

ANNEXURE-bSTATEMENTS OF BIDDERS

1. Name of Bidder \_\_\_\_\_
2. Address of Head Office \_\_\_\_\_
3. Correspondence Address \_\_\_\_\_
4. Legal status \_\_\_\_\_
5. PAN & TIN Number of the Bidder (attached self attested photocopies)  
 PAN \_\_\_\_\_ TIN \_\_\_\_\_  
 CST No. \_\_\_\_\_
6. Bank Details (attached signed cancelled cheque)
  - i) Bank Name & Address
  - ii) Bank Account Number
  - iii) Bank Branch Code
  - iv) IFSC Code of Branch
  - v) Nature of account (current/saving/OD/CC)
7. Main lines of Business
  - i. \_\_\_\_\_ since \_\_\_\_\_
  - ii. \_\_\_\_\_ since \_\_\_\_\_
  - iii. \_\_\_\_\_ since \_\_\_\_\_
8. Annual Turnover of past three year
  - i. \_\_\_\_\_
  - ii. \_\_\_\_\_
  - iii. \_\_\_\_\_
9. Past Experience:-

Name of Organization	Period	Reference of Contract	Order Value contract wise

10. Any other

Signature &amp; Stamp of Bidder

SPECIFICATIONS

SCHEDULE OF MATERIAL

Sl. No.	Code No. of the item	Name of Item	Specifications	Total Quantity required.	Destination

Note : Advance sample strictly in accordance with the above specifications is / has been submitted (delete if not applicable).

\_\_\_\_\_  
Signature of the Supplier.

ANNEXURE - 6.b  
(Referred to in Regulation 7)

SCHEDULE OF DELIVERIES.

(At least 15 days advance intimation shall be given by the Supplier to each consignee before the dispatch of the material failing which demurrages, warfage charges will be to the account of the Supplier. Copies of such intimation shall be sent to the Purchaser also.)

Sl No.	Code No.	Name of the item	Specification	Name of consignee	Destination of the consignment	Quantity to be supplied	Due date for supply.
1	2	3	4	5	6	7	8

(To be intimated  
by the purchaser  
or his authorized  
agent)

\_\_\_\_\_  
Signature of the Supplier





**Annexure-C**  
**Government of Haryana**  
**Industries & Commerce Department**  
**Directorate of Supplies & Disposals**

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**Government Order**  
**No.2/2/2010-4-IB-II dated 16<sup>th</sup> June 2014**

**Subject: Policy guidelines for procurement of Stores & Goods and Turnkey Contracts-negotiation regarding.**

1. The Policy guidelines issued vide G. O. No. 2/2/2010-4-IB-II dated 28.5.2010 provides that the in procurement of store items, wherever the rates quoted by the bidders, including those quoted by L<sub>1</sub> are not reasonable, the negotiations would be held only with the L<sub>1</sub> and a counter-offer made to the L<sub>1</sub>. In case the L<sub>1</sub> bidder does not accept the counter offer, the tender would be dropped and recourse taken to invite fresh tenders

While observing that in Rate Contracts, it may be difficult to assess the quantity at the indenting stage or the L<sub>1</sub> bidder may not have sufficient manufacturing capacity to meet the entire estimated requirement, Policy Guidelines dated 18.6.2013 were issued which provides that the price discovery for the Rate Contract shall generally be determined based on the rates quoted by the L<sub>1</sub> bidder and the negotiations, if any, held with the lowest bidder. However, the rate contract negotiations could be held up-to L<sub>3</sub> bidder, if the difference between the L<sub>1</sub> quoted rates and those quoted by the L<sub>2</sub> and L<sub>3</sub> is within 5% of the L<sub>1</sub> quoted rates. In cases where the L<sub>1</sub> bidder refuses to further reduce his offered price and the L<sub>2</sub> or L<sub>3</sub> bidders come forward to offer a price which is better than the price offered by L<sub>1</sub> bidder, the bidder whose price is accepted becomes the L<sub>1</sub> bidder. However, in such a situation the original L<sub>1</sub> bidder shall be given one more opportunity to match the discover price in case of acceptance, he would be treated as the L<sub>1</sub> bidder. It is further provided that on determination of the price discovery pursuant to the above process, a counter offer would be made to all such eligible bidders whose quoted price is within 10% of the L<sub>1</sub> quoted price for acceptance of the discovered/offered price. Such of the eligible bidders whose quoted price excess 10% of the L<sub>1</sub> quoted price shall



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**Government of Haryana**  
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not be eligible for consideration on the rate contract. The bidders agreeing to accept the counter offer of the discovered price following the above process, may be approved on the Rate Contract. As regards apportionment of the quantity of supplies, the finally determined L<sub>1</sub> bidder would be accorded due preference and the allocation of order may go up to 50% of the total ordered quantity subject to his offered quantity/capacity to supply.

