

**GOVERNMENT OF KARNATAKA**

NO. PWD 1359 SO/FC 2001(P-2)

Karnataka Government Secretariat,  
Vidhana Soudha,  
Bangalore, dated 30<sup>th</sup> June 2003.**CIRCULAR****Subject:** Two Cover Tenders System – Safeguards to be adopted.

Rule 28 of the Karnataka Transparency in Public Procurement Rules, 2000 explained the circumstances where Two-cover tenders system is to be adopted and the procedure to be followed in such cases.

The rationale of the two-cover tenders system is that the tender requirement will be strictly enforced and the possibility to consider a tender, which has failed to meet the tender requirement but has offered an attractive price will be eliminated. The second cover containing the price quotations of only those tenderers found qualified as per tender requirements shall be opened by the tender inviting authority.

In order to ensure transparency in the procurement process and build public confidence in the system, the following safe guards shall be adopted, whenever two-cover tenders system is adopted.

(i) At the time of opening of the First covers, the second covers containing the price quotations shall be placed in a large cover and securely sealed in the presence of the tenderers or their representatives, who are present and also get the same signed by all those tenderers or their representatives. This large cover containing the second covers containing the price quotations shall be opened on a predetermined time and date. This will instill confidence in the mind of the contracting community;

(ii) The evaluation of the technical aspects contained in the first cover should be completed within a reasonable period, and the time gap between the opening of the first and the second cover should be the minimum and, in any case not more than 45 days [In exceptional cases, approval of the Secretary to the Government of the concerned Department /Managing Director of the Corporation shall be obtained where the period is more than 45 days but less than 60 days, If it exceeds 60 days the tenders shall be reinvited].

(iii) The qualification criteria and the technical requirement should not be restrictive/discriminatory and the specifications particularly of equipment should be broad based and functional, without any irrelevant details.

The above instructions shall apply to all Procurement Entities as defined in Section 2(d) of Chapter I of the Karnataka Transparency in Public Procurement Act.

Procurement Entities shall ensure that the above Guidelines are strictly followed. It may be noted that any violation of the Karnataka Transparency in Public Procurement Act 1999 and Rules 2000 attracts the penal provision under Section 23 of the Act.

**(B.K. DAS)**Principal Secretary to Government,  
Finance Department