

STANDARD BIDDING DOCUMENT

Procurement of Goods

(Up to Nu. 0.500 million)



Royal Government of Bhutan

Ministry of Finance

(2025)

PREFACE

One of the primary mandates and powers vested in the Ministry of Finance, as stipulated under Section 104(i) of the Public Finance (Amendment) Act of Bhutan 2012, is to issue rules, manuals, directives, instructions, or notifications to ensure an equitable, transparent, competitive, and cost-effective procurement system in the country. In line with this mandate, the Standard Bidding Document (SBD) for the Procurement of Goods (up to Nu. 0.500 million) 2025 has been drafted as an implementing document under the Procurement Rules and Regulations 2025.

In exercise of the powers conferred under Section 104(i) of the Public Finance (Amendment) Act of Bhutan 2012, the Ministry of Finance hereby adopts the Standard Bidding Document (SBD) for the Procurement of Goods (up to Nu. 0.500 million) 2025, as endorsed during the 9th Policy and Planning Coordination Meeting held on 12 May 2025. The revised SBD shall come into effect from 1st July 2025.

Procurement Management and Development Division
Department of Procurement and Properties
Ministry of Finance
Email – pmdd@mof.gov.bt
Contact – 336962

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1. Invitation for Quotation (IFQ)

Date:

To:

Dear Sir/ Madam,

A. General

1. You are invited to submit your priced bid for the supply of the following items:
 - i)
 - ii)
 - iii)
2. The deadline for submission of your bid to the Procuring Agency at the indicated address is [insert date & time].
3. The bid shall be valid for a period of [insert validity period, normally 30 days] from the deadline for receipt of bid. In exceptional circumstances, prior to the expiration of the bid validity period, the Procuring Agency may solicit the bidder's consent to extend the bid validity period. The request and responses shall be made in writing. The validity of Bid Securing Declaration shall be suitably extended.
4. Any non-compliance with Bid Securing Declaration terms and conditions will result in forfeiture of Bid Security amount of Nu.....[normally 1-2% of the estimated amount].
5. The supply of the goods shall be completed within [.....] from the date of issue of the purchase Order.
6. The place of delivery shall be [insert final place of delivery].
7. All prices shall be quoted in Ngultrum by the bidder. The quoted price shall be inclusive of all related costs including taxes, duties and other levies to the final place of delivery. Clarification can be obtained from: [insert address for information here]
8. The Bidder(s) shall quote for ANY or ALL items under this bid. [Specify Any or All]

9. The Procuring Agency and Bidder shall be bound by the terms and conditions specified in the Integrity Pact.
10. Any other conditions [*list down conditions, if any*]

B. Submission and Opening of Bids

11. The Bidder shall be required to submit the following Documents as part of the bid:
 - i. A duly completed and signed priced quotation as per the Schedule of Items and the Priced Quotation;
 - ii. A valid Trade License;
 - iii. A valid Tax Clearance Certificate;
 - iv. Signed Bid- Securing Declaration;
 - v. Technical Specification compliance of the Goods to be supplied; and
 - vi. Any other requirements specified in this document [*specify if relevant*]
12. The Bidder shall submit one original of the priced quotation with the Form of Bid and clearly marked ORIGINAL. In addition, the bidder shall also submit one copy marked as COPY. The quotation including all documents in the attached format should be sealed in an envelope and addressed to and delivered at the following address [insert address of receipt of Bids].
13. Bids must be accompanied by Integrity Pact and Bid Securing Declaration. Any Bid not accompanied by the Integrity Pact and Bid-Securing Declaration in the prescribed format shall be rejected by the Procuring Agency as non-responsive.
14. The bid should be submitted as per the IFQ and in accordance with the attached Contract. The attached Terms and Conditions of Supply is an integral part of the Contract.
15. The quotation(s) shall be opened on the same day of submission deadline in the presence of Bidders or their representatives who choose to attend at the specified venue and time [*specify time and venue of opening*].