2. The proposals received from various Indenting Agencies have been considered wherein they have proposed that the negotiations policy as applicable in Rate Contracts, may also be followed for procurement of specific quantity of stores & turnkey contracts. One of the rationale put forth was that as per the existing guidelines on the subject, negotiations of rates could be held only with the L<sub>1</sub> bidder/s and if the L<sub>1</sub> bidder/s refuse to accept reasonable rates, there was no option but to go for re-tendering. The process of re-tendering took its own time and could not be afforded in critical service delivery areas. Besides this, there remained possibility of getting further higher rates in the re-invited tender.

3. Keeping the above in view, following decisions have been taken:

- (i) The price discovery for cases relating to **purchase of specific quantity of Stores, Goods and award of Turnkey Contracts** shall be generally determined based on the rates quoted by the L<sub>1</sub> bidder if the quoted rates are found to be reasonable by the Indenting Department, and negotiations, if any, held with lowest bidder. However, the negotiations could be held up to L<sub>3</sub> bidder, if the difference between L<sub>1</sub> quoted rate and those quoted by L<sub>2</sub> & L<sub>3</sub> is within 5% of the L<sub>1</sub> quoted rate. In cases where the L<sub>1</sub> bidder refuses to further reduce his offered price and the L<sub>2</sub> or L<sub>3</sub> bidders come forward to offer a price which is better than the price offered by L<sub>1</sub> bidder, the bidder whose price is accepted becomes the L<sub>1</sub>



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bidder. However, in such a situation, the original L<sub>1</sub> bidder may be given one more opportunity to improve upon the discovered price. In case, the original L<sub>1</sub> bidder further improves upon the price discovered during the negotiations, he would be treated as the L<sub>1</sub> bidder.

- (ii) As regards apportionment of the quantity of supplies, the finally determined L<sub>1</sub> bidder would be accorded due preference and the allocation of order may be decided by the HPPC subject to information available in the DNIT e.g. his offered quantity/capacity to supply, sales turnover, orders in hand, past performance etc. or any other rational parameters. The balance order may be apportioned between the L<sub>2</sub> & L<sub>3</sub> bidders, if they accept the final L<sub>1</sub> rates, on the basis of identical information e.g. their offered quantity, capacity to supply, sales turnover, orders in hand, past performance etc which may be decided by the HPPC on case to case basis.

4. As per policy guidelines dated 18.06.2013 qua the Rate Contracts, the finally determined L<sub>1</sub> bidder is to be accorded due preference and the allocation of order may go up to 50% of the total ordered quantity subject to his offered quantity/ capacity to supply. Further, the discovered rates are counter offered to all the bidders whose quoted price is within 10% of the L<sub>1</sub> price. The past experience has shown that there could be cases where the L<sub>1</sub> bidder may have a limited capacity of less than 50% of the estimated procurement quantities. Hence, these guidelines are revised in the following manner:

**FOR RATE CONTRACT CASES:**

- (i) In cases where there is only one bidder for a particular item and the price quoted by such L<sub>1</sub> bidder is accepted by the indenting department as being reasonable, the order for the entire quantity

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**Government of Haryana**  
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qua such item could be placed on such bidder;

- (ii) In cases where only two bidding firms are approved, the allocation of quantity of the order may go up to 70% in favour of the L<sub>1</sub> bidder subject to the information available in the DNIT viz his offered capacity/capacity to produce/manufacture, orders/ commitments in hand and previous track record;
- (iii) In case, more than two firms are approved, the L<sub>1</sub> bidder, whose finally discovered price becomes the basis for making counter-offers to other qualifying bidders, would continue to be accorded priority for allocation of share of quantities, which may go up to 50% of the total estimated quantity of the Rate Contract subject to his offered quantity, capacity to produce/ manufacture, orders/commitments in hand and previous track record;
- (iv) In cases where there are more than one bidders consenting to accept the L<sub>1</sub> discovered price in response to the counter-offer, the quantities shall be allocated by the HPPC among L<sub>2</sub> & above approved bidders, as the case may be, based on the principles of (i) L<sub>2</sub>/L<sub>3</sub> position (viz L<sub>2</sub> bidder shall be preferred over L<sub>3</sub> bidder & so on (ii) offered quantity, (iii) capacity to supply, (iv) Sales turnover, (v) orders in hand, and (vi) previous track record in execution of orders (as per the information available in the DNIT).
- (v) It may not be necessary to make a counter-offer of the discovered price to all the bidders quoting within 10% of the L<sub>1</sub> quoted rates. Instead, such counter-offer may be restricted up-to L<sub>3</sub> if they have the capacity to meet the entire order. However, if the L<sub>2</sub> or L<sub>3</sub> bidders do not accept the counter offered rates, the counter offer in that case could also be extended to other bidders whose quoted rates are within 10% price range. This is likely to increase the



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competitiveness.

