



**PRODUCTION PLANNING AND MATERIAL
MANAGEMENT MANUAL**

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023



Procurement of Non-Aircraft parts

PRODUCTION PLANNING AND MATERIALS MANAGEMENT

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Issue-02 Rev-0 Dec 2023

PREAMBLE

It was decided to set up Material Management functions in AIESL in a phased manner. Hence, it has become imperative to evolve a common set of procedures for procurement of materials and services as required by the AIESL.

This manual has been prepared in two parts, one for Aircraft related parts and the other being for non-A/C parts. The SOP has been prepared after considering latest guidelines given in GFR rules, Central Vigilance Commission, the notifications issued by various regulatory authorities with regard to Government procurement processes etc.

This is a comprehensive document which lists out the Purchase Procedures. The language has been kept simple for the understanding of even personnel not associated with purchasing.

We are sure that with the implementation of this procedure and financial powers, the Materials Management Section of AIESL would be able to set up the stores function & start procurement to meet AIESL's requirements efficiently.

CEO, AIESL

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

CONTENTS

Chapter No.	TITLE	Page No.
Chapter-1	INTRODUCTION	1
Chapter-2	PURCHASE OBJECTIVES AND FUNCTIONS	3
Chapter-3	TYPES OF PURCHASES	5
Chapter-4	PURCHASE PROCEDURE	7
Chapter-5	TENDER COMMITTEE	11
Chapter-6	TENDER PROCESSES	13
Chapter-7	EVALUATION OF BIDS	21
Chapter-8	INVOICE PROCESSING	25
Chapter-9	INCOMING MATERIAL INSPECTION	27
Chapter-10	INTERPRETATION OF PURCHASE PROCEDURES	28
	Annexures	29-50

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Chapter-1

INTRODUCTION

1.1. The purpose of the Purchase Manual is to standardize the procedures for procurement of non-aircraft parts across the Company. The Purchase Manual is intended to serve as a guide to all officials working in the PPMM department and other departments.

Computerization and transparency required in Public Procurement resulted in development of e-Procurement, GeM, e-Reverse auctions, e-payments and Centralized Vendor Management, etc. These aspects have a great bearing in improving productivity, transparency, etc. and led to the need for the Purchase Manual to bring it in line with work in current requirements.

This Manual brings out a broad framework of Purchase Procedures. The personnel involved in Procurement should take decisions considering the prevailing situation/case and process the case. With dynamic market condition, emphasis is for carrying out the Purchase activity following all the Rules and regulations set by the Government and adhering to the Canons of Financial Propriety.

1.2. Duties and Responsibilities of Purchase Department

- a) Preparation of RFQ and tendering
- b) Receiving quotations/ Tender opening, commercial vetting, evaluation of quotes and compilation of comparative statement.
- c) Material provisioning and Inventory management.
- d) Procurement of components, Expendables, and consumables for SESF/IAF/other customers.
- e) Procurement of Tools and Equipment.
- f) Customs, Import and export.
- g) Local purchasing.
- h) Tendering.
- i) Purchase and Service Contract.
- j) Vendor Development.

1.3 Manual References

The manual has been prepared taking references from GFR 2017, updated up to 31.07.2023 and procurement manuals as updated up to June 2022. Buyers are advised to visit the DOE website for the latest circulars and rules and comply with the new amended regulations/guidelines pending the amendment of this manual with the approval of the competent authority. Few links are listed below for the guidance of the buyers.

<https://doe.gov.in/order-circular/GENERAL%20FINANCIAL%20RULES>

<https://doe.gov.in/manuals>

<https://doe.gov.in/orders-circulars>

As per GFR, All Central Government and State Government Ministries / Departments including its attached / subordinate offices, Central and State autonomous bodies, Central and State Public Sector Units and local bodies etc. have been advised to make procurement through GeM portal, which shall provide an end to-end online Marketplace.

GeM Special Purpose Vehicle (SPV) is a one stop Government e-Marketplace (GeM) to facilitate online procurement of commonly used Goods & Services required by various Government



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Departments / Organizations / PSUs. GeM aims to enhance transparency, efficiency and speed in public procurement. It provides the tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users to achieve the best value for their money.

It is essential for AIESL to procure general goods and material through GeM, AIESL is already registered on GeM portal and users/buyers have been created for purchase through GeM. In order to guide and smooth process flow GeM procurement procedure manual has been prepared for buyers of AIESL.

However, when the required goods (of required specification or within required delivery period etc.) are not available on GeM. The requirement is urgent but was not covered in the procurement plan and the requirement is for off-the-shelf goods.

Hence this procurement procedure manual has been prepared for the guidance of the buyers where there is need to prepare the tender document and/or the procurement is not being done through GeM.

Irrespective of the fact that the procurement is being done through GeM or not, all tenders would be executed through GeM portal, using the e-tender facility of GeM portal.

1.4 The specific part of the manual will be amended from time to time on need basis and soft copy of such updated manual with incorporation of all amendments will be made available in AIESL portal for usage by AIESL personnel.

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Page 2 of 50



Chapter-2

PURCHASE OBJECTIVES AND FUNCTIONS

2.1 The fundamental principle of procurement function is to ensure.

- a) Efficiency, economy, and transparency by following procedures fairly and objectively.
- b) Competition wherever it is non-proprietary, non-licensor procurement and non-customer nominated source.

2.1.1 The purchase procedure outlined in this manual is applicable for procurement of non-aircraft parts and aims to fulfil the following objectives:

- a) To ensure uninterrupted/timely flow of materials, tool, and equipment of required quality to meet and support production plans and other requirements of various customers.
- b) To buy competitively and wisely authorize supplies to desired specifications from approved/reliable sources at the available reasonable prices within the time schedule to support production plans and other requirements.
- c) To ensure that fair, open, and uniform purchase practices are followed to develop healthy and long-term relationships with suppliers and to foster the commercial and technological interest of AIESL in the local, national, and international market.
- d) To serve as an information center on materials knowledge prices, sources of supply, specifications, etc. to all other departments.
- e) To ensure that investment made in inventory is at an optimum level and continuously strive for reduction in material costs, Capital costs and Overhead expenses. Develop sources of supply to maintain competition and sustain supplies.
- f) Training of purchase personnel in the latest techniques of Materials Management.
- g) To adhere to commercial procedures & maintain canons of financial propriety to safeguard economic, legal and other interests of AIESL. Commercial procedures cover the Purchase Manuals well as guidelines issued by way of PPMM Circulars/ CVC guidelines/ DoE instructions etc. from time to time.
- h) To optimize the procurement cycle time.
- i) To encourage and promote the capabilities of Indigenous sources.

2.2 Purchase Functions

Production planning and Material management Department is responsible for the following functions:

- a) All vendors/suppliers after necessary evaluation/approval will be populated in ERP systems (Ramco and SAP).
- b) Carry out Market surveys with a view to establishing/developing new reliable and better sources of supply and keep updated with information on latest products/developments.
- c) Inviting RFQ/Tenders and analyzing bids/offers for decision-making by the Competent Authority.
- d) Arranging negotiations with Vendors, when necessary.
- e) Issue of Purchase Orders in time.
- f) Follow-up of Purchase Orders till the arrival of materials and acceptance at destination and to ensure after sales service during warranty and post-warranty periods.
- g) To finalize the required rate contracts/ Long Term Agreements for regular stock items and their timely renewal.

Page 3 of 50



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

- h) To assist in services contracts and their renewals.
- i) To work out periodically procurement lead time for various categories of items from international and local markets and advise the same to user departments so, that they take timely action in initiating purchase requests.
- j) To ensure that objectives of purchase are realized.
- k) Ensure timely processing of invoices and forward to finance for payments.
- l) Promote procurement in line with the guidelines issued by Govt. of India from time to time.
- m) To ensure that all personnel dealing with procurement are required to undergo training on the procurement procedures and guidelines issued by AIESL from time to time to achieve professional standards in their work. Only personnel who have undergone training are to be authorized to deal with the procurement process.

2.3 General Guidelines to Buyers/AIESL

1. All buyers must ensure that the financial approval is in place before proceeding with the buying process.
2. Reference should be made to "Delegation of Authority" Financial powers for determining the competent authority for any financial approval.
3. It is the responsibility of the buyer to make sure that the financial approval as per the delegation of authority has been taken by the user before proceeding for buying action.
4. The specifications in terms of quality, type, quantity of goods to be procured, should be clearly spelt out keeping in view the specific needs of AIESL. The specifications so worked out should meet the basic needs of AIESL without including superfluous and non-essential features, which may result in unwarranted expenditure.
5. Care should also be taken to avoid purchasing quantities in excess of requirement to avoid inventory carrying costs.
6. As far as possible, an Annual Procurement Plan should be prepared before the commencement of the Financial Year for routine and budgeted requirements.
7. Ministry of Micro, Small and Medium Enterprises (MSME) have notified procurement policy under section 11 of the Micro, Small and Medium Enterprises Development Ad, 2006. The same should be referred for compliance.
8. Purchases may be grouped in three broad categories:
 - a. Purchase of goods up to the value of Rs. 25,000 (Rupees twenty-five thousand only) on each occasion;
 - b. Purchase of goods costing above Rs. 25,000 (Rupees twenty-five thousand only) and up to Rs.2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion;
 - c. Purchase of goods costing above Rs.2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion.
9. A demand for goods should not be divided into small quantities to make piece-meal purchases to avoid the necessity of obtaining the sanction of higher authority required with reference to the estimated value of the total demand.
10. All tender enquiries must be published on CPPP portal, when the tender is published on GeM portal such requirement is considered met.
11. All tender enquiries should also be published on AIESL's official website along with tender document.
12. Non-availability report must be taken from GeM, before any purchase of goods or services is done outside GeM. Approval must be taken from a competent authority.

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Chapter-3

TYPES OF PURCHASES

3.1 MAJOR PURCHASES AND SERVICES UNDER THE PURVIEW OF PPMM

- Office equipment and furniture (Purchases and repairs)
- Ground support equipment and spares
- Engineering workshop test/calibration of equipment and spares
- ATF for test house
- Oils, gases, grease, and lubricants for workshop equipment
- Courier services, warehouse services, Custom clearance
- IT Hardware, software, and AMCs contracts
- Commercial stock items such as plywood, slotted angles, aluminum sheets, polythene rolls, strapping rolls, hardware, and plumbing items etc.
- Printing of calendars, diaries and other printing items.
- All types of stationery and paper items.
- Hardware, paints, epoxies, coatings, and extrusions.
- General tools, jigs and fixtures.
- Transportation contracts for AMEs and staff.
- Technical books, literature and magazine subscription for all Sections.
- Aircraft Test Equipment and test Programmed packages.
- Facilities management services.
- Housekeeping services
- Outsourced manpower contracts.
- Hotel contracts for employees on duty travel

3.2 CASH PURCHASE

a. By INDIVIDUAL SECTIONS

- i. Applicable to purchases up to Rs. 5,000/-.
- ii. The respective Sections would be responsible for handling their own cash purchases and coordinating with the Finance Section for advances/reimbursements/ imprest account.
- iii. The respective Sections would be responsible to set up their own internal mechanism to handle cash purchases including purchase through GeM Portal.
- iv. Payment / reimbursement would be subject to the proof of delivery, i.e. delivery challan duly signed / certified by the competent authority of the concerned Section, along with the party's / vendor's invoice / cash memo.
- v. The competent authority of the respective Section would be responsible to ensure that approvals are not given for purchase of items of recurring nature and capital items.
- vi. The competent authority must also ensure that the splitting of bills is not done to keep the value below Rs.5,000/-.
- vii. In case of cash purchases, Purchase Order(s) would not be issued.

b. By MM section

- i. Applicable to purchases up to Rs.25,000/-.
- ii. Payment / reimbursement would be subject to the proof of delivery, i.e. delivery challan duly signed / certified by the competent authority of the concerned Section, along with the party's / vendor's tax invoice / cash memo.
- iii. The competent authority of the Section would be responsible to ensure that approvals are not given for purchase of items of recurring nature and capital items.
- iv. The competent authority must also ensure that the splitting of bills is not done to keep the

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

value below Rs. 25,000/-.

