

Rajshahi University

PURCHASE PROCEDURE MANUAL (PPM) – 2012

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Rajshahi University

PURCHASE PROCEDURE MANUAL (PPM) – 2012

(Approved under Res. No- 4 of the 440th Syndicate dated 20/03/2012)

A. PRINCIPLES

1. General Principles

- a) This Manual may be called the Rajshahi University Purchase Procedure Manual, 2012.
- b) It shall come into force with immediate effect.
- c) The Rajshahi University has the right to modify, substitute, waive or delete altogether at its own discretion and without notice any of the Clauses and Rules, prescribed in this Manual, either with regard to any particular case of purchase or as a matter of general policy, only when it does not contradict with PPA-06, PPR-2008.
- d) **If any clause of this manual contradicts with PPA-2006, PPR-2008 in course of practice, clause described by PPA-06 & PPR-08 shall prevail.**

2. Guiding Principles

The guiding principles for affecting all purchases against Rajshahi University requirements are as under:

- a) Speedy procurement at reasonable cost and in conformity with specifications, drawings furnished by the Indenter.
- b) The normal basis for acceptance of a tender shall be the "lowest acceptable quotation". This means that a Purchase Order will be placed on the lowest bidder provided:
 - (i) His quotation is in accordance with specification/drawing and other terms of supply.
 - (ii) The bidder is considered to be competent to manufacture or supply the stores required.
 - (iii) In the case of technical items, the samples of stores offered on demand are acceptable to the Indenter.
- c) Under no circumstances, should relaxation in the standard specification and drawings, where provided, be permitted except in consultation with and to the extent acceptable to the indenter.

3. Financial Principles

The following fundamental financial principles should be observed by the purchasing agent/ authorities authorized to enter into contract or agreements involving expenditure from the funds of the University:

- a) The terms of a contract must be precise and definite, and there must be no room for ambiguity or misconstruction therein.
- b) Legal and financial advice, as far as possible, should be taken in the drafting of contracts and before they are finally entered into.
- c) Standard forms of contracts should be adopted wherever possible the terms to be subject to adequate prior scrutiny.
- d) The terms of a contract once entered into should not be materially varied without the previous consent of the competent financial authority.
- e) No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the previous consent of the competent financial authority.
- f) Whenever practicable and advantageous, contracts should be placed only after tenders have been openly invited and in cases where the lowest tender is not accepted, reasons should be recorded.
- g) In selecting the tender to be accepted financial status of the individuals and firms, tendering, must be taken into consideration in addition to all other relevant factors.
- h) Even in cases where a formal written contract is not made, no order for supplies, etc. should be placed without, at the least a written agreement as to price.
- i) Provision must be made in contracts for safeguarding University property entrusted to a contractor.
- j) Deviations from contracts require authority not inferior to that required the original contract.
- k) Standing contracts should be reviewed occasionally.

B. GENERAL PROCEDURES

1. No work/supply/services (where compliance of **PPA-2006, PPR-2008 & Amended PPR-2009** is stated) should be taken in hand without the approval from the competent authority, provided that the work is included in the annual work plan.
2. **Procuring entity (PE)** shall invite tender / quotation for works / goods / services after getting the financial approval from the competent authority as per **DoFP (delegation of financial power)**. Tender/ quotations shall be invited on the basis of the approved estimate and method of tendering with proper justification.
3. Advertisement of the tenders / quotation shall be directly processed by the PE i.e. tendering authority in manner as stated in PPR-2008. (Rule# **90**)
4. PE shall prepare tender documents in accordance with the standard format as prescribed in the **PPR-08**. (i.e; for works- **PW1, PW2, PW3**, & for goods- **PG1, PG2, PG3** etc.)
5. (a) Open Tenders & Limited Tenders shall be received by the **PE in** Treasurers office and shall be opened by the Chairman of the respective TOC.
(b) Request for Quotation (RFQM) shall be received and opened by PE in their respective offices. Then duly signed Comparative Statement shall be placed to the TEC for evaluation.

(c) If the Institutes have their own TEC; the resolutions accepted by the TEC shall be processed through Board of Directors if needed as per DoFP. Agreements for work / supply should be signed by the Treasurer & Director as witness. Institutes shall form the TEC in accordance with the **PPR**.
6. The Procuring Entity (**PE**) shall form a Tender or Proposal Opening Committee comprising of 3 (three) members of which 1 (one) member of TEC and 2 (two) others from concerned PE and other agencies as per PPR.

After receiving tender following steps are to be taken:

 - a) Quoted rate shall be read out by TOC in presence of the Tenderer / Representative (if any) at the time of opening of the tenders.
 - b) Tender opening sheet and comparative statement shall be prepared and signed by TOC and shall be sent to the TEC for evaluation.
7. TEC shall go through all the tenders and find out about the responsiveness of the tenders as per guidelines stated by **PPR** and shall give recommendations duly signed in a proper manner as per PPR-08. Recommendations shall be placed to the approving authority for approval. Head of the Procuring Entity (**HOPE**) / approving authority shall approve the recommendations sent by TEC.
In case of difference of opinion HOPE may send back the proposal to TEC with remarks for revising the previous recommendations on valid reasons or can suggest for re-tender / fresh tender as the case may be (Whenever calling for a re-tender the PE may revise the previous tender schedule as per requirement).
8. Any extra work / modification of the work / supply shall not be carried out unless it is approved by the proper authority as per **DoFP**.
9. To prevent damage or loss the Head of Engineering Office / PE can start any emergency work with approval of the Vice-Chancellor subject to preparation of detailed estimate and sanction which must be reported to the authority at the earliest possible date as per guidance accommodated in PPR-08.
10. Except incase of emergency or to prevent damage or loss, no work shall be put in hand until a detailed estimate is approved by the appropriate authority. The estimate should be prepared on the basis of the approved schedule of rates or market price
11. At the time of obtaining sanction from the authority for any work / supply the budget head from which expenditure shall be met to be mentioned clearly.
12. PREPARATION AND APPROVAL OF ESTIMATE

13. Estimates for works / supply / services (for which there is provision in the budget) shall be prepared by **PE** or by his delegated staff mentioning specification, quantity, unit price and total price **properly** and financial sanction shall be obtained from authorities in accordance with **DoFP** given in detail below.

Revenue Budget / Development

Sl. No.	Approving Authority Depending on the Service done under head (Works / Goods / Services)	Delegated Financial Power	
		Development	Revenue
a)	Procurement of Works / Civil/ Supply of Goods & Physical Services:		
	1. Syndicate 2. Vice-Chancellor 3. Pro-vice Chancellor 4. Treasurer 5. Registrar	Above 8 (eight) lac Up to 8 (eight) lac Up to 2 (two) lac Up to 50 (fifty) thousand Up to 30 (thirty) thousand	Above 8 (eight) lac Up to 8 (eight) lac Up to 2 (two) lac Up to 50 (fifty) thousand Up to 30 (thirty) thousand
b)	Procurement of Goods & Physical Services:		
	1. Syndicate 2. Vice-Chancellor 3. Pro-vice Chancellor 4. Treasurer 5. Registrar	Above 8 (eight) lac Up to 8 (eight) lac Up to 2 (two) lac Up to 50 (fifty) thousand Up to 30 (thirty) thousand	Above 8 (eight) lac Up to 8 (eight) lac Up to 2 (two) lac Up to 50 (fifty) thousand Up to 30 (thirty) thousand
c)	Consultancy Services:		
	1. Syndicate 2. Vice-Chancellor	Above 8 (eight) lac Up to 8 (eight) lac	Above 8 (eight) lac Up to 8 (eight) lac

