

**Standard Advisory to Agricultural Universities (AUs)/Implementing Agencies (IAs),
Standard Operating Procedure (SOP) with Activity Checklist, Procurement Steps
flowchart and Important Aspects to be ensured for Goods and Works**

1. Standard Advisory to AUs/IAs

This is with reference to the first NAHEP Procurement Post Review-PPR by the World Bank. Based on the findings of the PPR, the Bank has concluded that there have been procedural violations in conducting procurement under NAHEP and ICAR/NAHEP should ensure that all participating Agricultural Universities put in place mechanism to avoid such procedural violations in the future. Out of 52 contracts audited by the World Bank of 12 Implementing Agencies, 18 were found to be Unsatisfactory/ Moderately Unsatisfactory. Some of the observations raised by the Bank and remarks of PIU-NAHEP and the preventive steps to be taken by Agricultural Universities (AUs)/Implementing Agencies (IAs) are as under:

S No	PPR Observations of World Bank	Preventive action to be ensured by the Agricultural Universities (AUs)/ Implementing Agencies (IAs)
1	Supply Order and payment detail not available in the system.	All the activities of Roadmap given in STEP must be scrupulously entered with valid documents and never skip uploading of documents in Roadmap given in STEP.
2	Delay in contract completion by 3 weeks for which no amendment issued.	Issue Extension of time (EOT) to the delivery period (DP) before contract expiry duly recording justification. Upload the addendum with justification note in STEP
3	RFQ does not have provision for splitting of contract while the contract has been awarded to two bidders for the two items.	If there is more than one item in the RFQ, the RFQ should clearly indicate whether the evaluation will be based on individual items or all evaluated together only.
4	The item approved in PP and actual procured are different.	Ensure that items as approved in the STEP should only be procured. If the item needs to be changed then update by entering new activity and taking approval from the World Bank through PIU/NAHEP before initiating procurement.
5	The Quotation request is undated. No last date for submission mentioned.	Ensure that standard RFQs as provided on NAHEP web site are used duly filling it completely. RFQ needs to carry complete information in regard to date of submission; required specification, quantity, quantity variation, suitably mentioning if contracting will be based on individual items or all evaluated together, payment terms, delivery period, guarantee warranty requirements etc .
6	Comparison based on model /Brand which is not an acceptable method as per Bank norms.	Comparisons should only be based on the generic technical specification parameters mentioned in the RFQ without mentioning any brand name.

7	The dates of quotation request and the roadmap dates do not match as the activity had been updated in the system after the same was carried out (contract /Work order issued) prior to the plan being cleared by the Bank.	Never start any procurement activity without approval of the World Bank in STEP. Backdated document not to be uploaded unless agreed with Bank.
8	There is huge variation in estimated price and most of the bids that have been received for which no reason is amplified in the comparative statement to establish that the lowest bidder meets the technical requirement and the reason for such large variations.	While placing orders, rates reasonability and technical suitability of the items to be procured should be recorded in the file along with reasons for ignoring the lowest offers.
9	While the completion period was three months, the contractor has been able to complete the same not before 8 months for which no extension / amendments has been carried out.	If there are delays in supplies/completion of work (even if procured thru e-Gem) then either issue an amendment or terminate the contract (record the justification in both instances).
10	No Work Order/Contract Agreement available in STEP	The process as mentioned in STEP to be adhered to and documents to be promptly uploaded at each stage
11	From the document uploaded in STEP, AU has mentioned value which is inconsistent with the contract value (with GST/without GST)	The contract value and value updated in STEP should be consistent .Do not skip steps in STEP
12	Supply order is issued beyond the quotation validity period	All contracts should be issued within the offer validity period. If it is not possible then take offer validity period extension from firm before the expiry of original offer validity period.
13	No communication to the supplier on contract termination available in STEP. Not clear if any payment has been made against this contract. The relevant documents not available in STEP	The contract termination communication should be sent to the supplier and immediately uploaded in STEP. The process as mentioned in STEP to be adhered to and documents to be promptly uploaded at each stage.
14	Delay in supply of materials for which there is no amendment or extension carried out.	If there are delays in supplies (even if procured thru e-Gem) then either issue an amendment or terminate the contract (record the justification in both instances).
15	Two contracts awarded while this should have been awarded on single responsibility basis	Award contract to more than one supplier can be done only if RFQ have provision for item-wise evaluation.

