

certain pre-decided number of available registered vendors, the firms registered for a particular category/sub-category will be given coverage by rotation. Subject to (i), (ii) and (iii) above, no registered party should be considered for LTE for the second time unless all the registered parties in the list have been considered at least once in each cycle.

However, for procurement of Security Services, LTE shall be issued to the panel of Security Service Providers sponsored by Directorate General Resettlement (DGR);

- 5.3.5 In cases where there are less than three (3) registered suppliers for an item / service, vendors registered for similar items with other SAIL Plants / Units should be considered for issuance of LTE, provided there is no adverse report on their performance. Additionally, efforts may be made to look out for the vendors already available on GeM on which Orders / Contracts for similar items / services were placed by other Steel Sector buyers on GeM. Under exceptional cases, LTE may be issued only to two registered suppliers with recorded reasons and shall be issued with the approval of Director/Director In-Charge/Head of Unit. Such cases should then also be marked to the Vendor Registration & Development Cell for development of more sources for future procurement.

However, for the items so far purchased as proprietary for which additional vendor(s) has / have been found / developed as proven source, LTE to all such additional vendors shall also be issued with the approval of Competent Authority as per DOP.

- 5.3.6 For capital sanction and Addition, Modification, Replacement (AMR) cases, the recommendations received from the consultants / Project Department shall also be given due consideration.

- 5.3.7 In case of purchases against indent value of Rs.10 Lakhs and above, wherever registered manufacturers are available, LTE should be limited to such manufacturers only. While issuing LTE to manufacturers, it should be clearly stipulated that in case any of their dealer(s) is authorised to quote on their behalf, a copy of such authority letter be endorsed to SAIL. Only after receipt of such authority letter, the quotation received from the dealer shall be entertained. For indent valued below Rs.10 Lakhs, the LTE may be directly issued to the authorised dealer(s) after confirming the validity of their dealership. A copy of correspondences directly made with the dealer(s) shall also be sent to the manufacturers simultaneously. In Plants/ Units where SRM is available, online authorization of authorized dealers shall be accepted.

- 5.3.8 LTE, other than those processed on GeM, should be posted on the SAIL Tender website as well as CPP Portal by the respective plants / units as per the provisions in the notification published in CPP Portal at URL::<http://www.eprocure.gov.in>.

- 5.3.9 The following instructions would be put up on the SAIL Tender Website: "The Offer against these tenders from suppliers to whom LTE has been issued shall only be considered; Offer from any other party shall be treated as unsolicited. In order to increase competition, following shall also be posted on the website: "Whosoever is interested to be registered as a supplier of these items, should fill up the vendor registration form, hosted on the website. The normal registration process shall, thereafter be followed by the Plants/ Units for registering the eligible suppliers. This information is solely for the purpose of exploring the possibility of enhancing vendor base, wherever required and should not be considered as a purchase enquiry. Purchase enquiry in future maybe issued to such suppliers, if registered."

LTes issued on GeM shall contain the following as ATC as a bid term:

"The bids submitted by the Sellers to whom LTE has been issued, shall only be considered for evaluation; bids from any other Seller shall be treated as unsolicited in the instant procurement case. However, the firm(s) interested to be registered as a Seller to SAIL, should fill up the vendor registration form, hosted on the SAIL Tender website and complete the due process of registration with SAIL Plants/ Units."

5.3.10 LTEs should be issued in such a way that sufficient competitive quotations are received from the parties.

5.3.11 For ISO quality critical items, ISO procedure issued by SAIL Plants / Units for selection of vendors for issuance of LTE shall apply. For registration of vendors even for purchase of ISO quality critical items, relevant IPSS should be followed.

#### 5.4 SINGLE TENDER ENQUIRY

5.4.1 **Single Tender Proprietary (STP) Enquiry** should be issued to the Original Equipment Manufacturer / Supplier or their authorized dealers (where the manufacturer does not supply the equipment directly) or the technology provider / service provider or contractor only.

In case there are more than one dealer / partner authorized to sell a particular proprietary item / service, discount may be possible through tenders issued to all such known authorized dealers / partners as well as to the Original Equipment Manufacturer / Supplier/ Technology provider/ service provider/ contractor.

The DoP of proprietary procurement shall apply in all such cases.

#### 5.4.2 **Single Tender Non-Proprietary (STNP) Enquiry:**

The cases where the enquiry is restricted to only one source, though many sources/ suppliers/ contractors/ agencies exist, such procurement/ contract is on nomination basis.

Such STNP Enquiries should be issued as an exception only and processed, after recording reasons.

The indenter should take approval of Director / Director In-Charge / Head of Unit in all cases except:

- i) procurement/ service contract from PSUs/ Central Government/ State Government Undertakings where approval of Competent Authority shall be obtained as per the applicable DOP
- ii) small value purchases which shall be governed by provisions of Para 23.2.3 (d).

5.4.2.1 A list of items procured / contract awarded on single tender basis, other than those processed on GeM, should be hosted on SAIL Tender Website to enhance vendor base of such items/job as per the provisions in the notification published in CPP Portal at [URL::https://www.eprocure.gov.in](https://www.eprocure.gov.in) .

5.4.2.2 The instructions to be included on the website should be that, "Whoever is interested to be a registered supplier of these items, should fill up the vendor registration form, uploaded on the website. The normal registration process shall, thereafter be followed by the Plants / Units for registering the eligible suppliers."

5.4.2.3 Plants / Units should ensure updating of the list of single tender items on SAIL Tender website on a quarterly basis. A resource person at respective Plants / Units should be nominated for co-ordination.

5.4.2.4 STEs, other than those processed on GeM, should be posted on the SAIL Tender website as well as CPP Portal by the respective plants / units as per the provisions in the notification published in CPP Portal at [URL::https://www.eprocure.gov.in](https://www.eprocure.gov.in) .

#### 5.5 REPEAT ORDERS

5.5.1 Normally, as per the lead time, prior to expiry of the running supplies / job contracts, the indenter has to process fresh indent. However, due to unavoidable circumstances, if either the indent is not processed or even after processing the indent, it is not possible to place fresh order in time, under such circumstances for the item / job contract for which continuity is essential, it may be necessary to place repeat order on existing party/ contractor. After recording the reasons leading to placement of repeat order, the proposal for repeat order on same terms, conditions & specifications may be considered on the following:





- i) The original order must have been placed in the usual course after issue of LTE or Open Tender Enquiry. Emergency orders shall not be considered;
- ii) Not more than two years have elapsed since placement of the original order;
- iii) No price escalation for firm price orders shall be given;
- iv) No repeat order shall be placed, if there is downward trend in prices;
- v) The quantity/ scope considered for ordering is not more than 100% of the original ordered quantity/ scope, for each repeat order;
- vi) The original order was not placed on the basis of a higher price for earlier delivery;
- vii) Sanction of Competent Authority for repeat order shall be obtained.

In cases where original order is placed to cover requirement of up to one year, not more than two repeat orders should be placed.

In cases where original order is placed for more than one year and up to two years, not more than one repeat order for a period up to one year should be placed.

5.5.2 However, in exceptional cases, with the approval of Director In-charge / Director / Head of Unit and after recording justifications:

- i) In cases where original order is placed for up to one year, a third repeat order can be placed.
- ii) In cases where original order is placed for more than one and up to two years, a second repeat order for a period up to one year can be placed.
- iii) In cases where original order is placed for more than two and up to three (3) years, one repeat order for a period up to one year can be placed.

#### 5.6 RATE CONTRACT (OWN)

5.6.1 As a substitute to frequent tendering, it is recognized that it is often advantageous on commercial as well as technical grounds to finalize orders on Rate Contract basis for items / jobs which are procured / executed either regularly or repetitively and for items of proprietary nature. The rate contract is finalised where the total annual requirement of such items / quantum of such jobs is large, but not fixed. For entering into rate contracts / long term contracts, the mode of tendering to be followed may be decided as per the nature of the job item, the available sources, etc. Thus, rate contract enquiries may be either by Open Tender / Limited Tender / Single Tender depending upon the nature of item/job.

5.6.2 While issuing LTE for rate contract, it should be ensured that only reliable and reputed manufacturers / suppliers / contractors of proven ability are entertained.

5.6.3 For purchase cases, rate contracts may also be entered into for items which are identified as of regular and repetitive consumption with the consent of the indenter without waiting for the indent, in order to ensure speedy processing. In such cases, complete and up-to-date drawings / specifications of the items should be obtained before calling for tenders. Orders in such Rate Contracts should, however, be finalized only after receipt of relevant indents.

#### 5.7 PROCUREMENT ON GeM

Government e-Marketplace (GeM) may be utilized for procurement of goods & services available on GeM. For processing of indent / enquiry / placement of orders on GeM, the delegation of powers (DOP) will be based on mode of tendering selected as per Clause-5.1 above.

5.7.1 Procurement of any Goods or Services on GeM portal shall be as per the extant guidelines issued by the Government of India.

#### 5.8 EMERGENCY PURCHASE/JOB CONTRACT

5.8.1 Provisions for emergency purchase / job contract have to be kept to meet the emergency needs of the Plants / Units and it is essential to delegate powers to meet such situations particularly in maintenance, commissioning and breakdown jobs so as to keep the flow of production/ services uninterrupted. In case of purchase, such emergency normally occurs



when there is inadequate or no stock in the Stores and chances of getting supplies against pending orders within the stipulated time schedule are remote. Similarly, in case of job contracts, such emergency occurs when breakdown of equipment occurs and internal resources are not adequate to take timely action or there is likelihood of discontinuation of Services, which are required on continuous basis.

- 5.8.2 Due to the very nature of the requirements, which has to be met in the shortest possible time, the normal process of tendering stipulated in this procedure cannot be followed. For emergency indents, the mode of tendering and method of placement of order may, therefore, be adopted as per the specific requirements of the case and the time available for the placement of order and getting materials/ execution of jobs. Approval of the Competent Authority shall be obtained for the specific mode of purchase / award of contract and order finalised. Provisional order at the rate to be finalized later on / spot quotations and placement of order on Single Tender basis may be adopted in such situations.
- 5.8.3 Emergency indents shall be accompanied by non-availability & criticality certificates issued by the concerned HOD on prescribed format (to be designed by each plant / unit). However, processing of successive indents on emergency basis for the same goods / services shall require approval of Next Higher Authority of the Indent Approving Authority. Details of more than two successive indents on emergency basis for the same goods or services shall be routinely reported to Director In-charge/ Director/ Head of Unit for information.
- 5.8.4 The materials may be procured from best possible source and jobs be awarded to the reliable Contractor for such emergency procurement / job contract respectively. Formal purchase orders should be issued / contracts entered into, in due course for regularizing the emergent action taken.
- 5.9 SAIL plants may participate in tenders / auctions conducted by other companies for purchase of products. This will be done as per the extant "Policy for Participation in Tenders / Auctions" issued by CMMG.

#### 6.0. INVITATION TO TENDER

- 6.1 For purchases, in case the technical / commercial terms are firm / frozen, single part quotation may be invited only against Limited Tenders by suitably selecting the vendors as explained under Para 5.3. However, for Open Tender as explained in Para 5.2, even for the firm technical / commercial terms, 2/3 part quotations should be invited. In cases where technical / commercial terms are to be negotiated, 2/3 part quotations should be invited even against Limited Tenders. In case of procurement through GeM, any methodology as mentioned in Para 5.1 may be adopted as per requirement of the particular case and provisions of GeM.
- 6.2 In cases of job / service contract, generally the technical / commercial terms need to be negotiated. Therefore, for all such job / service contracts, 2/3 part quotation, should be invited against both Limited Tenders and Open Tenders.
- In case of procurement through GeM, any methodology as mentioned in Para 5.1 other than Direct procurement or Push Button Procurement, may be adopted as per requirement of the particular case and provisions of GeM.
- 6.3 Before issue of NIT, MM Dept. / Contract Cell/ Contracting Department should ensure that desired information, particularly specifications / commercial terms are available in the case file.
- 6.4 Before inviting open tenders, MM Dept. / Contract Cell/ Contracting Department shall determine / record the criteria for eligibility of the tenderers, which may include:
- a) Required experience and past performance in similar type of supply / contracts,
  - b) Required manpower (skill-wise) and type/capacities of equipment & construction / manufacturing facilities,



- c) Proof of ownership / licensee of required equipment and construction / manufacturing facilities,
- d) Financial position,
- e) Service support, if any,
- f) Earnest money/ security deposit as per Clause No. 8.3
- g) Any other criteria, considered necessary.

The above criteria shall be specified in the Tender Document under special terms & conditions.

- 6.5 The MM Dept. / Contract Cell / Contracting Department shall also examine / determine / record (as per applicability) the relevant factors in addition to the price to be considered in Tender Evaluation; and the manner in which they will be applied for the purpose of determining the lowest evaluated tender. These factors, other than the price, to be used for determining the lowest determinable tenderer shall, to the extent practicable, be expressed in monetary terms or given relative weightage in the evaluation provisions in the Tender Document. The QCBS (Quality & Cost Based Selection) / Life Cycle Cost may be adopted as the mode of evaluation on case to case basis. No factors other than those specified in the Tender Document shall be used in the evaluation of offers at the time of preparing the Comparative Statement.

This shall also form part of the Tender Document under Special Terms & Conditions.

- 6.6 MM Dept./ Contract Cell/ Contracting Department should also determine and record whether the quotations are to be invited on firm prices or are subject to escalation/de-escalation with respect to major cost component of the items / jobs. In case the quotations are to be invited with prices subject to escalation / de-escalation, the method to be used for determining the escalation / de-escalation and the base date for calculating the escalation / de-escalation shall be clearly defined and referred in the Tender Document under special terms & conditions.
- 6.7 For purchases, clause for the submission of sample along with quotation be incorporated in the tender, if submission of sample was specifically asked for in the indent (Para 2.1.5 be read along with this Para).
- 6.8 In case of medicines, chemicals and other items having limited shelf life, the left over shelf life of each item at the time of delivery should be at least 80%. In emergency, the left over shelf life equal to 120% of the consumption period of such items may be accepted with the approval of the Competent Authority.
- 6.9 In case of Open / Global tenders, other than for capital schemes, the tender should specify that to bring the prices of the foreign suppliers and the Indian suppliers at par, the RBI reference rate should be considered for exchange rate conversion and the 'Forward Premium Rate' for the period of delivery and for staggered delivery the average of all the periods of delivery, will be added to the conversion rate for converting the price into INR for the purpose of evaluation. The RBI reference rate to be considered for exchange rate conversion and Forward Premium rate should be taken on the last date of bid submission. The RBI reference rate is available on the website of RBI at [URL::https://www.rbi.org.in/home.aspx](https://www.rbi.org.in/home.aspx) and the Forward Premium is to be taken from Reuters or similar other screen/ information channels available in the Corporate Finance/ Finance Dept. of Plants.
- 6.10 In case the ordered quantity of the purchase indent or jobs of the Job Contract are required to be split into more than one party at the time of placement of order, the same will be specified in the tender document. It should be clearly mentioned in the tender document that the distribution of order will be in the ascending order as per the quoted price ranking of the tenderers, i.e., L1 tenderer will get the highest share and the last ranked tenderer within which the total order is to be distributed, will get the smallest share. However, before opening of the price bids, specific number of parties among whom order would be split would be decided and approval of Competent Authority would be obtained. Order shall not be placed on more than these numbers of parties, except in the case mentioned at 10.2.1 and purchase preference as per Government / SAIL Policy (e.g. MSE / MII).

6.11 In the Tender document under General Terms and Conditions, it should be clearly specified that order on one or more than one parties will be placed on the basis of L1 quotation and, if required, negotiations will be held with L1 tenderer only. However, all the tenderers may be required to explain / justify the basis of their quoted price as and when asked for. In case, any tenderer fails to justify his quoted price or refuses to co-operate in this regard, they will not be considered for participating in the re-tendering if order / contract is not finalised from the present tender.

6.12 For service / job contract cases, there should be a stipulation in the tender documents under General Terms & Conditions that if a tenderer quotes unworkable rates, i.e., if the quoted rate is abnormally low, such that it raises material concerns as to the capability of the Bidder to perform the contract at the offered rate, the party will be asked to justify the rate quoted. After evaluating the justification provided, if it is felt that the bidder has failed to substantially demonstrate its capability to deliver the contract at the offered rate, the bid/ quote may be rejected.

However, under compelling circumstances, where the bidder is considered for placement of order despite having quoted abnormally low rates, the Bidder may be required to give Performance Guarantee Bond (PGB) (in addition to the Security Deposit, if applicable) through online mode / Bank Draft / Bank Guarantee / Bankers Cheque / Fixed Deposit Receipt (FDR). The amount of PGB is to be decided by SAIL/Plant at the time of placement of order and methodology for seeking PGB to be indicated in the tender document.

In case the tenderers refuse to give the PGB, the following action may be taken against them:

- i) If they have submitted Earnest Money Deposit - their Earnest Money Deposit will be forfeited and they will not be considered in re-tendering if order/ contract is not finalised from the present tender,
- ii) If they have submitted Bid Securing Declaration - action may be taken against them as stipulated in the Bid Securing Declaration.

6.13 If items under purchase are the matching / complimentary parts and required to be supplied by single party or items of work in the job contract to be performed by single contractor, it should be clearly specified in the tender document that total price of all such items / items of work shall be evaluated for determining the reasonableness of the price.

6.14 **CONSIDERATION OF AGENTS:** Wherever, foreign company / supplier participate in the tender, purchases should preferably be made directly from the suppliers / manufacturers. However, either the agent on behalf of the Principal/ OEM or the Principal / OEM directly be permitted to bid in a tender, but not both. If agents / dealers / stockists of foreign companies quote along with manufacturer, only the offer of Principal / OEM will be considered as valid. One agent cannot represent two Suppliers / Principal / OEM or quote on their behalf in a particular tender.

6.15 **INTEGRITY PACT:** For all Tenders / Contracts / Long Term Agreements (LTAs) valuing ₹ 20 Crores & above and all tenders related to Handling Contracts for Departmental Warehouses of CMO and L&I, the tenderer(s) / bidder(s) / contractor(s) has to enter into an "Integrity Pact" with SAIL. A copy of the Integrity Pact typed on plain paper duly signed by the tender issuing officer who is the Authorized Signatory on behalf of SAIL, has to be enclosed with the tender / bid / LTA document. In case of uploading the tender in the website, Integrity Pact also has to be necessarily uploaded after scanning the signed copy of the pact.

Non-signing of the Integrity Pact will disqualify the offer/ bid. However, bidders may be given an opportunity to sign the Integrity Pact before rejection of the bid.

Following instructions along with the names of IEMs shall be included in the tender / bid / LTA / Contract documents valuing ₹ 20 Crores & above and all tenders related to Handling Contracts for Departmental Warehouses of CMO and L&I.





- (a) The Bidder(s) / Contractor(s) is required to enter into an "Integrity Pact" with the Principal i.e. SAIL. The Integrity Pact is to be signed by the Proprietor/Owner/Partner/Director or by their duly Authorised Signatory. In case of failure to return the Integrity Pact along with the offer / bid, duly signed by the authority as mentioned above, will disqualify the offer / bid.
- (b) In the tender documents it should be specified that the Bidder(s)/ Contractor(s), if aggrieved, may raise complaints / pass on information, if any, to the Competent Authority / Operating Authority of the Tender/Contract.

For effective implementation of Integrity Pact, Independent External Monitors (IEMs) have been appointed. Any Bidder / Contractor, if aggrieved with the tendering process may also approach the IEMs directly at their email address provided in NIT or through IP Secretariat (e-mail: sail.ip.secretariat@sail.in; sail.ip.secretariat@gmail.com), 16th Floor, Scope Minar, Laxmi Nagar District Centre, Delhi –110092.

#### 6.16 TENDER DOCUMENTS

6.16.1 Format for quoting prices, wherever applicable, may preferably be provided with NIT.

6.16.2 Invitation to the tender, including instructions to tenderers, should be issued in prescribed proforma (to be designed by each Plant/ Unit category-wise). The invitation to tender should include General Terms and Conditions of contract of SAIL Plants / Units, as applicable to the case, i.e.,

- i) for purchases only,
- ii) for job / service contracts only including conversion, handling, hiring etc.
- iii) contracts governing supply and supervision of Plant, Machinery and Equipment and
- iv) contracts for supply and erection.

The tender documents should include detailed specifications and wherever applicable the Standards for specifications and drawings, etc.

6.16.3 The Special Terms & Conditions applicable to supplies / contracts such as stipulations made under Paras 6.4 to 6.15 along with conditions for inspection, testing, acceptance and performance guarantee should be clearly defined and made part of the tender documents.

6.16.4 Bidders shall be required to submit a single composite undertaking that they have read, understood and accepted the contents of tender including related clauses and that they affirm / certify the same including providing of data as required hereunder:

- a) Bid Securing Declaration,
- b) Non-Collusive tendering,
- c) Authenticity of documents submitted for bid evaluation,
- d) The person or team representing the bidder is not representing any other firm participating against the tender and if yes, the details thereon to be provided,
- e) Relationship of Proprietor / Partner / Director of the firm / company, within the meaning of Section 2 (77) of the Companies Act 2013 with any employee working in Plant / Unit concerned or Director of SAIL including its subsidiaries. The details thereon to be provided in case relationship exists,
- f) Minimum Local Content, as applicable,
- g) Compliance related to Land Border sharing requirements, if applicable,
- h) Conflict of Interest in case, if applicable,
- i) Anti Bribery Management System (ABMS) declaration.

*Such undertaking shall be taken in physical form in case facility for online submission of undertaking is not available.*

#### 6.17 METHODS FOR CALLING OF TENDERS

6.17.1 The following methods for calling of tenders shall be adopted:

- i) Single Part Tendering
- ii) Two (2) Part / Three (3) Part Tendering

In case of physical bids, the tenderers shall be instructed to enclose each part in a separate sealed cover, clearly inscribing on the top of each envelope the relevant part number and description along with tender reference number and date of opening and submit all the parts simultaneously in a bigger sealed cover clearly inscribing on the top of the cover the tender reference number and the date of opening.

- 6.17.2 Single part tendering should be adopted only when all technical and commercial terms are well defined / stipulated in the tender document and are not negotiable. Conditional bids, i.e., bids not adhering to the tendered technical terms, will be rejected. However deviation in commercial terms can be accepted and evaluated where suitable loading has been pre-determined and mentioned in the tender document.
- 6.17.3 In case the technical specifications and / or commercial terms are not firm / deterministic / frozen, 2 / 3 part quotations shall be invited.
- a) Two part tendering involves calling for tenders in two parts:
    - i) Part I: Tender comprising Integrity Pact (if applicable) and techno-commercial offer, covering all terms except the price,
    - ii) Part II: Tender comprising the price bid only.
  - b) Three (3) part tendering involves calling for tenders in three (3) parts:
    - i) Part I: Tender comprising Earnest Money,
    - ii) Part II: Tender comprising Integrity Pact (if applicable) and techno-commercial offer, covering all terms except prices,
    - iii) Part III: Tender comprising the price bid only.
- 6.17.4 The price bids shall be opened (physically or online) / price- discovery shall be done only after all the Techno-Commercial terms are settled and samples if applicable are approved.
- 6.17.5 The time period should depend on the nature of the items to be procured, the nature of work involved in the contract, delivery / completion period etc. The following are the indicative time periods to be given for submission of quotation by the tenderers, from the date of tender notice:
- i. Open Tender: Up to 4 weeks
  - ii. Global Tender: Up to 6 weeks
  - iii. LTE (indigenous): Up to 3 weeks
  - iv. LTE (imports): Up to 6 weeks

#### 6.18 EXPRESSION OF INTEREST

Expression of Interest maybe adopted in the following cases where in the first instance it is not possible to proceed with tendering. No indent may be required for issuing an EOI.

- i) Cases where new technology is involved and details are not fully known.
- ii) Where the tender specifications / commercial terms are required to be finalized in consultation with the prospective bidders by calling bidder's conference after receipt of the prequalification bid. During the technical discussions other stakeholders who can add value to the decision making on technical aspects and evaluation criteria may also be involved.
- iii) When prospective bidders are not known and have to be identified.

Based on the response received in the EOI, tender document may be prepared and processed accordingly.

#### 6.19 PRE-BID DISCUSSIONS / MEETINGS

In all technically complex Projects cases or contract cases requiring clarification, pre-bid discussions after floating of tender and before submission of bids should be held. The date, time and place of pre-bid discussions should be clearly mentioned in the tender document. During pre-bid discussions all the queries of the potential bidders must be properly clarified and recorded by Tender Committee.



If any change in the specification, terms and conditions in the original tender is contemplated as a result of pre-bid discussions, the same should be broad-based and have the approval of the Competent Authority. Accordingly, a corrigendum to the original tender is to be issued and advertised on the SAIL Tender Website / e-Procurement site (for Online Tendering). The copy of corrigendum may also be sent to all bidders who had participated in the pre-bid discussions.

Sufficient time (at least 10 days) may be given between date of pre-bid discussions and date of submission of tenders. In case of corrigendum, sufficient time (at least 10 days) may be given between date of corrigendum and date of submission of tenders.

#### 6.20 CONSTITUTION OF TENDER COMMITTEE

- 6.20.1 Tender Committee (TC) is to be constituted based on the estimated value of the indent. The same tender committee shall continue irrespective of the L1 price. However the ordering price is to be approved by the Competent Authority as per DOP.

For tenders, valuing less than Rs. 2 Crores, the scrutiny and recommendations should be in accordance with the prevailing guidelines and as per DOP. Plants / Units can have Standard Tender Committee for cases below 2 Crores as a Policy.

For high value tenders, valuing Rs. 2 Crores and above, the Tender Committee should be constituted with the approval of the Competent Authority preferably while obtaining approval for tender enquiry, but before pre-bid discussions (if applicable) or opening of tender.

Tender Committee should have representatives from (i) Indenting Department, (ii) MM Dept./ Contract Cell/ Contracting Department, (iii) Finance Department {Associate Finance, where other Finance Officer(s) are not available}, (iv) Centralized Maintenance Agency or any other representative as decided by the Competent Authority.

- 6.20.2 The functions of the Tender Committee would be as under:

- a) Tender Committee, if required, may constitute Technical Evaluation Committees (TEC) & Commercial Evaluation Committees (CEC) and also sub-committees, if required, in consultation with the TEC & CEC. The TEC & CEC shall function concurrently. If no TEC & CEC has been constituted then function of TEC and CEC, as mentioned below, is to be done by TC.
- b) To monitor the progress made by the TEC & CEC and Consultants.
- c) To examine the recommendations of TEC & CEC and Consultants.
- d) To take decision to open the price bids (physical or online) or to conduct RA, for determination of L1 Bidder, after freezing the Technical & Commercial conditions, provided the number of offers at this stage is equal or more than X+2 or approval for opening less than X+2 exists. In case of RA, TC is to also decide the strategy of Reverse Auction (if price Discovery through RA is already indicated in Tender Document).
- e) To evaluate the price offers, conduct negotiation with L1 tenderer, if required, after taking approval of Competent Authority and shall put up the recommendations of order placement (after justifying the reasonability of the price) or otherwise to the Competent Authority.

