of tenders online (through e-procurement system)
(a) Single Tender	- 3 weeks	2 weeks
(b) Limited Tender Enquiry	- 3 weeks	2 weeks
(c) Open tender Enquiry	- 4 weeks	3 weeks

(Ref: IOM : FC/3967/2019 dtd. 19/07/2019)

2 (a) **Single part tendering** : When prices / rates are taken along with technical & commercial offers in open condition then it is called single part tendering. Single part tendering, is resorted to when there is no detailed technical specifications and deviations in commercial terms will not affect the evaluations. The rate and terms can be negotiated only with the L-1 bidder/tenderer under certain conditions as per CVC guidelines.

2 (b) **Two- part tendering**: When techno commercial offer and price bids are sought separately in sealed covers with an option to open the price bids of those tenderers whose techno commercial bids are acceptable then the tendering is called two part bidding.

In this case acceptable specifications, terms and conditions can be arrived at before opening the price bid.

For evaluating the offers, all the tenderers are to be judged on common terms and conditions and the accepted deviations are to be properly loaded.

3. **Open tendering:** The tenders issued through news paper advertisements are called open tenders. Open tenders are generally issued for

- (i) Enlistment of vendors.
- (ii) When the sources are not known.
- (iii) Procurement of Plant & machinery/equipments/items (except proprietary items) whose individual value is more than 25.00 lakhs. Endeavour will be made to go for procurement through open tender. Threshold limit fixed as above will be reviewed periodically in order to cover maximum transactions in a phased manner, keeping in view organizational need and growth.
- (iv) Selection of vendors/contractors in every 3 years, in order to make a Panel of Vendor of Vendor/contractor for issuing LTE for centralized procurement items like Tyres & Tubes, Wire Ropes, Conveyor Belts, Cable etc., Operational jobs, Hiring of services and Equipment on rent etc.

All open tenders should be through advertisements in news papers. The tender documents should be available on official web site of FSNL and can be obtained from FSNL offices or can be downloaded from the website. The tender documents can be sold for a price. In case of downloaded documents, the tenderer may send the cost of the document along with this offer. However, SSI Units registered with NSIC are exempted from payment of cost of tender documents, earnest money deposit and security deposit upto the value of the firm registered.

All open tenders shall be through two part tendering viz;

Part - I

- (i) Technical specifications and commercial terms & conditions.
- (ii) Eligibility / prequalification criteria.

Part - II

- (iii) Price bids.

We may call for part - I (i) and (ii) to be in a single sealed envelope and part - II price bid in another sealed envelope.

The eligibility criteria will be evaluated first and the techno commercial aspects are dealt as in case of limited tender.

4. **Global Tender**: Global Tender is an open tender open for foreign bidders also. In evaluating the landed cost, the exchange rate of the currency of the offer as on the date of price bid opening will be considered. In case of Global tenders is also to be given in ITJ (Indian Trade Journal).
5. **GeM** : Government e-Market place is the National Public Procurement Portal for providing procurement of Goods & Services required by Government Organizations.

As per Rule 149 of GFR and Govt. guidelines Goods and Services available on GeM are required to be procured mandatorily through GeM. The GeM portal shall be utilized by the Government buyers for direct on-line purchases as under :

- (i) Upto Rs.25,000 through any of the available suppliers on the GeM, meeting the requisite quality, specification and delivery period.
- (ii) Above Rs.25,000 and upto Rs. 5,00,000 through the GeM Seller having lowest price amongst the available sellers (excluding Automobiles where current limit of 30 lakh will continue), of at least three different manufacturers, on GeM, meeting the requisite quality, specification and delivery period. The tools for online bidding and online reverse auction available on GeM can be used by the Buyers even for procurements less than Rs 5,00,000.
- (iii) Above Rs. 5,00,000 through the supplier having lowest price meeting the requisite quality, specification and delivery period after mandatorily obtaining bids, using online bidding or reverse auction tool provided on GeM (excluding Automobiles where current limit of 30 lakh will continue).

For all the items procured other than Gem portal document towards non-availability in GeM portal is to be kept in file.

(Ref : OM No. F.1/26/2018-PPD dtd.02/04/2019 of Govt. of India, Ministry of Finance, Department of Expenditure, Procurement Policy Division)