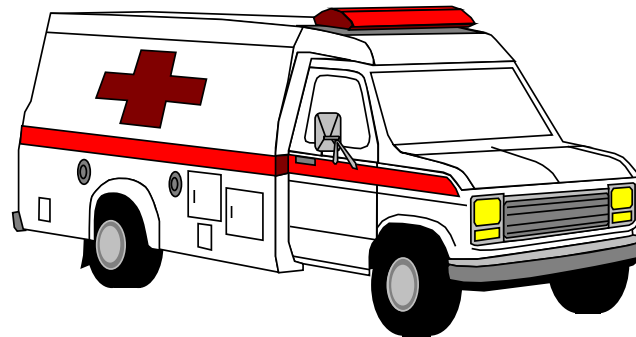


STANDARD BIDDING DOCUMENT

Procurement of Vehicles



The World Bank
India Version
January 2001

Section I. Invitation for Bids

Invitation for Bids

[Name of Country]

[Name of Project]

BRIEF DESCRIPTION OF GOODS [WORKS]

Loan [Credit] No.

1. This invitation for bids follows the general procurement notice for this project that appeared in *Development Business*, issue no. *[insert number]* of *[insert date]*. ¹
2. The *[insert name of borrower]* [has received/has applied for/intends to apply for] a [loan/credit] from the [International Bank for Reconstruction and Development/International Development Association] toward the cost of *[insert name of project]*, and it intends to apply part of the proceeds of this [loan/credit] to payments under the contract for *[insert name/no. of contract]*. ²
3. The *[insert name of implementing agency]* now invites sealed bids from eligible bidders for *[insert brief description of goods or works to be procured]*. ^{3,4}
4. Bidding will be conducted through the international competitive bidding procedures specified in the World Bank's *Guidelines: Procurement under IBRD Loans and IDA Credits*, and is open to all bidders from eligible source countries as defined in the Guidelines. ⁵
5. Interested eligible bidders may obtain further information from *[insert name of agency]* and inspect the bidding documents at the address given below *[state address at end of document]* from *[insert office hours]*. ⁶
6. A complete set of bidding documents in *[insert name of language]* may be purchased by interested bidders on the submission of a written application to the address below *[state address at the end of document]* and upon payment of a nonrefundable fee⁷ *[insert amount in local currency]* or in *[insert amount in specified convertible currency]*. The method of payment will be *[insert method of payment]*.⁸ The document will be sent by *[insert delivery procedure]*.⁹
7. Bids must be delivered to the address below *[state address at the end of document]* at or before *[insert time and date]*. All bids must be accompanied by a bid security of *[insert amount in local currency]* or an equivalent amount in a freely convertible currency.¹⁰ Late bids will be rejected. Bids will be opened in the presence of the bidders' representatives who choose to attend at the address below *[state address at end of document]* at *[insert time and date]*. ¹¹

[Insert name of office].
[Insert name of officer].
[Insert postal address] and/or [Insert street address].
[Insert telephone number, indicate country and city code].
[Insert facsimile or cable number].

Notes

1. Day, month, year; for example, 31 January 1996.
2. *[Insert if applicable].* This contract will be jointly financed by *[insert name of cofinancing agency]*. Bidding will be governed by the World Bank's eligibility rules and procedures.
3. A brief description of the type(s) of goods or works should be provided, including quantities, location of project, and other information necessary to enable potential bidders to decide whether or not to respond to the invitation.
4. *[Insert if applicable.]* The delivery/construction period is *[insert no. of days/months/years or dates]*.
5. Occasionally, contracts may be financed out of special funds that would further restrict eligibility to a particular group of member countries. When this is the case, it should be mentioned in this paragraph. Also indicate any margin of preference that may be granted as specified in the Loan or Credit Agreement and set forth in the bidding documents.
6. For example, 0900 to 1200 hours.
7. The fee, to defray printing and mailing/shipping costs, should be nominal.
8. For example, cashier's check, direct deposit to specified account no., etc.
9. The delivery procedure is usually airmail for overseas delivery and surface mail or courier for local delivery. If urgency or security dictates, courier services may be required for overseas delivery.
10. The amount of bid security should be stated as a fixed amount or as a minimum percentage of the bid price. Alternatively, if a bid security is not required (often the case in supply contracts), the paragraph should so state.
11. The office for bid opening may not necessarily be the same as that for inspection or issuance of documents. If they differ, each address must appear at the end of paragraph 7 and be numbered; as, for example, (1), (2), (3). The text in the paragraph would then refer to address (1), (2), etc. Only one office and its address may be specified for submission of bids, and this location should be as close as possible to the place where bids will be opened to shorten the time between bid submission and bid opening.

Section II. Instructions to Bidders

Instructions to bidders as per January 2001
version of SBD Pages 6-29 will be inserted here

Please follow the attached sheets for
Section III - Bid Data Sheet

ITB Bid Data Sheet

The following specific data for the goods to be procured shall complement, supplement, or amend the provisions in the Instructions to Bidders (ITB). Whenever there is a conflict, the provisions herein shall prevail over those in ITB.

[Instructions for completing the Bid Data Sheet are provided, as needed, in the notes in italics mentioned for the relevant ITB Clauses].