- v. GeM portal purchases to be ensured for items/services available through GeM.
- vi. In the case of cash purchases, Purchase Order(s) may not be issued.

3.3 PURCHASE BETWEEN Rs. 25,001/- TO Rs. 2.5 lakh

1. In case a certain item is not available on the GeM portal, Purchase of goods costing above Rs.25,000 (Rupees twenty-five thousand only) and upto Rs. 2,50,000/- (Rupees two lakh and fifty thousand only) on each occasion may be made on the recommendations of a duly constituted Local Purchase Committee consisting of three members of an appropriate level as decided by the Head of the Department. The committee would survey the market to ascertain the reasonableness of the rate, quality, and specifications; and identify the appropriate supplier. Before recommending placement of the purchase order, the members of the committee would jointly record a certificate.
2. A minimum of 03 quotations would have to be obtained by way of email, letter, etc. However, this may be dispensed with in the case of proprietary items.
3. The details of the offers as received should be recorded in the system, such as supplier particulars, rates quoted, etc.
4. Purchase Order(s) would thereafter be issued.
5. Payments would be made through electronic transfers like NEFT, ECS etc. by the Finance Section.

3.4 PURCHASE BETWEEN Rs. 2.5 lakh TO Rs. 25 LAKH

The procedure for procurement of goods/services having estimated value between Rs. 2.5 lakhs and up to Rupees Twenty-five Lakhs shall be as per clause 6.1 in chapter 6.

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Chapter-4

PURCHASE PROCEDURE

4.1 PURCHASE REQUISITION

1. Requisitions would be raised by the user Section.
2. If the item is capital in nature, the user has to provide the ARN (Assets Requisition Number) and Assets Code along with the requisition.
3. For stock items, requisitions would be triggered by the system, wherever implemented, for further processing by the Buyer.
4. Providing details such as complete specifications, detailed scope of work, drawings, Service Level Agreements (SLA), warranty requirements, pre-qualification criteria, delivery schedule, pre-delivery inspection, technical evaluation criteria, requirement of a Pre-Bid conference, and any other relevant details should be provided by the user Section along with the requisition. The production Planning and Materials Management Section (PPMM) would not be responsible for vetting or authenticating such requirements as provided by the user Sections.
5. For all IT related purchases, both Hardware and software, the requirement should be routed through IT section, who would substantiate the proposed configurations. Only on IT section concurrence would PPMM initiate purchasing action.
6. The delivery period along with the tolerance for the same should be clearly spelt out. The tolerance period would be taken into consideration for calculating the loading on the price bid.
7. The estimated cost / value of the items requisitioned should be provided by the user.

4.2 VENDOR REGISTRATION

1. New Vendors related to aircraft items would be inducted in RAMCO/SAP system.
2. New Vendors related to non-aircraft items would be inducted in SAP system after the recommendation by committee and approved by a competent authority of Material Management section.
3. All the new registrations would be compiled on a monthly basis.
4. All the new registration would be sorted according to the category of production services.

4.3 SAMPLING

1. The Requisitioner/ Indenter should advise in the requisition whether samples are to be called for evaluation against the tender.
2. All samples should be submitted to the Materials Management Section by the closing date of the tender.
3. Samples should be properly coded by the Materials Management Section wherever feasible, and thereafter forwarded to the authority that has to carry out the evaluation. The Materials Management Section would not associate with evaluation of samples wherever coding of samples has been carried out by it.
4. The authority in the user / indenting Section for approving samples would be as defined under the financial powers, vide Annexure A.
5. For multi-user items, wherever evaluation of samples is to be done by the Materials Management Section, the coding should be carried out by a Section that is different from the Section that would carry out evaluation of the samples. Further the coding is to be supervised by an officer of the rank of Sr. AGM and above, and the coding details should be kept under the custody of the supervising officer till such time as the evaluation has been completed.

4.4 TYPES OF PURCHASE ORDERS

Purchase Orders would be of the following two types:

1. Standard PO: This would be applicable for items having a one- time delivery, or a pre-defined delivery schedule.

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 AIESL AI ENGINEERING SERVICES LIMITED	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

2. Rate Contract, termed as Blanket Purchase Agreement (BPA) in the System conforming to the following:
 - a. BPA is a long-term contract with or without pre-defined delivery schedules.
 - b. BPA should be raised for a period of one / two / three years, depending on the nature of the item or services (E.g. Maintenance Contract for PCs / office equipment, Transportation Contracts, etc.).
 - c. BPA should include a price variation clause, wherever applicable, to provide for variation in input prices for the item / service (E.g. Oil, eggs, pulses, etc.).

4.5 Purchase Order Amendments

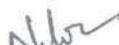
1. The PO / Contract is to be amended whenever the period of contract is extended. Approval of the TC would not be required in such cases. Such amendments would require the approval of the signatory of the original Purchase Order or an equivalent level officer.
2. The PO / Contract is to be amended whenever there is a change in the value of the PO due to a change of quantity / rate. Approval of the competent authority (as per value of raised PO given in Annexure A).
3. The PO / Contract is to be amended whenever there is any change in the terms and conditions. Approval of the competent authority (as per value of raised PO given in Annexure A).
4. The PO / Contract is to be amended when there is an increase in or addition to the Government levies, taxes, surcharges, etc. – Approval of the TC would not be required in such cases

4.6 EXTENSION OF PERIOD OF PURCHASE ORDERS

1. Standard Orders / Blanket Purchase Agreements covering a specific period may be extended for a further period of maximum one year subject to the following:
 - a. The initial order was finalised after following the laid down tender procedure.
 - b. The quantities to be ordered under the extended order period should not result in an increase in quantity from the original order, i.e. only the shortfall in supplies from the original ordered quantity may be covered under the extended order(s).
 - c. If the extension of order is a technical requirement of the system, i.e. for processing of invoices received after the expiry of the initial order. Due endorsement to this effect is to be made in the extended P.O. in such cases.
 - d. The terms and conditions of the P.O. would remain unchanged.
 - e. The extensions can be multiple times subject to the overall period of such extensions not exceeding 12 months from the date of expiry of the initial PO, and subject to the extended quantity for all the extensions taken together not exceeding that in the original PO.
 - f. Such extensions are to be approved by the competent authority in the Materials Management Section as per the delegation of financial powers (Refer Annexure A), and the reasons for the same are to be placed on record.

4.7 PROCUREMENT OF PROPRIETARY / BRAND APPROVED ITEMS

1. The onus of declaration of an item as "Proprietary"/ "Brand approved" should be with the user Section.
2. The "Proprietary"/" Brand approved" items can be of any value.
3. In case an item is declared as "Proprietary"/" Brand approved" by the user Section, but the Materials Management Section is aware that acceptable equivalent(s) is/are available in the market, then such information may be made available to the user Section for guidance. After getting such information the user Section shall decide whether to purchase the item as "Proprietary / Brand approved," or to go in for competitive bids. The decision of the user Section in this regard shall be final.
4. If the proprietary / brand approved items are procured directly from the manufacturer / OEM / distributor (as exclusively nominated by the OEM to quote), the procurement would



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

be on single source basis, and TC procedure would **NOT** be required. In such cases the quotations may be obtained by fax, email, etc.

5. If the proprietary / brand approved items are procured from more than one source (e.g. if the OEM nominates multiple distributors to quote), TC procedure would be required.
6. If proprietary / brand approved items are to be procured, the quotations may be taken from as many distributors as have been authorized by the OEM to quote, which may even be less than 03 quotes. PAC Format – refer GeM manual- AIESL/PPMM/GeM/01 (Annexure-2)

4.8 GOVERNMENT E-MARKET PLACE (GeM)

Refer GeM Manual-AIESL/PPMM/GeM/01

4.9 SMALL SCALE INDUSTRY (MSME / MII) PROCUREMENT

1. Tenders are to be invited from MSME / MII units for all items that are reserved for procurement from MSME / MII Units as per the list published by the Ministry of Micro, Small and Medium Enterprises of the Government of India.
2. There should be a regular update of items /inclusion of the notified items as and when it comes into effect. While making purchase of goods falling in these categories, the purchase organization should check the latest directives in this regard for necessary action. The current list of items reserved to be procured from MSME / MII units is as per Annexure D.
3. It is mandatory for the MSME / MII units (registered with NSIC) to agree to match the L1 price (quoted by the large-scale unit) on being given the benefit of up to 15% price preference over the quotation of the large scale unit.
4. Wherever the requirement cannot be met through such MSME / MII units tenders may also be sent to others including non MSME / MII units in the line.

4.10 REPEAT ORDERS

Repeat Orders may be resorted to provided following conditions are met:

- a. The initial order was finalized after following the laid down purchase procedure.
- b. The quantity under Repeat Order does not exceed the quantity ordered against the initial order.
- c. The basic price remains unchanged.

Placement of Repeat Order/s within 2 years of the initial order can be approved by the Competent Authority (Refer Annexure A) provided the cumulative quantity so ordered does not exceed the initial PO quantity, i.e. if the initial PO was, say, for qty. 100, then more than one Repeat Orders can be placed within two years subject to the total qty. against all such Repeat POs not exceeding qty. 100. Beyond this quantity approval of CEO would be required to place further Repeat Orders.

TC procedure would not be required for repeat orders.

4.11 WAIVER OF PURCHASE PROCEDURE

For requirements of an immediate nature, where the timely supply is not possible under the laid down procurement procedures, the indenter would be promptly advised about the same by the Materials Management Section. The indenter would thereafter prepare detailed justifications for the urgency of the requirement, duly approved at the level of Dy. General Manager and above of his / her Section and submit the same to the Materials Management Section for taking priority action for procurement. For such immediate requirements, where the estimated order value exceeds Rs. 25,000/-, procurement may be authorized by officials as under through waiver of the purchase procedure:

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Page 9 of 50



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Authority level of the Materials Management Section	Order Value (Rs.)	Report to Authority level in the Materials Management Section
Sr. Engineer / Engineer	Up to 35,000	Asst. General Manager/ Sr. AGM
AGM (Engg.-PPMM)/ Sr. AGM (Engg.-PPMM)	Up to 50,000/-	Dy. General Manager
Dy. G M (Engg.-PPMM)	Up to 1,00,000/-	General Manager
General Manager (Engg.-PPMM)	Up to 3,00,000/-	Executive Director
Executive Director (E)	Up to 10,00,000/-	CEO

For order value up to Rs. 25,000 the user Section may directly take action for procurement. Any purchase on a waiver basis above Rs.10lakh would require the concurrence of the Finance Section and prior approval of CEO. POs are to be released for purchases made on the basis of waiver of the purchase procedure.

4.12 EMERGENCY PURCHASES BY THE DEPARTMENTS

In case any goods / service(s) are required on urgent / emergency basis, the Sections are empowered to procure the goods / service(s) directly to meet such situations. However, such goods/items should be non-capital in nature.

- The goods/services required should be for operational areas only.
- Goods/services availed of under this provision should be ratified by the authority level as mentioned below and forwarded to competent authority in PPMM for reference.
- The value limits for a single instance of an emergency procurement are as under:

Authority Level	Value
Dy.GM / GM /Executive Director	Rs. 25,000/-
Division Head at HQ as defined in the Instrument of Delegation of Financial Powers	Rs. 10,000/-

- The PO would not be raised by the Materials Management Section for such purchases.
- Invoices / Bills would be certified by the concerned Sectional Head and directly settled by the Finance Section.

4.13 BUY- BACK OPTION

When it is decided by the indenting Sections to replace any of their existing goods with the latest versions or better substitutes, the Section may request the Materials Management Section to trade such existing goods while purchasing the new ones. For this purpose, an appropriate buy-back clause is to be incorporated in the tender document so that interested bidders may submit their tenders accordingly. The indenters must ensure that vendors are permitted unrestricted access to inspect the goods meant for buy-back.