14. In accordance with the **DoFP** the following measures can be accepted:
- (i) Under stated conditions the Vice-Chancellor may write-off stores value / money up to Taka. 30,000.00 (Thirty thousand) in each case against the irrecoverable bad-debt caused by Forgery / negligence / theft or by any other reasons. If the stores value / money exceed Tk. 30,000.00 (Thirty thousand) the case shall be referred to the syndicate for decision.
 - (ii) Maintaining the existing rules the Vice-Chancellor can declare the property / assets as redundant.
 - (iii) The Vice-Chancellor can give order to sale the redundant articles in open Auction / Tender / Quotation as per DoFP.
15. **Tender for works/supply/services shall be called by the following offices of the University as PE.**
- a) **Registrar:** Printing & Stationary, Machinery (unless otherwise mentioned), supply of livery, office equipment and repair thereof.
 - b) **Chief Engineer:** All work of the University relating to maintenance, repair, development and supply of furniture, electrical goods, sanitary & water supply stationary, hardware goods & construction materials.
 - c) **Director of Planning & Development:** Procurement of Scientific & Laboratory equipment and other goods relating to academic & research work through L/C and appointment of clearing Agents and opening of L.C. for Library books & Journals. He will also call tenders in relation to the development project contingency fund.
 - d) **Librarian:** Purchase of books and journals and binding thereof.
 - e) **Controller of Examination:** Purchase of all stationary and paper materials relating to examination.
 - f) **Director of Physical Education:** Purchase of all sports goods and gears.
 - g) **Chief Medical Officer:** Purchase of all medicine and surgical materials and related instruments.
 - h) **All Chairmen of Departments:** Purchase of all Chemicals, scientific instruments, glass wares, scientific specimens, stationary & paper materials.

- i) Provost & all other Office Chiefs: Purchase of different items as and whenever empowered by the Vice-Chancellor.
- j) All **Directors of the Institutes**: Purchase of different items as and whenever empowered by the Board of Governor.
- k) **HOPE** may instruct any official to act as **PE** in special cases.

16. TENDER EVALUATION COMMITTEE

There will be two **TEC** (Tender Evaluation Committee) to be constituted as in **Rule#8 of PPR-08** (SCHEDULE-2) for consideration of tender for works / goods / services. Committee shall act with the terms of reference as prescribed in PPR-08. Planning and Development committee will recommended the proposal of consultancy services for construction works.

a) Tender Evaluation Committee -1(TEC-1) will be constituted as follows: [Rule# 8 (1)]

- i. Treasurer (Ex-Officio) - Chairman
- ii. One Dean (To be nominated by the Vice-Chancellor Chancellor by rotation for one - Member year))
- iii. a) One Chairman (To be nominated by the Vice-Chancellor by rotation for one - Member year)
- b) One Technical expert teacher (To be nominated by the Vice-Chancellor by rotation for one year)
- iv. Director of Planning & Development (Ex-Officio) - Member
- v. Director of Accounts (Ex-Officio) - Member
- vi. Addl. Chief Engineer or his nominee (Not below the rank of Executive Engineer) - Member from PWD, Rajshahi.
- vii. Addl. Chief Engineer or his nominee (not below the rank of Executive Engineer) - Member from PDB, Rajshahi.
- viii. Executive Engineer, EDD, Rajshahi. - Member
- ix. Chief Engineer, Rajshahi University - Member-secretary

b) Tender Evaluation Committee-2 (TEC-2) for low value Procurement will be constituted as follows: [Rule # 8(2), (8)]

- i. Treasurer (Ex-Officio) - Chairman
- ii. One Director of a Institute (To be nominated by the Vice-Chancellor by rotation for one year) - Member
- iii. One teachers (To be nominated by the Vice-Chancellor by rotation for one - Member year)
- iv. Director of Planning & Development (Ex-Officio) - Member
- v. Director of Accounts((Ex-Officio) Member
- vi. Chief Engineer, Rajshahi University - Member-secretary

TEC-2 will deal with works / goods /services of financial parameters stated below:

- Up to Tk 15 (fifteen) lac or below for Procurement of Goods and related Services.
- Up to Tk 30 (thirty) lac or below for procurement of Works and Physical Services
- Up to Tk. 5 (five) lac for intellectual and professional Services.

NB: TEC reserves the right to recommend in the interest of the University, to award the Work/Supply partially to several tenderers who are willing to accept the proposal.

17. USE OF DIRECT CASH PURCHASE

a) Use of Direct Cash Purchase. — (Rule # 81)

(1) The Procuring Entity may undertake direct cash purchase of low value Goods and urgent and essential Services such as maintenance, repairs, transportation and others in the value and annual aggregate amounts as specified below.

Annual Aggregate Amount for Direct Cash Purchase Maximum Tk. 500,000 (five hundred thousand) but not exceeding Tk. 25,000 (twenty five thousand) in a single Procurement.

(2) The Procuring Entity may undertake any Purchase under this rule by an officer or a purchase committee, comprising maximum three members, formed by it for this purpose, depending on the nature of the purchase.

- (3) Payments for Purchase under Sub-Rule (1) may be made by cash or cheque and a purchase order or contract shall not be required.

b) Use of Force Account. |— (Rule # 82)

- (1) Force Account may be used for hiring of direct labour for departmental needs in the value and annual aggregate amounts specified in below ;
Annual Aggregate Amount for Procurement under Force Account Maximum Tk. 200,000 (two lac) in each case.
- (2) Materials, tools and rental of additional equipment required to perform departmental Works under Force Account may be procured using other procurement methods such as RFQ or Direct Contracting under Rule-#76.

18. METHODS OF PROCUREMENT FOR GOODS AND RELATED SERVICES, WORKS, PHYSICAL SERVICES

a) OPEN TENDERING METHOD (OTM)

- (i) Time for preparation and submission of Tenders for National procurement of Goods, Works and Physical Services under the Open Tendering Method (OTM) from the date of Advertisement - Rule # 61(4)
- Not less than fourteen (14) days for Procurement up to Tk. 2(two) core,
 - Not less than twenty-one (21) days for contacts above Tk 2 (two) core, and up to Tk. 5 (five) core,
 - Not less than twenty-eight (28) days for contacts above Tk. 5 (five) core,
 - Not less than ten (10) days for emergency Procurement following a catastrophe
 - Not less than ten (10) days for Re-tendering up to Tk. 2 (two) core, and.
 - Not less than fourteen (14) days for above Tk. 2 (two) core, purchase.
- (ii) Use of Open Tendering Method in the Procurement of Goods, Works, etc. (Rule # 61)
- (1) The open Tendering shall be the preferred method of Procurement for Goods and related Services, Works and Physical Services, unless the threshold or special circumstances relating to a specific requirement make it more appropriate for one of the other Procurement methods to be used.
 - (2) Tenders shall be invited from all eligible Tenderers through public advertisement under Rule 90.
 - (3) Government owned factories or enterprises may participate in the public Tenders if they establish that they are legally and financially autonomous.
 - (4) The minimum time allowed for Tenderers to prepare and submit their Tenders for Goods, Works and Physical Services shall not be less than as specified in 17(a), provided that the Tender Documents are ready for sale and made available by the date of publication of the advertisement.
 - (5) In cases where Pre-Qualification of Applicants has been carried out pursuant to Rules 91, 92 and 93 the Procuring Entity shall restrict the issue of Tender Documents to Pre-Qualified Applicants only.
 - (6) In the case of Procurement of Goods and related Services and Works and physical Services under Open Tendering Method process and proceedings shall be performed as soon as possible.
- (iii) Use of Other Methods for Procurement of Goods, Works, Etc. |— (Rules# 62)
- (1) A Procuring Entity may use a Procurement method other than Open Tendering Method for Procurement of Goods and related Services and Works and physical Services in accordance with the requirements set out in these Rules, namely, Limited Tendering Method, Direct Procurement Method, Two-stage Tendering Method and Request for Quotations Method, provided that the selection of any Procurement method other than open Tendering, should be recorded stating the reasons or justifications for the method selected in compliance with the conditions specified in these Rules.
 - (2) In the case of Procurement of Goods and related Services and Works and physical Services under Limited Tendering Method, Two-stage Tendering Method, and Request for Quotations Method and Direct Procurement Method, process and proceedings shall be performed as soon as possible.

b) LIMITED TENDERING METHOD (LTM)

- (i) Financial limit for use of Limited Tendering Method (LTM) under Enlistment Rule# 63 (2)
- Maximum Tk.25 (twenty five) lac in the case of Goods and related Services and “stand alone Services”
 - Maximum Tk.50 (fifty) lac in the case of Works and physical Services

- (ii) Time for preparation and submission of Tenders from the date of invitation of tender directly or from the date of publication of advertisement in the newspaper under Limited Tendering Method Rule # 64(5)
- Not less than fourteen (14) days
 - Time for re-Tendering can be reduced to seven (7) days
 - Seven (7) days for Procurement under Rule 63 (b) and (c)
 - Below seven (7) days in the case of national disasters with the approval of Head of Procuring Entity.
- (iii) Use of the Limited Tendering Method. |— (Rule # 63)
- (1) A Procuring Entity may undertake Procurement by means of Limited Tendering Method in the following circumstances, namely –
 - (a) when Goods and related Services and Works and physical Services by reason of their specialized nature such as aircraft, locomotives, specialized medical equipment, contraceptives, telecommunication equipments, silos, ports, harbors etc., are available only from a limited number of qualified potential Suppliers or Contractors; or
 - (b) when there is an urgent need for Procurement of Goods, Works or Services and appear as such that open national or international competitive Tendering would be impractical.; or
 - (c) When the circumstances giving rise to the urgency under Sub Rule (1) (b) were neither foreseeable by the Procuring Entity nor caused by delay on its part; or
 - (d) When the Government establishes a policy to standardize on a certain number of brands to cut down spare parts stock requirements and maintenance costs such as computers, laboratory equipment, research equipment.
 - (2) The Procuring Entity may invite Tenders from enlisted Suppliers or Contractors when required time and administrative cost for going through Open Tendering would be high compared to the value of the Procurement subject to the threshold specified in 17(b) (i)
 - (3) In cases where the lowest evaluated Tender price exceeds the threshold in Sub-Rule (2), the approval for award of Contract shall be obtained from the next higher level of authority.
 - (4) The Limited Tendering Method shall not be used without prior approval of the Head of the Procuring Entity or an officer authorized by him or her.
 - (5) The submission of Tender Security shall not be mandatory under this method but the submission of Performance Security shall be required.
- (iv) Procedures for the Limited Tendering Procurement Method. |— (Rule # 64)
- (1) Procuring Entities who need to purchase Goods and related Services of a specialized nature and who know the limitations on the availability of number of Suppliers may directly invite Tenders from the potential Suppliers.
 - (2) Procuring Entities, who maintain updated lists of enlisted potential Suppliers or Contractors under Rule 52 may, for Procurement under Rule 63 (2), invite Tenders from those enlisted Suppliers or Contractors.
 - (3) In addition to invitations under Sub-Rule (2), advertisement in the Procuring Entity's website, if any, and where applicable a parallel advertisement in brief in the local press is recommended to increase competition and transparency, if the objective for using this method, i.e. saving time and money, is not defeated through such advertisement.
 - (4) Procuring Entities, who do not maintain updated lists of potential Suppliers or Contractors, may use such lists that are maintained by other key Procuring Entities or such lists posted for this purpose by the CPTU on its website.
 - (5) The time allowed for the submission of Tenders shall be as specified in 17(b)(ii).

c) REQUEST FOR QUOTATION METHOD (RFQM)

- (i) Financial limit for Request for Quotation Method (RFQM) of Goods and related Services and, Works and Physical Services Revenue Budget Rule# 69 (1), 69 (6), (a) &(c)

Revenue Budget

- Maximum Tk. 2, 00,000 (two lac) in each Procurement up to annual aggregate amount of Tk.10, 00,000 (ten lac) for Goods and related Services.
- Maximum Tk. 500,000 (five lac) in each Procurement up to annual aggregate amount of Tk. 20,00,000 (twenty lac) for Works and physical Services

Development Budget

- Maximum Tk.5,00, 000 (five lac) in each Procurement up to annual aggregate amount of Tk. 20, 00,000 (twenty lac) for Goods and physical Services.
 - Maximum Tk. 1000,000 (ten lac) in each Procurement up to annual aggregate amount of Tk. 40,000,000 (forty lac) for Works and physical Services
- (ii) Time limit for invitation under the RFQ Method Rule# 74.4(4)
- Less than ten (10) days from the date of invitation for quotations.
- (iii) Conditions and Procedures for Use of Request for Quotation Method (RFQM). |—_Rule #69
- (1) A Procuring Entity may undertake Procurement by means of the RFQ for readily available in the market standard off-the-shelf Goods and related Services, low value simple Works and physical Services, provided that the estimated value of such Procurement shall not exceed the threshold separately specified for revenue and development budget in 17(c)(ii)..
- (2) The Head of the Procuring Entity shall strictly control the use of the RFQ Method in order to ensure that there is no abuse and that its use by Procuring Entities is restricted to the items specified in this Rule.
- (3) A decision to use RFQ Method shall be approved in writing by the Head of the Procuring Entity or an officer authorized by him or her unless the RFQ method was scheduled for the said object of Procurement in the Procurement Plan approved under Rule 16(7).
- (4) In deciding or justifying the use of the RFQ Method, the following shall be considered-
- (a) Procuring Entities shall not use the RFQ Method as means to either bypass more competitive methods of Tendering or split large potential contracts into smaller ones solely to allow the use of this method.
 - (b) The RFQ Method should not require complex Documentation or all the formalities of a full Tendering process.
- (5) Quotations for low value simple Works or physical Services may be requested in the form of -
- (a) unit rate prices, provided quantities can be estimated with a reasonable degree of accuracy; or
 - (b) “cost plus fee” arrangements, when quantities cannot be reasonably determined or estimated in advance; or
 - (c) a lump sum, if the Procuring Entity has prepared an accurate cost estimate for the Works or physical Services.
- (6) A Procuring Entity may engage in Procurement by means of RFQ Method for Procurement of Goods and related Services required for maintenance and urgent repairs to -
- (a) Procurement by Procuring Entity of any spare parts or related Services for the maintenance or repair of any public sector utility workshops (buses, locomotives, rolling stock, ferries, power stations or installations, telecommunication installations, gas installations, water installations, etc), so long as the value does not exceed the amount specified in 17(c)(i).
 - (b) Procurement of Goods and related services required for the maintenance and urgent repairs of national carriers not exceeding the amount
 - Maximum Tk.15, 00,000 (fifteen lac) in each case(Rule# 69(6)(b)
 - (c) Procurement of any spare parts or related Services for the urgent maintenance or repair of any processing or production plant of public manufacturing industries (fertilizer, chemicals, steel & engineering, cement, petroleum, small and cottage industries, etc) if it is maintaining or repairing the equipment in its own workshops so long as value does not exceed the threshold specified in 17(c) (i)..
- (iv) Documentation Needed for the RFQ Method. |— (Rule # 70)
- (1) The Request for Quotations shall contain a clear statement concerning the Procuring Entity’s requirements in respect of the Goods and related Services and low value simple Works or physical Services, such as quality, quantity or volume of Goods, scope of physical Services and their duration, terms and time of delivery or completion, and payment terms and invoicing procedures, including special requirements.

- (2) Tenderers may be required to furnish documentary evidence(s) demonstrating its eligibility by providing a valid trade license, Tax Identification No. (TIN), VAT registration and Bank solvency certificate.
 - (3) Tenderers shall be requested to quote prices or rates in a process similar to those in Open Tendering Method.
 - (4) The evaluation criteria to be used shall be stated in the requests for quotations considering type and value of Goods and related Services and low value simple Works or physical Services to be procured using the RFQ Method.
 - (5) Procuring Entities shall use the standard Document specified for RFQ Method.
 - (6) No Tender or Performance Securities are required when the RFQ Method is used.
- (v) Procedures for use of Request for Quotations Method Invitation. |— (Rule # 71)
- (1) The Procuring Entity shall invite quotations from Suppliers by letter, fax or electronic mail, indicating the last date by which the quotations shall be submitted.
 - (2) Requests for Quotation do not need to be advertised in the newspaper; but for the minimum circulation shall publish that advertisement in the Website of the Procuring Entity, if any, including its Notice Board and shall send with request for publication to the administrative wing of the another nearby Procuring Entities. .
 - (3) The Procuring Entity shall not charge any fees for the RFQ Document.
 - (4) Time for invitation shall be kept minimal but reasonable, within the threshold specified in Schedule II.
 - (5) The Procuring Entity shall carefully select the Tenderers to be invited to submit quotations for Procurement of Goods or Works taking into account its specific requirements as well as the reputation and capability of the Tenderers.
 - (6) The Procuring Entity shall request quotations from as many Tenderers as practical and shall obtain and compare at least three (3) responsive quotations to establish the competitiveness of the quoted price,
 - (7) The Procuring Entity should, in order to minimize the risk of not receiving satisfactory number of responsive quotations, request all potential Tenderers to confirm whether or not they will be submitting a quotation in order to invite other Tenderers to replace those who are not submitting a quotation.
 - (8) The Procuring Entity shall, in order to diversify the source of supply and treat all potential Tenderers equally as long as they provide good performance and economic price, ensure that the same Tenderers are not always invited to quote.
 - (9) The RFQ Method for national Procurement is generally limited to Persons resident and commercially registered in Bangladesh and to the supply of Goods, of both local and foreign manufacture, which are usually available from more than one source within Bangladesh at a competitive price.
- (vi) Submission of Quotations. |— (Rule # 72)
- (1) The Tenderer shall have the choice to submit its offer in a sealed envelop clearly marked on the top as `Quotation' or by fax or e-mail.
 - (2) The Procuring Entity shall stamp all quotations, received sealed or otherwise, indicating both the date and time of receipt and shall submit to the Tender Evaluation Committee for evaluation as per B.5 (ii)
 - (3) If the Procuring Entity has not received at least three (3) responsive quotations within the given time, it shall verify with the other Tenderers to whom it sent a request for quotation whether or not they intend to submit a quotation, and if so how soon.
 - (4) The Procuring Entity, unless there is extreme urgency or there are already three (3) or more responsive quotations available, may give reasonable amount of additional time for other Tenderers to submit quotations, and proceed with the evaluation of the quotations received on the expiry of the additional time.
- (vii) Evaluation of Quotations and Issuance of Purchase or Work Order. | (Rule # 73)
- (1) All quotations, whether submitted in sealed envelopes or by other means, shall be examined and evaluated by a Tender Evaluation Committee, following the procedure specified in Rule 98 on the very submission date after the deadline specified.

- (2) In the case of evaluation of quotations, only the requirements specified in the Request for Quotations is to be examined, following which the lowest evaluated quotation shall be selected for award of the work order. Provided that in special circumstances, the TEC may recommend an award to a Tenderer who has not submitted the lowest priced quotation when such recommendations are fully justified on technical, social or economic grounds.
- (3) A slightly higher price may be justified for faster delivery or immediate availability in cases of extreme urgency or when late delivery may result in heavy consequences for the purchaser, provided that in such cases, the intention to favor early delivery should be clearly indicated in the RFQ.
- (4) The Evaluation Report must demonstrate clearly that the award is based on sound economic criteria.
- (5) The winning Tenderer shall be notified immediately by sending him or her purchase order in the case of Goods or by inviting him or her to sign a standard contract in the case of Works and Physical Services.
- (6) The awarded Tenderer shall confirm in writing receipt of the purchase order or work order to the Procuring Entity.
- (7) If the Procuring Entity couldn't receive the minimum required number of quotations, it shall refer the matter to the HOPE recommending either to cancel the Procurement or to use other Procurement methods such as Direct Procurement.
- (8) The record of Procurement as specified in Rule 43 shall include the list of Tenderers invited and the list and value of the quotations received and the Evaluation Report.

d) DIRECT PROCUREMENT METHOD (DPM)

- (i) Use of the Direct Procurement Method. |— (Rule # 74)
 - (1) The Procuring Entity may use the Direct Procurement method for Procurement for Goods and related Services, Works and physical Services from one source without going through Tendering or other Procurement methods but shall under no circumstances be used to avoid competition or to favour a particular Person, Supplier or Contractor to discriminate among Persons, Suppliers or Contractors.
 - (2) The Head of a Procuring Entity shall strictly control the use of the Direct Procurement Method as it- does not provide the benefits of competition, lacks transparency and could encourage unacceptable and fraudulent practices.
 - (3) The decision to use this method shall be approved by the Head of the Procuring Entity or an officer authorized by him or her in order to ensure that there is no abuse and its use is restricted to the circumstances specified in these Rules.
 - (4) In exceptional cases where it is urgently necessary to complete the scope of the original contract, additional deliveries or a Variation or Extra Work Order or Repeat Order beyond the amount specified in Schedule II, shall be approved by an authority of level higher than the Approving Authority who approved the original contract. Explanation: If the original Approving Authority was the Procuring Entity then the HOPE and if the HOPE was below the level of original Approving Authority or Secretary then the Secretary of the Ministry or Division and so forth the next higher level authority, shall approve additional deliveries or a Variation or Extra Work Order or Repeat Order beyond the amount specified in Schedule II.
- (ii) Forms of Direct Procurement. |— (Rule # 75)
 - (1) Until contrary to the context direct Procurement shall be applicable in any of the following cases-
 - (a) Direct Contracting; or
 - (b) Additional deliveries and Repeat Orders; or
 - (c) Variation Orders; or
 - (d) Extra Work Order; or
 - (e) Direct cash purchase; or
 - (f) Force account.
 - (2) When a Procuring Entity engages in direct Procurement according to this Rule, it shall prepare a description of its needs and any special requirements concerning quality, quantity, terms and times of delivery.

- (3) The Procuring Entity shall, in the first place, ask for a priced Offer from a Tenderer directly and afterwards shall be free to negotiate with the selected sole Tenderer.
 - (4) There shall be no requirement for direct Procurement to be advertised.
 - (5) There shall be no requirement for a Tender security in case of direct Procurement, but a Performance Security shall be obtained from the Supplier or Contractor except for Procurements under Rule 27(9), Rules 81 and 82.
 - (6) A new contract for new Procurements or a revised contract incorporating an amendment to the existing contract in case of variations, extra works, repeat orders or additional deliveries shall be signed except for Procurement under Rule 81 and Rule 82.
- (iii) Use of Direct Contracting. — (Rule # 76)
- (1) The Procuring Entity may invite only one Supplier or Contractor to submit an offer under any of the following conditions -
 - (a) Procurement of Goods and related Services of proprietary nature which can be obtained only from the proprietary source, i.e. when patents, trade secrets and copyrights prohibit others from manufacturing the same item; or
 - (b) Where the Procurement of critical plant components from a specific manufacturer, Supplier or distributor is a condition precedent to hold such manufacturer, Supplier or distributor to guarantee its project performance in accordance with the provisions of the Contract; or
 - (c) Those sold by an exclusive dealer or manufacturer which does not have sub-dealers selling at lower prices and for which no suitable substitute can be obtained at more advantageous terms; or
 - (d) Procurement of perishable commodities such as fresh fruit, vegetables or other similar items on the basis of reasonable market price valid at the time of purchase; or
 - (e) Procurement of Goods and related Services under exceptionally advantageous conditions, provided that those are of the latest production, unused and are covered by manufacturer's warranty; or
 - (f) Procurement of agricultural products directly from the farmers when the Government determines the purchase price rate at a level in order to ensure reasonable price for the farmers and Procurement of essential Goods for which the Government determines the purchase price rate; or
 - (g) Procurement of Goods and related Services, in special cases, from a Government-owned industry or factory using government own funds; or
 - (h) when the Government wishes to promote small scale local industries for specialized products as per specification approved by certain Governmental agencies and statutory bodies; or
 - (i) Procurement of spare parts of existing equipment where a change of Supplier would result in the Procurement of equipment, spare parts or Services which would not be interchangeable with the existing equipment, spare parts or Services, or
 - (j) Emergency Procurement of Goods, Works and Services arising from natural disasters within the thresholds as specified below;
Maximum Tk. 5000,000 (fifty lac) in each Procurement up to annual aggregate amount of Tk. 500,00,000 (five hundred lac) for Works and physical Services; or
 - (k) Procurement of Goods, Works and Services of very urgent or essential nature such as catering services, ambulance services, transportation services, event management services, repair /maintenance services, plumbing services, carpentry services, masonry services, within the thresholds as specified below;
Maximum Tk.100,000 (one lac) in each Procurement up to annual aggregate amount of Tk. 500,000 (five lac) for Works and physical Services.
 - (2) For Emergency Procurement above the thresholds as specified above j & k , the Government may, in accordance with Section 68 of the Act, resort to the direct procurement method for carrying out a procurement activity following the recommendation of the Cabinet Committee on Economic Affairs.

- (3) The Procuring Entity may engage in direct contracting with local communities in projects with poverty alleviation objectives if it is provided for in the project Document following the Operational Manual for the project, provided that the Project Implementation Committees shall procure the required small works, incidental materials and direct labour in a responsible and accountable manner.
 - (4) Contracts for stand-alone Services such as catering Services, security Services, courier Services, and others of a similar nature, with the original Contractor may be renewed on annual or term basis, if the original contract was awarded on competitive basis, provided that the renewal will not be given more than twice.
- (iv) Procurement of Additional Deliveries and Repeat Orders. |— (Rule # 77)
- (1) Additional deliveries of Goods and related Services, from the original Supplier, and Repeat Orders of a similar nature from the original Supplier or Contractor shall be subject to the following conditions -
 - (a) Contract values must not exceed the threshold value from 15% to 50% of the original Contract price, provided that such prices are still the most advantageous to the Procuring Entity after price verification;
 - (b) No Procurement by repeat orders shall be permissible, for the purpose of evading the necessity of the requirements for the alternative methods of Procurement and the requirements of the Act and these Rules, by any means or, splitting of Contracts or purchase orders into smaller numbers and threshold values or dividing Contract implementation into artificial phases or sub-contracts.
 - (c) In the case of an extension of existing contract relating to Supplies, services or installation, provided that the original Contract was signed following a competitive Procurement process.
- (v) Issuance of Variation or Extra Work Orders. |— (Rule # 78)
- (1) The Procuring Entity may issue a Variation Order for Procurement of Works, physical Services from the original Contractor to cover any increase or decrease in quantities, including the introduction of new work items that are either due to change of plans, design or alignment to suit actual field conditions, within the general scope and physical boundaries of the contract .
 - (2) The Procuring Entity may issue an Extra Work Order to cover the introduction of such new works necessary for the completion, improvement or protection of the original works which were not included in the original contract, on the grounds where there are subsurface or latent physical conditions at the site differing materially from those indicated in the contract, or where there are duly unknown physical conditions at the site of an unusual nature differing materially from those usually encountered and generally recognized as inherent in the work or character provided for in the Contract.
 - (3) Any cumulative Variation, beyond the threshold value 15% of the original Contract price, shall be subject of another contract to be tendered out if the Works are separable from the original contract.
- (vi) Preparation of a Variation or an Extra Work Order. |— (Rule # 79)
- (1) In claiming for any Variation or Extra Work Order, the Contractor shall deliver a written notice within 7 days, giving full and detailed particulars of any extra cost in order that it may be investigated at that time, and failure to provide such notice shall constitute a waiver by the Contractor for any claim.
 - (2) The preparation and submission of Variation or Extra Work Order shall be as follows -
 - (a) if the Project Manager deems it necessary that a Variation or Extra Work Order should be issued, he or she shall prepare the proposed order accompanied with the notices submitted by the Contractor, the necessary plans , his or her computations as to the quantities of the additional Works involved per item indicating the specific

locations where such Works are needed, the date of his or her inspections and investigations thereon, and the log book thereof, and a detailed estimate of the unit cost of such items of work, together with his or her justifications for the need of such Variation or Extra Work Order, and shall submit the same to the Approving Authority.

- (b) The Approving Authority, in accordance with DoFP, shall approve the Variation or Extra Work Order, after review and satisfaction with the justification, plans, quantities, and proposed unit cost of the new items of work involved if the Variation is within the threshold value 15% of the original Contract price, or shall arrange to obtain approval from the authority next higher than the authority who approved the original contract in line with Rule 74(4).
 - (c) the time for the processing of Variation and Extra Work Orders from the preparation up to the approval by the Approving Authority concerned shall be within 30 days.
- (vii) Costing of Variation or Extra Work. |— (Rule # 80)
- (1) The Contractor shall be paid for additional work items as follows –
 - (a) if items of additional works are exactly the same or similar to those in the original contract, the applicable unit price of work items in the original contract shall be used for payment of those additional work items;
 - (b) For new items of works that are not included in the original Contract, the unit prices of the new work items shall be based on -
 - (i) the direct unit costs used in the original Contract for other items (e.g. unit cost of cement, steel rebar, formwork, labour rate, equipment rental, etc) as indicated in the Contractor's price breakdown of the cost estimate, if available; or
 - (ii) Fixed prices acceptable to both, the Procuring Entity and the Contractor, based on market prices;
 - (iii) the direct cost of the new work item based on (i) and (ii) above shall then be combined with the mark-up factor (i.e. taxes, overheads and profit) used by the Contractor in his Tender to determine the unit price of the new work item.
 - (2) Request for payment by the Contractor for any extra work shall be accompanied by a statement, with the approved supporting forms, giving a detailed accounting and record of amount for which it claims payment and such request for payment shall be included with the Contractor's statement for a progress payment.
 - (3) Under no circumstances shall a Contractor proceed to commence work under any Variation or Extra Work Order unless it has been approved by the Approving Authority.
 - (4) The Head of the Procuring Entity may, in exceptions to the preceding Rule and subject to the availability of funds, authorize the immediate start of work under any Variation or Extra Work Order under any or all of the following conditions -
 - (a) in the event of an emergency where the carrying out of the work is required urgently to avoid causing damage to public services, or damage to life or property or to both; or
 - (b) When time is of the essence provided that,
 - (i) The cumulative increase in value of work on the project which has not yet been duly approved does not exceed the percentage 10% of the adjusted original Contract price.
 - (ii) Immediately after the start of work, the corresponding Variation Order or Extra Work Order shall be prepared and submitted for approval in accordance with Rule 36.
 - (5) Payments for Works satisfactorily accomplished on any Variation or Extra Work Order may be made only after approval of the same by the appropriate authority.

- (6) For a Variation or Extra order involving a cumulative amount exceeding the percentage 10% of the adjusted original Contract price, no work thereon may be commenced unless said Variation or Extra Work Order has been approved by the appropriate authority.

19. DETERMINING TENDER OR PROPOSAL VALIDITIES AND SECURITY DEPOSITS

a) Determination of Validities |— (Rule # 19).