16	While the chosen method is Single Stage- Single Envelope, the evaluation is based on two envelopes.	The process as mentioned in the STEP to be adhered to.
17	BER does not have the complete information of the tender value.	Ensure all particulars of the bid including rates quoted are mentioned while evaluating bids.
18	RFQ was for larger number while the actual contract was awarded for lower numbers for which no prior indication was made in RFQ. (RFQ and the final contract needs to be aligned. At the time of RFQ is 25 Nos. while contract is for only 10 nos)	Never reduce or increase the quantity to be procured in the contract than as mentioned in the RFQ.
19	There is a contract Agreement which has been drawn on the letter head of SUPPLIER	Contract agreement to be drawn in the standard format of the world bank and not on the letter-head of supplier or any other agency.
20	There appears to be a complaint which is not properly captured in the system which needs to be updated.	All complaints need to be updated in STEP and upon resolution should be closed with all documentation fully uploaded.
21	Quotation received from an agent while the SO is placed on a foreign supplier. (No authorization document is in STEP)	Tender specific Authorization Certificate of manufacturer in favour of the agent should be available in file before issuing Supply Order in favour of agent and the same should be uploaded in STEP.
22	Against requirement of 3 Quotation only one quotation received	Minimum three quotations are required for RFQ method of procurement.
23	There is no contract issued to the individual except for the draft Negotiated Contract. The value of contract captured in the system mention Rs 1 lac without specifying the unit or period of contract which should be the complete period. No amendments issued	Formal contract should be issued to the firm. Contract terms, contract amount and contract period are important aspects which need to be properly captured in the contract and on STEP. Timely amendment to be issued.
24	The PP approved is for a lump sum consultancy the contract signed is a time-Based consultancy.	The process as mentioned and approved in the STEP to be adhered to.

2. Activity Checklist on Roadmap in STEP

In view of the various observations raised by the Bank during audit of 12-Implementing Agencies, the documents to be uploaded in Roadmap of STEP for various Procurement Methods and flow chart of procurement are given below:

I. Request for Quotations (RFQ)

S No.	Roadmap Activity	Document to be uploaded on STEP
	Draft Request for Quotations	Duly filled format of E-5 or W-5 as the case may be with copy of approval noting for inviting through RFQ.
	Invitation to Providers	Copies of RFQ (E-5/W-5) sent to suppliers.
	Amendments to Request for Quotations	Amendment to RFQ, if any
	Receive Quotations	Copies of received quotations.
	Comparison of Quotations	Copy of noting where comparison and award recommendation has been made.
	Notification of Award	Copy of Notification of Award (Supply Order)
	Signed Contract	Signed and Stamped copy of Contract Agreement, if prepared, otherwise receipted copy NOA by the supplier.
	Contract Amendments	Copy of amendment to contract, if any, issued in the case.
	Contract Completion	Copies of payment made in the case

II. Request for Bids (RFB)

S No.	Roadmap Activity	Document to be uploaded on STEP
	Draft Bidding Documents	Copy of draft, duly filled in, Bid Document (NCB/ICB) with copy of approval noting for inviting through NCB/ICB.
	Specific Procurement Notice (SPN/IFB)	For NCB: National Newspaper and FREELY ACCESSIBLE website. For ICB: UNDB/National Newspaper. Upload on STEP for automatic publication.
	Amendments to Bidding Documents	Copies of Amendments to Bidding Documents, if any.
	Bid Submission/Opening/Minutes	Copy of Bid opening Minutes.
	Bid Validity Extension	Copies of letter seeking bid validity extensions and copies of extension letter by firms.
	Bid Evaluation Report and Recommendation for Award	Copy of Bid Evaluation Report in Standard Format.
	Notification of Award	Copy of Notification of Award to the successful bidder
	Signed Contract	Copy of Contract Agreement available in the Bid Documents duly signed and stamped.
	Contract Amendments	Copy of amendment to contract, if any, issued in the case.
	Contract Completion	Copies of payment made in the case

III. Direct Selection (DS)

S No.	Roadmap Activity	Document to be uploaded on STEP
	Justification for Direct Procurement	Copy of approval by the competent authority (CA) for Justification for Direct Procurement. Proprietary Article certificate (PAC) wherever applicable signed by the CA
	Invitation to Supplier/Contractor	Copy of Enquiry sent to Supplier/Contractor.
	Draft Contract	Copy of Draft Contract Agreement
	Notification of Award	Copy of Notification of Award (Supply Order)
	Signed Contract	Signed and Stamped copy of Contract Agreement.
	Contract Amendments	Copy of amendment to contract, if any, issued in the case.
	Contract Completion	Copies of payment made in the case.