For capital items, the AR for the item/s to be procured against buy-back options should be routed through the Finance Section and should be countersigned by the appropriate authority in Finance. The requisition should be raised thereafter and forwarded to the Materials Management Section for further action.

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	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

Chapter-5

TENDER COMMITTEE

5.1 COMPOSITION OF TENDER COMMITTEE (TC)

1. A Tender Committee (TC) would evaluate tenders whose estimated value is Rs. 5.00 lakhs and above, i.e. the value is exclusive of taxes and levies.
2. Representation in the Tender Committee from the respective Sections should be strictly as per the levels as specified at Annexure – A, and the same should not be diluted.
3. For stock items used by multiple Sections, the TC would consist of members from the Materials Management and Finance Sections only.
4. The TC note would be prepared by the Materials Management Section.
5. Members of the TC should endorse the TC notes unconditionally. Should a member have a difference of opinion with one or more of the members of the committee, the same should be resolved before finalization of the TC note.
6. The recommendations as contained in the TC note are to be put up to the competent authority for approval in accordance with the delegation of financial powers as mentioned at Annexure A.
7. The members who are associated with the evaluation of a tender would be required to give an undertaking that none of them has any personal interest in the companies / agencies participating in the tender process. A member having interest in any should refrain from participating in the tender evaluation. The format for this undertaking is given at Annexure E. The Materials Management Section would forward the format of the undertaking to the concerned user Section along with the technical bids for evaluation, and the evaluation committee members should sign the undertaking before commencement of the evaluation. Similarly, the undertaking would be taken from the members of the commercial bid evaluation committee prior to initiation of the evaluation. The undertakings (one by the technical evaluation committee and the other by the commercial evaluation committee) would form a part of the respective evaluation reports.

5.2 ROLE OF TC MEMBERS

1. Role of the representative of the Materials Management Section would be as under:
 - a. As the competent authority in accordance with the delegation of financial powers, vide Annexure A, to take decision regarding tender processing and sourcing, such as type of tender to be floated, number of vendors to whom the tender enquiry should be sent, etc.
 - b. To evaluate the commercial/general terms and conditions of the technical bid.
 - c. To prepare the comparative statement after opening of the price bids.
 - d. To ensure that the laid down purchase procedure has been followed.
 - e. To prepare the TC note.
2. Role of the representative(s) of the Finance Section would be as under:
 - a. To verify the amount of the applicable taxes.
 - b. To vet the comparative statement of the price bids
 - c. To evaluate the commercial terms which have financial implications in the techno commercial bid.
3. Role of the representative(s) of the user Section would be as under:
 - a. To prepare the work scope and get the same duly approved by the Competent Authority.
 - b. To prepare and get approval of the eligibility criteria wrt work scope.
 - c. To prepare the comparative statement of the technical bids.
 - d. To prepare and approve the Technical Evaluation Report (TER).

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

- e. To vet the comparative statement of the price bids.
- f. To ensure budgetary provision for the estimated expenditure.
- g. To ensure the correct reflection of the TER in the TC.

5.3 STANDARDISATION

Some items like PCs, office equipment, furniture, etc. are used by multiple Sections. In the interest of achieving economies of scale, Executive Director (Engg.) or any other Dept. Head may appoint a committee for standardizing a particular item.

The purchase of the items, so standardized, shall be processed in line with the recommendations of the Standardizations Committee.

The normal tender procedures would be followed for fixation of rates for standardized products. For placement of POs based on these rates further approval of the TC would not be required. Standardization would be for a defined period not exceeding three years

5.4 PURCHASING AT REGIONS

Normal purchase procedure to be followed by the Station Tender Committee. The Tender Committee would comprise officers at the appropriate level, as identified at Annexure A, from the Regional Materials Management Section, Regional Finance Section, and the Regional User / Indenting Section. In case an officer at the designated level is not available in a given region, the participation in the tender committee from the concerned Section would be decided by the GM (Engg.) of the region. The GM (Engg.)- Region would exercise the same financial powers for purchase related activities as the GM – PPMM.

5.5 DELEGATION OF AUTHORITY

A senior officer in a given Section may exercise all or any of the powers given to the officers subordinate to him / her in the same Section in line with the Instrument of delegation of Financial Powers and Administrative Powers.

Page 12 of 50



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Chapter-6

TENDER PROCESS

The tender processes would be of the following two types:

6.1 Limited Tender Enquiry: (For Value up to Rs. 25 Lakh)

This method may be adopted when estimated value of the goods/services to be procured is above Rs. 2.5 lakhs and up to Rupees Twenty-five Lakhs. Copies of the bidding document should be sent directly by speed post/registered post/courier/email to firms which are mentioned on the list of registered suppliers for the goods/services in SAP.

1. Selective / Limited tender denotes tenders that are to be sent to selective vendors/parties who have already been enlisted as approved suppliers for the particular item(s). Further, tender enquiries would also be published on AIESL's Website. The unsolicited bids should not be accepted. However, the process may be evolved to introduce these suppliers in the system for future bids.
2. Depending on the nature of the item, the number of approved sources would be identified against each item in the item-master of the system. The minimum number of approved suppliers against an item to be eligible for selective tender would be 05(five), and tender enquiries would be restricted to only the approved suppliers. The list of approved suppliers would be termed the "Approved Supplier List (ASL)". However, in case of proprietary / brand approved item(s), the ASL may be less than 05 and this should be defined in the system against such item(s).
3. If minimum of 05(five) approved vendors / parties are not available in an ASL for a given item (with the exception of proprietary / brand approved items), web tendering / public tendering, as applicable, should be followed.
4. In addition to inviting bids from selected vendors, the tender should also be hosted on the AIESL's official website with an indication that vendors who have not been invited to participate may register themselves for qualification as approved suppliers for similar products for participation in the future tenders.
5. Even if five vendors are available in the ASL for a given item, the authority level in the Materials Management Section (as indicated at Annexure A) for Final award may authorize a web tender or public tender depending on the merit of individual cases.
6. All reasonable efforts should be made to obtain a minimum of 03(Three) quotations.
7. Regrets by the bidders would be considered as valid tender responses. If the regret responses are received either by email, or in an open condition, the same are to be sealed in an envelope by an official of the Materials Management Section with the tender number duly super-scribed thereon and put in the tender box.
8. In case the number of quotes received are less than 03 (three), depending upon the urgency, an officer of the Materials Management Section not below the level of AGM may authorize opening of the bids in consultation with the indenter. Unsolicited bids would not be considered.
9. If for some reason in a selective tender, the bidder identified as lowest bidder has not submitted his bid as per the requirement/specification of the tender, but is offering a better specification or a product, then the same is to be referred to the user Section. If the user Section recommends the revised specification, then re-tendering to be carried out. However, if the user does not require any change /better specification or product, then the award may be released on the lowest vendor who has quoted as per tender/user requirement.
10. If all the bidders to whom tender enquiries have been sent have responded before the due date, the quotations could be opened before the due date, i.e. the tender may be pre-closed after due notification to all the bidders, who have Submitted quotations, inviting them to participate in the tender opening.
11. Tenders for an estimated value above Rs 25 lakh, if sent to selective vendors, would require

 AIESL AI ENGINEERING SERVICES LIMITED	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

the prior approval of ED(Engg.) after recording the reasons for the same.

6.2 Web tender:

1. Applicable for items whose estimated tender value is above Rs.25 lakh.
2. The tender would also be hosted on the GeM / AIESL's official website.
3. In case the estimated tender value exceeds Rs. 1Crore, the tender would also be published in the print media (regional or on all India basis as deemed appropriate by the authority level in the Materials Management Section as per Annexure A).
4. The existing approved suppliers, as well as any other known sources of the item(s) tendered for, should be notified of the hosting of the tender on the website.
5. Prospective bidders should be provided with unrestricted access for downloading the tenders from the website.

6.3 Single Tender Enquiry

1. Procurement from a single source may be carried out in the following circumstances:
 - (i) It is in the knowledge of the user Section that only a particular firm is the manufacturer of the required goods.
 - (ii) In a case of emergency, the required goods are necessarily to be purchased from a particular source and the reason for such a decision should be recorded and the approval of competent authority obtained.
 - (iii) For standardization of machinery or spare parts to be compatible to the existing sets of equipment (on the advice of a competent technical expert and approved by the competent authority), the required item should be purchased only from a selected firm.

Note: Proprietary Article Certificate as provided in GeM manual Annexure-2 should be duly filled and provided by the user Department to the Materials Management Section before procuring the goods from a single source.

6.4 BID SYSTEMS

There would be 2 types of bid systems.

1. **Single bid system:** This would be applicable for Selective / Limited tenders (as defined in clause 6.1, and tenders for proprietary products /services).
2. **Two bid systems:** Quotations should be asked in two separate sealed bids, viz. Techno-commercial bid and Price bid. This would be applicable for web tenders.

6.5 TIME FRAME FOR QUOTES

1. The time frame for submission of quotes against various tender types generally should be as under:
 - a. Selective tender : Minimum 10 calendar days
 - b. Web / Public tender: Minimum 21 calendar days
 - c. Global tender : Minimum 30 calendar days
2. The competent authority in the Materials Management Section (as per the Financial Powers defined at Annexure A) at its discretion may authorize variations in the time frame as mentioned above.

6.6 EXTENSION OF TENDER DUE DATE

1. The due date of a tender may be extended at any time prior to the date of closing of the tender.
2. An extension may be given to the date of submission of bids even after the scheduled closing date of the tender provided a minimum of three quotations have not been received. The extension may be authorized by the competent authority as given in Annexure-A.
3. Under certain circumstances an extension to the tender may be warranted after the scheduled closing date of the tender even if a minimum of three quotations have been received. Such circumstances may arise wherein it is noticed that the market leader or the last supplier has not quoted. In such cases the user Section should be consulted and depending upon the merit

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

of the case, extension may be given if there is adequate justification for the extension based on the profile of the parties who have not quoted/quoted. The reasons for such extensions should be recorded in writing by PPMM and only DGM and above may grant extension in such cases irrespective of the value.

4. In the case of Selective / Limited tender, extension of tender due date should be notified to all the bidders. In the case of web tender, notification of extension should be put up on the website and also intimated to the invited bidders.
5. In the case of public / global tender, notification of extension should be put up on the website, and also through publication in the print media, as applicable. In addition, the invited bidders should also be notified.
6. In case the due date is extended, such extension should be for a minimum period of 07 calendar days for Selective / Limited tenders, and 14 calendar days for web / public / global tender.
7. The competent authority in the Materials Management Section (as per financial powers, Refer Annexure A) would authorize the Extension of tender due date, as well as deviations from clause 3 above.

6.7 TENDER DOCUMENT (Refer Master Tender Document)

Contents of Bidding Document: All the terms, conditions, stipulations, and information to be incorporated in the bidding document are to be shown in the appropriate chapters as below:

Chapter -1: Instructions to Bidders.

Chapter -2: Conditions of Contract.

Chapter -3: Schedule of Requirements.

Chapter- 4: Specifications and allied Technical Details.

Chapter -5: Price Schedule (to be utilised by the bidders for quoting their prices).

Chapter -6: Contract Form.

Chapter -7: Other Standard Forms, if any, to be utilised by the purchaser and the bidders.

