

## **FREQUENTLY ASKED QUESTIONS ON PROCUREMENT:-**

### **Q.1. In which type of procurement are the procedures of ICB followed?**

Ans. International Competitive Bidding is adopted where

1. Value of goods and equipment are estimated to cost US\$ 1 million and above ;
2. Value of goods and equipment are estimated to cost US\$ 50000 and above but the supplies need import and entail payment in foreign currency.

### **Q.2. What is the minimum bidding period under the ICB & NCB?**

Ans. The Bidding period for ICB is 45 – 90 days and for NCB it is 30-90 days as per procurement guidelines.

### **Q. 3. Are DGS&D Rate contracts valid in NAIP procurement ?**

Ans. Yes, DGS&D Rate contracts are valid under NAIP procurements as a substitute for National Shopping.

### **Q.4. What is the status of the rate contracts of Kendriya Bhandar or NCCF?**

Ans. Rate contracts of Kendriya Bhandar, NCCF, Janatha Bazar etc. are not valid under NAIP procurement. They can be allowed to participate in the National Shopping procedures as one of the bidders.

### **Q.5. What should be the provisions of Currency conversion in ICB ?**

Ans. For the purpose of comparison the Bid Prices should be converted into Indian Rupees. It should be BC selling Exchange Rates of any Scheduled bank of India. The reference date should generally be the Bid opening date.

### **Q. 6. What is limit of National Competitive Bidding under NAIP procurement?**

Ans. National Competitive Bidding should be adopted where contract value is more than US \$ 50,000 but less than US \$ 1 million. The amount will have to be paid in Indian Rupees only.

### **Q. 7. What is International Shopping and how it can be used in NAIP projects?**

Ans. International Shopping is one of the methods of procurement under the World Bank guidelines which can be adopted to procure the items like goods and equipments upto the cost limit of \$ 50000 and the item is to be imported and the amount is required to be paid in foreign currency. The purchase procedures stipulate that there should be minimum three quotations and at least one quotation from outside India.

### **Q. 8. How can the Proprietary Items be procured under NAIP?**

Ans. Proprietary items upto the limit of US \$ 10000 can be procured directly from the supplier if it is obtainable from only one source under Direct Contracting Method of

Procurement. If the limit of US \$ 10000 is exceeded approval of the World Bank is required. There should be proper justification for the item to be proposed under the Direct contracting from single source stating clearly as to :-

- (i) why the specific model is only suitable for the purpose,
- (ii) why the consortia does require the specific features that make 'other makes' unsuitable.

Documents to be attached for Direct Contracting proposal under proprietary items:

1. Proprietary Certificate signed by the competent authority
2. Justification by the Indentor and countersigned by the Director of the Institute (in case of ICAR Instt.). In other cases it should be signed by the HOD or any other senior officer.
3. Proprietary Certificate by the supplier.
4. Proforma Invoice of the supplier.

**Q. 9. What is the limit of petty purchases under NAIP ?**

Ans. Petty items to the cost of US\$ 400 per contract may be purchased directly from any vendor without any specific justification.

**Q. 10. Use of Standard Bidding Documents are mandatory in any World Bank purchases. How to get the SBDs?**

Ans. All standard bidding documents are available on the World Bank website. These bidding documents are also available in the NAIP website. They can be downloaded.

**Q. 11. Can the consortia partners approach directly to the World Bank for clearance of any proposal?**

Ans. The consortia partners should route all the matters pertaining to the World Bank through PIU NAIP only. They should not approach directly to the World Bank.

**Q. 12. Normally at all ICAR Institutes, there are Rate contracts for purchase of chemicals and glassware. Are these rate contracts valid under NAIP?**

Ans. Rate contracts of ICAR institutes, if awarded after following competitive method, are valid for purchase of chemicals and glasswares. The basic idea is to have a competition in the procurement.

**Q.13. Can work order be placed directly to CPWD for petty works under NAIP?**

Ans. Work cannot be awarded to CPWD directly based on their estimates for the works. Method of National Shopping should be used for awarding the petty works under NAIP. CPWD can be one of the bidders during the process.

**Q.14. How can the animals or livestock be purchased?**

Ans. Animals for experimental use in the project should be purchased by adopting the method of Shopping.

**Q. 15. How to purchase library books under NAIP?**

Ans. Library books can be purchased by adopting Direct Contracting method. Online purchase of library books can also be made.