Introduction

Clause	Listed Information
ITB 1.1	Name of Borrower
ITB 1.1	Loan or Credit number Loan or Credit amount [when applicable]
ITB 1.1	Name of Project
ITB 1.1	Name of Contract : <i>(The basis for bid evaluation and contract award, by item or package shall be specified herein.)</i>
ITB 4.1	Name of Purchaser :
ITB 6.1	Purchaser's Address : Telephone Number (s) ; Fax Number (s) : Telex Number : Email address :
ITB 8.1	Language of the bid : English
ITB 10.4	Insert new Clause 10.4 as under:

	Bidders may note that bids offering goods from within the country of the Purchaser [Group A and Group B bids] should indicate the prices entirely ex-works/ex-factory/ex-warehouse/ex-showroom/ or off-the-shelf as applicable. Bids offering supplies partly as ex-works and partly as CIF will be treated as Group C bid only.
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Bid Price and Currency

ITB 11.2 (a) (i)	Insert the words “excise and other” in between the words “customs” and “duties” in Line 3 of this Sub-clause.
ITB 11.2 (a) (iii)	The final destination is specified in Schedule of Requirements (Section VI).
ITB 11.2 (a) (iv)	The incidental services to be provided are specified in Clause 8 of the Special Conditions of Contract.
ITB 11.2 (a)	<p>Add the following at the end of this Clause :</p> <p>“Note : Bidders may like to ascertain availability of Deemed Export or other Benefits. They are solely responsible for obtaining such benefits which they have considered in their bid and in case of failure to receive such benefits for reasons whatsoever, the Purchaser will not compensate the bidder.</p> <p>Where the bidder has quoted taking into account such benefits, he must give all information required for issue of Project Authority/Payment/Other Certificates in terms of the Import Export Policy or central excise notifications along with his bid in Form 8 of Section VIII. The Project Authority/Payment/ Other Certificates will be issued on this basis only and no subsequent change will be permitted. Where such Certificates are issued by the Purchaser, Excise Duty will not be reimbursed separately.</p> <p>Bids which do not conform to this provision, will be treated as non-responsive and rejected.”</p>
<u>ITB 11.2 (b)</u>	
(i) & (ii) & (iii)	The price quoted shall be both for CIF and FOB port of shipment.
ITB 11.2 (b) (iv)	Bidder shall give information and quote as specified under Clause 26.5 (a) of ITB bid data sheet.
ITB 11.2 (b) (v)	The incidental services to be provided are specified in Clause 8 of Special

	Conditions of Contract.
ITB 11.5	The price shall be fixed.
ITB 12.1	Clause 12.1 (a) is not applicable and Clause 12.1 (b) applies to all goods and services and the words “from outside the Purchaser’s country” shall not apply.
ITB 12.1 (b)	Add the following to ITB Clause 12.1 (b): ITB 12.1 (b) Bid prices may also be expressed in Euro and not in the former national currencies of the member countries of the European Monetary Union, as mandatory terminal date for converting National currency Denominations (NCD) to euro ended on December 31, 2001.
ITB 12.2	Add the following as Clause 12.2 : “12.2 Agents and service facilities in India : (a) If a foreign bidder has engaged an Indian agent, it will be required to give the following details in the offer; (i) the name and address of the local agent; (ii) what service the agent renders; and (iii) the fixed amount of remuneration for the agent included in the offer. (b) The agency commission shall be indicated in the space provided for in the price schedule and will be paid to the bidder’s agent in India in Indian Rupees using the Telegraphic Transfer buying market rate of exchange ruling on the date of award of contract and shall not be subject to any further exchange variation.”

Preparation and Submission of Bids

ITB 13.3 (a)	Insert words “[as per authorization form in Section VIII (6)]” in between words “authorized” and “by” in Line 3.
ITB 13.3 (d)	Qualification requirements shall be as given in Section VII A.
ITB 13.3 (e)	<p>Add at the end the following :</p> <p style="padding-left: 40px;">“(e) If an agent submits bids on behalf of more than one Manufacturer, unless each such bid is accompanied by a <u>separate bid form for each bid and a bid security</u>, when required, for each bid and authorization from the respective Manufacturer, all such bids will be rejected as non-responsive.</p> <p style="padding-left: 40px;"><i>[Note: Supplies for any particular item in each schedule of the bid should be from one manufacturer only. Bids from agents offering supplies from different manufacturer's for the same item of the schedule in the bid will be treated as non-responsive.]</i></p>
ITB 14.3 (b)	Spare parts required for five years of operation.
ITB 15.1	<p>Amount of bid security shall be equivalent of Rupees</p> <p><i>(Where the number of vehicles to be purchased is small, bid security is not essential and may be dispensed with. If so, reference to ITB Clause 15.1 should be retained followed by the words 'not required').</i></p>
ITB 15.3	<p>Please replace ITB Clause 15.3 with the following:</p> <p>The bid security shall be denominated in the currency of the bid or in US dollar or Indian Rupees and shall:</p> <p style="padding-left: 40px;">(a) at the bidder’s option, be in the form of either a certified check, letter of credit, a demand draft, or a bank guarantee from nationalized/Scheduled Bank located in India or by a reputable banking institution selected by the bidder and located abroad in any eligible country;</p>

	<ul style="list-style-type: none"> (b) be substantially in accordance with one of the form of bid security included in Section VIII or other form approved by the Purchaser prior to bid submission; (c) be payable promptly upon written demand by the Purchaser in case any of the conditions listed in ITB Clause 15.7 are invoked; (d) be submitted in its original form; copies will not be accepted; and (e) remain valid for a period of 45 days beyond the original validity period of bids, or beyond any period of extension subsequently requested under ITB Clause 16.2.
ITB 16.1	Bid validity period shall be 90 days.
ITB 16.3	<p>Substitute this clause with the following:</p> <p>“In the case of fixed price contracts, in the event that the Purchaser requests and the Bidder agrees to an extension of the validity period, the contract price, if the Bidder is selected for award, the bid price shall be corrected as follows:</p> <ul style="list-style-type: none"> (a) The foreign currency component of the price shall be increased by the factor (<i>value of factor A</i>) for each week, or part of a week, that has elapsed from the expiration of the initial bid validity to the date of notification of award to the successful Bidder. (b) Similarly, the local currency component of the price shall be increased by the factor (<i>value of factor B</i>) for each week, or part of a week, that has elapsed from the expiration of the initial bid validity to the date of notification of award to the successful Bidder. <p><i>[The value of factor A is based on, or comparable to, the expected annual increases in international prices, Index of Unit Value of Manufactured Exports (MUV) (i.e. the MUV Index, Percentage Change from Previous Year, Projected Levels) which are updated semi-annually. The borrower inserts the value in the bid document prior to issue.</i></p> <p><i>The value of factor B is based on the country’s current inflation as announced by GOI. The borrower inserts the value in the bid document prior to issue.]</i></p>
ITB 16.4	<p>Add the following as clause 16.4:</p> <p>“16.4 Bid evaluation will be based on the bid prices without taking</p>