1. The Techno-Commercial Bid should comprise the technical specifications, warranty expected, post warranty support requirements (if applicable), delivery schedule, and the standard commercial terms such as EMD, Security Deposit, Performance Guarantee, Payment Terms, Penalty Clause/ Liquidated Damages for delayed deliveries, Termination and Exit Clauses, etc.
2. The user Section would advise the specific user requirements to be incorporated in the tender as stated at point no.4 of clause 4.1.
3. The Tender Committee comprising representatives from user department, Materials Management Section and Finance Department, would finalize the Tender Document including incorporating the applicable commercial terms. The tender document should contain a clause stating the reasons due to which the quotation of a bidder may be rejected, viz. receipt by email, unsigned quotation, unsealed quotations, non-receipt of EMD (without valid proof of exemption), submission of EMD in a mode other than as indicated in the tender, receipt of quotation after the closing date of the tender, non-receipt of samples (if applicable), etc.
4. Price preference to the MSME / MII units registered with the NSIC under its Single Point Registration Scheme should be incorporated in the tender document, in accordance with the extant stipulations of the statutory authorities.
5. The Loading Criteria in respect of deviations from the Commercial Terms and Conditions such as payment terms, warranty, delivery period, advance payment, etc., which has financial implications should be clearly mentioned in the tender document.
6. If more than one source of supply is necessary due to critical nature of the item, or because the tight delivery schedule as stipulated in the tender, may be difficult for a single supplier to comply with, then the ratio in which the orders would be split, and the condition thereof, i.e. the eligible bidders would have to agree to match the L-1 price, have to be pre-disclosed in the tender document itself. However, if a split of quantities between more than one bidder has not been pre-disclosed in the tender as capacity constraints have not been anticipated in advance, the tender should have a provision for equitable splitting of quantities between more

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

than one supplier if, after evaluation of the technical bids, it is assessed that the delivery schedule of the tender cannot be complied with because of capacity constraints of a bidder who subsequently qualifies as the L- 1 bidder after opening of the price bids. (CVC circular No. 4/3/07 dated 03/03/2007)

If multiple suppliers are needed for a critical item or due to a tight delivery schedule, the order split ratio and conditions must be stated in the tender document. The eligible bidders would have to agree to match the L-1 price.

As regards the splitting of quantities, the distribution of quantities in the bid document may not be feasible, as the capacity of the L-1 firm may not be known in advance. If after due processing, it is discovered that the quantity to be ordered is far more than what L-1 alone is capable of supplying and there was no prior decision to split the quantities, then the quantity being finally ordered should be distributed among the other bidders in a manner that is fair, transparent and equitable. It is essential in cases where AIESL has decided in advance to have more than one source of supply (due to critical or vital nature of the item) there should be pre-disclosure of the ratio of splitting the supply in the tender itself. (CVC circular No. 04/03/2007 dated 03/03/2007).

7. In case of any change in quantity, scope of work, terms and conditions, etc. after release of the tender but before its due date, the tender should be extended suitably by informing the vendors of the change(s). Vendors who have submitted their response should also be given an option to re-submit their bids should they choose to do so.
8. In cases where the tendered quantity of the item(s) / service(s) is / are likely to change after the award of contract, or during the term of the contract, quotations should be obtained in different quantity slabs. However, the tender document must spell out clearly the slab which would be considered for arriving at the L1bid.
9. The date and time of tender opening should be declared in the tender document itself. In order to allow for sufficient time to determine whether an extension is to be given for a tender, in terms of clause 6.6, a gap of one working day may be given between the date and time of tender closing and the date and time of tender opening. However, the status of the bids as received on the closing date / time of the tender is to be recorded by the designated official of the Materials Management Section and immediately forward to the competent authority in the Materials Management Section for taking an appropriate decision with regard to the tender opening.
10. Since late bids are not to be considered, the tender document should contain a clause advising the prospective bidders of the same, and that in their own interest they should forward the tender well in advance with the correct address, tender number, due date, etc. as indicated in the tender document.
11. The tenders should include a clause stating that the closing date for submission of bids may be extended at any time, including after the scheduled date of closing, at the sole discretion of AIESL.
12. The tenders should be received in sealed envelope as mentioned in clause 6.9(2). A clause to this effect must be included in the tender document.
13. The manual bids received in hard copy put in tender box should be kept under CCTV surveillance throughout.
14. The terms of delivery have a direct bearing on the quoted price. Therefore, the terms of delivery such as the delivery schedule, location of delivery, etc. should be clearly mentioned in the tender document. Expressions such as 'immediate', 'ex-stock', 'as early as possible', 'off-the-shelf', etc. must not be used to indicate contractual delivery period.
15. In case of turn-key contracts, or contracts of special nature such as purchase of sophisticated and costly equipment, a suitable clause is to be provided in the tender document for a pre-bid conference for clarifying issues and clearing doubts, if any, about the specifications and other allied technical details. The date, time and place of the pre-bid conference should be indicated in the tender enquiry document for information of interested bidders. This date should be sufficiently ahead of the tender opening date.
16. A tolerance clause, if warranted, should be incorporated in the tender document, reserving

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

the purchaser's right to increase or decrease the quantity of the required goods up to that limit without change in any terms and conditions and prices as quoted by the bidders. This is to cover unforeseen changes in the quantity requirements from the date of issue of the tender to the date of release of the purchase order / contract. This tolerance should normally be limited to +/- 15%. (As per Ministry of Finance Letter dated 31/08/2006)

17. The tender document should have a clause regarding the validity of the quotations. The validity for a selective tender should be for a minimum period of 90 days from the opening of the tender. For web / public tenders the validity should be for a minimum period of 120 days from the date of opening of technical bid.

6.8 INTEGRITY PACT

In respect of all contracts of the value of Rs.10 crore and above, the Integrity Pact would be signed by AIESL and Bidders, at the pre-tendering stage itself. A pre-signed Integrity Pact by AIESL would form part of the Tender document. The Bidder would sign the Pact and submit it along with the financial and technical bids. The tender document would also include the pre-designated IEMs.

6.9 BID RECEIVING/OPENING

1. Techno-commercial and Price bids should be accepted online, through the system (wherever available), or otherwise in the case of submission in hard copy, the tenders should be deposited in the tender box. The tender should indicate the mode of submission of bids in the event of their being too bulky to be accommodated in the tender box. In such cases, a designated official of the Materials Management Section should be assigned the responsibility of accepting such bids and ensuring their safe custody till the date and time of tender opening. When tenders are received by post or courier, such tenders shall be promptly stamped on the cover with the date and time of receipt, and thereafter deposited in the tender box.
2. Techno-commercial and Price bids should be submitted simultaneously and in 02 (two) separate sealed envelopes with both envelopes enclosed in a master envelope that has also been sealed. Each sealed envelope should be super-scribed with the tender number, "NOT TO BE OPENED BEFORE (due date and time)", email ID / contact numbers (telephone) of the bidder's contact person, and the item(s) for which the quotation has been submitted.
3. If the master envelope is found to contain an inner envelope marked "Price bid along with the tender reference" in a duly sealed condition, but also contains the "Technical bid" in an open condition, this tender would be accepted / opened, and the "Technical bid" would be taken on record. This is because the "Technical bid" was effectively received in a sealed envelope, i.e., the master envelope.
4. If the techno-commercial bid and the price bid are both in an open condition, when the sealed master envelope is opened, this bid would stand disqualified.
5. Incomplete quotations, i.e. where only the technical or only the commercial bid is received in a single sealed master envelope, would stand disqualified.
6. While opening the tender if it is found that the technical bid envelope contains the commercial bid in an open condition, the bid shall stand disqualified.
7. The envelopes in which the bids are submitted should be retained in the file. Care should be taken while opening the tenders to ensure that the date, time, tender number, and any other relevant details are not defaced/ torn-off prior to filing.
8. Price bids of the bidders, who do not qualify at the stage of evaluation of the technical bids, are to be returned after the tender process has been concluded.
9. The respective buyers would be authorized to open online bids submitted through the system irrespective of the value of the tender.
10. For manual bids received in hard copy in respect of tenders with an estimated value of more than 2.5 lakh but less than Rs. 05 lakh and for which manual bids have been received in hard copy, one representative each of the Materials Management Section and Finance Section would jointly open bids received in hard copy.
11. For manual bids received in hard copy in respect of tenders with an estimated value over Rs. 05 lakh, the same would be opened by an officer from each of the User department, Materials

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Management Section and Finance Section.

12. It would be mandatory to invite all bidders except as stated in point 1 of clause 6.9, irrespective of selective or public tender, to attend the opening of Techno-commercial / Price bids.
13. If all the participating bidders have quoted online, their physical presence during the techno-commercial and price bid opening is not required since the facility to view the details of the bids online is available in the system.
14. If both online and manual bids have been received against a tender, then all the participating bidders including the ones, who have bid online, should be invited for opening of both the techno-commercial/Price Bids.
15. The price bid of only those vendors, found technically suitable during technical evaluation would be opened. The opening date and time of price bids would be intimated to all the qualified vendors to enable them to attend the price bid opening.
16. The authorized representative(s) of the bidders would only be allowed to attend the bid opening. Such representative(s) must carry an authorization letter on the letterhead of the bidder in the format as given at Annexure F. Separate authorization letters would be required for Techno-commercial bid opening and price bid opening.
17. Complete details of the authorized representative(s) of the bidders, who participate in the tender opening, are to be recorded in the format as at Annexure G.
18. At the time of tender opening queries related to the tender, if raised by the participants, are not to be entertained.
19. In the case of web / public / global tender, or selective / limited tender, late bids, i.e. bids received after the specified date and time for receipt of bids, would not be considered.

6.10 EARNEST MONEY DEPOSIT (EMD) / Bid Security

Applicable for all tenders above Rs. 2.5 lakhs.

1. EMD would be applicable @ 2% of the estimated tender value or its equivalent in foreign currency subject to a maximum of Rs. 2 Lakhs. The EMD deposit should be by way of / Demand Draft, Banker's Cheque, or ECS, and would be interest free.
2. MSME / MII units registered with the NSIC under its Single Point Registration Scheme /Public Sector Units/Central/ State Government undertakings/ A-I widows associations / A-I co-operative society/Handicraft boards, Khadi Village and Cottage Industries/ Social Welfare organizations/ Handicapped and Blind associations/ Units registered with the Central Purchase Organizations (e.g. DGS&D) would be exempted from submission of EMD.
3. EMD would not be applicable for goods / services being procured from OEM/ sole authorized distributor or dealer on single source basis.
4. The EMD amount is to be mentioned in terms of absolute value in the tender.
5. "Corporate EMD Account" may be offered to the vendors as an option, which would be managed dynamically in the system under the control of the Finance Section.
6. EMD furnished by the unsuccessful bidders should be returned to them free of interest within 30 days after the award of contract or 30 days after the declaration of the result of technical evaluation in two stage bidding process. EMD of the successful bidder should be refunded without any interest whatsoever, after receipt of Security Deposit or Bank Guarantee in lieu thereof from the vendor. EMD of a bidder would be forfeited if the bidder withdraws or amends its tender, impairs or derogates from the tender in any respect, or declines to accept or honor the Purchase Order/contract if awarded in his favour. If the successful bidder fails to furnish Security Deposit or Bank Guarantee within the specified period, its EMD would be forfeited.
7. Depending on the merit of the case, waiver of EMD can be granted by one authority higher than the competent authority approving the tender document.