C. Evaluation of Bids

16. Evaluation shall be carried ITEM WISE or LOT WISE [*Select item or lot*].
17. Each item shall be evaluated and a contract awarded separately to the firm(s) offering the best evaluated price for each item **OR** (*use one and delete the other*) The Bidder(s) shall quote for all the items under this invitation. Price quotations shall be evaluated for all the items together and a contract awarded to the firm offering the best evaluated total cost of all the items. If the price schedule shows items listed but not priced, their prices shall be assumed to be included in the price of other items.

18. Offers determined to be substantially responsive meeting all eligibility criteria and the technical specifications, will be evaluated by comparison of their quoted prices. In evaluating the quotations, the Procuring Agency will determine for each quotation the evaluated price by adjusting the price quotation by making any correction for any arithmetical errors as follows:
- i. where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
 - ii. where there is discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted shall govern unless, in the opinion of the Procuring Agency there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted shall govern, and the unit rate shall be corrected.
 - iii. if the supplier refuses to accept the correction, this quotation will be rejected, and the Bid security shall be forfeited.
19. The Evaluation Committee shall ensure that the bids are not abnormally high/ low or Seriously unbalanced/ Frontloaded.

D. Award of Work

20. The award shall be made to the Bidder who is offering the best evaluated Bid that meets all requirements set in the bidding document.
21. The Procuring Agency is not bound to accept the lowest Bid and reserves the right to accept or reject any or all the Bids. The Bidder(s) shall, however, be informed with the justified reason(s).
22. Tie- Bids: In the event of a tie in bid prices among two or more bidders, the Procuring Agency may adopt the following measures to determine the award [*specify conditions*]
23. The Bidder whose Bid is accepted will be notified of the award of contract by issuance of 'Letter of Intent' by the Procuring Agency with copies to all participating bidders.
24. If no bidder submits any complaint within the standstill period of 5 days for Open Tendering Method and 2 days for Limited Tendering Method, the bidder whose bid is accepted will be notified of the award of contract by issuance of 'Letter of Acceptance'.
25. The Supplier shall within seven (7) working days be required to submit a performance security of 10% of the quoted price in the form of cash warrant, demand draft or unconditional Bank Guarantee issued by a financial institution located in Bhutan, which shall be furnished upon signing the contract. Performance security shall be valid till the end of the contract period.
26. The successful Bidder will sign a contract as per the attached Form of the contract with the terms and conditions of supply.

2. Schedule of Items and Priced Quotation

Sl.No.	Item	Description & Details (minimum specification of goods to be supplied)	Unit	Quantity	Unit Rate	Total Amount (In Nu.)
1	To be filled by PA	To be filled by PA	To be filled by PA	To be Filled by PA	To be filled by Bidder	To be filled by Bidder
2						
3						
4						
	Total Amount in Nu.					

Signature of Supplier:

Name of Supplier:

Date:

3. Technical Specification of the Goods

Sl. No.	Item	Specifications	Compliance to Specifications
1	To be filled by PA, if applicable	To be filled by PA, if applicable	to be filled by bidder, if applicable
2			
3			
4			
5			

Signature of Supplier:

Name of Supplier:

Date:

4. Bidding and Contract Forms

Form 1: Integrity Pact

1. General:

Whereas *(Name of head of the Procuring Agency or his/her authorized representative, with power of attorney)* representing the *(Name of Procuring Agency)*, Royal Government of Bhutan, hereinafter referred to as the “Procuring Agency” on one part, and *(Name of Bidder or his/her authorized representative, with power of attorney)* representing M/s. *(Name of firm)*, hereinafter referred to as the “**Bidder**” on the other part hereby execute this agreement as follows:

This agreement shall be a part of the Standard Bidding Document, which shall be signed by both the parties and submitted along with the tender document.