The Committee should complete the scrutiny and give the recommendations to the Competent Authority within a period of three (3) months from the date of opening of the tender or one month from the date of receipt of recommendations from the Technical & Commercial Evaluation Committees.

- 6.20.3 The functions of the Technical Evaluation Committee (TEC) would be as under:

- a) To scrutinize the Technical part of the tender and the recommendations of the consultants / Technical Evaluation Sub-Committee, if any.
- b) To conduct clarification meetings with the tenderers.

- c) To evaluate the performance of on-going work/contract, if any in SAIL including Subsidiaries.
- d) To give the recommendations to the Tender Committee.
- e) To assist the Tender Committee, if required.

The TEC should complete the scrutiny and submit the recommendations to the Tender Committee within a period of two months from the date of opening of the tender.

6.20.4 The functions of the Commercial Evaluation Committee (CEC) would be as under:

- a) To scrutinize the Commercial part of the tender and the recommendations of the consultants or Commercial Evaluation Sub- Committee, if any.
- b) To conduct clarification meetings with the tenderers
- c) To give the recommendations to the Tender Committee.
- d) To assist the Tender Committee, if required.

The CEC should complete the scrutiny and submit the recommendations to the Tender Committee within a period of two months from the date of opening of the tender.

6.21 The HOMM of Plants / Units shall decide the requirement of Performance Bank Guarantee in Purchase cases, if required, and the same shall be indicated in the NIT.

## 7.0. RECEIPT AND OPENING OF OFFERS

7.1 The following shall be the recognized methods for receipt of tender:

- i. Tenders received by Post
- ii. Tenders received by Courier service
- iii. Tenders received through Tender Box. Location of the Tender Box is to be indicated in the Tender Document.
- iv. e-Platforms, i.e. EPS, SRM etc.

7.2 Tenders received by post shall be sorted out according to the date of tender opening and be given to the concerned executives of MM Dept. / Contract Cell/ Contracting Department.

7.3 Verified e-mail quotations (only in cases of single part tenders) may also be considered as valid quotations if mentioned in the RFQ and if received till the last date / time of submission of tender and indicate item-wise prices, specifications and delivery schedule. However, EMD, wherever applicable, is to be submitted prior to the opening of tender.

7.4 Except e-tenders, all tenders shall be opened centrally and jointly by an officer each from MM Dept./ Contract Cell/ Contracting Department and Finance Department. This provision shall not apply to Single Tender Enquiries. The Plant / Unit shall fix the days in a week and time for tender opening of different categories/ values.

7.4.1 The single part quotations of the tenderers on whom it has been decided to place trial orders only, shall not be opened at this stage. Such quotations shall be opened only after placement of orders on regular offers. However, in case of 2 / 3 part quotations, the techno- commercial parts of such tenderers will be opened for evaluation but the price bids will not be opened. The procedure for placement of orders on trial basis is explained in Para 12.0.

7.5 The tender box/ e-tender shall be opened immediately after specified closing time on the last day of submission of tender. The Tender Box shall be opened in the presence of an executive of MM Dept. / Contract Cell/ Contracting Department, in-charge of tender opening for the day.

7.6 All tenders received by post / e-mail / courier or through tender box, shall be sorted out by the Administration Section / Tender Opening Cell in the presence of the tender opening officers, assigned for the purpose and put up for opening after listing in the prescribed register.