	into consideration the above corrections.”
ITB 17.1	Number of copies shall be two. <i>[Modify as required in each case].</i>
ITB 18.2 (a)	Address for bid submission is :
ITB 18.2 (b)	IFB Title and Number is : Title : Number:
ITB 18.5	Add the following as Clause 18.5 : “18.5 Telex, Cable or Facsimile bids will be rejected.”
ITB 19.1	Deadline for submission is : [Hours] on [Date] Add at the end of this Clause: "In the event of the specified date for the submission of bids being declared a holiday for the Purchaser, the bids will be received upto the appointed time on the next working day."

Opening and Bid Evaluation

ITB 21.2	Add the words “or fax” in between the words “cable” and “but”.
ITB 22.1	Time, date and place for bid opening as under : Time :

	<p>Date :</p> <p>Place :</p> <p>Add at the end of this Clause :</p> <p>“In the event of the specified date of the bid opening being declared a holiday for the Purchaser, the bids shall be opened at the appointed time and location on the next working day.”</p>
ITB 24.1	<p>Add the following at the end of this clause, as sub-paragraph:</p> <p>"Bids from Agents without proper authorization from the manufacturer as per Clause 13.3 (a) of ITB shall be treated as non-responsive."</p>
ITB 24.4	<p>Add the following clauses as additional critical provisions deviations from or objections or reservations to which will be treated as material deviations:</p> <ul style="list-style-type: none"> - “Performance Security” (GCC Clause 7); - “Deemed Export” [Note under 11.2 (a) of ITB]; - “Force Majeure” (GCC Clause 25); and - “Limitation of Liability” (GCC Clause 29)
ITB 25.1(c)	Delete as national currencies of the EMU countries have ceased to exist.
ITB 25.2	<p>Currency chosen for the purpose of converting to a common currency is Indian Rupees. Source of exchange rates is BC selling market exchange rates established by State Bank of India or any other commercial bank in India.</p> <p>Date of exchange rate is date of bid opening.</p>
ITB 26.1	<i>[The basis for bid evaluation and contract award by item or schedule or package as a whole should be specified here.]</i>
ITB 26.4	<p>The bid evaluation will take into account the bid price quoted in accordance with ITB Clause 11.2 (a) (i) and 11.2 (b) (i) and the following:</p> <p>(a) cost of inland transportation, insurance, and other costs within the Purchaser’s country incidental to delivery of the goods to their</p>

	<p>final destination.</p> <p>(b) delivery schedule offered in the bid:</p> <p>(c) deviations in payment schedule from that specified in the Special Conditions of Contract;</p> <p>(d) the cost of components, mandatory spare parts, and service;</p> <p>(e) the availability in the Purchaser's country of spare parts and after-sales services for the equipment offered in the bid;</p> <p>(f) and (g) Deleted</p> <p>(h) the cost of incidental services.</p>
ITB 26.5 (a)	<p>Substitute this Clause with the following :</p> <p>(i) For goods offered from within India, inland transportation, insurance and other incidental costs for delivery of goods to the final destination as quoted in terms of ITB Clause 11.2 (a) (iii) read with Bid Data Sheet.</p> <p>(ii) In the case of goods offered from abroad, inland transportation, insurance and other incidental costs, for delivery of the goods from the port of entry to the Project site will be computed for each bid by the Purchaser on the basis of published tariffs by the rail/road transport agencies, insurance companies, and/or other appropriate sources. To facilitate such computation, Bidders shall furnish the estimated dimensions and shipping weight and approximate CIF/CIP value of each package.</p> <p>The above costs will be added by the Purchaser to ex-works/CIF price of the bid.</p>
ITB 26.5 (b)	<p>Delivery schedule is as given in the Schedule of Requirements.</p> <p>Option (i) is selected. Adjustment shall be 0.5% per week or part of week treating the date specified in schedule of requirements as base. No credit will be given to earlier deliveries and bids offering delivery period beyond months of stipulated delivery period will be treated as non-responsive.</p>
ITB 26.5 (c)	<p>Option (ii) is selected. Annual interest rate shall be _____* per annum.</p> <p><i>* (The Percentage shall be indicated as equivalent to commercial bank rate of interest plus 2%)</i></p>

ITB 26.5 (d)	<p>Cost of spare parts. Options (i)/(ii)/(iii) is selected. Initial period of operation is * years or * Kms. of running, whichever is earlier.</p> <p>For list of spares, refer Clause * of Technical Specifications.</p> <p><i>[Fill in as considered appropriate]</i></p>
ITB 26.5 (e)	<p>Spare parts and after sales service facilities in India as described in Clause _____ of the Technical Specifications if quoted separately shall be added to the bid prices.</p>
ITB 26.5 (h)	<p>Cost of incidental services as quoted by the bidder shall be added to the bid price.</p>
ITB 27	<p>Domestic preference to apply.</p>

