



TRANSPARENCY IN
PUBLIC
PROCUREMENT

- Integrity Pact
- Rajasthan Transparency in Public Procurement Act, 2012
- Rajasthan Transparency in Public Procurement Rules, 2013

Rajasthan Transparency in Public Procurement Act, 2012

Integrity Pact

Ensuring transparency, quality and competitiveness in public procurement, Central Vigilance Commission has taken various steps :

- The Integrity Pact, a vigilance tool first promoted by the CVC.
- The Pact essentially envisages an agreement between the prospective vendors/bidders and the buyers committing the persons/officials of both parties not to exercise any corrupt influence in respect to any aspect of the contract.
- Only those vendors/bidders who have entered into such integrity pact with the buyer, would be competent to participate in the bidding.
- The CVC vide Circular No. 24/8/08 dated 5th August, 2008, advises for adoption of Integrity Pact in major Govt. procurement activities.

Rajasthan Transparency in Public Procurement Act, 2012

- To regulate public procurement with objectives of ensuring transparency, fair and equitable treatment to bidders, promoting competition, enhancing efficiency and economy, safeguarding integrity in the procurement process and for matters connected therewith or incidental thereto, the State Govt. has enacted an Act, namely, Rajasthan Transparency in Public Procurement Act (RTPP Act), 2012 by way of Notification No.F.2(27)Vidhi/2/12 dated 22.5.2012

Rajasthan Transparency in Public Procurement Act, 2012

- As per section 3(2)b, this Act shall apply to the public sector enterprises owned and controlled by the State Govt., as such these rules are applicable on the Corporation also.
- The Corporation is required to comply with the provisions of the Act while procurement of goods, services and execution of works.
- For proper implementation of the provisions of the above Act, Rajasthan Transparency in Public Procurement Rules, 2013 have been framed.

Rajasthan Transparency in Public Procurement Rules, 2013

- In pursuance to RTPP Act, 2012, Rajasthan Transparency in Public Procurement Rules, 2013 (RTPP Rules) have been formulated, made effective from 26.1.2013.
- These rules are in regard to procurement of goods, services and works.
- The spirit behind the rules is to ensure efficiency, transparency and economy in procurement.
- To give fair and equitable treatment to bidders, to prevent corruption and to encourage competition.

Rajasthan Transparency in Public Procurement Rules 2013

- Presently, the Corporation is following the provisions of GF & AR and PWD F&R. The newly framed RTPP Rules consists of following chapters:-
 - 1 Organizations Structure for Procurement
 - 2 General Principles of Procurement
 - 3 Method of Procurement
 - 4 Bid Process Management
 - 5 Code Of Integrity
 - 6 Appeals

Some of the important provisions, additions and changes made in RTPP Rules, 2013 are as follows :

Rajasthan Transparency in Public Procurement Rules 2013

Organization structure for procurement:

Formation of Committees:

For procuring goods, works and services, committees at Head Office level as well as Unit level are to be constituted for :

1. Preparation of bidding documents.
2. Opening of bids.
3. Evaluation of bids.
4. Monitoring of contract.
5. Spot purchase.
6. Competitive negotiations etc.

Membership will not be less than 3 members including accounts official and technical experts having professional knowledge.

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Organization structure for procurement:

The tendering process is performed at Unit level and by GAD Cell at H.O., therefore, constitution of the committees may be as under :

Unit level : Unit Head, Next Senior most technical officer and Senior Most Finance Officer at Unit.

GAD Cell : Controlling officer of GAD cell, Manager(GAD) and Sr. most finance officer of GAD Cell.

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General Principles for procurement of goods, works & services:

- Determination and assessment of need
- Procurement plan of each item of goods, works & services for the year/years.
- Availability of AS, FS, TS and budget with procuring entity.
- Allotment of unique bid numbers for tracking purposes.
- Evolving procurement Management information system and tracking system.

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Management of bid process :

- **Description of subject matter of procurement.**
- **Criteria for evaluation of bids.**
- **Preparation of bidding documents.**

Sections of bidding document

(a)NIT/BIDS

(b)Instruction to bidders.

(c)BID data sheet.

(d)Qualification and evaluation criteria.

(e)Bidding forms and contract forms.

(f) General & special conditions of contract.

(g)Any other document as may be needed .

(h)Bidding document shall contain instructions to bidders, criteria, procedure, details of subject matter, qualification of bidders, eligibility of bidders.

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Publication of NIT /BID on SPPP

- The invitation of bid for pre-qualification, as the case may be, to be published on State Public Procurement Portal (SPPP). An abridged notice should also be published in the newspapers of adequate circulation.
- The Corporation presently follows the rules of PWD, however, henceforth the parameters contained in these rules will be followed in reference to procurement of goods, services and works.

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State Public Procurement Portal:

- The Corporation is required to display all bids/NITs on the State Public Procurement Portal in addition to existing publication in RIICO website, newspapers, notice board, information to working contractors and information to other relevant departments.
- Office orders in this regard has been issued for compliance of above provisions by Nodal Officer (SPPP).

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Method of procurement:

1. Open competitive bidding
2. Limited Bidding
3. Single source procurement
4. Two stage bidding
5. Request for quotations
6. Procurement without quotation
7. Rate contract
8. Spot purchases
9. Direct procurement from notified agency by State Govt.
10. Electronics reverse auction (newly proposed)
11. Procurement by Work Order System and Piece Work System
12. Empanelment by pre-qualification process:

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Method of procurement

Limited Bidding

- The limit has been enhanced from Rs.50000/- to Rs.2.00 lacs in regard to limited bidding. However, the amount shall not exceed to Rs.10.00 lacs in a financial year.

Single Source procurement

- Hiring of services of Consultants or Professionals, if required, may be taken for a maximum period of 12 months and upto financial limit of Rs.5.00 lacs in each case.
- The single source may be selected out of the list of empanelled/registered bidders for the subject matter of procurement with the procuring entity or with any other procuring entity.
- Bid security shall not be obtained in case of single source procurement.

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Method of procurement:

Request for Quotations:

- The limit has been enhanced from Rs.30000/- to Rs.1.00 lac in regard to limited bidding. However, the amount shall not exceed to Rs.5.00 lacs in a financial year.

Procurement without quotations:

- The limit has been enhanced from Rs.3000/- to Rs.10000/- in regard to limited bidding. However, the amount shall not exceed to Rs.1.00 lac in a financial year. However, the procurement will be from Govt. agencies, authorized/ bonafied dealers.

Rajasthan Transparency in Public Procurement Rules 2013

Method of procurement:

Spot Purchase:

- Purchases are made with the approval of CEO on recommendation of the constituted committee. Henceforth, the Corporation will follow the provisions laid down in these rules for spot purchase upto Rs.50,000/- in one occasion subject to Rs.3.00 lacs in one financial year and that too on the recommendation of the constituted committee and a requisite certificate from the committee.

Procurement of works by work order system and piece work system

- Works valuing less than Rs. 1.00 lac on each occasion may be procured, subject to a limit of Rs. 5.00 lac during a financial year, by work order system.

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Empanelment by pre-qualification process:

- Where there is a frequent requirement but details of the subject matter, its quantity, time and place is not known in advance, then a panel of bidders may be prepared by inviting applications for empanelment by pre-qualification.
- May prepare a separate panel for different subject matter of procurement.

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Bid Security:

- Bid security shall not be taken in case of petty procurement, limited bid, single source procurement, procurement without quotation, spot purchases etc.
- In case of open competitive bid, two stage bidding, rate contract, the bid security shall be 2% of the value of goods, services and works.
- In case of SSI, it shall be 0.5% of the quantity offered for the supplies.
- In case of sick industries, other than SSI, whose cases are pending with BIFR, the security money shall be 1% of the value of the bid.
- Bid security of unsuccessful bidders shall be refunded soon after final acceptance of the successful bid and signing of agreement and submitting performance security.

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Bid Security:

Bid security taken from the bidders shall be forfeited in the following cases :

- Bidder withdraws or modifies its bid after opening of the bid.
- Bidder does not execute the agreement after placement of supply/work-order within the specified period.
- Bidder fails to commence supply of goods, services or execute the work as per order within the time specified.
- Bidder does not deposit the performance security within the specified period.
- Bidder breaches any provision of code of integrity.

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Sale of bidding documents:

- Sale of bid documents shall commence from the date of notice inviting bids and shall stop one day prior to the date of opening of the bids.
- Complete bid documents shall also be placed on the SPPP.
- The prospective bidders shall be permitted to download the bid documents from the website and pay its price while submitting the filled up bid documents or on e-procurement gateway.

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Right to vary quantity:

It is a new provision in these rules. At the time of award of contract, the quantity of goods, works or services originally specified in the bidding documents may be increased, but such increase shall not exceed twenty percent of the quantity specified in the bidding documents. It shall be without any change in the unit prices or other terms and conditions of the bid and the bidding documents.

- (a) 50% of the quantity of the individual items and 20% of the value of original contract in case of works; and
- (b) 25% of the value of goods or services of the original contract.

Presently, organizations are entitled to vary quantities without any limit.

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Cancellation of procurement process :

If any procurement process has been cancelled, it shall not be re-opened. Earlier such binding was not existing in practice.

Repeal :

All rules, regulations, Orders, notifications, departmental codes, manuals, by laws, official memoranda or circulars relating to procurement of goods services or works shall be repealed by these rules if earlier provisions are different then these rules.

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Time frame for procurement process:

Each activity of procurement process will require specific time in one stage bidding in open competitive and limited bidding as under :

(a)	Issue of bidding document:	: From the publication day.
(b)	Submission of bids	: 30 days from the date of first publication
(c)	Technical bid opening	: Within one day of last day of submission of bid
(d)	Issue of letter of award	: Within 3 days from the approval of award by competent authority
(e)	Execution of contract agreement	: Period as specified in bid document and generally in 15 days from date of award
(f)	Time schedule for decision of bids / tender by competent authority	Unit office -20 days Addl. C.E. – 40 days ED/ MD- 70 days

Validity period of bid shall not be normally more than 90 days.

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Time for submission of bids and mode of Publicity for procurement of goods & services:

S.No	Estimated Value of procurement	Period for submission of bid	Mode of publication
1	Upto Rs 5.00 lac	10 days	Notice Board of procuring entity and Unit offices, Regional and Divisional office of PWD + PHED +JVVNL etc. website of RIICO & SPPP, one Regional daily newspaper.
2	Above Rs. 5.00 to Rs. 50.00 lacs	15 days	In addition to above publication in, one leading state level daily newspaper having circulation of 50000 copies and above.
3	Above Rs. 50.00 lacs	30 days	In addition to above , publication in ,India level English daily newspaper with vide circulation.
Note : Relaxation may be given by competent authority in appropriate cases.			

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Time for submission of bids and mode of Publicity for procurement of works :

S.No	Estimated Value of procurement	Period for submission of bid from date of NIT	Mode of publication
1	Upto Rs 1.00 lac	7 days	Notice Board of procuring entity and Unit offices.
2	Above Rs. 1.00 to Rs. 10.00lacs	15 days	In addition to above , website of RIICO & SPPP and publication in one Regional daily newspaper.
3	Above Rs. 10.00 lacs and upto Rs. 100.00 lacs	21 days	In addition to above, one state level leading daily newspaper having circulation of 50000 or more
4	Above Rs. 1.00 crore	30 days	In addition to above, one all India level daily newspaper with wide circulation.
Note : Relaxation may be given by competent authority in appropriate cases.			

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Performance security :

1. Performance security shall be solicited from all successful bidders except the department of the State Govt.
2. The amount of performance security shall be 5% of work order in case of goods and service and 10% in case of works
3. Performance security shall be furnished in any form such as; DD/ Banker Cheque/NSC/ Bank Guarantee/ FDR etc.

THANKING

YOU