- (1) The validity period shall be determined depending on the complexity of the Tender or Proposal and the time needed for its evaluation and approval and shall be within the limits normally 60 days to 120 days.
- (2) Notwithstanding anything contained in Sub-Rule (1), shorter or longer periods may be authorized by the Head of the Procuring Entity or an officer authorized by him or her to suit the requirements of a particular Procurement activity.

b) Time Limit for Evaluation of Tenders and Proposals |— (Rule# 20)

- (1) A Procuring Entity shall complete evaluation of Tenders or Proposals and award of Contract within the initial period of Tender or Proposal validity determined in accordance with 18(a).
- (2) A Procuring Entity in course of determining the Tender or Proposal validity period shall take into account the time-line for the process involving examination, evaluation and approval of the Tender or Proposal and issuance of Notification of Award, as specified in Rule 36.

c) Extension of Validity |— (Rule# 21)

- (1) A Procuring Entity may, if justified by exceptional circumstances, request in writing a Tenderer or an Applicant to extend the validity period of its Tender or Proposal before the expiration date: provided that for the first extension of validity, the approval of the Head of the Procuring Entity and for second extension of such validity, the approval of the next higher level of authority shall be obtained.
- (2) The request for extension of Tender or Proposal validity under Sub-Rule (1) shall state the new date for the expiry of Tenders or Proposals and all such requests for extension shall be sent to the Tenderers or Applicants within the time not later than 10 days.

d) Tender Securities |— (Rule# 22)

- (1) To discourage the submission of Tenders with ill motive, a Procuring Entity may include in the Tender Documents a condition that Tenders must be accompanied by a security in form of, at Tenderer's option, a bank draft, pay order, or bank guarantee using the standard format attached to the Tender documents, issued by a scheduled bank of Bangladesh.
- (2) In the case of international procurement, the Tender security in the form of a Bank Guarantee as specified in the Tender Document shall be and issued by an internationally reputable bank and shall require to be endorsed by its any correspondent bank located in Bangladesh, to make it enforceable.
- (3) The amount of Tender security shall be determined sufficient to discourage irresponsible Tenderers and shall be expressed in the Tender Documents as a rounded fixed amount and, shall not be stated as a percentage of the estimated total Contract value and such fixed amount shall be determined not exceeding 3%.
- (4) If Tenders for one or more items are invited on item-by-item basis or on lot-by-lot basis, one Tender security, at the percentage 5% of the total value of the items or lots offered by the Tenderer, may be asked to be submitted, provided that the Tender security is submitted in a separate envelope.

Example

If the estimated total Contract value of the Tender is Tk. 500,000 then a Tender security @ of 3% would be Tk. 15,000, @ 2% would be Tk. 10,000 and @ 1% would be Tk.5000 and the amount of Tender security should be set slightly lower than that derived from the above percentage so that the Tenderer is unable to determine reliably the actual estimated Contract value. In this case Tk.14,000 @ 3%, Tk.9,000 @ 2% and Tk 6,000 @ 1% may be determined Tk. 14,000 or Tk. 9,000.

- (5) If Tenders are invited on lot-by-lot basis, amount of the Tender security may be determined on the basis of different percentages for each lot but the amount in fixed amount as specified above (18.d.4), except under Sub-Rule (4), shall be stated in the Tender Document.

- (6) A Tender security shall not be requested for Procurement of Goods and related Services, Works and Physical Services undertaken by Direct Procurement Method, and Request for Quotations Method.
 - (7) A Tender security shall remain valid for at least twenty-eight (28) days beyond the expiry date of the Tender validity in order to enable a Procuring Entity to make a claim in due course against a Tenderer in the circumstances detailed in Rule 25.
 - (8) The Procuring Entity shall advise the Tenderer of the date by which the Tender security extended under this rule shall be accepted.
- e) Extension of Validity of Tender Security|— (Rule# 23)**
- (1) Tenderers consenting to extend their Tender or Proposal validity periods. shall also correspondingly extend, in accordance with Sub-Rule (3), the validity of their Tender securities, where applicable.
 - (2) In case a Tenderer does not agree to extend its Tender validity period, its Tender will not be considered for subsequent evaluation and the Tender security shall be returned to the Tenderer as soon as possible.
 - (3) The Tender security shall be extended by at least twenty-eight (28) days beyond the new expiry date of the Tender validity, if the Tender validity period is extended.
- f) Verification of the Authenticity of Tender Security|— (Rule# 24)**
- (1) The authenticity of Tender security submitted by a Tenderer shall be verified by the Tender Evaluation Committee in writing from the Bank issuing the security , prior to the finalization of the Evaluation Report. , .
 - (2) If a Tender security is found to be not authentic, the Tender which it covers shall not be considered for subsequent evaluation and in such cases the Procuring Entity shall proceed to take measures in line with Section 64 (5) of the Act.
- g) Forfeiture of Tender Security|— (Rule# 25)**
- (1) A Tender security shall be forfeited if the Tenderer-
 - (a) withdraws his Tender after the opening of Tenders but within the validity of the Tender security ; or
 - (b) refuses to accept a Notification of Award ; or
 - (c) fails to furnish performance security, if so required; or
 - (d) refuses to sign the Contract; or
 - (e) does not accept the correction of the Tender amount following the correction of arithmetic errors pursuant to Rule 98 (11).
- h) Return of Tender Securities|— (Rule# 26)**
- (1) No Tender securities shall be returned to the Tenderers by the Tender Opening Committees (TEC) after the opening of Tenders.
 - (2) No Tender security shall be returned to the Tenderers before contract signing, except to those who are considered non-responsive.
 - (3) Tender securities of non-responsive Tenders shall be returned immediately after the Evaluation Report has been approved by the Procuring Entity.
 - (4) Tender securities of the responsive Tenderers shall be returned only after the the lowest evaluated responsive Tenderer has signed the contract and submitted the performance security, even before the expiration of the validity period.
- i) Performance Security|— (Rule# 27)**
- (1) A Performance Security shall be furnished by the successful Tenderer in the amount specified in the TDS following the threshold specified below;

Amount of performance Security

 - Five percent (5%) of the Contract price for divisible commodities
 - Ten percent (10%) of the Contract price for Goods and related Services
 - Ten percent (10%) of the Contract price for Works if provision for advance payment exists.
 - Five percent (5%) to ten percent (10%) if provision advance payment does not exist. Five percent (5%) to ten percent (10%) of the Contract price for Physical Services
 - (2) The Procuring Entity may increase the amount of the Performance Security above the amounts specified in 19 (i).1 if the TEC considers the Tender unbalanced as a result of front loading.

- (3) The Performance Security shall be in the form of a Bank draft, pay order or a Bank Guarantee, as specified in Schedule II, issued by a bank acceptable to the Procuring Entity.
- (4) In the case of international procurement, the Performance Security shall be in the form of a Bank Guarantee as specified in the Tender Document shall be issued by an internationally reputable bank and it shall have correspondent bank located in Bangladesh, to make it enforceable.
- (5) A Performance Security shall be required to be valid until a date twenty-eight (28) days from the intended completion date if there is no condition for deduction of retention money.
- (6) If the intended completion date is to be extended, validity of the Performance Security shall be extended for the period until twenty-eight (28) days from the new intended completion date.
- (7) The Performance Security shall be replaced by a new security covering (fifty percent) 50% amount of the Performance Security to cover the defect liability period if condition for deduction of retention money has not been applied.
- (8) The amount of new Security to be provided under Sub-Rule (7) shall be calculated based on the final contract value.
- (9) Furnishing Performance Security shall not be mandatory in the case of Procurement of spare parts from the original manufacturer or his sole agent.

j) Retention— (Rule# 28)

- (1) Retention money at a percentage as specified in below; will be deductible from each bill due to a Contractor until completion of the whole Works or delivery.

Percentage of Retention under Contracts for Works and physical Services

- Not necessary if no advance payment has been effected and Performance Security of ten percent (10%) is submitted,
 - The total percentage of Retention and Performance Security may not exceed ten percent (10%) if no advance payment has been made, except in the case under Sub-Rule 27(2)
- (2) On completion of the whole Works, half the total amount retained shall be repaid to the Contractor and the remaining amount may also be paid to the Contractor if an unconditional Bank guarantee is furnished for that remaining amount.
 - (3) The remaining amount or the Bank guarantee, under Sub-Rule (2), shall be returned, within the period 28 days, after issuance of all Defects Correction Certificate under Rule 39(29) by the Project Manager or any other appropriate Authority.
 - (4) Deduction of retention money shall not be applied to small Works Contracts if no advance payment has been made to the Contractor and in such case;
 - (a) The Performance Security shall be replaced by a new security covering (fifty percent) 50% amount of the Performance Security to cover the defect liability period if condition for deduction of retention money has not been applied.
 - (b) The amount of new Security to be provided under Sub-Rule (7) shall be calculated based on the final contract value. the provisions of Sub-Rule (7) and (8) of Rule 27 shall be applied.

20.ADVVERTISEMENT (Rule# 90)

- (1) A Procuring Entity shall be the authority to directly advertise all Invitations for Pre-Qualification (IFPQ), Invitations for Enlistment (IFE), Invitations for Tender (IFT) and Request for Expressions of Interest for Goods and related Services, Works and Physical Services and, intellectual and professional Services, whichever is applicable in accordance with Section 40 of the Act.
- (2) The Procuring Entities shall advertise their Procurement requirements which have been included into their Annual Procurement Plan in accordance with the following procedures-
 - (a) Invitations shall be advertised in, at least one Bangla language national newspaper and one (1) English language national newspaper, both of which shall have a wide daily circulation within Bangladesh;
 - (b) the Procuring Entity shall, in order to advertise, carefully apply sound judgment in choosing national newspapers which are commonly known and ubiquitously accepted as having wide daily circulation;

- (c) in addition to an advertisement on the national level, Procuring Entities based outside Dhaka shall consider, for certain Procurements as specified below, advertising in a maximum of two (2) widely circulated local or regional newspapers for a maximum of two (2) days;
 - Advertisement in Local and Regional Daily Newspapers Rule # 90 (2)(c)**
 - When the official estimated cost is Tk.500,000 (five hundred thousand) or below
 - (d) where more than one (1) edition of the newspaper is published on the date of publication of the advertisement, the Procuring Entity shall ensure that the advertisement will be published in each copy of every such edition;
 - (e) if cost of the advertisement is a factor for wider publication, the Procuring Entity may consider reducing the size of the advertisement and advertise in a higher number of newspapers to ensure wider distribution and transparency;
 - (f) Pre-Qualification, Tender or Proposal Documents should be ready for issue or sale to interested Applicants and Tenderers by the time of the appearance of the advertisement;
 - (g) subsequent changes or amendments to any invitation shall also be re-advertised preferably in the same newspapers and websites where it was originally published;
 - (h) all invitations shall also be advertised in the Procuring Entity's website, if any;
 - (i) the Procuring Entities shall send Invitations for Procurements where potential contract values are estimated to exceed the amounts 19(i)(c), or as decide by the Government from time to time, for publication in the CPTU's website.
- (3) A Procuring Entity shall, where Procurement opportunities are open to international Applicants, Tenderers or Consultants, also cause the invitation to be published in an English language newspaper or publication of wide international circulation, or in a UN Development 74 Business (online) and the Development Gateway Market (dg Market), and in foreign trade missions in Bangladesh or Bangladeshi trade missions abroad, whichever is deemed appropriate.
 - (4) A Procuring Entity shall, in publishing advertisements for national and international Procurement, ensure that the time frame for Invitations is in compliance with 17(a)(b).
 - (5) Advertisements for invitations to Pre-Qualification (IFPQ), Enlistment (IFE), Tenders (IFT) and Expressions of Interest (EOI) shall follow the specified formats

21. PROCEDURE FOR AWARDING WORK

- (i) The Tenders shall be accepted as follows:
 - (a) Tenders for purchase / supply of goods / construction works and physical services shall be approved by the approving authority as per DoFP on the recommendation of the TEC.
 - (b) Tenders of any amount above the approving capacity of Vice-Chancellor (HOPE) shall be approved by the Syndicate through Finance Committee on recommendation of TEC.
- (ii) Approval of Tender or Proposal |—
 - (1) The Approving Authority shall take decisions following Section 8 of the Act and in compliance with the provisions of the Act and these Rules on the recommendations of the Evaluation Committee.
 - (2) The Approving Authority, considering the overall recommendations of the Evaluation Committee, may either -
 - (a) Approve the recommendations; or
 - (b) Seek any clarification from the Committee through the Procuring Entity on any specific issues in connection with such recommendations; or explaining the reasons -
 - (i) reject the recommendations, and request the Committee for a re-evaluation; or
 - (ii) reject the recommendations, and issue instructions to reprocess the Procurement in accordance with the provisions of the Act and these Rules.

- (3) In cases where the companies, registered under the Companies Act, 1994 (Act No. 18 of 1994), use public funds received through the Government Revenue or Development budget for undertaking any procurement, they shall follow their own administrative and financial delegations as applicable to them under the Companies Act with regard to approval of the Evaluation Report and Award of contract.
- (4) Work order shall be issued by the Head of the office (PE) or by an authorized officer after receiving 10% performance security from the contractor stating that the date of start of work / supply shall be the date of agreement, if the clause of performance security was stated during tendering procedure.
- (i) TEC reserves the right to recommend in the interest of the University, to award the Work/Supply partially to several tenderers who are willing to accept the proposal.
 - (ii) Work order shall be issued by the Head of the office (PE) or by an authorized officer after receiving additional 10% performance security from the contractor stating that the date of start of work/supply shall be the date of agreement, if the case of performance security was stated during tendering procedure.

22.AGREEMENT

- (i) Agreement shall be prepared and executed by the **PE** for Open Tendering Method (OTM), Limited Tendering Method (LTM) and Direct Purchase Method (DPM). Except work, no need of agreement for Request for Quotation Method (RQM) and Direct Case Purchase.
- (ii) **After approval of tender Notification of Award shall be issued by PE. The Notification of Award shall state the value of the proposed Contract, the amount of the performance Security (if asked), the time within which the Performance Security shall be submitted and the time within which the Contract shall be signed. A non-judicial stamp of taka 150/- (may be changed as per government decision) duly filled in by the PE as per PPR-08 shall be issued to the successful tenderer by the office for signing the contract. Contract shall be signed by the Treasurer & PE as witness and the successful tenderer. All other bidders shall be notified simultaneously about their fate. At the time of notification all necessary documents deemed to be required, e.g. bank guarantee, performance bond, insurance etc. shall be considered at the time of signing the contract.** These requirements are to be determined by TEC as well as by the PE.
- (iii) Before signing the agreement by the Treasurer it shall be checked and vetted by Head of the related Office.
- (iv) The agreement must be executed by the contractor within 21 (twenty one) days from the date of receipt of work order. But in special cases the Treasurer can give permission for execution of formal agreement beyond the schedule time on recommendation to the Head of the office in consideration of the merit of the case for another 21 (twenty one) days.
- (v) No work shall be started before signing of formal agreement. But in emergent cases, work may be started with special permission from the Vice-Chancellor on recommendation of the Head of the Office after notification of award.

23. TENDER SECURITY AND RETENTION MONEY

- (i) Retention Money should be withheld from the party's bill (either running or final) at the following rate-
 - (a) Percentage of Retention under Contracts for Works and physical Services
 - Not necessary if no advance payment has been effected and Performance Security of ten percent (10%) is submitted,
 - The total percentage of Retention and Performance Security may not exceed ten percent (10%) if no advance payment has been made , except in the case under Sub-Rule 27(2)
 - (b) Time for return of the remaining amount of Retention money or the Bank Guarantee
 - Within twenty-eight (28) days after the issue of the Certificate of Completion of Defect Liabilities.

- (ii) The retention money is refundable after the lapse of following maintenance period of time record from the date of completion of work to the full satisfaction of the contract, if not otherwise mentioned in the agreement:

For new construction

Bridges & culverts	: 12 months
Building whose estimated cost is above Tk. 10 lakhs	: 12 months
Roads	: 6 months
All building whose estimated cost of below Tk.10 lakhs & other works	: 6 months

For maintenance and repair works

(a) Modification & rectification work	: 3 months
(b) Maintenance work	: 3 months
(c) Supply of goods	: 3 months
(d) Furniture supply	: 3 months
(e) Machinery and office equipments (unless stated otherwise)	: 3 months, after completion of supply unless otherwise treated

24.REGISTRATION OF FIRMS

- (i) Application for Registration

All firms / Contractor which deal with works required by the University are eligible for Registration, if considered suitable, they should apply for registrations on the prescribed form giving all the information's required and pay the required registration fee by Bank Draft in favor of the "PE / Rajshahi University".

- (ii) Registration Fees

The following registration fees are required for each class of Contractor's

- (a) For Civil Contractors:

<u>Class</u>	<u>Registration /renewal fees</u>	<u>Tender limit</u>
(a) I	Tk. 3000.00	No limit
(b) II	Tk. 2000.00	Tk. 10,00,000.00
(c) III	Tk. 1000.00	Tk. 4,00,000.00
(d) IV	Tk. 500.00	Tk. 1,00,000.00

- (b) For Electrical Contractors:

<u>Class</u>	<u>Registration/renewal fees</u>	<u>Tender limit</u>
(a) I	Tk. 3000.00	No limit
(b) II	Tk. 2000.00	Development/New work up to Tk. 4,00,000.00 & Repairing Tk. 2,00,000.00
(c) III	Tk. 1000.00	Development/New work up to Tk. 1,50,000.00 & Repairing Tk. 80,000.00

- (iii) Registration Certificates

The firm will stand registered after scrutiny has proved it to be satisfactory in all respects and a registration certificate, showing the date up to which registration shall be valid and the class of registration, etc. has been issued. The registration shall be for one year only, which may be renewed as per Clause 23(d) below:

- (iv) Renewal of Registration

Applications for renewal of registration may be made by firms on their letter head, at least one month in advance of the date of expiry of registration. Such applications should be accompanied by the prescribed renewal (registration) fee. The renewal of registration of firms will be made on the basis of satisfactory performances of the firms.

- (v) Registration and other Records
The following registers shall be maintained:
(a) Firms registered as approved contractor.
(b) Firms which have been refused registration.
(c) Registration/Renewal Fee Register.
(d) Tender Opening Register.
NB. The power to blacklist a firm rests with the Syndicate.
- (vi) Removal of Firms' Name From The Approved List
The name of a registered firm may be removed temporarily from the approved list for violation of contractual agreement and unsatisfactory service. A complete report shall be prepared by the concerned Head of the Department/Office and referred through the Treasurer to the Vice-Chancellor for final orders. During the period of his suspension, no further purchase order should be issued to a firm which has been removed from the approved list.
- (vii) Change of Category or Classification
There is no bar to a firm applying for change of category or classification, if it is already registered.
- (viii) Withdrawal of Registration
(a) Any firm not desiring to continue with registration can apply for withdrawal at any time but such an application shall only be accepted after the firm has executed in full any purchase orders placed on it. On withdrawal being approved, the firm will not be entitled to any refund of the registration fee.
(b) The registration and renewal fee shall be credited to the Account No. CD-0756 maintained with the Agrani Bank, Rajshahi University Branch/ or such other account as the Treasurer may decide. A monthly statement of registration and renewal fee received and deposited into the bank shall be furnished to the Director of Accounts.
- (ix) All tender papers for work/supplies shall be sold at the following rates:
(a) Tk.2500.00 for work/supply where estimated value exceeds Tk.100.00lakhs.
(b) Tk.2 000.00 for work/supply where estimated value exceeds Tk. 25.00 lakhs.
(c) Tk.1 500.00 for work/supply where estimated value exceeds Tk. 10.00 lakhs.
(d) Tk1000.00 for work/supply where estimated value exceeds Tk. 5.00 lakhs ,but does not exceed Tk. 10.00 lakhs.
(e) Tk. 600.00 for work/supply where estimated value up to Tk. 5.00 lakhs.
(f) Tk. 400.00 for work/supply where estimated value up to Tk. 2.00 lakhs.
(g) Tk. 300.00 for work/supply where estimated value up to Tk. 1.00 lakh
- All tender papers shall be sold through the Schedule Banks approved by the Treasurer / syndicate.

25. ANY AMENDMENT OF PPA-06 & PPR-08 BY THE GOVERNMENT SHALL BE IMPLEMENTED DIRECTLY AS INSTRUCTED IN THE AMENDMENT ORDER.

C. FOREIGN PURCHASE

(1) General

Full payment for imported items shall be made through irrevocable letters of Credit against shipping documents covering F.O.B price, packing and freight charges but not Insurance and Agents commission will normally be payable in Bangladesh currency.

(2) Purchase In Bangladesh Currency Within The Country

- (a) The supplier shall submit two copies of the bill to Department/Office concerned.
- (b) The person authorized to issue purchase orders shall check the bills with reference to purchase orders, make necessary stock entries on the body of the bill, recommend and pass for payment and forward the bills to the Accounts Office for issue of cheque in the relevant file along with two sets of following papers:
 - (i) Copy of comparative statement, if any.
 - (ii) Sanction order of the competent authority.
 - (iii) Attested copy of the relevant portion of Tender Committee, Finance Committee and the Syndicate.
 - (iv) Purchase Order.
 - (v) Receiving and Inspection Report.
- (c) After proper scrutiny of the bill and subject to the availability of fund, the Accounts Office will make payment of the bill. One set of the above papers should be attached with the bill.
- (d) The appropriate Head of Account, against which the expense is chargeable, must be shown on each bill. Without the Head of Accounts, the Accounts Office will be justified in withholding payment of the bill.

D. INDENTERS' RESPONSIBILITIES

- (1) (a) To achieve the objective of procurement at the right time, it is the responsibility of the Indentor to anticipate intelligently his requirement of stores and to place an indent on the stores Section/Planning & Development Office on forward delivery basis allowing a minimum of 3 (three) months for procurement of stores within the country and 6 (six) months from abroad
- (b) Before placing the indent he must ensure that the total expenditure inclusive of freight, insurance, customs duty, sales tax/vat etc. has sanction of the competent authority and budget provision exists to meet the expenditure.
- (2) While preparing indents, special care should be taken to:
 - (a) Certify that sanctioned budget exists to cover the purchase and sanction of the competent authority has been obtained for the purpose
 - (b) Give the correct head of account as it exists in the books of the Director of Accounts, to which expenditure is to be booked.
 - (c) Give the correct nomenclature and complete and unambiguous specifications of the required stores.
 - (d) Attach drawings where necessary.
 - (e) For proprietary items, two spare copies must invariably be provided for dispatch to the manufacturer for quotation and subsequent purchase order.
 - (f) Specify any alternative or substitute which is acceptable.
 - (g) State realistic delivery date, vague terms like "immediate" and "urgently required" should be scrupulously avoided and only specific dates mentioned.
 - (h) State the estimated price of each item of stores or if this cannot be done, state the total amount which can be committed to effect the purchase. This is absolutely necessary to enable the Central Stores either to scale down the quantities in consultation with the Indenter or to ask him to obtain more funds, if the purchase exceeds the sanctioned amount.
- (3) The Central Stores section shall consolidate indents for similar items, whenever such a course is likely to lower the cost; provided that accounting requirements are fully met.

Sd/ 07/02/2012
Md. Shahidullah Sarkar
Director of Accounts, RU

Sd/ 07/02/2012
Md. Arif Uddin
Director, P&D, RU

Sd/ 07/02/2012
Md. Abdur Rahim
Chief Engineer, RU

Sd/ 07/02/2012
Prof. M A Bari
Registrar, RU

Sd/ 08/02/2012
Prof. M. Abdur Rahman
Treasurer, RU.