2. Objectives:

Whereas, the Procuring Agency and the Bidder agree to enter into this agreement, hereinafter referred to as IP, to avoid all forms of corruption or deceptive practice by following a system that is fair, transparent and free from any influence/ unprejudiced dealings in the Bidding process and Contract administration with a view to:

1. Enabling the Procuring Agency to obtain the desired contract at a reasonable and competitive price in conformity to the defined specifications of the works or goods or services; and
2. Enabling Bidders to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices.

3. Scope:

The validity of this IP shall cover the Bidding process and contract administration period.

4. Commitments of the Procuring Agency:

1. The Procuring Agency hereby undertakes that no officials of the Procuring Agency, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favor or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the Bidding process and contract administration.
2. The Procuring Agency further confirms that its officials shall not favor any prospective Bidder in any form that could afford an undue advantage to that particular Bidder in the Bidding process and contract administration and will treat all Bidders alike.

3. Officials of the Procuring Agency, who may have observed or noticed or have reasonable suspicion, shall report to the head of the employing agency or an appropriate government office any violation or attempted violation of clauses 4.1 and 4.2.
4. Following report on violation of clauses 4.1 and 4.2 by official(s), through any source, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings shall be initiated by the Procuring Agency and such a person shall be debarred from further dealings related to the Bidding process and contract administration.

5. Commitments of Bidders

The Bidder commits himself/ herself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of the Bidding process and contract administration in order to secure the contract or in furtherance to secure it and in particular commits himself/herself to the following:

1. The Bidder shall not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Procuring Agency, connected directly or indirectly with the Bidding process and contract administration, or to any person, organization or third party related to the contract in exchange for any advantage in the Bidding process and contract administration.
2. The Bidder shall not collude with other parties interested in the contract to manipulate in whatsoever form or manner, the Bidding process and contract administration.
3. If the Bidder(s) have observed or noticed or have reasonable suspicion that the provisions of the IP have been violated by the Procuring Agency or other Bidders, the Bidder shall report such violations to the head of the Procuring Agency.

6. Sanctions for Violation:

The breach of any of the aforesaid provisions shall result in administrative charges or penal actions as per the relevant rules and laws.

1. The breach of the IP or commission of any offence (forgery, providing false information, mis- representation, providing false/fake documents, Bid rigging, Bid steering or coercion) by the Bidder, or any one employed by him, or acting on his/her behalf (whether with or without the knowledge of the Bidder), shall be dealt with as per the terms and conditions of the contract and other provisions of the relevant laws, including Debarment Rules.
2. The breach of the IP or commission of any offence by the officials of the Procuring Agency shall be dealt with as per the rules and laws of the land in vogue.

7. Monitoring and Administration:

1. The respective Procuring Agency shall be responsible for administration and monitoring of the IP as per the relevant laws.
2. The Bidder shall have the right to appeal/setting aside as per the arbitration mechanism contained in the relevant rules.

We, hereby declare that we have read and understood the clauses of this agreement and shall abide by it.

Form-2: Bid-Securing Declaration

Date: _____

We, the undersigned, declare that:

We understand that, according to your conditions, Bids must be supported by a Bid Securing Declaration.

We accept that we are required to pay the Bid Security amount specified in the terms and conditions within 5 days of your instruction and failure to do so will debar us from being eligible for Bidding in any contract with all the Government Procuring Agencies for the period prescribed in the Debarment Rules if we are in breach of our obligation(s) under the Bid conditions, because we:

- (a) have withdrawn our Bid during the period of Bid validity specified in the Bid; or
- (b) having not accepted the correction of error; or
- (c) Having been notified of the acceptance of our Bid by the Procuring Agency during the period of Bid validity, (i) fail or refuse to furnish the performance security or (ii) fail or refuse to execute the Contract.

The Procuring Agency has the authority to immediately go to the next bidder, once the notice is served to the defaulting bidder.

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Bidder: _____

Form-3: Letter of Intent

(Letterhead paper of the Procuring Agency)

(Insert date)

To:_____ *[Name and address of the Supplier].*

This is to notify you that, it is our intention to award the contract for your Bid dated _____
[Insert date] for execution of the *[Insert name of the contract]* for the Contract Price of
_____Insert amount in figure and words and name of currency].

