

MATERIALS MANAGEMENT DEPARTMENT

Ref.: MM/61/10900/834/2023-24

Date: 17.11.2023.

Sub : Revised Guidelines for Procurement of Materials.

Ref.: AGM(M)/PA/60100/6731/2014-15 dtd.09.03.2015.

The Clause (4) i.e. 'Allocation of Quantity' of the guidelines referred above is modified as under:

Allocation of Quantity:

- i) The entire tender quantity will be allocated to the Lowest Acceptable (L₁) tenderer, if the tenderer is a Regular supplier.
- ii) If the Lowest Acceptable (L₁) tenderer is a New supplier, 10% trial quantity will be allocated and the balance 90% quantity will be allocated to the L₂ regular supplier, subject to the matching of rates with L₁ tenderer.
- iii) If L₁, L₂ & L₃ offers are of New suppliers (max. for quantity allocation) and L₄ offer is of Regular supplier, then 10% trial quantity each will be allocated to New suppliers and balance 70% will be allocated to next regular supplier, subject to the matching of rates with L₁ tenderer.
- iv) If L₁ & L₂ are New suppliers and no regular supplier have matched their rate with that of LAO, then the tender quantity will be allocated between two New suppliers on the basis of price difference between their original gross rates, subject to the matching of rates with L₁ tenderer. No further consideration will be given to the next New supplier.
- v) The following table shall be referred for price difference when dividing tender quantity on the basis of price difference between original gross rates of New suppliers only:-

Price difference	% of tender qty. distribution
Identical offers	50:50
Price difference upto 1%	55:45
Price difference above 1% upto 5%	60:40
Price difference above 5% upto 10%	70:30
Price difference above 10% upto 20%	80:20

The above quantity allocation shall be made applicable to all Class i.e. 'A', 'B', 'C' of 'Vital' items, whereas in case of 'Essential' items of 'A', 'B' & 'C' Class, above quantity allocation shall be restricted upto 10% price difference only. For Desirable items, the above quantity allocation shall be made applicable to 'A' & 'B' Class only and shall be restricted to price difference upto 5% and there shall be no quantity division for 'C' Class Desirable item. The primary condition for quantity division shall be matching of their rates with that of LAO.

The illustrative examples for recommending the offers with Quantity division based on effective ranking are attached in Annexure.

All other conditions of the Procurement Guidelines referred above remain unchanged.

Encl.: Annexure

ANNEXURE**ILLUSTRATIVE EXAMPLES FOR RECOMMENDING THE OFFERS WITH QUANTITY DIVISION BASED ON EFFECTIVE RANKING****Table-1**

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO(Y/N)	Effective Ranking	Recommendations
L ₁	New	LAO	L ₁	10%
L ₂	New	N	-	-
L ₃	New	N	-	-
L ₄	Regular	N	-	-
L ₅	New	N	-	-
L ₆	Regular	N	-	-
L ₇	Regular	Y	L ₂	90%
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

Table-2

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO(Y/N)	Effective Ranking	Recommendations
L ₁	New	LAO	L ₁	100%
L ₂	New	N	-	-
L ₃	New	N	-	-
L ₄	Regular	N	-	-
L ₅	New	N	-	-
L ₆	Regular	N	-	-
L ₇	Regular	N	-	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

Table-3

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO(Y/N)	Effective Ranking	Recommendations
L ₁	New	LAO	L ₁	10%
L ₂	New	Y	L ₂	10%
L ₃	New	N	-	-
L ₄	Regular	Y	L ₃	80%
L ₅	New	Y	L ₄	-
L ₆	Regular	N	-	-
L ₇	Regular	Y	L ₅	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

Table-4

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO(Y/N)	Effective Ranking	Recommendations
L ₁	New	LAO	L ₁	10%
L ₂	New	Y	L ₂	10%
L ₃	New	Y	L ₃	10%
L ₄	Regular	Y	L ₄	70%
L ₅	New	N	-	-
L ₆	Regular	N	-	-
L ₇	Regular	Y	L ₅	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

Table-5

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO(Y/N)	Effective Ranking	Recommendations
L ₁	New	LAO	L ₁	*
L ₂	New	Y	L ₂	*
L ₃	New	Y	L ₃	Nil
L ₄	Regular	N	-	-
L ₅	New	N	-	-
L ₆	Regular	N	-	-
L ₇	Regular	N	-	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

* Division if permissible and as per revised guidelines between these 2 New suppliers on the basis of price difference between their original gross rates.

Table-6

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO(Y/N)	Effective Ranking	Recommendations
L ₁	New	LAO	L ₁	10%
L ₂	New	Y	L ₂	10%
L ₃	Regular	Y	L ₃	80%
L ₄	Regular	Y	L ₄	-
L ₅	New	Y	L ₅	-
L ₆	Regular	N	-	-
L ₇	Regular	N	-	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

Table-7

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO(Y/N)	Effective Ranking	Recommendations
L ₁	Regular	LAO	L ₁	100%
L ₂	New	Y	L ₂	-
L ₃	Regular	Y	L ₃	-
L ₄	Regular	Y	L ₄	-
L ₅	New	Y	L ₅	-
L ₆	Regular	N	-	-
L ₇	Regular	N	-	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

Table-8

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO(Y/N)	Effective Ranking	Recommendations
L ₁	New	LAO	L ₁	*
L ₂	Regular	N	-	-
L ₃	New	Y	L ₂	*
L ₄	Regular	N	-	-
L ₅	New	N	-	-
L ₆	Regular	N	-	-
L ₇	Regular	N	-	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

* Division if permissible and as per revised guidelines between these 2 New suppliers on the basis of price difference between their original gross rates.

Table-9

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO (Y/N)	Effective Ranking	Recommendations
L ₁	Regular	LAO	L ₁	100%
L ₂	New	Y	L ₂	-
L ₃	New	Y	L ₃	-
L ₄	Regular	N	-	-
L ₅	New	N	-	-
L ₆	Regular	N	-	-
L ₇	Regular	N	-	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-

Table-10

Original Ranking	Status of firm (New/Regular)	Whether Rates were matched with LAO (Y/N)	Effective Ranking	Recommendations
L ₁	Regular	LAO	L ₁	100%
L ₂	New	N	-	-
L ₃	New	N	-	-
L ₄	Regular	N	-	-
L ₅	New	N	-	-
L ₆	Regular	N	-	-
L ₇	Regular	N	-	-
L ₈	Regular	N	-	-
L ₉	New	N	-	-
L ₁₀	Regular	N	-	-