Contract Award

ITB 31.1	<p>Percentage of quantity increase or decrease shall be 15% (rounded off to the next whole number).</p>
ITB 33.1	<p>Add the words “or fax” in between the words “telex” and “to be”.</p>
ITB 34.2	<p>Read the number of days in Line 1 as twenty one (21) in place of thirty (30).</p>
ITB 35.1	<p>Read the number of days in Line 1 as twenty one (21) in place of thirty (30).</p>

Section IV. General Conditions of Contract

General Conditions of Contract as per
SBD (January 2001) Pages 38-52 will be inserted here

Please follow the attached sheets
for
Section V to IX

SECTION V. SPECIAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

(The corresponding Clause number of the General Conditions is in parentheses)

<u>Item No.</u>	<u>Topic</u>	<u>Page Number</u>
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 <u>Section VI - Schedule of Requirements</u>		 : (Pages 29-30)
 <u>Section VII - Technical Specifications</u>		 : (Page 31)
-	Section VII-(A) - Qualification Criteria	: (Page 32)

SECTION V. SPECIAL CONDITIONS OF CONTRACT

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract. The corresponding clause number of the General Conditions is indicated in parentheses.

1. Definitions (GCC Clause 1)

GCC 1.1 (g) The Purchaser is

GCC 1.1 (h) The Purchaser's country is India

GCC 1.1 (i) The Supplier is

GCC 1.1 (j) The Project site is

2. Country of Origin (GCC Clause 3)

All countries and territories as indicated in Section IX of the bidding documents, "Eligibility for the provision of Goods, Works and Services in the Bank Financed Procurement".

3. Performance Security (GCC Clause 7)

Substitute Clause 7.1, 7.3(b) and 7.4 of the GCC by the following :

GCC 7.1 Within 21 days after the Supplier's receipt of Notification of Award, the Supplier shall furnish Performance Security to the Purchaser for an amount of 2% of the contract value, valid upto 60 days after the date of completion of performance obligations including warranty obligations.

GCC 7.3(a) If the performance security is a bank guarantee, it shall be issued either (a) by a bank located in the country of the Purchaser (Nationalized or Scheduled Bank in India) or a foreign bank through a correspondent bank located in the country of the Purchaser (Nationalized or Scheduled Bank in India), or (b) directly by a foreign bank which has been determined in advance to be acceptable to the Purchaser.

GCC 7.3(b) A cashier's cheque or banker's certified cheque or crossed demand draft or pay order drawn in favour of the Purchaser.

GCC 7.4 The Performance Security will be discharged by the Purchaser and returned to the Supplier not later than 60 days following the date of completion of the Supplier's performance obligations, including any warranty obligation, under the contract.

GCC 7.5 Add as Clause 7.5 to the GCC the following:

In the event of any contract amendment, the Supplier shall, within 21 days of receipt of such amendment, furnish the amendment to the Performance Security, rendering the same valid for the duration of the Contract, as amended for 60 days after the completion of performance obligations including warranty obligations.

4. Inspection and Tests (GCC Clause 8)

The following inspection procedures and tests are required by the Purchaser:

The supplier shall get each vehicle inspected in manufacturer's works and submit a test certificate and also manufacturer's guarantee/warranty certificate that the vehicle conforms to laid down specifications.

The purchaser or its representative may inspect and/or test any or all the vehicles to confirm their conformity to the Contract, prior to despatch from the manufacturer's premises. Such inspection and clearance will not prejudice the right of the consignee to inspect and test the vehicles on receipt at destination to verify conformity to the technical specifications.

If the vehicles fail to meet the laid down specifications the supplier shall take immediate steps to remedy the deficiency or replace the defective vehicles to the satisfaction of the purchaser/consignee.

5. Packing (GCC Clause 9)

GCC 9.3 The following SCC shall supplement GC Clause 9.2 :

Packing Instructions : The Supplier will be required to make separate packages for each Consignee. Each package will be marked on three sides with proper paint/indelible ink with the following :

- (i) Project; (ii) Contract No.; (iii) Country of Origin of Goods; (iv) Supplier's Name;
- (v) Packing List Reference number.

6. Delivery and documents (GCC Clause 10)

(a) *For Goods supplied from abroad* :

GC 10.3 Within 24 hours of shipment, the Supplier shall notify the Purchaser and the Insurance Company by cable or telex or fax the full details of the shipment including Contract number, description of goods, quantity, the vessel, the bill of lading number and date, port of loading, date of shipment, port of discharge, etc. The Supplier shall mail the following documents to the Purchaser, with a copy to the Insurance Company :

- (i) Copies of Supplier's invoice showing contract number, goods' description, quantity, unit price and total amount;
- (ii) Original and copies of the negotiable, clean, on-board bill of lading marked freight prepaid and copies of non-negotiable bill of lading;
- (iii) Copies of packing list identifying contents of each package;

- (iv) Insurance certificate;
- (v) Manufacturer's/Supplier's warranty certificate;
- (vi) Inspection certificate issued by the nominated inspection agency, and the Supplier's factory inspection report; and
- (vii) Certificate of origin.

The above documents shall be received by the Purchaser at least one week before arrival of Goods at the port or place of arrival and, if not received, the Supplier will be responsible for any consequent expenses.

(b) *For Goods from within India :*

GCC 10.3 Upon delivery of the goods to the transporter/consignee, the supplier shall notify the purchaser and mail the following documents to the Purchaser :

- (i) Copies of the Supplier invoice showing contract number, goods' description, quantity, unit price, total amount;
- (ii) Delivery note, Railway receipt or acknowledgment of receipt of goods from the Consignee;
- (iii) Copies of Packing list identifying the contents of each package;
- (iv) Insurance Certificate;
- (v) Manufacturer's/Supplier's warranty certificate;
- (vi) Inspection Certificate issued by the nominated inspection agency, and the Supplier's factory inspection report; and
- (vii) Certificate of Origin.