**Q. 16. Can NAIP participating Research Institutes use their own seeds and special microbial and biochemical preparations from NAIP funds?**

Ans. NAIP participating Research Institutes can use their own seeds and special microbial and biochemical preparations from NAIP funding. The expenditure for these seeds and microbial and biochemical formulations should be covered under the incremental operating costs.

**Q.17. What is the procedures of the procurement of softwares?**

Ans. If the softwares are proprietary in nature they can be procured by adopting Direct Contracting method.

**Q.18. What to do in case there are less than three bids under ICB & NCB ?**

Ans. Where less than three bids are received, efforts should be made to ascertain the reasons. If it is determined that bid specifications/conditions are not restrictive or unclear, that publicity was adequate; and the prices quoted are reasonable and the bid is technically and commercially responsive, single bid may be considered for award.

**Q. 19. What to do in case the quote of the successful bidder is more than the estimated and budgeted amount?**

Ans. If it is ascertained that and the prices quoted are reasonable and the bid is technically and commercially responsive, amount for the item can be met from the overall available fund under the equipment with the concurrence of the CIC/CAC and respective National Coordinator.

**Q. 20. How to make up with escalation in Dollar rate?**

Ans. If the cost of individual equipment has exceeded the budgetary provisions made for that particular equipment, owing to fluctuation in Dollar rate, additional funds can be managed from the overall available funds under the head Equipment. If the amount available under the head Equipment is not sufficient to meet that escalated cost, then the amount can be utilized from the overall budget of the project subject to the concurrence of the CIC/CAC and respective National Coordinator.

**Q.21. Can repeat orders be placed?**

Ans. Repeat orders system is not permissible under the NAIP.

**Q.22. What to do in case of rejection of all bids?**

Ans. Regardless of value, if all bids are proposed to be rejected and the bids are to be reinvited, the World Bank should be consulted through PIU NAIP.

**Q. 23. Can negotiations be made with the bidders?**

Ans. The World Bank does not favour negotiations even with the lowest evaluated bidder.

**Q.24. Can Letter of Credit be opened in National Competitive Bidding or Shopping?**

Ans. In the guidelines of the World Bank it is very clearly mentioned that if amount is to be paid in foreign currency the method of procurement should be ICB or International Shopping. Accordingly Letter of Credit can be opened only in those procurement. Payment made in foreign currency in NCB or Shopping will be liable for misprocurement.

**Q.25. What clause of Incoterms are applicable in NAIP procurement?**

Ans. All import in NAIP procurement should be made on CIP basis.

**Q. 26. Where can we get the standard bidding documents of NAIP?**

Ans. All Standard Bidding Documents are available on NAIP website for download.

**Q. 27. What to do in case a bid is received without the valid Bid Security?**

Ans. Bid received without a valid Bid Security has to be summarily rejected.

**Q. 28. What to do with late bids?**

Ans. Bids received late i.e., after the expiry of last date and time of submission, must be returned unopened.

**Q.29. What to do in case there is some difference in the rate quoted in figures and words?**

Ans. In case there is any difference in the amount mentioned in figures and words, the figure mentioned in the words will be accepted.

**Q. 30. What to do with unsigned bids?**

Ans. Unsigned bids should be rejected.

**Q. 31. Can we accept two envelope system in NAIP, i.e., one for Technical bids and other for the Financial bids?**

Ans. Two envelope system is being used by the Institutes for obtaining Technical & Financial bids separately with a view to evaluate the technical bid first. Financial bids are opened subsequently only for those bids who are found technically suitable. However, this system is not acceptable in the World Bank procurement procedures. Under NAIP sub-projects, only single stage bidding is to be followed wherein both Technical & Financial bids are to be opened & evaluated together.

**Q. 32. We have one equipment mentioned in the Procurement Plan. Can we purchase some other equipment in place of that equipment?**

Ans. No. You cannot make any deviation in making procurement what has already been mentioned in the Procurement Plan. You need to take approval of the competent authority i.e. NC/CIC/CAC and then approval of the World Bank.

**Q. 33. One of the equipment has been shown under Shopping in the Procurement Plan. Can we adopt Direct Contracting to purchase that equipment?**

Ans. No. Once you have mentioned the mode of procurement as shopping in the Procurement Plan you cannot make any deviation. You need to take the prior approval of the World Bank.