Authorized Signature:_____

Name and Title of Signatory_____

Name of Agency:_____

CC:

[Insert name and address of all other suppliers who submitted the bid]

Form- 4: Letter of Acceptance

Letter of Acceptance (LOA) of Tender/Proposal ID:

Contract No:

To

Name:.....

Address:.....

This is to notify you that your Bid dated for the supply offor the Contract Price of the equivalent of Nu.(*in words*) in BTN, as corrected and modified in accordance with the Instructions to Bidders is hereby accepted by our Agency.

You are hereby instructed to complete the following process within 7 working days.

- (a) confirm your acceptance of this Letter of Acceptance;
- (b) furnish the Performance Security; and
- (c) execute the signing of the contract.

Authorized Signature:

[Name and Designation]

Attachment: Contract Agreement

Form-5: Performance Security

[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated]

Date: *[insert date (as day, month, and year) of Bid submission]*

IFB No. and title: *[insert no. and title of bidding process]*

Bank's Branch or Office: *[insert complete name of Guarantor]*

Beneficiary: *[insert complete name of Procuring Agency]*

PERFORMANCE GUARANTEE No. : *[insert Performance Guarantee number]*

We have been informed that *[insert complete name of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert day and month]*, *[insert year]* with you, for the supply of *[description of Goods and related Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a Performance Guarantee is required.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum(s) not exceeding *[insert amount(s) in figures and words]* upon receipt by us of your first demand in writing declaring the Supplier to be in default under the Contract, without cavil or argument, or you needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This Guarantee shall expire no later than the *[insert number]* day of *[insert month]* *[insert year]*, and any demand for payment under it must be received by us at this office on or before that date. We agree to an extension of this Guarantee for a period as required by the Procuring Agency in response to the Procuring Agency's written request for such extension, such request to be presented to us before the expiry of the Guarantee.

[Signatures of authorized representatives of the bank and the Supplier]

Form-6: Contract Agreement

THIS CONTRACT AGREEMENT made on *[insert number]* day of *[insert month]*, *[insert year]*,
BETWEEN

- (1) *[insert complete name of Procuring Agency]*, and having its principal place of business at *[insert address of Procuring Agency]* (hereinafter called “the Procuring Agency”), and
- (2) *[insert name of Supplier]*, having its principal place of business at *[insert: address of Supplier]* (hereinafter called “the Supplier”).

WHEREAS the Procuring Agency invited Bids for *[insert 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 *[insert Contract Price in words and figures, expressed in the Contract currency/ies]* (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESS AS FOLLOWS:

1. The following documents shall constitute the Contract between the Procuring Agency and the Supplier, and each shall be read and construed as an integral part of the Contract, viz.:
 - (a) This Contract Agreement;
 - (b) Terms and Conditions;
 - (c) Technical Requirements (including Schedule of Supply and Technical Specifications);
 - (e) The Supplier’s Bid and original Price Schedules;
 - (f) The Procuring Agency’s Notification of Award of Contract;
 - (g) The form of Performance Security;
 - (h) The form of Bank Guarantee for Advance Payment; and
 - (i) *[insert here any other document(s) forming part of the Contract]*

3. This Contract shall prevail over all other Contract documents. In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Bhutan on the day, month and year indicated above.

For and on behalf of the Procuring Agency Signed: *[insert signature]*

In the capacity of *[insert title or other appropriate designation]*

In the presence of *[insert signature] [insert identification of official witness]*

For and on behalf of the Supplier

Signed: *[insert signature of authorized representative(s) of the Supplier] In the capacity of [insert title or other appropriate designation]*

In the presence of *[insert signature]*
[insert identification of official witness]

Form-7: Bank Guarantee for Advance Payment

[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated.]