IV. Quality and Cost Based Selection (QCBS)

S No.	Roadmap Activity	Document to be uploaded on STEP
	Terms of Reference	Copy of approved Terms of Reference of the consultancy.
	Expression of Interest	Copy of Expression of Interest issued.
	Evaluation of Expression of Interest and short List of Consultants	Signed copy of Evaluation of Expression of Interest and short List of Consultants
	Short List and Draft Request for Proposals	Completed copy of Request for Proposal indicating the names of short listed consultants.
	Amendments to Request for Proposals	Copy of Amendments to Request for Proposals, if issued any.
	Opening of Technical Proposals/ Minutes	Signed copy of opening of Technical Proposal minutes.
	Evaluation of Technical Proposals	Signed copy of Evaluation of Technical Proposal.
	Opening of Financial Proposals/ Minutes	Signed copy of opening of Financial Proposal minutes.
	Combined Evaluation Report and Draft Negotiated Contract	Signed copy of combined Evaluation Report and Draft Negotiated Contract.
	Notification of Award	Copy of Notification of Award.
	Signed Contract	Copy of Contract Agreement available in the RFP Documents duly signed and stamped.
	Contract Amendments	Copy of amendment to contract, if any, issued in the case.
	Contract Completion	Copies of payment made in the case

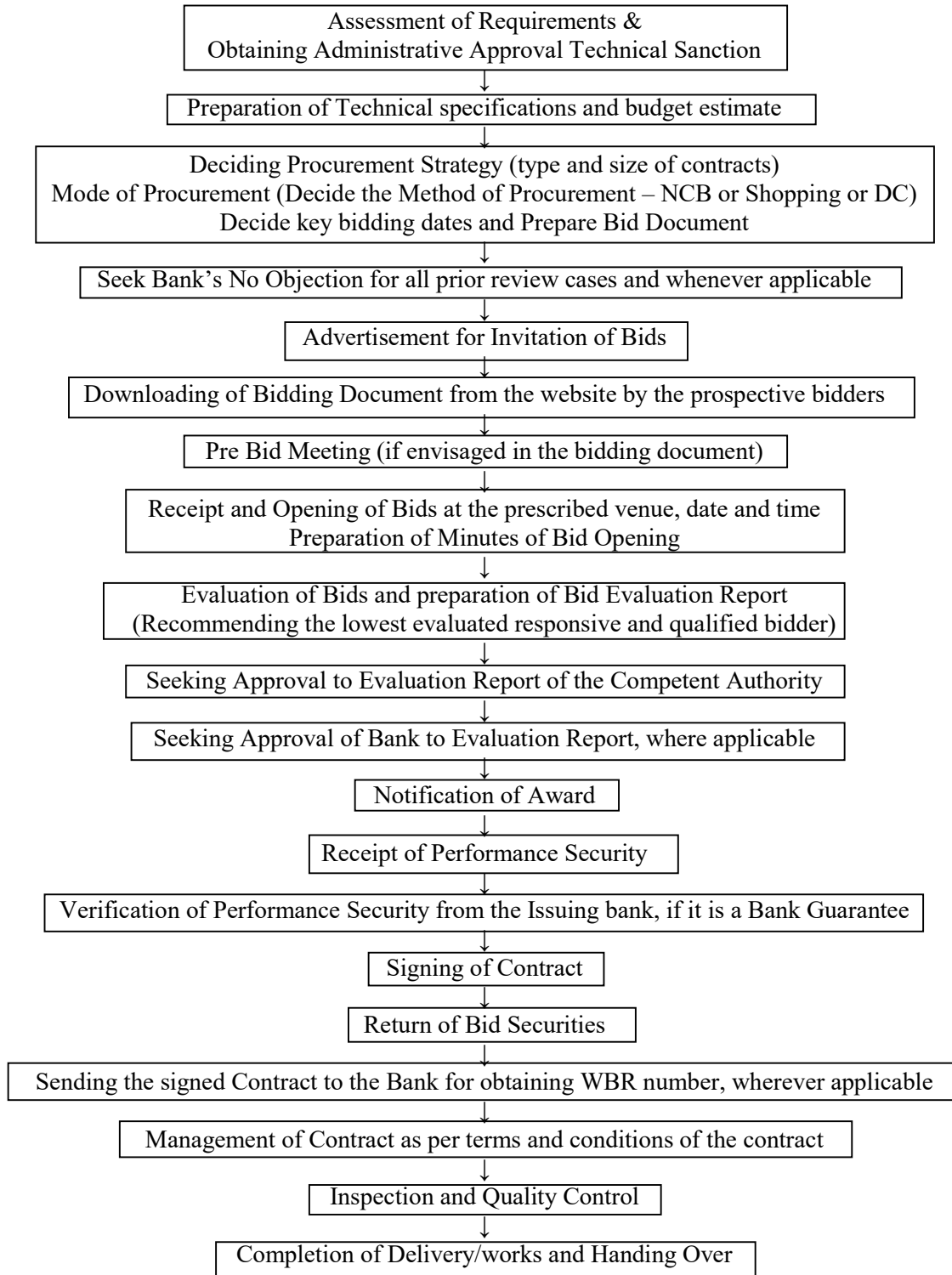
V. Individual Consultant Selection

S No.	Roadmap Activity	Document to be uploaded on STEP
	Terms of Reference	Copy of approved Terms of Reference of the consultancy
	Invitation to Identified/Selected Consultants	Copies of RFP issued to consultants.
	Draft Negotiated Contract	Copy of Draft Negotiated Contract.
	Notification of Award	Copy of Notification of Award.
	Signed Contract	Copy of Contract Agreement available in the RFP Documents duly signed and stamped.
	Contract Amendments	Copy of amendment to contract, if any, issued in the case.
	Contract Completion	Copies of payment made in the case

VI. Consultant Qualification Selection (CQS)

S No.	Roadmap Activity	Document to be uploaded
	Terms of Reference	Copy of approved Terms of Reference of the consultancy.
	Expression of Interest	Copy of Expression of Interest issued.
	Evaluation of Expression of Interest and short List of Consultants	Signed copy of Evaluation of Expression of Interest and short List of suitable Consultant
	Short List and Draft Request for Proposals	Completed copy of Request for Proposal issued to the shortlisted consultant.
	Draft Negotiated Contract	Copy of Draft Negotiated Contract.
	Notification of Award	Copy of Notification of Award.
	Signed Contract	Copy of Contract Agreement available in the RFP Documents duly signed and stamped.
	Contract Amendments	Copy of amendment to contract, if any, issued in the case.
	Contract Completion	Copies of payment made in the case

3. Flow chart of the procurement process in respect of Goods and Equipment



4. Requirements of Shopping: Works under RFQ:

RFQ for works (WB Format is W-5) shall indicate the items of work to be completed with approximate quantities, specifications to be followed and the time period in which the works are to be completed, the method of evaluation, the date and time by which the quotations should be submitted;