5. These guidelines shall be applicable to all cases of Rate Contracts, Fixed quantity purchases of Stores & Goods and Turnkey Contracts to be considered by the HPPC after the date of issue of these guidelines.

**Y.S. Malik,**  
**Addl. Chief Secretary to Government of Haryana,**  
**Industries & Commerce Department**

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Endst. No.2/2/2010-4-IB-II

Dated, the 16<sup>th</sup> June 2014

A copy is forwarded to the following for information:-

1. All the Administrative Secretaries to Government of Haryana.
2. All Heads of Departments.
3. All the MDs/CEOs of Boards and Corporations.
4. All the Divisional Commissioners in the State of Haryana.
5. All the Deputy Commissioners in the state of Haryana.
6. Registrar, Punjab & Haryana High Court.

**Superintendent IB-II**  
For Addl. Chief Secretary to Government of Haryana,  
Industries & Commerce Department

Endst. No.2/2/2010-4-IB-II

Dated, the 16<sup>th</sup> June 2014

A copy is forwarded to the Director Supplies & Disposals, Haryana, Chandigarh w.r.t. his U.O. No. 383 dated 10.02.2014 for information and necessary action.

**Superintendent IB-II**  
For Addl. Chief Secretary to Government of Haryana,  
Industries & Commerce Department



Government Order

No. 2/2/2010-4-IB-II Dated 18.06.2013

**Subject:** Policy guidelines for procurement of Stores through Rate Contract System in substitution of G.O. No. 2/2/2010-4IB-II dated 20.04.2012.

OT. As the officers in all Government departments and organisations are aware, procurement of Store Items is undertaken through 'Specific Store Item Indents' and 'Rate Contracts'. While the processes for 'Specific Indents' are fairly well standardized by now, it has been observed on the basis of experience of previous years that the system of procurement through 'Rate Contracts' need to be standardized.

The procurement of stores through 'Rate Contracts' is resorted in the following

- (i) The said Store Item is required by multiple government departments/ organizations and it is not considered advisable to float individual tender inquiries by different departments/ organisations (e.g. Cement, Pipes, Vehicles etc.);
- (ii) The stores are required either by multiple agencies and/ or throughout the year on an on-going requirement basis and it is difficult to assess/ freeze the quantity requirements upfront in the tender (e.g. Distribution Transformers, Electricity Meters, Cables, Conductor, DI Pipes, Jute Bags, Medicines etc).
- (iii) The L<sub>1</sub> bidder may not have the manufacturing/ supplying capacity to execute the entire order (which may be the case in specific tenders also) or the indenting departments/ government may not consider it prudent to place the entire order on one single entity to minimize its risk/ dependence on a single source of supply.

3. It has also been observed that due diligence is lacking on the part of the Indenting Departments regarding their requirements of the store items against the proposed Rate Contract period whereas the same is feasible to a large extent keeping in view the budgetary provisions though it is appreciated that these quantities may need to be varied for unforeseen reasons. Further, where the rate contracts are operated for multiple departments/ organisations, there is need to standardize the 'Technical Specifications' (TS), 'Qualifying Requirements' (QRs), and other General Terms & Conditions of the Rate



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Contracts (e.g. delivery periods, inspections and testing before acceptance of the Stores, payment clauses, provision for extension of period, Guarantee/ Warranty or AMC conditions (if applicable), penalties for delays, non-delivery or substandard quality etc. for the same. It is expedient in such cases to designate different Departments as the Lead Departments for determining the above parameters.