Date: *[insert date (as day, month, and year) of Bid Submission]*
IFB No. and title: *[insert number and title of bidding process]*

[Bank's letterhead]

Beneficiary: *[insert legal name and address of Procuring Agency]*

ADVANCE PAYMENT GUARANTEE No.: *[insert Advance Payment Guarantee no.]*

We, *[insert legal name and address of bank]*, have been informed that *[insert complete name and address of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert date of Contract]* with you, for the supply of *[insert types of Goods to be delivered]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an Advance Payment is to be made against an Advance Payment Guarantee.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount(s) in figures and words]* upon receipt by us of your first demand in writing declaring that the Supplier is in breach of its obligation under the Contract because the Supplier used the Advance Payment for purposes other than toward delivery of the Goods.

It is a condition for any claim and payment under this Guarantee to be made that the Advance Payment referred to above must have been received by the Supplier in its account *[insert number and domicile of the account]*

This Guarantee shall remain valid and in full effect from the date of the Advance Payment received by the Supplier under the Contract until *[insert date]*. We agree to an extension of this Guarantee for a period as required by the Procuring Agency in response to the Procuring Agency's written request for such extension, such request to be presented to us before the expiry of the Guarantee.

[Signature(s) of authorized representative(s) of the bank]

5. Terms and Conditions for the Supply of Goods and Payment

The Terms and Conditions hereinafter may only be varied with the written agreement of the Procuring Agency and no terms and conditions put forward at any time by the Supplier shall form any part of the Contract.

1. The Supplier shall be required to submit a performance security of 10% of the quoted price and shall be valid till the end of the contract period or warrant period if applicable.
2. Ten percent (10%) of the Contract Price shall be paid within fourteen (14) days of signing of the Contract, and upon submission of a claim and an advance payment guarantee form-4 for the equivalent amount valid until the Goods are delivered and in the form provided in the Bidding Documents.
3. The purchase order for one-time purchases shall be sent within five (5) working days after the signing of the contract.
4. The supply of the goods shall be completed within the number of days specified in the contract from the date of issue of the purchase Order, or the signing of the contract;
5. Payment of the Invoice shall be arranged by the Procuring Agency, within twenty-five (25) days upon submission of the original Invoice and TPN number, against the actual supplied quantities of goods as listed in the Purchase Order.
6. Any goods found defective during the warranty period shall be replaced/ repaired by the Supplier at his cost. If the supplier fails to rectify and or replace the defective goods, the Procuring Agency shall do it at the cost of the supplier.
7. The Supplier shall pay Liquidated Damages at the rate of 0.1% per day for each day of delay up to a maximum of 10% of the contract price on the undelivered portions of the goods.
8. The Procuring Agency may, by written notice, terminate the Purchase Order (or Contract if applicable) in whole or in part at any time, if:
 - a. the Supplier fails to perform any other Terms and Conditions specified with the Purchase Order, or exceeds the maximum amount of liquidated damages;
 - b. the Supplier fails to perform any other obligation(s) under the Purchase Order;

- c. the Supplier does not take any remedial action within a reasonable time after receipt of a notice of default from the Procuring Agency specifying the nature of the default(s); or
 - d. the Supplier, in the judgment of the Procuring Agency, has engaged in any corrupt or fraudulent practices in competing for or in executing the tasks under this Purchase Order.
- 9. In case the contract is terminated because of the failure of the Supplier, the Supplier in addition to the Liquidated damages (if applicable) shall also be liable for any additional cost required to procure the same goods.
- 10. Following the termination of contract, the Procuring Agency may directly award or directly procure from the market. The differential amount between the quoted price & market price shall be covered from the performance security amount.
- 11. The Supplier shall provide the warranty, as stipulated in the Quotation document, for the goods to be supplied and confirm that if any faults are detected within the warranty period in the supplied/installed goods, the Supplier shall be bound to rectify the fault or replace the goods as the case may be. The security deposit shall be used to cover the cost of supplies not delivered or defective items not replaced or rectified.
- 12. Any other terms and conditions: