**Annexure - 6**

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| logo ICFRE.gif | **स्वत्वधारित वस्तु प्रमाणपत्र****Proprietary Article Certificate (PAC)-cum-Recommendation****(Refer Para 4.6.1** | frilogo1.bmp |

Ref.: No Date:………………

**Division:……………………………………………………………………..Section/Branch/Lab………………………………………….**

|  |  |  |
| --- | --- | --- |
| File No.: |  | Date: |
| 1. Item Name: |  | Qty : |
| 2. Actual Cost of above Quantity: |  |
| 3. Budget Head/Sub-Head: |  |
| 4. Maker’s Name & Address |  |
| 5.Name(s) of authorized dealer/ stockists: |  |
| 6. I approve the above purchase on PAC basis and certify that:-(*Note: Tick to retain only one out of (b), (c-1) OR (c-2) whichever is applicable and cross out others. Please do confirm (a) by ticking it – without which PAC certificate will be invalid.)*  |
|  6(a)  | This is only firm who is manufacturing/stocking this item.  AND |  |
|  6(b)  |  A similar article is not manufactured/sold by any other firm, which could be used in lieu OR |  |
|  6(c-1)  | No other make/brand will be suitable for following tangible reasons (like OEM/warranty spares): OR………………………………………………………………………………………………………………………………………… |  |
|  6(c-2) | No other make/brand will be suitable for following tangible reasons (if PAC was also given in the last procurement cycle, please also bring out efforts made since than to locate more sources): OR………………………………………………………………………………………………………………………………………… |  |
| **7. Reference of concurrence of finance wing to the proposal****(Accounts Officer)** |  |

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| History of PAC purchases of this item for past three years may be given below: |
| Name of Supplier: |  |
| Order/TenderReference & Date | Qty. Ordered | Basic Rate on Order (Rs.) | Adverse Performance Reported, if any |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

Signature:

|  |  |  |
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| **Indenter’s Name:**Designation:Div./Sec.: | **Head of Division:**Designation: | **Director FRI:**Seal[Approving Authority] |

Encl.: 1. PAC from the OEM/Authorized dealer

 2. Quotation/Proforma Invoice

**Forwarded to Purchase Officer for further n.a.**

**Terms & Condition**

(para 4.6 of MPG-2017)

1. Procurement of goods under single tender enquiry, are procured only from Original Equipment Manufacturers (OEMs) or manufacturers having proprietary rights (or their authorised dealers/ stockists) against a PAC certificate (Annexure 6) signed by the appropriate authority (Rule 166 of GFR 2017).
2. Users should enclose, with their Indent, a PAC certificate indicating the justification and approval at the appropriate level, for sourcing an item from OEM or PAC firms or their authorised agents.
3. Proprietary items shall be purchased only from a nominated manufacturer or its authorised dealer as recorded in the PAC certificate.
4. In certain unavoidable cases, the procuring authority may have no alternative but to waive payment of EMD/SD for procurement on a proprietary basis.
5. To the extent feasible, the firm may be asked to certify that the rates quoted by them are the same and not higher than those quoted with other Government, public sector or private organizations.
6. In case of PAC/single tender procurements: a) Reports relating to such awards should be submitted to the authority every quarter; b) Internal audit may be required to check at least 10 (ten) per cent of such cases; and c) Details of such contracts should be published on the website of the Procuring Entity.

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| **Risk** | **Mitigation** |
| There is a risk that this mode may get used unjustifiably to restrict competition. Such risks get aggravated in case of secrecy about such procedures as alternative vendor/contractors may not even come to know about such opportunities. | The delegation of powers should be restricted for signing of PAC. Audit may take-up 10 (ten) per cent of cases of PAC procurements for review. Even in PAC procurements the NIT and the Award of Contract should be put on the website of CPPP and Procuring Entity.  |
| Once approved there is a risk of a nexus getting developed and the mode may continue to be used for many years without fresh application of mind. | No item should be procured on PAC basis for more than three years after which a mandatory OTE mode may be used to test the market. |
| The bidder may charge a price higher than the market.  | The firm should be asked to accept a “fall clause” undertaking that in case it supplies or quotes a lower rate to other Governments public sector or private organizations it would reimburse the excess. Negotiations may be called for to get prices reduced. |