The above documents shall be received by the Purchaser before arrival of the Goods (except where it is handed over to the Consignee with all documents) and if not received, the supplier will be responsible for any consequent expenses.

7. Insurance (GCC Clause 11)

GCC 11.1 The insurance shall be in an amount equal to 110 percent of the CIF or CIP (EXW for Goods supplied from within the country) value of the Goods from "Warehouse to warehouse (final destination)" on "All Risks" basis including War Risks and Strikes.

8. Incidental Services (GCC Clause 13)

GCC 13.1 The incidental services to be provided are as under. The costs shall be included in the contract price :

- (a) Furnishing the tools required for assembly and/or maintenance of the supplied vehicles.
- (b) Furnishing of detailed operation and maintenance manual for each appropriate unit of supplied vehicles.

9. Spare Parts (GCC Clause 14)

GCC 14.1 All services mentioned therein are required:

GCC 14.2 Add as Clause 14.2 to the GCC the following :

“Supplier shall carry sufficient inventories to assure ex-stock supply of consumable spares for the Goods. Other spare parts and component shall be supplied as promptly as possible but in any case within six months of placement of order and opening the Letter of Credit.”

10. Warranty (Clause 15)

- (a) GCC 15.2 In partial modification of the provisions, the warranty period shall be for _____ Kms*. or 12 months from date of acceptance of the Vehicles, whichever occurs earlier.

*[*Fill in as appropriate]*

- (b) Substitute Clause 15.4 of the GCC by the following :

“Upon receipt of such notice, the Supplier shall within the period specified in SCC, repair or replace the defective goods or parts thereof, free of cost at the ultimate destination. The Supplier shall take over the replaced parts/goods at the time of their replacement. No claim whatsoever shall lie on the Purchaser for the replaced parts/goods thereafter.

In the event of any correction of defects or replacement of defective material during the warranty period, the warranty for the corrected/replaced material shall be extended to a further period of 12 months.

- (c) GCC 15.4 & 15.5 - The period for correction of defects in the warranty period is 15 days.

11. Payment (GCC Clause 16)

GCC 16.1 Payment shall be made in the currency specified in the Contract in the following manner:

- (a) *Payment for Goods supplied from abroad :*
- (i) *Advance Payment:* Ten (10%) of the Contract Price shall be paid within thirty (30) days of signing of Contract and upon submission of claim and a bank guarantee for equivalent amount valid until the Goods are delivered and in the form provided in the bidding documents or another form acceptable to the Purchaser.
 - (ii) *On Shipment:* Eighty (80)% of the Contract Price of the Goods shipped shall be paid through irrevocable Letter of Credit opened in favor of the Supplier in a bank in his country and upon submission of documents specified in Clause 6(a) of SCC including : (i) Packing list and (ii) Supplier's certificate that the amounts shown in the invoice are correct in terms of the contract and that all terms and conditions of the contract have been complied with; and
 - (iii) *On Final Acceptance:* Ten (10)% of the Contract Price of Goods received shall be paid within thirty (30) days of receipt of Goods upon submission of claim supported by the Acceptance Certificate issued by the Purchaser's representative.

Payment of Local Currency Portion including Agency Commission:

Payment shall be made in Indian Rupees within thirty (30) days of presentation of claim supported by a certificate from the Purchaser declaring that the Goods have been delivered and that all other contracted Services have been performed.

- (b) *Payment for Goods and Services supplied from India :*
- (i) *Advance Payment:* Ten (10)% of the total contract price shall be paid within thirty (30) days of signing of Contract against a simple receipt and a bank guarantee for the equivalent amount valid until the goods are delivered and in the form provided in the bidding documents or another form acceptable to the Purchaser.
 - (ii) *On Delivery:* Eighty (80)% of the contract price shall be paid (through irrevocable LC) on receipt of Goods and upon submission of the documents specified in Clause 6(b) of SCC; and
 - (iii) *On Final Acceptance:* the remaining ten (10)% of the Contract Price shall be paid within thirty (30) days after the date of the Acceptance Certificate issued by the Purchaser's representative.

- (c) (i) Where payments are to be effected through Letter of Credit (LC), the same shall be subject to the latest Uniform Customs and Practice for Documentary Credit, of the International Chamber of Commerce;
- (ii) The LC will be irrevocable and will be confirmed at Supplier's cost if requested specifically by the Supplier;
- (iii) If LC is required to be extended/reinstated for reasons not attributable to the Purchaser, the charges thereof shall be to the Supplier's account.

GCC 16.3 Delete 2nd, 3rd and 4th sentences as they are inapplicable from January 2001 onwards, with adoption of Euro

12. Prices (Clause 17)

GCC 17.1 Prices payable to the Supplier as stated in the Contract shall be firm and not subject to adjustment during performance of the Contract.

13. Sub-contracts (Clause 21)

Add at the end of sub-clause 21.1 of the GCC the following:

Sub-contract shall be only for bought-out items and sub-assemblies.

14. Liquidated Damages (Clause 23)

GCC Clause 23.1 The applicable rate is 0.5 percent per week or part thereof; and the Maximum Deduction is 10% of contract price.

15. Settlement of Disputes (Clause 28)

The dispute settlement mechanism to be applied pursuant to GCC Clause 28.2.2 shall be as follows:

- (a) In case of Dispute or difference arising between the Purchaser and a domestic supplier relating to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Arbitration and Conciliation Act, 1996. The arbitral tribunal shall consist of 3 arbitrators one each to be appointed by the Purchaser and the Supplier. The third Arbitrator shall be chosen by the two Arbitrators so appointed by the Parties and shall act as Presiding arbitrator. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus within a period of 30 days from the appointment of the arbitrator appointed subsequently, the Presiding Arbitrator shall be appointed by the *Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Dispute Resolution (India).