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

6.11 SECURITY DEPOSITE (SD) / PERFORMANCE GUARANTEE (PG)

1. To ensure due performance of the contract, Performance Security is to be obtained from the successful bidder awarded the contract. Unlike contracts of Works and Plants, in case of contracts for goods, the need for the Performance Security depends on the market conditions and commercial practice for the particular kind of goods.
2. For PO value above Rs. 5 Lakh, a Security Deposit must be obtained from the service provider within 02 (two) weeks from the date of issue of the Purchase Order (PO)/ Letter of Award.
3. The Performance Security Deposit would be applicable at the rate of **5% of the value of the PO** and can be in the form of a Bank Guarantee (BG), Demand Draft, Banker's Cheque or transfer to AIESL account (ECS). In exceptional cases, depending on merits, AIESL would reserve the right to deduct the amount of Security Deposit from any outstanding invoice(s) of the vendors irrespective of the PO against which the Security Deposit may be due.
4. For PO value above Rs. 50,000 and up to Rs 5 lakh in respect of rate contracts, Security Deposit shall be deducted from the invoice(s) / bill(s) by the Finance Section, and no separate Security Deposit needs to be submitted.
5. The Bank Guarantee as submitted by the bidder selected for award of the P.O. / Contract should be verified verbatim with the format as enclosed with the tender.
6. The validity of the SD / BG would be till 60 days after the scheduled completion of all obligations under the Purchase Order/ Contract. After commissioning of the equipment, wherever applicable, the SD would be converted into a Performance Guarantee (PG) that would be refunded / returned by Finance on completion of warranty / all obligations under the Purchase Order/ contract subject, however, to deduction of penalties, if any, that may be leviable under the terms of the Purchase Order / contract. The onus of informing PPMM of the shortfall or under performance by the vendor would be on the user Section. In the absence of any intimation to the effect from the user Section during the course of the contract, PPMM would advise Finance for the release of the Security Deposit/ Bank Guarantee, on completion of the warranty / contract period.
7. The cost of submission of Security Deposit or execution of BG would be borne by the successful bidder.
8. The original BG should be forwarded by the banks to the beneficiary directly under registered post (A.D.). However, in exceptional cases, where the BG is handed over to the bidder for any genuine reason, the bank should immediately send by registered post (A.D.) an unstamped duplicate copy of the guarantee directly to the beneficiary with a covering letter requesting them to compare with the original as handed over to the customer, and to confirm that it is in order. The A.D. card should be kept along with the BG. (CVC Circular No. 01/01/08 dated 21/12/2008)
9. The BG should be submitted to the concerned Buyer, who would forward the same to Finance Section for independent verification as mentioned in point no.5 clause 6.11. Since the Finance Section would be the custodian of the BG, an officer of the Finance Section should be specifically designated with the responsibility for verification of BG(s). Advice for renewal/ encashment of BGs would be conveyed to the Finance Section by the Materials Management Section on the basis of the inputs received from the user Section, wherever applicable.
10. In case of extension of the delivery period under the Purchase Order, the validity of the SD / BG should be extended up to 90 days beyond the period of such extension.
11. MSME / MII units registered with the NSIC under its Single Point Registration Scheme / A-I widows associations / A-I co-operative society/Handicraft boards, Khadi Village and Cottage Industries/ Social Welfare organizations/ Handicapped and Blind associations/ Units registered with the Central Purchase Organizations (e.g. DGS&D), **MSME's would**



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

not be exempted from submission of the Security Deposit.

12. Depending on merit of case, the Tender Committee may recommend waiver of SD, which would then be put up for approval to the competent authority as defined at Annexure A. Waiver can be granted by one authority higher than the competent authority approving the tender document. In any case such approval cannot be given by an officer below the level of GM (PPMM). For Non TC cases, the minimum level for approval of waiver of SD would be DGM-PPMM, and the reasons for according such waiver are to be placed on record.

6.12 PENALTY CLAUSE / LIQUIDATED DAMAGES

1. Unless otherwise notified in the tender, the penalty to be levied for delayed delivery would be @ 0.5% per week or part thereof of the value of the undelivered portion of the goods or services (excluding taxes and delivery charges) subject to a maximum of 10% of the value of the undelivered or delayed goods. This is to be recovered from the Security Deposit / Performance Guarantee, or from the amount due to the vendor after due notification to the vendor in advance.
2. The user Section should indicate in the requisition the quantum of penalty to be imposed on account of deficiencies, if any, in the delivered goods / services. The tender should incorporate the same accordingly. For those goods / services that are directly received by the users, the actual penalty to be imposed would be as per the advice of the user Section keeping in view the penalty clause of the tender and the extent of default in performance / supply.
3. There should normally be no system of waiver of LDs for delayed supplies in supply contracts and it may strictly be an exception rather than a rule. For an extension of the delivery date with waiver of LD, approval of the CA with consultation of associated Finance may be taken and justifications recorded.

6.13 TERMINATION AND EXIT CLAUSES

The PO / contract should include a termination clause as below:

1. In case of unsatisfactory performance or breach of any of the clauses of this contract, AIESL would issue a notice of 30 days to the party to rectify the breach and improve the performance failing which AIESL shall be at liberty to terminate this agreement by providing 30 days written notice to the party. The party shall not have any right to dispute or question the judgment of AIESL of the unsatisfactory performance of the party.
2. Notwithstanding the above, AIESL shall also be at liberty to terminate this agreement for any reason including change in situation/circumstances, etc. by providing the party with 90 days written notice. The party shall also be at liberty to terminate this contract by providing AIESL with 90 days written notice. In such an event, the terminating party shall have no right to claim compensation/damages, etc. from the terminating party on account of early termination. However, the party shall duly comply with their respective obligations during the notice period and thereafter, shall discharge the obligations arising out of the agreement till the termination.
3. Depending on the nature of the item / service, DGM - PPMM and above, in consultation with the user, would be the competent authority to decide the termination / exit period if it varies from the above.

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Chapter-7

EVALUATION OF BIDS

7.1 EVALUATION OF TECHNO-COMMERCIAL BIDS

Evaluation of the technical portion of the techno-commercial bids would be the responsibility of the requisitioning / user Section.

1. A convener of the user Section would be responsible for carrying out technical evaluation of the bids. The Technical Evaluation Report (TER) would be submitted to the Materials Management Section duly approved by the Tender Committee (TC) member of the user Section as per the delegation of the financial powers as per Annexure A, or by an officer not less than a rank of Manager or equivalent level for non TC cases. The TER should clearly identify the qualified and non-qualified bidders with justifications thereof. The TER would be scrutinized by the Materials Management Section in respect of compliance with the procedural requirements of the tender. Observations, if any, would accordingly be conveyed to the user Section for their comments / review. Thereafter the TER would be further evaluated by the Materials Management Section to assess compliance with the commercial requirements in order to arrive at the techno-commercial evaluation of the tender.
2. In the course of the technical evaluation of the bids, clarifications, if any, regarding technical issues arising out of the quotations should be taken up with the bidders directly by the user Section. However, queries seeking information / clarifications on pricing aspects should not be sought from the bidders at this stage.
3. The Materials Management Section would not be associated with technical evaluation other than for evaluation of the commercial parameters. However, in exceptional cases the competent authority may set up a multi- Sectional committee for evaluation of the techno-commercial and price bids which may include a representative of the Materials Management Section.
4. For tenders above Rs.25 lakhs, a nominee of the Finance Section would also associate with the evaluation of commercial terms in techno-commercial evaluation along with the representative of the Materials Management Section.
5. For Tenders below Rs. 25 lakhs, evaluation of commercial terms in the techno-commercial bids would be done by the representative(s) of the Materials Management Section. However, the Finance Section would also associate in this process should such a need arise.
6. For multiuser items the Materials Management Section would be responsible for carrying out technical evaluation of the bids. Members may be co-opted from other Sections for this purpose, if so required.
7. Pre-approved bidders for a specific item (from the approved suppliers list) need not be technically evaluated for every tender subject to such suppliers confirming compliance with the techno- commercial specifications of the tender.
8. Deviations, if any, in the commercial parameters such as payment terms, warranty, delivery period, penalty clause, etc., if acceptable on the basis of the tender evaluation criteria, should be reflected in the techno commercial evaluation report for the purpose of loading in the corresponding price bids.
9. The techno-commercial evaluation report would be reviewed by the competent authority in the Materials Management Section as per the Financial powers (Refer Annexure A), before approving the opening of the price bids.

7.2 EVALUATION OF PRICE BIDS / AWARD CRITERIA

1. The vendor whose net price (on a common platform such as the landed cost) works out to be the lowest would be determined as the L-1vendor.
2. Depending upon the nature of the item for tenders having multiple items, the overall L1 vendor would be considered for the award of contract. Those items for which the overall L1 vendor is not the lowest, efforts should be made to match the rates closer to L1 vendor for that item.

Page 21 of 50



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

3. Deviations, if any, in the commercial parameters such as payment terms, warranty, delivery period, advance payment, etc. should be loaded as spelt out in the Tender.
4. If after due processing, it is discovered that the quantity to be ordered is far more than what L-1 alone is capable of supplying, i.e. if the L-1 has capacity constraints, then the quantity being finally ordered should be distributed among the other bidders in a manner that is fair, transparent, and equitable. The final decision / adjudication regarding the proportion of distribution of quantities would be decided by the competent authority in the Materials Management Section (Refer Annexure A).
5. If in the price quoted there is a discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern, and the unit price corrected accordingly.
6. If there is an error in the total corresponding to the addition or subtraction of sub totals, the subtotals shall prevail and the total shall be corrected.
7. If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to point 5 and 6 above.
8. If for any reason the L1 bidder backs out, there should be re-tendering. The competent authority as per the delegation of financial powers (Ref. Annexure A) may, in such a situation, call for a selective or short notice tender to meet the immediate requirements.
9. In case the L-1 vendor backs out, either before issue of the Purchase Order / Letter of Award (LOA), or subsequent to its issue, the L-1 vendor should be blacklisted for a minimum period of 3 years. This would, however, be subject to the Purchase Order / LOA having been issued within the period of validity of the quotation. In addition, the EMD / SD of the vendor would also be forfeited.

7.3 LOADING CRITERIA IN CASE OF DEVIATION

1. The loading criteria specified below would be applied to the basic price of the bid.
2. The taxes or levies would be added to the basic price as quoted by the bidder unless stated otherwise in the tender. Refer Annexure O for a sample calculation.
3. If the bidder asks for advance payment, the price bid of the bidder would be loaded @ 18% per annum on the basic price, calculated on a pro-rata basis, or as per the loading criteria as defined in the tender.
4. In case of deviation with regard to the stipulated warranty period, the price bid of the bidder would be loaded @ 10% per annum on the basic price, calculated on a pro-rata basis.
5. In case of deviation with regard to delivery period beyond a predefined tolerance (to be ascertained from the user at the time of tender preparation), the price bid of the bidder would be loaded @ 12% per annum on the basic price, calculated on a pro-rata basis.
6. During the process of evaluation of bids, no queries are to be entertained from the bidders with regard to the status of the evaluation and an appropriate clause should be inserted in the tenders to this effect.

7.4 RETURN OF BIDS OF DISQUALIFIED BIDDERS

1. The price bids of the technically disqualified bidders would be returned to them after finalization of the Purchase Order / Contract.
2. AIESL should intimate the technically disqualified bidders in writing to collect their price bids in person, or through their authorized representative within 03 (three) days of acceptance of the Purchase Order by the successful bidder. The representative must carry an authorization letter on the company letterhead in the format as per Annexure I.
3. An acknowledgement must be taken from the disqualified bidders or their authorized representatives on collection of their Price bids by them, as per the format at Annexure I.

 AIESL ALL INDIA ENGINEERING SERVICES LIMITED	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

4. In the event a bidder fails to collect the price bid within the stipulated 30 days without reasonable grounds for extension sought thereof and duly accepted by AIESL, the bids should be shredded in "as is where is" condition after expiry of 30 days or an extended period thereof as agreed to by AIESL, whichever is later. The bidder should be intimated regarding non collection and shredding of the same as per Annexure I.

7.5 PRICE PREFERENCE

MSME / MII units registered with the NSIC and having Udyam Certificate under its Single Point Registration Scheme or with Directorate General of Supply and Disposal (DGS&D), are entitled to price preference up to 15% over the offer of large scale sector and 5% over the offer of Public Sector Undertaking, provided the offers under consideration are otherwise clear for acceptance in all respects.

In case, if the tender item cannot be split or divided, etc. the MSME quoting a price within the band L1 + 15 % may be awarded for full/complete supply of total tendered value to MSE. The MSE for the Tendered item and quoting price within a price band of L1 + 15 percent may be awarded for shall be allowed to supply of requirement by bringing down their price to L1 price in a situation where L1 price is from a Party other than a MSE. MSEs participating in the Tender must submit the certificate of registration under Udyam Registration.