4. Keeping the above in view, following decisions have been taken:

- (i) The process of determination of 'Technical Specifications' (TS), 'Qualifying Requirements' (QRs), and other General Terms & Conditions of the Rate Contracts (e.g. delivery periods, inspections and testing before acceptance of the Stores, payment clauses, provision for extension of period, Guarantee/ Warranty or AMC conditions (if applicable), penalties for delays, non-delivery or substandard quality etc. will be finalised through an inter-departmental consultative process as per the details given in Annexure 'A'.
- (ii) Each indenting Department/ organisation shall indicate its minimum requirement of the store item during the rate contract period and the maximum estimated quantity, which should generally be not more than 1.5 times of the minimum quantity;
- (iii) The Rate Contract Indents for the store items mentioned in Annexure 'B' shall be communicated to the DS&D Office by 15<sup>th</sup> March every year so as to ensure that the process for procurement of the aggregated requirement of all the government departments/ agencies is initiated immediately in the month of March itself. The cut-off date of 15<sup>th</sup> March has been decided keeping in view that the impact of the Union Budget is known by this time and the Departments are also generally aware of their budget provisions for the following year;
- ✓(iv) The price discovery for the Rate Contract shall be generally determined based on the rates quoted by the L<sub>1</sub> bidder and the negotiations, if any, held with the lowest bidder. However, the rate contract negotiations could be held up to L<sub>3</sub> bidder, if the difference between the L<sub>1</sub> quoted rates and those quoted by the L<sub>2</sub> and L<sub>3</sub> is within 5% of the L<sub>1</sub> quoted rates. In cases where the L<sub>1</sub> bidder refuses to further reduce his offered price and the L<sub>2</sub> or L<sub>3</sub> bidders come forward to offer a price which is better than the price offered by L<sub>1</sub> bidder, the bidder whose price is



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accepted becomes the L<sub>1</sub> bidder. However, in such a situation, the original L<sub>1</sub> bidder shall be given one more opportunity to match the discovered price. In case of acceptance, he would be treated as the L<sub>1</sub> bidder.

- (v) On determination of the price discovery pursuant to the above process, a counter-offer would be made to all such eligible bidders whose quoted price is within 10% of the L<sub>1</sub> quoted price, for acceptance of the discovered/ offered price. Such of the eligible bidders whose quoted price exceeds 10% of the L<sub>1</sub> quoted price shall not be eligible for consideration on the Rate Contract.
- (vi) The bidders, agreeing to accept the counter-offer of the discovered price following the above process, may be approved on the Rate Contract.

5. As regards apportionment of the quantity of supplies, the finally determined L<sub>1</sub> bidder would be accorded due preference and the allocation of order may go up to 50% of the total ordered quantity subject to his offered quantity/ capacity to supply. The balance order may be apportioned amongst the other bidders on the basis of their offered quantity, capacity to supply, past performance etc. which may be decided by the HPPC on case to case basis.

6. These guidelines shall be applicable to all cases of Rate Contracts to be considered by the HPPC after the date of issue of these guidelines

**Y.S. Malik**  
**Principal Secretary to Government of Haryana,**  
**Industries & Commerce Department.**



**Government of Haryana**  
**Department of Industries & Commerce**  
**Directorate of Supplies & Disposals**

Annexure -A

**Template for DNIT**

The DNITs should be reviewed and re-designed along the following components/ parameters with a view to achieve standardisation:

Sr. No.	Details to be furnished by the Indenting Entity in their Indents
1	Indenting Entity i.e. Department/ Organisation
2	Description of the Store Items to be procured
3	Rate Contract Item or Direct/ fixed quantity Indent Item
4	Quantity (In case of fixed quantity indent) Estimated quantity/value (In case of Rate Contract indent)
5	Inventory position of the stores
6	Period/duration for which rate contract is required
7	Purpose for which the stores is/ are required
8	Detailed Technical Specifications along with drawings and samples, if necessary (wherever ISI specifications exists, the same may be referred)
9	Documents required to be submitted by the bidder in support of Technical Specifications viz. ISI/ISO Certificate, Test Report etc.
10	Qualifying requirements/ Eligibility criteria of bidders
11	Documents to be submitted by bidders in respect of each QRs/ Eligibility criteria
12	Impact of Black-listing, debarring etc. of the bidder by Central Government/ Other State Governments/ Government Undertakings as on the last date of submission of bids
13	Place(s)/ Destination where stores are required to be delivered [specify clearly as to whether the rates are to be invited on anywhere in Haryana basis or on specified destination(s) basis]
14	Whether unloading of stores at destination(s) is to be arranged by the supplier
15	Payment terms/ conditions
16	Warranty/Guarantee requirements (Please specify clearly the period for which



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Sr. No.	Details to be furnished by the Indenting Entity in their Indents	
	Warranty/Guarantee is required including the obligations of the supplier during the Warranty/Guarantee period as well as the penal provisions in case the supplier(s) fail(s) to attend/ rectify/ replace within the required period)	
17	AMC/ CMC requirements (Please specify clearly the period for which AMC/ CMC is required including the obligations of the supplier during the AMC/ CMC period as well as the penal provisions in case the supplier(s) fail(s) to perform as per the requirement)	
18	Certificate to the effect that the Indenting entity has resources/ capacity to use/operate and the installation, including site preparation would be complete ahead of delivery (In case the purchase is of equipment/machinery)	
19	Probable sources of supply	
20	Estimated cost of each store item	
21	Delivery Schedule/ period	
22	Name of Inspecting Authority/ Agency. In case, the inspection is to be done by a Third Party agency, whether the quoted rates should be inclusive of inspection fee/charges.	
23	Treatment/ consequences on failure of samples/ type tests/ Technical Specifications as per the Policy	
24	Inspection procedure (wherever ISI/ISO specifications exists, the inspection procedure provided therein may be referred)	
25	Any special condition(s) required to be mentioned	
26	Mode of purchase, including time to be given to bidders for submission of their bids	
27	In case of Imported items, whether the Entity has been exempted from payment of Customs Duty. If so, certificate to the effect may be recorded	
28	For Boards/ Corporations/ Federations etc. : Certificate that they would deposit 1% Departmental Charges to the Directorate of Supplies and Disposals, Haryana.	