- (b) In the case of a dispute with a Foreign Supplier, the dispute shall be settled in accordance with provisions of UNCITRAL (United Nations Commission on International Trade Law) Arbitration Rules. The Arbitral Tribunal shall consist of three Arbitrators one each to be appointed by the Purchaser and the Supplier. The third Arbitrator shall be chosen by the two Arbitrators so appointed by the Parties, and shall act as presiding arbitrator. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus within a period of 30 days from the appointment of the arbitrator appointed subsequently, the Presiding Arbitrator shall be appointed by the *Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre of Alternative Dispute Resolution (India).
- (c) If one of the parties fails to appoint its arbitrator in pursuance of sub-clause (a) and (b) above, within 30 days after receipt of the notice of the appointment of its arbitrator by the other party, then the *Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative dispute Resolution (India), both in cases of the Foreign supplier as well as Indian supplier, shall appoint the arbitrator. A certified copy of the order of the Indian Council of Arbitration/ President of the Institution of Engineers (India)/The International Centre for Alternative Disputes Resolution (India), making such an appointment shall be furnished to each of the parties.
- (d) Arbitration proceedings shall be held at _____ India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.
- (e) The decision of the majority of arbitrators shall be final and binding upon both parties. The cost and expenses of Arbitration proceedings will be paid as determined by the arbitral tribunal. However, the expenses incurred by each party in connection with the preparation, presentation etc. of its proceedings as also the fees and expenses paid to the arbitrator appointed by such party or on its behalf shall be borne by each party itself.
- (f) Where the value of the contract is Rs. 10 million and below, the disputes or differences arising shall be referred to the Sole Arbitrator. The Sole Arbitrator should be appointed by agreement between the parties; failing such agreement, by the appointing authority namely the *Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Dispute Resolution (India).

(* Delete whichever is not applicable.)

16. **Governing Language (GCC Clause 30)**

GCC 30.1 The governing language shall be English.

17. **Applicable law (GCC Clause 31)**

GCC 31.1 The applicable laws shall be that of Union of India.

18. Notices (Clause 32)

GCC 32.1 The following shall be the address of the Purchaser and Supplier.

Purchaser's address for notice purposes :

.....
.....
.....
.....

Supplier's address for notice purposes :

.....
.....
.....
.....

19. Taxes and Duties (GCC Clause 33)

GCC 33.1 Substitute the word "Foreign" in line one to "Group C bid".

Add at the end, the following:

"However, for supplies provided from within India by the supplier, GCC 33.2 will apply".

GCC 33.2 Substitute the word "local" in line one to "Group A or B bid".

Add the words "Octroi, road permits" between the words "fees" and 'etc.'"

SECTION VI. SCHEDULE OF REQUIREMENTS

Notes for Preparing the Schedule of Requirements

The Schedule of Requirements shall be included in the bidding documents by the Purchaser, and shall cover, at a minimum, a description of the goods and services to be supplied, the delivery schedule and bid security.

The Objective of the Schedule of Requirements is to provide sufficient information to enable bidders to prepare their bids efficiently and accurately, in particular, the Price Schedule, for which a form is provided in Section VIII. In addition, the Schedule of Requirements, together with the Price Schedule, should serve as a basis in the event of quantity variation at the time of award of contract pursuant to ITB Clause 31.

@ The date or period for delivery should be carefully specified, taking into account (a) the implications of delivery terms stipulated in the Instruction to Bidders pursuant to the *Incoterms* rules (i.e. EXW, or CIF, CIP, FOB, FCA terms - that “delivery” takes place when goods are delivered **to the carriers**), and (b) the date prescribed herein from which the Purchaser’s delivery obligations start (i.e. notice of award, contract signature, opening or confirmation of the letter of credit).

SCHEDULE OF REQUIREMENTS

PART I

<u>Serial Number</u>	<u>Brief Description</u>	<u>Unit</u>	<u>Quantity</u>	<u>Delivery Schedule @ Shipment in weeks/months from *</u>	<u>Bid Security in the currency of the bid or in US \$ or Indian Rupees</u>
--------------------------	------------------------------	-------------	-----------------	--	---

Schedule I

Schedule II

PART II

[SCOPE OF INCIDENTAL SERVICES, IF REQUIRED, SHOULD BE LISTED HERE QUOTING RELEVANT CLAUSES OF THE TECHNICAL SPECIFICATION. THESE SHOULD ALSO BE LISTED BRIEFLY UNDER CLAUSE 8 OF THE SCC]

NOTE : The details of the supervision services required, the timing of the work and the supplier's responsibilities are explained in the Schedule for supervision works. On this basis, the bidder shall estimate the mandays required and the manday rates. The total cost will be taken into account for evaluation.

@ The delivery schedule expressed as weeks/ months stipulates hereafter a delivery date which is the date of delivery (i) at EXW premises; or (ii) to the carrier at the port of shipment when the contract is placed on FOB or CIF terms; or (iii) to the first carrier when the contract is placed on CIP terms. In order to determine the correct date of delivery hereafter specified, the Purchaser has taken into account the additional time that will be needed for international or national transit to the Project Site or to another common place.
The delivery may be specified for a single shipment, or for several partial shipments, for a specific date, or range of acceptable delivery periods.

* The Purchaser must specify here the date from which the date of delivery schedule will start. That date should be the date of opening of letter of credit, or the date of confirmation of the Letter of Credit, as appropriate. The Bid Form should include only a cross reference to this Schedule.