The MSMEs not registered for the particular trade / item for which the Tender is relevant, would not be eligible for exemption/preference. The registration certificate issued under Udyam Registration must be valid as on close date of the Tender. The Successful Bidder should ensure that the same is valid till the end of the Contract period. The MSEs who have applied for registration or renewal of registration under Udyam Registration but have not obtained the valid certificate as on close date of the Tender, are not eligible for exemption / preference.

Purchase Preference to Make in India (MII)

To encourage "Make in India" and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, Department of Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce and Industry, Government of India, issued Public Procurement (Preference to Make in India), Order 2017. The order is issued pursuant to Rule 153(iii) of GFR, 2017.

7.6 TIME FRAME FOR COMPLETION OF TENDER EVALUATION

1. A definite time schedule should be laid down for each stage of bid evaluation (Technical / Commercial bid). Similarly, a time frame for according to approval for each stage of the tender process (Technical Evaluation Report / Commercial Evaluation Report / decision for conducting negotiations, if applicable / award of PO / Contract) should be laid down which should not exceed 15 days for each stage of approval. In any case the overall time for the aforementioned processes should be within the validity period of the tender. (CVC Circular No. 4/3/07 dated 03/03/2007)
2. Time frames would be laid down at each stage of the tendering process as under:
 - a. The Materials Management Section to finalize the tender document after receipt of the specifications / work scope and other parameters from the User Section including vetting by the user Section (as and where required) - 15 working days.
 - b. Evaluation of the technical bids, as and where applicable—the time frame to be advised to the user Section by the Materials Management Section at the time of forwarding of the bids for evaluation. This time frame would depend on the complexity of the tender, and in any case should be at least 45 days before expiry of validity of the bids.
 - c. Evaluation of the price bids – 05 working days
 - d. Preparation of the TC Note by the Materials Management Section – 5 working days.
 - e. Approval of the TC note by the TC Members – 10 working days.

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MRP

	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

- f. Placement of P.O. – 05 working days.
- g. If for some reason the timelines cannot be met and an explanation is called for then the same should be submitted by the concerned personnel to the competent authority of the individual Section.

7.7 NEGOTIATIONS

1. As a general norm price negotiations are not to be carried out with the bidders. Negotiations, if at all, shall be an exception and may be held only in the case of proprietary items, or in the case of goods / services with limited sources of supply. Negotiations should be held with the L1 bidder only. Counter offers tantamount to negotiations and should be avoided. (CVC circular No.4/3/07)
2. Negotiations, if held without proper justifications, could lead to unnecessary delays in award of the PO / contract. Therefore whenever negotiations are recommended, this should be after due application of mind and the justifications for the same should be placed on record. In case of inability to achieve the desired results by way of reduction in rates, i.e. if the negotiations prove fructuous, an explanation for the failure of negotiations is required to be recorded by the committee that had recommended the negotiations. The committee that had recommended negotiations would be held accountable should such an explanation not be found to be satisfactory by the competent authority. (CVC circular No.4/3/07)
3. The Materials Management Section would convene the negotiation meetings, which would be conducted in the Materials Management Section. Negotiations would be carried out by the Tender Committee members in accordance with the delegation of financial powers as per Annexure A. Participation in negotiations should not generally be diluted by delegating the function to a lower-level officer. In case for some reason the TC member cannot attend the price negotiation meeting, then attending the meeting can be delegated to an officer one rank below the TC member. However, the responsibility for signing and approving the TC note would rest with the TC member.
4. In the exceptional cases where negotiations are held, the same would be recorded in the negotiation sheet as at Annexure J.
5. Counter – offers to L1 in order to arrive at an acceptable price, shall amount to negotiation. However any counter – offer thereafter to L-2, L-3 etc.(at the rates accepted by L-1) in case of splitting of quantities, as pre – disclosed in the tender, shall not be deemed to be negotiation. (CVC circular No.4/3/07)

7.8 Publishing of Details of Award of Tender / Contracts on the website

1. A summary of the contracts / purchases made above Rs. 100 lakhs would be posted on the AIESL's official website.
2. The details to be posted would be in the format given at Annexure 'B'.






PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Chapter-8

INVOICE PROCESSING

8.1 INVOICE PROCESSING

1. Invoices should be submitted to the Materials Management Section. Invoices, GRN/ receipt nos. along with the original challan duly signed and stamped by the receiver should be forwarded to the Finance Section by PPMM under a covering letter for payment purpose. The Finance Section would acknowledge receipt of the same.
2. For any reason, if the original challan or invoice is not available/ lost in transit then payment would be processed on the duplicate challan/ invoice, duly signed and stamped by the receiver. However, an undertaking on the company's letter head should be submitted to AIESL as per Annexure H.
3. All invoices would be matched and forwarded to the Finance Section for validation and payment purposes.
4. Certification of invoices, subject to Finance verification would be done by the officials of PPMM as given below:

Invoice Processing	
Sr. Assistant General Manager (Engg.-PPMM)	Up to 50,00,000/-
Dy. General Manager (Engg.-PPMM)	Above 50,00,000/- and up to 75,00,000/-
General Manager (Engg.)	Above 75,00,000/- and up to 1,00,00,000/-
Executive Director (Engg.)	1,00,00,001/- and above

8.2 PAYMENTS

1. Payments shall be effected through the Finance Section.
2. Tenders should incorporate the standard payment terms of "Payment within 30 days of receipt of invoice or goods/ services whichever is later".
3. Payment details are to be made available by the Finance Section to the Materials Management Section, user Section and respective vendor(s) as and when required.
4. The user Section would settle the payments pertaining to the furnishing of residence of the executives, directly with the Finance Section.

8.3 ADVANCE PAYMENT

Advance payment should generally be discouraged. If payment of advance is unavoidable, efforts should be made for payment against delivery. However, if still the advance payment is to be made, then the same can be allowed. In such cases, the company's interest must be safeguarded by obtaining bank guarantee equal to the sum of the advance payment from the supplier with sufficient validity. Such advance payments should be interest bearing. The amount of interest would be applicable at the rate of 15% per annum on the whole amount of advance and not part thereof. Advance payments should not generally exceed the following limits: (As per Ministry of Finance dated 31/08/2006)

- a. Thirty percent of the contract value to private firms
- b. Forty percent of the contract value to a state or central government agency, or to a Public Sector Undertaking.
- c. In case of maintenance contracts, the advance amount should not exceed the amount payable for six months under the contract.

Depending on the merit of the case, the ceilings mentioned above may be relaxed by the competent authority at the level of Dy. General Manager (Engg.-PPMM) and above. The

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

competent authority to authorize advance payment would be AGM (Engg.-PPMM) and above / Tender Committee as per Annexure A. The payment terms must be clearly reflected in the PO. Payment in respect of proforma / advance payment should be certified by the signatory of the PO subject to such terms of payment being reflected in the PO.

8.4 EXCHANGE RATE

IATA exchange rate prevalent on the day of the opening of the commercial bid would be taken as the valid exchange rate. IATA exchange rate as released on monthly basis by the Finance Section would be taken as the basis for comparative evaluation of price bids as well as for all other processes related to tenders.

8.5 GOVERNMENT LEVIES / TAXES, ETC

1. Government levies, taxes, surcharges, etc. should not be avoided by changing the delivery locations.
2. If new taxes/ levies are introduced during the validity of the contract period, then the same shall be applicable at the time of availing of the services, or supply of an item.
3. The tender document should clearly state that the bidders must specify whether their quotation is inclusive or exclusive of taxes and levies. In the case of quote submitted exclusive of taxes, all applicable taxes, Government levies must be clearly spelt out.

8.6 CONTRACTS ADMINISTRATION

1. The contract administration would be the responsibility of the Requisitioner / user section.
2. The Requisitioner / user Section would be responsible for submission of service reports along with the invoice to Bill Section of the Materials Management Section.
3. The Requisitioner / user Section would intimate the Materials Management and Finance Sections in case any discrepancy / deviation has been observed from the deliverables as contracted for and appropriate action is to be taken in accordance with the terms of the PO /Contract.
4. The onus of informing PPMM of the shortfall or under performance by the vendor would be on the user Section. In the absence of any intimation to the effect from the user Section during the course of the contract, PPMM would advise Finance for the release of the Security Deposit/ Bank Guarantee, on completion of the warranty / contract period.
5. For items and services received directly by the users, the quantum of penalty to be levied would be determined by the competent authority in the user Section, and the same advised to the Finance Section through the Materials Management Section.
6. The Requisitioner/ user Section would be responsible for compilation and submission to the concerned authorities the details of export obligations for goods imported against the licenses such as EPCG, etc.
7. In the context of facilitation of execution of contracts, the individual Sections would be responsible for activities such as issuance of gate pass for items / equipment, entry pass for contractor's personnel, facilitation of issuance of BCAS / AAI passes, liaison with the Security Section for police clearance certificate of the contractor's Personnel wherever required, provision of space and infra-structure etc.

AIPL

Page 26 of 50

NM



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Chapter-9

INCOMING MATERIAL INSPECTION

9.1 STORES INSPECTION

1. For multi Sectional stock items, the receipt sections of the Materials Management Section at HQ and all the regions, would undertake inspections.
2. For captive stores stock items such as Engineering Tool stores, revenue items etc., the respective Sections would be responsible for carrying out the inspection.
3. The Receipt Sections should ensure that the vendors submit the Quality Assurance Certificate (QAC), wherever so indicated under the terms of the PO.
4. For the inspection of items, assistance may be taken, if required, from other Sections or specialized agencies.
5. Approved sample/s should be retained at LRS till receipt of the last supply for the purposes of comparison.

9.2 PRE-DELIVERY INSPECTION

1. The requisitioning / user Sections would be responsible for carrying out pre-delivery inspections.
2. If need be, representatives from other Sections including from Materials Management and Finance may be co-opted for such inspections.

9.3 TOLERANCE LIMIT

1. To take care of any change in the requirements during the period starting from issue of tender till placement of the Purchase Order, a plus/minus tolerance clause should be incorporated in the tender document, reserving the purchaser's right to increase or decrease the quantity of the required goods up to that limit without any change in the terms and conditions and prices quoted by the bidders.
2. While awarding the Purchase Order, the quantity ordered may be increased or decreased, if necessary, within the prescribed plus/minus tolerance limits.
3. The tolerance limit should not be more than plus/minus fifteen percent. (As per Ministry of Finance dated 31/08/2006)

9.4 EXCESS SUPPLY

1. Maximum of 5% of the PO quantity can be accepted as excess supply against a PO. This would be applicable for those items which are specifically manufactured for AIESL.
2. A monthly review of such cases would be done by the competent authority in Materials Management Section as per the values laid down in Annexure 'A'.
3. Vendors' invoices for the excess quantity can be processed for payment by the Finance Section without a reference, or an amendment to the PO.

9.5 RECEIPT CERTIFICATION

1. **For direct delivery**-The Requisitioner / user shall acknowledge the party's / vendor's challan for having received the goods.
2. **For stock items**-Receipt certification would be done by the Local Receipt Section (LRS) of the Materials Management Section.
3. The LRS would acknowledge the party's / vendor's challan for having received the goods.
4. The LRS would update receipt based on which GRN would be generated.
5. **For Services**-The Requisitioner / User Section / receiver of the services would acknowledge services received, through his signature on the service report. This service report should be forwarded to the invoice processing section of the Materials Management Section for further processing.

MRP

Page 27 of 50

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 AIESL AIR ENGINEERING SERVICES LIMITED	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

Chapter-10

INTERPRETATION OF PURCHASE PROCEDURES

10.1 Action Taken in Good Faith

The procedure prescribed in the purchase manual is to enable the persons involved in the procurement process to have a fair and transparent procurement giving equal opportunity to all the vendors.

Considering that procurement is a complex process and every procurement being unique, all possible conditions cannot be foreseen and defined in the Purchase procedure. The Purchase Manual is for guidance and provides broad framework of policy. Persons associated with the procurement process are expected to take decisions in each situation and move forward at the same time taking due care and attention in their action. All persons involved in the procurement process shall be considered acting in good faith (done with due care and attention), unless proved otherwise, in discharge of procurement function.