**Government of Haryana**  
**Department of Industries & Commerce**  
**Directorate of Supplies & Disposals**

Annexure -B

**Nodal Departments**

Following Departments are designated as the Nodal departments for determining the Technical Specifications (TSs), Qualifying Requirements (QRs), and other Terms & Conditions in respect of the following stores:

Sr. No.	Store Items	Lead/ Nodal Department	Indenting/ Departments	Procuring
1.	Vehicles (except specific department related stores)	Transport Department	All Government Departments/ Organisations	
2.	Cement	PWD (B&R)	All Government Departments/ Organisations	
3.	Pipes & other items required for drinking water supply	PHED	PHED, PWD(B&R), HUDA, HSAMB, HSIIDC, Municipal Committees	
4.	Bleaching Powder & other Water Purifying Items, Manhole Covers & Frames, Sewer Cleaning Machines	PHED	PHED, HUDA, MCs	
5.	Medicines & Medical Equipments	Health	Health, Medical institutions, Medical Colleges/ University	
6.	DG sets, Road-rollers, and Furniture (except for Dual Desks & Computer Furniture)	PWD (B&R)	All Government Departments/ Organisations	
7.	Polythene Covers, Tarpaulins, Cross Laminated Covers, Deltametherine, Aluminium phosphide, Mesh nets, Crates (Wooden/ plastic)	Food & Supplies & HAFED	Food & Supplies & other wheat procuring agencies viz HAFED, HWC, HAIC, Confed etc.	
8.	Transformers, ACSR Conductors, Cables, Poles, Meters & other related items	Indenting Power Utilities	Power Utilities and other infrastructure agencies	
9.	Glassware items, Laboratory chemicals/ reagents, Filter paper	Health	Health, Education, Agriculture, Testing Laboratories, Medical Institutions & other institutions	
11.	Dual Desks	School Education	Education, Industrial Training, Technical Education	
12.	Computers, Laptops, UPS, Printers & other IT related items & consumables, and Computer Furniture	HARTRON	All Government Departments/ Organisations	
13.	Bicycles, Sewing Machines, sports items etc.	School Education/ sports	Social Welfare, Labour, Education	
14.	Air conditioners, Fans, Air/ Water Coolers	PWD (B&R)	All Government Departments/ Organisations	
15.	Printing jobs, Paper & Stationary Supplies	Printing & Stationary	All Government Departments/ Organisations	
16.	Solar Energy based Equipments/system	HAREDA	All Governments/Organisations	
17.	Buses, Components/	Transport	Other User Departments such as	



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Sr. No.	Store Items	Lead/ Nodal Department	Indenting/ Departments	Procuring
	material required for fabrication & maintenance of Buses, Oil & Lubricants, Tyres & Tubes, Batteries, Tyre Retreading material		Police, Three PWDs etc.	
Note:	For any item(s) not covered above, the major consuming Department will act as the lead/ nodal department.			

Endst. No. 2/2/2010-4-IB-II

Dated, the 18<sup>th</sup> June, 2013

A copy is forwarded to the following for information and necessary action:-

1. All the Administrative Secretaries to Government of Haryana.
2. All the Heads of Departments.
3. All the MDs/CEOs of Boards and Corporations.
4. All the Divisional Commissioners in the State of Haryana.
5. All the Deputy Commissioner in the State of Haryana.
6. Registrar, Punjab & Haryana High Court.

*Bhupinder Malhotra*  
Superintendent IB-II,  
for Principal Secretary to Government of Haryana,  
Industries & Commerce Department

Endst. No. 2/2/2010-4-IB-II

Dated, the 18<sup>th</sup> June, 2013

A copy each is forwarded to the Senior Secretaries/ Secretaries/ Private Secretaries to the Chief Minister/ Ministers for kind information of the Chief Minister/ Ministers.