SECTION VII. TECHNICAL SPECIFICATIONS

1. **General**

Vehicles offered should be from the manufacturer's own standard range of production in current supply and conforming as near as possible to the following specifications. Vehicles should be suitable for continuous operation in tropical conditions at altitudes 1500 M from sea level. Bidders shall ensure that the vehicle offered complies with the stipulated requirements of law pertaining to operation of vehicles in India or any modification there in effect at the time of submitting the bid. All items to be fully assembled with all the normal standard fittings, and tested ready for immediate use. Due consideration will be given for bids which provide interchanging of parts between models.

2. Wherever reference is made in the Technical Specifications to specific standards and codes to be met by the goods and materials to be furnished or tested, the provisions of the latest current edition or revision of the relevant standards or codes in effect shall apply, unless otherwise expressly stated in the Contract. Where such standards and codes are national, or relate to a particular country or region, other authoritative standards that ensure substantial equivalence to the standards and codes specified will be acceptable.
3. The dimensions, weights, size capacities and the like as detailed in these technical specifications are desired characteristics. Prospective bidders should provide all specifications on comparable dimensions, weights, size capacities etc. for the item being proposed in their bid.
4. Detailed Technical Specifications are attached.

SECTION VII A

(Referred to in clause 13.3 (d) of ITB Bid Data Sheet)

QUALIFICATION CRITERIA

- (a) Bidders or the manufacturer on whose behalf the agent is bidding, should be a manufacturer of the vehicles similar to those offered for the last 3 years. Bidders should confirm adequate availability in India of spare parts and after sales services for the vehicles offered in the bid. The vehicles offered shall be a current standard model of production which is substantially the same as model in successful use for a period of 1 year or more than * Kms. of operation. Bidders should confirm these with detail.
- (b) The Bidder shall furnish the information on past supplies and their satisfactory performance in the proforma given under Section VIII, Form No. 7.
- (c) The Bidder shall furnish data to support that he has the financial and production capability to perform the contract and complete the supplies within he stipulated delivery period.
- (d) Bidders shall invariably furnish documentary evidence (Client's certificate) in support of the satisfactory operation of the vehicles as specified above.

[Fill in appropriately]*

SECTION VIII

Bid Form, Price Schedules and other Formats

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1. **BID FORM AND PRICE SCHEDULES**

Date :.....
Credit / Loan No :.....
IFB No :.....

TO: (Name and address of purchaser)

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Addenda Nos..... [insert numbers], the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply and deliver..... (Description of Goods and Services) in conformity with the said bidding documents for the sum of (Total bid amount in words and figures) or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this bid.

We undertake, if our bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our bid is accepted, we will obtain the guarantee of a bank in a sum equivalent to percent of the Contract Price for the due performance of the Contract, in the form prescribed by the Purchaser.

We agree to abide by this Bid for the Bid Validity Period specified in Clause 16.1 of the Bid Data Sheet and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below :

Name and address of agent	Amount in Rupees	Purpose of Commission or gratuity

(if none, state "none").

Until a formal contract is prepared and executed, this bid, together with your written acceptance thereof and your notification of award, shall constitute a binding Contract between us.

We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will strictly observe the laws against fraud and corruption in force in India namely "Prevention of Corruption Act 1988".

We understand that you are not bound to accept the lowest or any bid you may receive.

We confirm that we comply with the eligibility requirements as per ITB clause 2 of the bidding documents.

Dated this day of 20

(signature)

(in the capacity of)

Duly authorized to sign Bid for and on behalf of _____

Insert Price Schedule for Domestic Goods --- Group A&B Bids

Insert Price Schedule for Goods to be imported from abroad --- Group C Bids

2. BID SECURITY FORM

Whereas(*hereinafter called "the Bidder"*) has submitted its bid dated (*date of submission of bid*) for the supply of (*name and/or description of the goods*) (*hereinafter called "the Bid"*).

KNOW ALL PEOPLE by these presents that WE (*name of bank*) of (*name of country*), having our registered office at (*address of bank*) (*hereinafter called "the Bank"*), are bound unto (*name of Purchaser*) (*hereinafter called "the Purchaser"*) in the sum of _____ for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this ____ day of _____ 20 ____.

THE CONDITIONS of this obligation are:

1. If the Bidder:
 - (a) withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form; or
 - (b) does not accept the correction of errors in accordance with the Instructions to Bidders; or
2. If the Bidder, having been notified of the acceptance of its bid by the Purchaser during the period of bid validity:
 - (a) fails or refuses to execute the Contract Form if required; or
 - (b) fails or refuses to furnish the performance security, in accordance with the Instruction to Bidders;

we undertake to pay the Purchaser up to the above amount upon receipt of its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including forty five (45) days after the period of the bid validity, and any demand in respect thereof should reach the Bank not later than the above date.

.....
(Signature of the Bank)

3. CONTRACT FORM

THIS AGREEMENT made theday of....., 20... Between
(*Name of purchaser*) of (*Country of Purchaser*) (hereinafter "the Purchaser") of the
one part and (*Name of Supplier*) of (*City and Country of Supplier*)
(hereinafter called "the Supplier") of the other part :

WHEREAS the Purchaser invited bids for certain Goods and ancillary services viz.,
..... (*Brief Description of Goods and Services*) and has accepted a bid by the
Supplier for the supply of those goods and services in the sum of (*Contract
Price in Words and Figures*) (hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement viz.:
 - (a) the Bid Form and the Price Schedule submitted by the Bidder;
 - (b) the Schedule of Requirements;
 - (c) the Technical Specifications;
 - (d) the General Conditions of Contract;
 - (e) the Special Conditions of Contract; and
 - (f) the Purchaser's Notification of Award.
3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the goods and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

Brief particulars of the goods and services which shall be supplied/provided by the Supplier are as under:

SL. NO.	BRIEF DESCRIPTION- OF GOODS & SERVICES	QUANTITY TO BE SUPPLIED	UNIT PRICE	Total Price	DELIVERY TERMS

TOTAL VALUE:

DELIVERY SCHEDULE:

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written.