In such a case, they are not liable for any disciplinary proceedings for decision taken following the guidelines of the purchase procedure and material information available with an intent to make the items/service available to ensure uninterrupted production, meet the delivery commitments and in the interest of the company.

Such decision taken by the persons associated with the procurement need to be recorded with appropriate reasons and justification.

10.2 Interpretation for unique situations

Keeping the objective of timely procurement of items and services to enable timely delivery of companies' product in the most competitive price, there could be need for interpretation of the purchase procedures for peculiar situations faced during procurement process to meet urgent requirement. Under these circumstances, the decision taken in good faith by the Purchase Committee (PC)/ Material Provisioning Committee (MPC) and approved by GM-PPMM is considered as final. Such interpretation/decision will have to be communicated to ED-Engg, who in turn will review the interpretation for considering implementation across the Company with the approval of CEO in case such interpretation found to be commercially and procedurally suitable for companywide implementation.

10.3 ANNEXURES

- A. Financial Powers
- B. Contracts Awarded
- C. Format for Bank Guarantee
- D. List of items covered under Small Scale Industries' Single point registration scheme.
- E. Undertaking by Evaluation members
- F. Authorization letter for Bid opening
- G. Bid opening- attendance sheet.
- H. Undertaking for payment against duplicate challan/invoice
- I. Return of bids.
- J. Negotiation Sheet
- K. pre-bid meeting attendance sheet
- L. letter of authorization for attending pre bid meeting
- M. new vendor registration report
- N. vendor registration report
- O. calculation of loading criteria

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE A

Estimated Value of Contract in INR or its equivalent in any foreign currency	Composition of TC/ Negotiation Level and Approval of samples	Authority Level for Final Award	Authority Level for signing PO in PPMM
Up to Rs. 2.5 Lakh	No TC	Executive / AGM	Sr. Engineer / Executive
Up to Rs. 25 Lakh	PPMM: Executive / AGM Finance: Executive User Deptt. Equiv. Level	Executive / AGM	Sr. Engineer / Executive
Up to Rs. 100 Lakh (Rs. 1 Crores)	PPMM: Sr.AGM Finance: Executive User Deptt. Sr. AGM	Dy. General Manager	Sr. AGM
Up to Rs. 600 Lakh (Rs. 6 Crores)	PPMM: DyGM Finance: Sr. Executive User Deptt. Dy. GM	General Manager	Dy.GM (E-PPMM)
Up to Rs1200 Lakh (Rs. 12 Crores)	PPMM: GM-PPMM Finance: COF Head of User Deptt. / GM	Executive Director	GM (E-PPMM)
Above Rs 1200 Lakh (Rs. 12 Crores)	PPMM: GM-PPMM Finance: COF Head of User Deptt. / ED	CEO/COF	Executive Director

In case of non-availability of equivalent level, departmental head may depute an officer one level below than the above-mentioned level.

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE B

Details of contracts concluded during the Month

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE C BANK GUARANTEE FORMAT FOR PERFORMANCE SECURITY

To
Executive Director - Engineering,
AIESL.

WHEREAS
(name and address of the supplier) (hereinafter called "the supplier") has undertaken, in
pursuance of contract no.....dated to supply(description of goods and
services)(hereinafter called "the contract").

AND WHEREAS it has been stipulated by you in the said contract that the supplier shall
furnish you with a bank guarantee by a scheduled commercial recognized by you for the sum
specified therein as security for compliance with its obligations in accordance with the contract;

AND WHEREAS we have agreed to give the supplier such a bank guarantee;
NOW THEREFORE, we Bank, hereby affirm that we are guarantors and
responsible to you, on behalf of the supplier, up to a total of
..... (amount of the guarantee in words and
figures), and we undertake to pay you, upon your first written demand declaring the supplier to
be in default under the contract and without cavil or argument, any sum or sums within the
limits of (amount of guarantee) as aforesaid, without your needing to prove or to show grounds
or reasons for your demand or the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the supplier
before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the
contract to be performed there under or of any of the contract documents which may be made
between you and the supplier shall in any way release us from any liability under this guarantee
and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid until the day of 20.....

.....
(Signature of the authorized officer of the Bank)

.....
Name and designation of the officer

.....
Seal, name & address of the Bank and address of the Branch

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PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE D

ITEMS RESERVED FOR HANDICRAFTS SECTOR

- 1 AAC/ACSR Conductors up to 19 stand
- 2 Agricultural Implements -
- 3 Hand Operated Tools and Implements
- 4 Animal Driven Implements
- 5 Air/Room Coolers
- 6 Aluminum Builders and Hardware
- 7 Ambulance Stretcher
- 8 Ammeters/Ohm Meters/Volt meter (Electromagnetic up to Class I accuracy)
- 9 Ankles Web Khaki
- 10 Augur (Carpenters)
- 11 Automobile Head Lights Assembly
- 12 Badges Cloth, embroidered and metals
- 13 Bags of all types i.e. made of leather, cotton canvas & jute etc. including kit bags, mail bags, sleeping bags & water-proof bags.
- 14 Bandage Cloth
- 15 Basket cane, (Procurement can also be made from State Forest Corporation and State handicraft Corporation).
- 16 Bath Tubs
- 17 Barbed Wire
- 18 Battery Charger
- 19 Battery Eliminators
- 20 Bean Scales (up to 1.5 tons)
- 21 Belt Leather and Straps
- 22 Bench Vices
- 23 Bituminous Paints
- 24 Blotting Paper
- 25 Bolts and Nuts
- 26 Bolts Sliding
- 27 Bone Meal
- 29 Boots and shoes of all types excluding Canvas shoes
- 30 Bowls
- 31 Boxes Leather
- 32 Boxes made of Metal Braces
- 33 Braces
- 34 Brackets other than those in Railways
- 35 Brass Wire
- 36 Brief cases (other than molded luggage)
- 37 Brooms
- 38 Brushes of all types
- 39 Buckets of all types
- 40 Buttons of all types
- 41 Candle Wax Carriage
- 42 Cane Valves/stock valves (for water fittings only)
- 43 Cans metallic (for milk & measuring)
- 44 Canvas Products -
- 45 Water Proof Delivery Bags to Specn. No. IS-1422/7D
- 47 Caps Cotton & Woollen
- 48 Caps Waterproof
- 49 Castor Oil
- 50 Ceiling Roses up to 15 amps

	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

- 51 Centrifugal steel Plate Blowers
- 52 Centrifugal Pumps-Section and Delivery 150mm. x 150mm.
- 53 Chaff Cutter Blade
- 54 Chains lashing
- 55 Chappals and sandals
- 56 Chamois Leather
- 57 Chokes for light fitting
- 58 Chorme Tanned leather (Semi-finished Buffalo & Cow)
- 59 Circlips
- 60 Claw Bars and Wires
- 61 Cleaning Powder
- 62 Clinical Thermometers
- 63 Cloth Covers
- 64 Cloth Jaconet
- 65 Cloth Sponge
- 66 Coir fiber and Coir yam
- 67 Coir mattress, cushions and matting
- 68 Coir Rope hawser laid
- 69 Community Radio Receivers
- 70 Conduit pipes
- 71 Copper nail
- 72 Copper Napthenate
- 73 Copper sulphate
- 74 Cord Twine Maker
- 75 Cordate Others
- 76 Corrugated Paper Board & Boxes
- 77 Cotton Absorbent
- 78 Cotton Belts
- 79 Cotton Carriers
- 80 Cotton Cases
- 81 Cotton Cord Twine
- 82 Cotton Hosiery
- 83 Cotton packs
- 84 Cotton Pouches
- 85 Cotton Ropes
- 86 Cotton Singlets
- 87 Cotton Sling
- 88 Cotton Straps
- 89 Cotton tapes and laces
- 90 Cotton Wool (Non-absorbent)
- 91 Crates Wooden & Plastic
- 92 (a) Crucibles up to No. 200
- 93 Crucibles Graphite up to No. 500
- 94 Other Crucibles up to 30kgs.
- 95 Cumblies& blankets
- 96 Curtains mosquito
- 97 Cutters
- 98 Dibutylphthiaitate
- 99 Diesel engines up to 15 H.P.
- 100 Dimethyl Phthiaitate
- 101 Disinfectant Fluid
- 102 Distribution Board upto 15 amps
- 103 Domestic Electric appliances as per BIS Specifications :-



Page 33 of 50



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

- Toaster Electric, Elect. Iron, Hot-Plates, Elect. Mixer Grinders,
- Room heaters & convectors and ovens.
- 104 Domestic (House Wiring) P.V.C. Cables and Wires (Aluminum) Conforming to the prescribed BIS Specifications and up to 10.00 mm. sq. normal cross-section.
- 105 Drawing & Mathematical Instruments
- 106 Drums & Barrels
- 107 Dust Bins
- 108 Dust Shield leather
- 109 Duster Cotton all types except the items required in Khadi
- 110 Dyes
- 111 Azo Dyes (Direct & Acid)
- 112 Basic Dyes
- 113 Electric Call bells/buzzers/door bells
- 114 Electric Soldering Iron
- 115 Electric Transmission Line Hardware like steel cross bars, cross arms clamps arching arm, brackets etc.
- 116 Electronic door bell.
- 117 Emergency Light (Rechargeable type)
- 118 Enamel Wares & Enamel Utensils
- 119 Enamel camouflage Bamboo support
- 120 Exhaust Muffler
- 121 Expanded Metal
- 122 Eyelets
- 123 Films Polythene-including wide film
- 124 Films spool & cans
- 125 Fire Extinguishers (well type)
- 126 Foot powder
- 127 French polish
- 128 Funnels
- 129 Fuse Cut outs
- 130 Fuse Unit
- 131 Garments (excluding supply from Indian Ordnance Factories)
- 132 Gas mantels
- 133 Gauze cloth
- 134 Gauze surgical all types
- 135 Ghamellas (Tasllas)
- 136 Glas Ampules
- 137 Glass & Pressed Wares
- 138 Glue
- 139 Grease Nipples & Grease guns
- 140 Gun Cases
- 141 Gun Metal Bushes
- 142 Gumtape
- 143 Hand drawn carts of all types
- 144 Hand gloves of all types
- 145 Hand Lamps Railways
- 146 Hand numbering machine
- 147 Hand pounded Rice (polished and unpolished)
- 148 Hand presses
- 149 Hand Pump
- 150 Hand Tools
- 151 Handles wooden and bamboo (Procurement can also be made from

Nh

✓



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

State Forest Corpn. And State Handicraft Corporation).