- 7.7 For opening the tenders, it is intended that a minimum of X+2 offers should have been received ('X' is the number of supplier / contractor on whom order is to be placed). In case of physical bids, the dealing executive will inform the Tender Opening Cell, the minimum number of offers required in each case. In case of 2/3 part quotation, there should be minimum X+2 techno-commercially acceptable offers in all cases provided that:
- (a) In case of open / global tenders, if less than the specified (X +2) numbers of offers(including single offer) are received; same can be processed (i.e. offers can be opened) without going for re-tender / tender opening date extension after taking approval of the authority one stage higher than the authority competent to approve the enquiry proposal. Alternatively TOD can be extended or case can be retendered with the approval of Competent Authority. In case more than one extension of tender opening date is required, approval of Director In-charge / Director / Head of Unit shall be required.
  - (b) In case of LTE, if less than specified (X+2) number of offers are received in the first attempt, a second attempt may be made by inclusion of new vendors or extension of due date if there is no scope of adding new vendors. In case adequate number (X+2) of offers are not obtained even in response to the second attempt, the offers received shall be processed after taking approval of the authority one stage higher than the authority competent to approve the enquiry proposal.
- 7.8 Offers received against Single Tender cases can be opened before or after the tender opening date by the dealing executive of MM Dept. / Contract Cell/ Contracting Department. Where the offer is received after the tender opening date such offer will not be considered as late / delayed offer in respect of STEs.
- 7.9 For the purpose of opening, physical tenders shall be classified into following categories:
- i. **Regular Tender:** Received within the due time and date prescribed in the tender notice issued by MM Dept. / Contract Cell/ Contracting Department against Limited Tender / Open Tender / Global Tender.
  - ii. **Late / Delayed Tender:** Tenders received after the due date and time of receipt prescribed in the tender notice issued by MM Dept./ Contract Cell/ Contracting Department against Limited Tender / Open Tender/ Global Tender.
  - iii. **Unsolicited Tenders:** Tenders submitted by firms to whom tender enquiries were not issued or tender received from firms who have neither purchased tender papers nor paid the tender fee for downloaded tenders, in case of advertised tenders.
- 7.10 Regular tenders (Physical or online) shall be opened on the appointed date and time of tender opening.
- 7.11 Delayed/Late Tenders will not be opened.
- 7.12 Unsolicited tender after opening will not be considered. However, in case of LTE issued to registered manufacturers, a tender received from the authorized dealer of the registered manufacturer along with the authorisation letter of the manufacturer to whom the enquiry was originally issued shall not be considered as unsolicited. Para 5.3.7 may also be referred.
- 7.13 In the event of a 2/3 part tender received in only one part and not meeting the requirement of separate sealed covers, the tender shall not be considered.
- 7.14 Any modification to the original tender by the bidder on its own excluding the changes made during pre-bid discussion or during techno-commercial discussion, after due date of tender opening shall also be treated as unsolicited and rejected.
- 7.15 Tenders not accompanied by requisite Earnest Money / Earnest Money not received before opening of Tender in case of e-tender, where Earnest Money is stipulated in the tender condition, shall be treated as invalid.

- 7.16 In case of physical bids, Limited Tenders for indent value of Rs.10 Lakhs and above, and Open Tenders shall be opened in the presence of such tenderers who might choose to be present at the time of opening. Signatures of the authorised representatives of the firms present during tender opening shall be obtained. The following information depending upon the part of quotation opened, shall be given to the tenderers present during the opening:
- i. Names of all the tenderers
  - ii. Details of items offered
  - iii. Prices, including discount, if any, and other elements
  - iv. Delivery period
  - v. Terms of payment.
- 7.17 In case a person represents more than one tenderer, while witnessing the tender opening, it should be recorded in the file to examine the possibility of cartel formation and remedial action.
- 7.18 Where tenders are issued in 2/3 parts, only the techno-commercial bids (including that of trial parties) shall be opened on the tender opening date. The price bid shall not be opened, till the receipt of final technical / commercial recommendations from the indenter / Consultants / Evaluation Committee. In case, the quoted techno- commercial bids are in conformity to that of the tender, the price bids received shall be considered for opening. In case the techno-commercial bids need to be discussed and clarified by the tenderers, clarifications should preferably be obtained online and if required, physical clarification meetings should be held with them in accordance with clause number 9.2.3.
- 7.19 All the correspondence in respect of clarifications / confirmations, whether it be technical or commercial, shall be dealt through MM Dept./ Contract Cell / Contracting Department / Consultants / Evaluation Committee only till the final placement of order. Thereafter, while routine follow up shall be done by the executing agency under intimation to the MM Dept. / Contract Cell / Contracting Department, all the matters having financial / commercial implications will still be dealt with by MM Dept. / Contract Cell/ Contracting Department only.
- 7.20 Wherever tender has been invited in physical form, at the time of tender opening, each page of the original quotation shall be signed by the tender opening Executives with date. Alterations, over-writings or corrections shall be initialed with date.
- 7.21 Wherever basic price or discount, etc., are indicated only in figures and there is any over writing, such figures shall be mentioned in words and duly signed by the tender opening executives.
- 7.22 Any columns left blank by the tenderers in their quotation shall be crossed out by the tender opening officers and duly initialed.
- 7.23 Each original quotation must be numbered as Y/X where Y will be the running serial number of the pages in the quotation; X will be the total number of pages in the quotation received.
- 7.24 All the envelopes including the postal envelopes should also be signed and kept in file.
- 7.25 The details of tenders received shall be recorded in the proforma prescribed, duly signed by the tender opening officers.
- 7.26 Information regarding receipt of earnest money wherever applicable, or otherwise, shall be recorded.
- 7.27 Where for any reason, the due date and / or time of opening the tenders is extended, the concerned Executive shall intimate all the firms to whom the tender papers had been sent