Signed, Sealed and Delivered by the

said (For the Purchaser)

in the presence of:.....

Signed, Sealed and Delivered by the

said (For the Supplier)

in the presence of:.....

4. **PERFORMANCE SECURITY FORM**

To: _____ (Name of Purchaser)

WHEREAS (Name of Supplier)
(hereinafter called "the Supplier") has undertaken , in pursuance of Contract (Notification of Award) No..... dated,..... 20... 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 recognized bank for the sum specified therein as security for compliance with the Supplier's performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Supplier a Guarantee:

THEREFORE WE 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 limit 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.

This guarantee is valid until theday of.....20.....

Signature and Seal of Guarantors

.....
Date.....20.....

.....
Address:.....
.....
.....

5. **BANK GUARANTEE FOR ADVANCE PAYMENT**

To: _____ (*name of Purchaser*)
_____ (*address of Purchaser*)
_____ (*name of Contract*)

Gentlemen:

In accordance with the provisions of the Special Conditions of Contract, which amends Clause 16 of the General Conditions of Contract to provide for advance payment, _____ (*name and address of Supplier*) (hereinafter called "the supplier") shall deposit with the Purchaser a bank guarantee to guarantee his proper and faithful performance under the said Clause of the Contract in an amount of _____ (*amount of guarantee*(in figures and words)*).

We, the _____ (*bank or financial institution*), as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to the purchaser on his first demand without whatsoever right of objection on our part and without his first claim to the Supplier, in the amount not exceeding (*amount of guarantee* in figures and words*).

We further agree that no change or addition to or other modification of the terms of the Contract to be performed thereunder or of any of the Contract documents which may be made between the purchaser 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 remain valid and in full effect from the date of the advance payment received by the Supplier under the contract until _____ (date).

Yours truly,

Signature and seal :
Name of bank/
financial institution :
Address :
Date :

* An amount is to be inserted by the bank representing the amount of the Advance Payment.

(Please see Clause 13.3(a) of Instructions to Bidders)

6. MANUFACTURERS' AUTHORIZATION FORM

To No. _____ dated

Dear Sir:

IFB No. _____

We _____ who are established and reputable manufacturers of _____ (*name and description of goods offered*) having factories at (*address of factory*) do hereby authorize M/s _____ (*Name and address of Agent*) to submit a bid, and sign the contract with you for the above goods manufactured by us against the above IFB.

We hereby extend our full guarantee and warranty as per Clause 15 of the General Conditions of Contract for the goods and services offered for supply by the above firm against this IFB.

Yours faithfully,

(Name)

(Name of manufacturers)

Note: This letter of authority should be on the letterhead of the manufacturer and should be signed by a person competent and having the power of attorney to legally bind the manufacturer. It should be included by the Bidder in its bid.

Proforma for Performance Statement

(Name of the Project)
(Declaration regarding Deemed Export Benefits)

(Bidder's Name and Address):

To:.....
(Name of the Purchaser)

Dear Sir:

1. We confirm that we are solely responsible for obtaining deemed export benefits which we have considered in our bid and in case of failure to receive such benefits for reasons whatsoever, Purchaser will not compensate us.

2. We are furnishing below the information required by the Purchaser for issue of Project Authority/ Payment certificate in terms of the Export and Import Policy of the Government of India:

(A) (i) Value of import content of supply to be made by the Bidder: Rs. _____
(exchange rate one US\$ = Rs ____)

(B) (i) Name of the sub-contractor, if any, and whose name is to be included in the main Contract: _____

(ii) Description, quantity and value of the goods to be supplied by the above sub-contractor: Description _____
Quantity _____
Value (Rs.) _____

(iii) Value of import content of supply to be made by the sub-contractor: Rs. _____
(exchange rate one US\$ = Rs ____)

(The requirements listed above are as per current Export and Import Policy of Government of India. These may be modified, if necessary, in terms of the Export and Import Policy in force.)

Date: _____ (Signature) _____

Place: _____ (Printed Name) _____

(Designation) _____

(Common Seal) _____

SECTION - IX

Eligibility for the Provision of Goods, Works and Services in Bank-Financed Procurement.

As of May 2000¹

For the information of Borrowers and Bidders, and with reference to paragraph 1.6, footnote 9, of the *Guidelines: Procurement under IBRD Loans and IDA Credits*, dated January 1995 (revised January and August 1996 and September 1997, and January 1999), set forth below is a list of countries from which Bidders, Goods and Services are not eligible to participate in procurement financed by the World Bank or IDA².

- Andorra
- Cuba
- Democratic People's Republic of Korea (North Korea)
- Liechtenstein
- Monaco
- Nauru
- San Marino
- Tuvalu

In addition, Bidders, Goods and Services from other countries or territories may be declared ineligible by a provision in the Bidding. Documents if the borrower's country has excluded them by a law, an official regulation, or an act of compliance meeting the requirements of paragraph 1.8 (a) of the *Guidelines: Procurement under IBRD Loans and IDA Credits*.

The Loan/Credit Agreement also prohibits a withdrawal from the Loan / Credit Account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. At the present time, this prohibition applies to

- Iraq

Notes:

1. The most current listing of eligible countries can be viewed on the Public Information Center's Web page at: <http://www.worldbank.org/html/pic/PROCURE.html>. A list of firms debarred from participating in World Bank projects is available at: <http://www.worldbank.org/html/opr/procure/debarr.html>.
2. Any questions regarding this list should be addressed to the Senior Manager, Procurement Policy and Services Group, Operational Core Services Network, The World Bank

NR/ls Wednesday, February 26, 2003

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