

## **Purchase Policy-2016 for Procurement of Materials – Amendment No.2**

**Reference: GUVNL letter dated 19/04/2017**

The following Para shall be added under the existing Clause No.4.1.

- **As per campaign of Government of India (GoI) for “Make in India”, Procurement of items under this policy should be manufactured in India. If any item of required technical specification, which are not manufactured/ produced in India and need to be procured from foreign, in such special cases approval from Board of Concerned Company should be obtained.**
- **It is to clarify that “Make in India” is applicable only to the final products. It is not applicable to items such as intermediate goods, raw material, machinery etc. used in production of the final product, or the technology used etc.**
- **Certificate of Quality council of India or BIS or Quality Certificate from Govt. of India approved institute is mandatory for imported items.**
- **If certificate is not issued by BIS and Govt. of India approved institutes for any item manufactured in foreign, in such cases certificate issued by the International approved institutes should be allowed.**

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Clause No.4.3.4 under the main Clause No.4.3 (Purchase of items in the above categories are done through:-), is newly added in the above policy, as under.

### **4.3.4 Without tender**

**Purchase of items, for those approval/ certificate given by Ind. & Mines Department, Govt. of Gujarat, without tender shall be allowed from the institutes with financial limit mentioned in Gujarat State Purchase Policy-2016, vide Industries & Mines Department, GoG Resolution No. SPO/102015/691093/CH dated 03/06/2016.**

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The existing Clause No.4.9.1 shall be substituted by the following clause.

- 4.9.1 All the Bidders shall be required to pay EMD, except those who are exempted as per Gujarat State Purchase Policy-2016, vide Industries & Mines Department, GoG Resolution No. SPO/102015/691093/CH dated 03/06/2016.**

**Further, over and above mentioned in clause No.4.9.3 to 4.9.5, bidders who are exempted as per Gujarat State Purchase Policy-2016 will be eligible for exemption from payment of EMD.**

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The existing Clause No.4.9.9 shall be substituted by the following clause.

- 4.9.9 If the EMD amount is more than Rs.1 Lakh, it should be paid either by Demand Draft or Banker’s Cheque or Pay Order or Bank Guarantee. Otherwise it should be paid either in Cash (up to Rs. 10,000/- only) at the office address specified in the tender document or by Demand Draft or Banker’s Cheque or Pay Order only. Payment of EMD by RTGS/ NEFT/online shall be encouraged.**

Clause No.4.13.6 under the main Clause No.4.13 (Quantity Distribution), is newly added in the above policy, as under:-

**4.13.6 Quantity distribution to Gujarat based Micro, Cottage and Small Scale Industries.**

The company may consider for quantity allocation to Micro, Cottage and Small Scale Industrial Units of Gujarat state, if they are manufacturing item under tender and take participate in tender directly i.e. without intermediators as under.

**4.13.6.1** Micro, Cottage and Small Scale Industrial units of Gujarat State have quoted up to 10% higher rate against quoted by Medium and Heavy Industrial units of Gujarat State and Micro, Cottage, Small, Medium and Heavy Industrial units of other State.

**4.13.6.2** Out of Micro, Cottage and Small Scale Industrial units of Gujarat State, if any unit having either (1) Women Proprietor or (2) All partners are Women, in case of Partnership firm or (3) All Share Holders are Women, in case of Company, has quoted up to 11% higher rate against rate quoted by Medium and Heavy Industrial units of Gujarat State and Micro, Cottage, Small, Medium and Heavy Industrial units of other State.

**4.13.6.3** Quality based price preference: If for item under tender is not mandatory to provide ISI/BIS/ Agmark in any law, in such cases Micro, Cottage and Small Scale Industrial units of Gujarat State have quoted up to 5% higher rate against quoted by Medium and Heavy Industrial units of Gujarat State and Micro, Cottage, Small, Medium and Heavy Industrial units of other State, for their material having ISI/ BIS/ Agmark, shall get the benefits of price preference. If, it is mandatory to provide ISI/ BIS/ Agmark on material under any law, price preference is not allowed.

**4.13.6.4** But in no case total 15% more than rate quoted shall be considered.

**Clarification:-** It is to clarify that price preference does not mean to pay extra amount to bidder. Price preference is only for consideration for placement of order, if they are matching price with L-1. Further, it is to clarify that for price preference, rate should be considered Firm Price End Cost Without Tax (VAT/Sales Tax). While in case of tender is invited with Total Owning Cost (ToC), rate should be considered ToC basis.

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