*Bhupinder Malhotra*  
Superintendent IB-II,  
for Principal Secretary to Government of Haryana,  
Industries & Commerce Department

Endst. No. 2/2/2010-4-IB-II

Dated, the 18<sup>th</sup> June, 2013

A copy is forwarded to the followings for information and necessary action:

1. Director, Supplies & Disposals, Haryana, Chandigarh.
2. The Principal Accountant General (Audit), Haryana, Sector 33, Chandigarh.

*Bhupinder Malhotra*  
Superintendent IB-II,  
for Principal Secretary to Government of Haryana,  
Industries & Commerce Department



( Referred to in Regulation 13 )

## HARYANA POWER GENERATION CORPORATION LIMITED

No. \_\_\_\_\_

Dated :- \_\_\_\_\_

PURCHASE ORDER

## Acceptance of Order/ Tender

From

-----  
 -----  
 -----

To

----- (Name of the firm)  
 -----

Dear Sir,

Your Offer Tender contained in your quotation No. ----- dated -----, as further modified by your letter No. ----- dated -----, in response to our N.I.T. issued under our No. ----- dated ----- is hereby accepted and a contract has come into force in terms thereof.

Please supply within ----- from the date of issue of this order the following material by goods/ passenger train to the ----- as per the schedule of delivery contained in Annexure 'B' to the terms and conditions of the contract.

The R/R or duly receipted G./R. may please be sent to the ----- and the bill of cost in triplicate to the ----- direct under advice to this office for necessary action and payment.

Sl No.	Description of material	Name of the item	Specification	Quantity	Rate	F.O.R destination ex-works etc.	Total amount
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For & on behalf of the Purchaser  
 Yours faithfully,

Name & Designation of the  
 Purchasing Authority.



HPGCL

**HARYANA POWER GENERATION CORPORATION LIMITED**

**Corporate Identity Number: U45207HR1997SGC033517**

**Regd. Office: URJA BHAWAN, C-7, SECTOR-6, PANCHKULA**

Tel. No. 0172-5022421

Website: www.hpgcl.gov.in

Fax No. 0172-5022412

Email: bb.gupta@hpgcl.gov.in

From

Controller Finance  
HPGCL, Panchkula

- 1 Chief Engineer/PTPS-II, Panipat.
- 2 Chief Engineer/DCRTPP, Yamuna Nagar.
- 3 Chief Engineer/PTPS-I, Panipat
- 4 Chief Engineer/RGTPP, Khedar, Hisar.
- 5 Controller of Accounts.
- 6 FA&CAO, PTPS Panipat
- 7 FA&CAO, RGTPP, Hisar.
- 8 FA&CAO, DCRTPP, Yamunanagar.
- 9 Chief Accounts Officer


Memo. No. 2135 /CF/HPGCL/  
Dated: 13.08.2015

**Subject: Clarification on the preparation of work estimates.**

Please refer to the minutes of the 11<sup>th</sup> Apex Level meeting held at PTPS on 18.07.2015, wherein a committee of C.E./PTPS 2, C.E./DCRTPP and C.E./RGTPP, Controller of Accounts and Controller Finance was constituted to review the proforma of preparation of work estimate and impart suitable clarifications.

Accordingly, the meeting of the committee was held on 29.07.2015 to discuss the issues and the decisions of the committee are enclosed for its strict future compliance.

DA/As above

  
Sr. Accounts Officer/F&B,  
for Controller Finance  
HPGCL, Panchkula



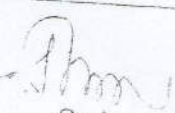
Clarifications on preparation of estimate as per the discussions held in the committee meeting of C.E./PTPS-2, C.E./DCRTPP, C.E./RGTPP, Controller of Accounts and Controller of Finance, on 29.07.2015.

Guidelines were issued to all the chief engineers regarding tender enquires and preparation of estimates on the prescribed format. Certain problems in preparation of estimates have been faced at the field levels which were discussed in the Apex meeting of PTPS and it was decided to issue clarification on the preparation of estimate after discussions of the issues in the committee of C.E./PTPS-2, C.E./DCRTPP, C.E./RGTPP, Controller of Accounts and Controller of Finance. Accordingly the committee met on 29.07.2015 and discussed the issues. The issues raised by various field authorities vis-a-vis clarification thereon are as under:

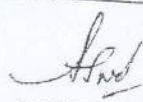
Issues	Clarification
Whether the estimates in the prescribed format should be made in case of the new works only or in all cases?	<p>After the detailed discussions and deliberations and for ensuring financial prudence and consistency in preparation of estimate at each location it was deemed fit that the estimate should be prepared in the prescribed format in each case. However it should also be linked and compared with the existing value of the work order in case of old work and estimate should be considered on the value computed as per the estimate format or the value of previous work order whichever is lower.</p> <p>Once the detailed estimates have been prepared on the prescribed format and there is no change in scope of work/ terms and conditions in future in respect of the same work estimate, then the succeeding estimates of that work may be prepared by incorporating the change in the minimum wages factor and escalation in the material index on the previous estimate.</p> <p>In case there are wide fluctuations in the value of previous work order on year to year basis then the average of past three years could be considered as the base.</p>
Whether the vetting of the estimate from the finance wing is required in every case?	<p>Keeping in view the emergency and exigency of the work explained by the field authorities and to avoid the undue delay in getting the work done under emergency it was decided that the vetting from finance wing may be exempted in case where the value of work is upto Rs. 2.5 lacs. However in such cases also the detailed estimate on the prescribed format shall be prepared by the executive agency for consideration and approval of the approving authority.</p>
How the estimates in case of civil works should be dealt with in the absence of non-schedule items or non-availability of the Ceiling Premium	<p><b>Regarding Scheduled items:</b>                      In this regard A.E.E./Civil, DCRTPP has suggested the methodology to work out the upto date C.P. on the basis of Analysis of Rate (AOR) prepared by the PWD Deptt. It was also discussed that the same could be got assessed through a committee of the officers constituted for the purpose centrally and DSR rate can also be considered in</p>

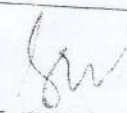


(CP) upto date?	<p>the absence of HSR.</p> <p>After the detailed discussions and deliberation and also considering the pros and cons of each case and the conditions prevailing in the different states it was decided that an annual escalation of 4% p.a. on the pattern of HERC norms can be considered for adding in the declared CP to arrive at upto date CP.</p> <p><b>Non Scheduled Items:</b></p> <p>Prevailing market rate assessed through a committee of officers constituted by the C.E. for the purpose may be taken as a base. However the other references available may also be considered for arriving at its reasonability.</p>
4. How the provision for the safety equipment communication system, housing and other associated expenditure should be created while preparing the estimates?	<p>It was clarified to the committee members that it is already provided for under the head 7(iii) Overheads and management expense (others). Executive may consider the same under this head after ascertaining its reasonability incommensurate with the work. However to have economy check it was advised by the C.E./ DCRTTP that there should be some upper ceiling consistently followed at each project. After detailed discussion it was felt that it should not be more than 2.5% of the labour part. However best judgment of the approving authority shall prevail in each case.</p>
5. Whether the contractor profit should be kept while preparing the estimate?	<p>It was deliberated that the contractor profit margin is not a part of the work estimate. Moreover it may vary from contractor to contractor and also according to nature and quantum of the work order. Even despite adding certain contractor margin/ profit in the estimate there will be difference in the quoted rates of the contractor. After the detailed deliberation it was decided that no contractor margin/ profit will be added in the estimate, however while arriving at the reasonability of the quoted rates an increase of upto 5% shall be considered reasonable.</p>
6. How much variation in the scope of work and value of the work order should be considered reasonable?	<p>It was discussed that the estimate should be prepared very cautiously and carefully and there should not be much variation in the estimated and actual scope of work. Wide variations in the estimate reflect wrong estimation. However in order to have some reasonable variation incorporated in the work order according to the nature of work an variation in the range of 5% to 10% may be considered reasonable as per the decision of the approving authority. In case necessitated variation from the above range can be considered by the project SPC.</p>
7. Basis of estimate	<p>Estimates should be based upon the minimum wages prescribed by the ministry of labour under the Minimum wages Act, 1948.</p>

  
CoA

  
C.E. RGTP

  
C.E./DCRTTP

  
C.E./PTPS-2



Preparation of Work/Job Estimate for the Work/Job \_\_\_\_\_

1. Name of the Division
2. Address of the Division
3. Indenting Authority in case of procurement of material
4. Competent authority approving the estimate
5. Whether following is available on record:

- |       |                         |        |
|-------|-------------------------|--------|
| (i)   | Administrative Approval | Yes/No |
| (ii)  | Technical Sanction      | Yes/No |
| (iii) | Estimate No.            | _____  |
| (iv)  | Budget Provision        | Yes/No |

6. Components of Estimate:

(i)	No. of workers	Wage rate	Amount
	a. Unskilled		
	b. Semi Skilled		
	c. Skilled		
	d. Highly Skilled		
	e. Specialized manpower (if any)		
	Total		
	f. Add:		
	EPF		
	ESI		
	Total:		

(ii)	Material	Unit	Qty.	Rate	Amount
	a. Material				
	b. Consumables				
	c. T&P including safety items.				
	Total				
(iii)	Overheads and management Expenses				
	Transportation				
	Others to be specify				
	Total				

