

## Finance Secretariat

### Notification

No. PWD/33/FC-3/2003, Bangalore, Dated: 5th March 2003

In exercise of the powers conferred by section 25 of the Karnataka Transparency in Public Procurement Act, 1999 (Karnataka Act 29 of 2000), the Government of Karnataka hereby makes the following rules further to amend the Karnataka Transparency in Public Procurement Rules, 2000, namely:-

**1. Title and commencement.-** (1) These rules may be called the Karnataka Transparency in Public Procurements (Amendment) Rules, 2003.

(2) They shall come into force on the date of their publication in the Official Gazette.

**2. Amendment of rule 2.-** In rule 2 of the Karnataka Transparency in Public Procurements Rules, 2000 (hereinafter referred to as the said rules), after clause (c), the following shall be inserted, namely:-

"(d) "Two-stage Tender System" means a procedure under which tenders for turn-key contractors are invited in two stages, the first stage unpriced tender being a technical tender only on the basis of conceptual design or performance specifications subject to technical as well as commercial clarifications and adjustments to be followed by amended tender documents and the submission of final technical proposals and priced tenders in the second stage".

**3. Insertion of new rule 28A.-** After rule 28 of the said rules, the following rule shall be inserted, namely:-

**"28A. Two stage tender system.-** (1) In the case of 'turn-key' contracts involving supply, installation, testing and commissioning of specially engineered plant and equipment such as turbines, generators, boilers, switchyard, pumping stations, telecommunications, process and treatment plants and the like for power, water, sewerage, telecommunication and similar projects or procurement of equipment subject to rapid technological advances such as computer and communication systems, where it is undesirable or impractical to prepare a complete technical specifications in advance, two-stage tender system may be adopted.

2) First stage tender will consist of a technical tender only, without reference to the rates and prices for completing the facilities and a list of deviations to the technical and commercial conditions set forth in the tender documents or any alternate technical solution as a tenderer wishes to offer and a justification therefore, always provided that such deviation or alternate solution do not change the basic objective of the contract and that they meet the conceptual design or performance or functional specifications contained in the tender documents.

3) The Tender Inviting Authority shall cause the first stage tender to be opened and evaluate whether the tenderer meets the required minimum acceptable qualification criteria, whether the tenderer has submitted a technically responsive first stage tender and prepare a list of qualified and responsive tenderers.

4) The Tender Inviting Authority shall convene a clarification meeting of all first stage qualified tenderers and review the tender's tender and prepare a memorandum of all required amendments, additions, deletions and other adjustments.

5) The Tender Inviting Authority shall revise the tender documents and specifications to permit new technologies and introduce the right evaluation criteria.

6) Only those tenderers who have submitted a technically responsive and acceptable first stage tender shall be invited to submit Second Stage Tender.

7) The second stage tender shall consist of,-

(a) an updated technical tender incorporating all the changes required by the tender Inviting Authority as recorded in the memorandum prepared in sub-rule (4) or as necessary to reflect any amendments to the tender documents issued subsequent to submission of the first stage tender; and

(b) the commercial tender.

8) All second stage tenders must be accompanied by specified tender security.

9) All second stage tenders (both technical and price) will be opened in the presence of tenderers or their authorised representatives.

10) The two stage tender shall be evaluated and awarded following the procedure specified in rules 25 and 26.

By Order and in the name of the Governor of  
Karnataka

**K.R. BADIGER**  
Under Secretary to Government,  
PWD (Finance Cell).