- 152 Hamess Leather
- 153 Hasps & Staples
- 154 Haver Sacks
- 155 Helmet Non-Metallic
- 156 Hide and country leather of all types
- 157 Hinges
- 158 Hob nails
- 159 Holdall
- 160 Honey'
- 161 Horse and Mule Shoes
- 162 Hydraulic Jacks below 30 ton capacity
- 163 Insecticides Dust and Sprayers (Manual only)
- 164 Invalid wheeled chairs
- 165 Invertor domestic type upto 5 KVA
- 166 Iron (dhobi)
- 167 Key board wooden
- 168 Kit boxes
- 169 Kudali
- 170 Lace leather
- 171 Lamp holders
- 172 Lamp signal
- 173 Lanterns Posts & bodies
- 174 Lanyard
- 175 Lantex foam sponge
- 176 Lanthies
- 177 Letter Boxes
- 178 Lighting Arresters - upto 22 kv
- 179 Link Clip
- 180 Linseed Oil
- 181 Lint Plain
- 182 Lockers
- 183 Lubricants
- 184 L.T. Porcelain KITKAT & Fuse Grips
- 185 Machine Screws
- 186 Magnesium Sulphate
- 187 Mallet Wooden
- 188 Manhole covers
- 189 Measuring Tapes and Sticks
- 190 Metal clad switches (upto 30 Amps)
- 191 Metal Polish
- 192 Etallic containers and drums other than N.E.C. (not elsewhere classified)
- 193 Metric weight
- 194 Microscope for normal medical use
- 195 Miniature bulbs (for torches only)
- 196 M.S. Tie Bars
- 197 Nail Cutters
- 198 NapthaleneS Balls
- 199 Newar
- 200 Nickel Sulphate
- 201 Nylon Stocking
- 202 Nylon Tapes and Laces
- 203 Oil Bound Distemper



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

204 Oil Stoves (Wick Stoves only)
205 Pad locks of all types
206 Paint remover
207 Palma Rosa oil
208 Palmgur
209 Pans Lavatory Flush
210 Paper conversion products, paper bags, envelops, Ice-cream cup, paper cup and saucers & paper plates
211 Paper Tapes (Gummed)
212 Pappads
213 Pickels& Chutney
214 Piles fabric
215 Pillows
216 Plaster of paris
217 Plastic Blow Moulded Containers upto 20 litre excluding Poly EthleneTerphthalate (PET) Containers
218 Plastic cane
219 Playing Cards
220 Plugs & Sockets electric upto 15 Amp.
221 Polythene Bags
222 Polythene pipes
223 Post picket (wooden)
224 Postal Lead Seals
225 Potassium Nitrate
226 Pouches
227 Pressure Die Casting up to 0.75 kg.
228 Privy pans
229 Pulley wire
230 PVC footwear
231 PVC pipes up to 110 mm.
232 PVC Insulated Aluminum Cables (up to 120 Sq. mm) (ISS:694)
233 Quilts, Razais
234 Rags
235 Railways carriage light fittings
236 Rakes Ballast
237 Razors
238 RCC Pipes up to 1200 mm diameter
239 RCC Poles Pre-stressed
240 Rivets of all types
241 Rolling Shutters
242 Roof light fittings
243 Rubber Balloons
244 Rubber Cord
245 Rubber Hoses (Unbranded)
246 Rubber Tubing (Excluding braided rubbing)
247 Rubberised Garments Cap and caps etc.
248 Rust/Scale Removing Composition
249 Safe meat & milk
250 Safety matches
251 Safety Pins (and other similar products like paper pins, staple pins etc.)
252 Sanitary Plumbing Fitting
253 Sanitary Towels
254 Scientific Laboratory glasswares (Barring sophisticated items)

N.M.

ABFES



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

- 255 Scissors cutting (ordinary)
- 256 Screws of all types including High Tensile
- 257 Sheep skin all types
- 258 Shellac
- 259 Shoes laces
- 260 Shovels
- 261 Sign Boards painted
- 262 Silk ribbon
- 263 Silk webbing
- 264 Ski boots & shoes
- 265 Sluice Valves
- 266 Snapfastner (Excluding 4 pcs. Ones)
- 267 Soap Carbolic
- 268 Soap Curd
- 269 Soap Liquid
- 270 Soap Soft
- 271 Soap washing or laundry soap
- 272 Soap Yellow
- 273 Socket/pipes
- 274 Sodium Nitrate
- 275 Sodium silicate
- 276 Sole leather
- 277 Spectacle frames
- 278 Spiked boots
- 279 Sports shoes made out of leather (for all sports games)
- 280 Squirrel Cage Induction Motors up to and including 100 KW 440 volts 3 phase
- 281 Stapling machine
- 282 Steel Almirah
- 283 Steel beds stead
- 284 Steel chair
- 285 Steel desks
- 286 Steel racks/shelf
- 287 Steel stools
- 288 Steel trunks
- 289 Steel wool
- 290 Steel & aluminum windows and ventilators
- 291 Stockinet
- 292 Stone and stone quarry rollers
- 293 Stoneware jars
- 294 Standard wire
- 295 Street light fittings
- 296 Student Microscope
- 297 Studs (excluding high tensile)
- 298 Surgical Gloves (Except Plastic)

N. M.

Agarwal

	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

ANNEXURE E
UNDERTAKING BY EVALUATION MEMBERS

Date: _____

Tender no. _____

Description :

We, the following committee members for the subject tender, confirm that none of us has any personal interest in the companies/ agencies participating in the subject tender process.



Signature _____

Name _____



Designation _____



Signature _____

Name _____



Designation _____

Page 38 of 50

 AIESL <small>Engineering Services Limited</small>	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

ANNEXURE F
LETTER OF AUTHORISATION FOR ATTENDING BID OPENING

To

The DGM (Engg.-PPMM),
AIESL

.....
.....

Subject : Authorisation for attending bid opening

Tender No. _____ Closing Date: _____

Opening Date _____ Opening Time _____

The following person(s) are hereby authorised to attend the bid opening for the tender mentioned above on our behalf.

Sr.No	Name	E-Mail ID	Contact No.	Signature
-------	------	-----------	-------------	-----------

I.

II.

Authorised Signatory

Note : 1. Permission for entry to the hall where bids are opened, may be refused in case authorization as prescribed above is not received.

2. The authorized representatives, in their own interest, must reach the venue of bid opening well in time.

3. The authorized representatives must carry a valid photo identity.






PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE G

BID OPENING – ATTENDANCE SHEET

DATE :

TENDER NO. : _____

SECTION: _____

Subject:

The following vendors were present for tender opening.

Sr. No.	Company Name	Name of Rep	Tel No.	Email	Sign of Rep
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

Name & Signature of Tender Opening Committee members

(Name and signature)

(Name and signature)

(Name and signature)

Page 40 of 50

	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

Company Letter Head

ANNEXURE H

UNDERTAKING FOR PAYMENT TO BE MADE AGAINST DUPLICATE CHALLAN/ INVOICE

To

The DGM (Engg.-PPMM),
AIESL

.....
.....

Subject : Undertaking for payment against duplicate challan/ invoice

Purchase Order No. _____ Purchase Order Date: _____

Invoice No. _____ Invoice Date: _____
Challan No. _____ Challan Date: _____

This is to state that this is a duplicate invoice / challan and no payment has been received by us against the above mentioned PO. However, if it is later found that payment has been received, the same would be refunded to AIESL.

Authorised
Signatory (with
Stamp)

Naresh

Naresh



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE-I

RETURN OF BIDS

Part A Intimation to bidders

To _____

Date: _____

Reference No. _____

Sub: Return of price bids Sir/ Madam

Please refer to your price bid submitted against our tender no. _____ dated _____.

In connection with the above tender, this is to advise that your price bid was not opened as your technical bid did not qualify in terms of compliance with the tender requirements. You are, therefore, requested to collect your price bid from the office of the undersigned within the next 30 days. Your representative must carry an authorization letter in order to enable us to hand over the same.

In case you do not collect the price bid within the stipulated 30 days, AIESL reserves the right to destroy the bid without any further intimation to you, and no communication whatsoever in this regard would be entertained subsequently.

We thank you for having participated in the tender.

Name of the Materials Management section official

Designation

Contact No E-Mail ID

Abhishek

Neha

	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

ANNEXURE I
PART B: ACKNOWLEDGEMENT OF RETURN OF PRICE BID

To _____

Date: _____

Tender No. Tender Date Due Date

Vendor Name _____

We, hereby, acknowledge the receipt of our price bid against the above mentioned tender number. The same is in sealed condition and AIESL has no obligation with regard to this tender.

(Signature of Bidder Representative)

Encl: Price Bid

N. N.

Abbas



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

Annexure J NEGOTIATION SHEET

RFI No

RFI Date:

RFQ No.

RFQ Date.

Description: _____

A price negotiation meeting was held in the office of _____

On _____ at _____ am/pm. The following participants were present:

AIESL

Vendor

- 1.
- 2.
- 3.
- 4.
- 5.

Following points were discussed and agreed upon:

Purchase Representative

Finance Representative

User Representative

AA927

Niket



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE K PRE BID MEETING ATTENDANCE SHEET

DATE :

TENDER NO. :

SECTION: _____

Subject:

The following vendors were present for pre bid meeting.

Sr. No.	Company Name	Name of Rep	Tel No.	Email	Sign of Rep
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

Name & Signature of Tender Committee members

(Name and signature)

(Name and signature)

(Name and signature)



**PRODUCTION PLANNING AND MATERIAL
MANAGEMENT MANUAL**

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

**ANNEXURE L
LETTER OF AUTHORISATION FOR ATTENDING PRE BID MEETING**

To

The DGM (Engg.-PPMM),
AIESL

.....
.....

Subject :Authorization for attending pre-bid meetings

Tender No. _____ Closing Date: _____

Date of Meeting _____ Time of meeting _____

The following person(s) are hereby authorised to attend the pre-bid meetings for the tender mentioned above on our behalf.

Sr.No	Name	E-Mail ID	Contact No.	Signature
-------	------	-----------	-------------	-----------

I.

II.

Authorised Signatory

Note : 1. Permission for entry to the hall where bids are opened, may be refused in case authorization as prescribed above is not received.
4. The authorized representatives, in their own interest, must reach the venue of pre-bid meeting well in time.
5. The authorized representatives must carry a valid photo identity.

N.H.

ANIL



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE M

NEW VENDOR REGISTRATION REPORT

Vendors applied for registration for the month of _____

~~Wages~~

Nik



PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02

Rev-0

Dec 2023

ANNEXURE N

VENDOR REGISTRATION REPORT

Following Vendors have been approved / rejected for the month of _____

As per





PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL

AIESL/PPMM/NR/NAC1

Issue-02 Rev-0 Dec 2023

ANNEXURE O

CALCULATION OF LOADING CRITERIA

1. Advance Payment
2. Warranty
3. Delivery Period

1. Advance Payment(Prior to delivery): @ 12 % per annum calculated on pr-rata basis.

Basic Rate Rs. 1,00,000/-
Taxes applicable 4% VAT and
5.5 % OctroiDelivery Period 4
Weeks

Payment due after 30 days of delivery
Loading for advance payment will be 2 Months i.e. 2% on the basic rate i.e.Rs.
2,000/- on Rs1,00, 000/-
Therefore the total landed cost would be calculated as follows

Basic Rate	1,00,000/-
VAT 4%	4,000/-
Octroi 5.5%	5,720/-
Loading	2,000/-
TOTAL	1,11,720/-

In case the payment is on delivery the
loading will beBasic Rate Rs. 1,00,000/-
Taxes applicable 4% VAT and
5.5 % OctroiPayment due
after 30 days of delivery
Loading for payment against delivery will be 1 Months i.e. 1% on the basic rate i.e.Rs.
1,000/-on Rs 1,00, 000/-
Therefore the total landed cost would be calculated as follows

Basic Rate	1,00,000/-
VAT 4%	4,000/-
Octroi 5.5%	5,720/-
Loading	1,000/-
TOTAL	1,10,720/-

2. Warranty: @ 10% per annum

calculated on pro-rata basisBasic Rate Rs.

1,00,000/-
Taxes applicable 4% VAT and
5.5 % OctroiWarranty period 2
years as per tender Warranty
quoted 1 year

	PRODUCTION PLANNING AND MATERIAL MANAGEMENT MANUAL	AIESL/PPMM/NR/NAC1		
		Issue-02	Rev-0	Dec 2023

Loading for warranty period will be 12 Months i.e. 10% on the basic rate i.e. Rs. 10,000/- on Rs1,00,000/-

Therefore the total landed cost would be calculated as follows

Basic Rate	1,00,000/-
VAT 4%	4,000/-
Octroi 5.5%	5,720/-
Loading	10,000/-
TOTAL	1,19,720/-

3. Delivery period

Basic Rate Rs. 1,00,000/-

Taxes applicable 4% VAT and 5.5 % Octroi
Delivery Period as per tender 4 Weeks Delivery
Period quoted – 6 Weeks

Loading for advance payment will be 1/2 Month i.e. 0.5% on the basic rate i.e.Rs. 500/- on Rs1,00,000/-

Therefore the total landed cost would be calculated as follows

Basic Rate	1,00,000/-
VAT 4%	4,000/-
Octroi 5.5%	5,720/-
Loading	500/-
TOTAL	1,10,220/-