7. Total (i)+(ii)+(iii)
8. Statutory levies and taxes, if any
9. Grand Total (4 + 5)

Remarks:

- i. The rate of specialized man power to be incorporated on the bais of wages sheet (if available) or on market survey.
- ii. No contractor margin/profit is to be added in the estimate, however while arriving at the reasonability of the quoted rates, profit margin may be considered by the competent authority

Prepared by:

Financial concurrence by:

Checked by:

Approved by:



**HARYANA POWER GENERATION CORPORATION LIMITED**

**Corporate Identity Number: U45207HR1997SGC033517**

**Regd. Office: URJA BHAWAN, C-7, SECTOR-6, PANCHKULA**

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Financial Advisor/HQ  
HPGCL Panchkula

To: All the Chief Engineer/HPGCL

Memo No. 736 /FA/HQ/HPGCL/

Dated 23.07.2014

Subject: Guidelines regarding Tender Enquiries.

It has been observed that due diligence is not made in preparation of the tender documents and are being put up to the management/competent authority at the nick of time for approval. As a result, the proper scrutiny and justification of the tender remains lagging which is not in the financial interest of the Corporation. Departmental rules/regulations and instructions issued from the State Govt. or any other appropriate authority regarding preparation and finalization of the tender documents are required to be strictly complied with. In order to have consistency in preparation of tender documents, the following guidelines are issued.

**Scope of work:**

The scope of work should be defined appropriately and clearly with standard specifications required, if any. It should be ensured that there is no duplicity of the work. A certificate should be recorded in the proposal for work that the work under consideration is not covered under any other scope of work/contract and is not feasible departmentally.

- i) In case of man power requirement, the minimum number of persons required to be deployed on the work category-wise i.e. un-skilled, semi skilled and skilled should be mentioned beside their requisite qualification/experience, if any.
- ii) In case some material/consumable is in the scope of the contractor, the standard/specification of the make required should be mentioned.
- iii) A general clause should be added in the scope of work that the scope of work is illustrative and not exhaustive and covers all associated work. The exclusions if any should be specifically referred to in the scope of work to avoid any ambiguity.
- iv) In case the proposal is for a new work, reasonability of the same be recorded stating the cost benefit analysis of the same. It should also be recorded that the work was got done in the past and what necessity arises at present to get the work done.

**Qualification criteria:**

Qualification criteria should be rationally in such a way that it should not restrict competition in any way. In case regularization in the approved criteria is required that may be sought from the competent authority.



C) **Preparation of the estimate:**  
The estimates should be prepared in detail rationally and with full justification. The basis of estimate should invariably recorded in the proposal. A standard proforma for preparation of the estimate is enclosed herewith. The reference of the similar cost of work in the neighbouring utilities/power stations should also be recorded for comparative analysis.

The estimate shall be approved by an officer not below the rank of S.E. in concurrence with the concerned FA & CAO.

D) **Approval of the Competent Authority:**

The work for which the tender is under consideration must have:

- i) Administrative approval from competent authority,
- ii) Technical sanction and
- iii) Availability of budget provision.

A certificate should be recorded in the proposal for the same.

E) **Issuance of NIT:**

- i) NIT should be initiated and issued well in time before closure of the existing contract, so that NIT could be finalized well before the expiry of the existing contract after appropriate scrutiny and justification of the new offer.

It has also been experienced that another fresh NIT is issued while the previous NIT for the same is still pending. In such a eventuality both the NITs i.e. previous and the new become alive which is against the Contract Act and challengeable in the eyes of law. It is, therefore, advised that no fresh NIT should be invited in case where an NIT was already called and alive on that day.

F) **Opening of price bid:**

As per the NIT provision, the offer is valid till 120 days of opening of price bid. It has been experienced that in some cases, there is an inordinate delay in taking the decision for opening the price bid and in view of the volatile market condition, the sensity of the validity of the offer vanish which may attract complications in finalization of the contract. To avoid such eventuality, it is desired that quick decisions for opening of price bid and finalization of the NIT be taken.

This issues with the approval of MD/HPGCL

Accounts Officer/F&B,  
for Financial Advisor/HQ,  
HPGCL, Panchkula

Endst. No. /FA/HQ/HPGCL/

Dated 23.07.2014

A copy of the above is forwarded to all the FA & CAOs/HPGCL, for information and necessary action. They are requested to ensure the compliance of the above guidelines in its letter & spirit.

Accounts Officer/F&B,  
for Financial Advisor/HQ,  
HPGCL, Panchkula

CC

1. OSD to Managing Director, HGPCL, for kind information of MD.
2. SPS to Director/Finance, HPGCL, for kind information of Director/Finance
3. SPS to Director/Technical, HPGCL, for kind information of Director/Technical.