Rates quoted should be fixed for the duration of the contract and shall not be subject to adjustment on any account;

The prices shall be quoted in Indian Rupees only;

Each bidder shall submit only one quotation;

Quotation shall remain valid for a period of not less than 15 days after the deadline date specified for submission of quotations;

A reasonable period of say 7 to 14 days is usually provided for the contractors to submit their sealed quotations;

Minimum three quotations from different contractors to ensure competition;

Evaluation of quotations and Selection of lowest evaluated responsive bidder;

Entering into a brief contract with the selected bidder (contractor).

Amendment for Completion date, if work is not completed in time on the request of Contractor.

Purchasing Goods by following Shopping Method under RFQ:

RFQ for goods (WB Format is E-5) shall indicate the items to be supplied with quantities to be supplied, specifications for the items and the required delivery period, warranty required, the method of evaluation, the date and time by which the quotations should be submitted;

Rates quoted should be fixed for the duration of the contract and shall not be subject to adjustment on any account;

The prices shall be quoted in Indian Rupees only;

Each bidder shall submit only one quotation;

Quotation shall remain valid for a period not less than 15 days after the deadline date specified for submission of quotations;

All duties, taxes and other levies payable on the raw materials and components shall be included in the total price;

Sales tax/other applicable taxes in connection with the sale shall be shown separately;

If the quotations are called for more than one item, it should also be indicated in the RFQ whether the evaluation would be for each item separately or as a package of all items together;

A reasonable period of say 7 to 14 days is usually provided for the suppliers to submit the quotations;

Minimum three quotations from different sources to ensure competition;

Evaluation of quotations and Selection of the lowest evaluated responsive bidder;

Issue of Purchase/ Supply Order to the selected bidder (Supplier). The Purchase order as appropriate must include Description, specification and quantity along with price; Delivery period; Terms of delivery free on rail (FOR) station of dispatch or free delivery to the consignee; Payment terms.

Amendment for Delivery date, if delivery is not completed in time on the request of Supplier.

5. Important Aspects for Goods and Works

Important Aspects	ICB	NCB	SHOPPING	DIRECT CONTRACTING
ADVERTISE	UNDB/National and international Newspapers	National Newspaper and FREELY ACCESSIBLE website	NA	NA
BIDDING PERIOD	Appx 45 days from date of availability of document	Minimum 30 days	7-14 days	NA
MINIMUM BIDDERS	1	1	3	1
Bidding Document	SBD of WB	Available on NAHEP web site.	Model RFQ (E-5 & W-5)	Same as ICB/NCB/Shopping
Threshold	> \$3 million for goods > \$40 million for works	< \$3 million for Goods <\$40 million for works	< \$100,000	As per the provision of the regulations