# Lecture 19

Pre-Qualification Criteria

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Getting Registered

Once you have selected a specific department or an organization where you want to participate in the tenders, it is better to get yourself registered with that department. It will give you an edge over the non registered firms.

# Advantages of Registration

Every time when the department decides to invite tenders for a particular item. The registered firms are informed through mail whether it is an open tender or only for the pre-qualified tenderers.

Usually the registered firms are exempted from the earnest money or they have to pay less percentage than the non-registered firms.

In the comparative statement it is indicated whether the tenderer is registered or not.

• Tender offers from the registered firms which are not on prescribed forms may be considered if they fulfil all other requirements of the tenders where as unregistered firms cannot avail this facility

# Procedure of Registration

The chief purchase officer has the authority of registration of the firms. The prescribed forms can be purchased from the cashier of the concerned department. Fill the form completely and submit the form and required documents mentioned in the form by hand along with treasury challan of Rs. 1000/- for first five items and additional Rs. 200/- for each additional items for which you want to get registered.

The following is a general criteria for the pre-qualification or registration of the firms.

# Suitable Office Premise

Your firm should have suitable office premise and name of the firm should be displaying prominently on the signboard.

# Financially Sound

It is important that your firm should be financially sound, and it has to give proof such as providing a certificate from a scheduled bank certifying that this firm can conduct/do business for a minimum of Rs.5 lac in one year.

# Proper Postal /Telegraphic Address

It is necessary that your firm should have a proper postal and telegraphic address, for registration post box number is not considered as a proper address.

# Capability as Manufacturer

If you want to register as a manufacturer, your industrial undertaking responsibility should be completely recognized by the government. Your organization should have sufficient capacity, resources checking felicities and technically qualified employees.

# Proper Workshop Facilities

If your firm is applying for registration as supplier of machinery and electro-medical equipment. It must have sufficient workshop facilities for maintenance and must have qualified employees for service and maintenance.

# For Manufacturers of Drugs and Medicines

If you deal in pharmaceuticals, it is necessary that you must get yourself registered under the drug act and also get pre-qualification of performance from the health department first, then apply for registration, another important thing is that your firm must be doing business for at least last three years for the store for which registration is applied.

# Sale Agent of Foreign Manufacturer

If your firm wants registration as sale agent of a foreign manufacturer it has to submit a copy of agency agreement and a certificate from the related embassy.

# Renewal of Registration

Every year registered firms have to renew their registration, the renewal fees is Rs. 250/-. The procedure of renewal of registration is same as of the registration of the firms. Prescribed application form is to be submitted by hand along with treasury receipt deposited in the State Bank of Pakistan in the name of the relevant department.

Conditions of Renewal

# Satisfactory Performance

The firms have to prove that they have fulfilled the contract in time and their performance has been satisfactory in previous years.

# Participated Regularly

The firms have to prove that they have participated regularly in tender enquiries time and again. If firms have not participated regularly in the tender enquiries of a particular item in the previous two years, the renewal of registration is in doubt or may not be allowed.

# Followed Rules and Procedure

The firms must have followed the rules and procedures of the department in the previous contracts.

# Credibility

The firms should not be corrupt or involved in fraudulent activities in the business. If any firm found in such activities, the firm can not get its registration renewal, in addition it may be black listed and removed from the list of registered firms or it is suspended for specific period mentioned in suspension order.

# Submitting Renewal Application

• The firms must submit their renewal application before 30\* April of every year to avoid late fee, if any firm submits renewal application after 30th April and before 31" may it has to pay late fee which is Rs.250/-.

* No renewal application is received after 31 st may.
* Those firms which fail to submit renewal application up to 31st may have to get fresh registration and go through all of the given procedure again.
* The registration fee and renewal fee is subjected to revision from time to time.

Reasons for Black Listing

Following are the reasons for black listing of a registered firm.

# False Statement

Firm can be black listed if it gives wrong statement and unproven allegation, to avail the advantage which it does not deserve.

# Fraudulent Activity

Any firm that commits fraudulent activity in business, can be black listed. Making fake documents, giving false information destroying the records, misuse of trade mark, etc are some of the examples of fraudulent activities.

# Fail to Fulfill Commitment

Any firm that fails to fulfil its commitment such as quoting very low rate to win tender and then not fulfilling its offer, can be black listed.

# Period of Black Listing

The black listing of firm is for a specific period. The duration of black listing depends on the seriousness of the reason but it is usually less then three years. The black listed firms can be re-registered unless the registration authority determines that the additional period to black list that firm is required in government interest.

# Removal from Registered List

There are many reasons for removing the firms from registration list, these are as follows:

# Four Times Sending Tender Quotation Late

If the firm repeatedly sent tender quotations late for at last four time that firm is removed from the list of registered firms.

# Not Participating in Tenders

If the firm fails to participate in response to invitation to tender on six successive times.

# Giving very high Quotations

If a firm submits quotation which are very high in comparisons to other quotations and do it for four successive times. Very high quotation means fifty percent above tihe quotation that ultimately wins.

# Not Renewed their Registration

If the firm fails to renew its registration in time and fails to deposit the renewal fee.

# Fail to Follow Instructions

If the firm repeatedly ignores the instructions which are given in tender forms, its name is removed from the list of the registered firms.

# Non Satisfactory Performance

If the performance of the firm is not satisfactory in previous contract. Like it fails to meet the requirements of the tender and is solely responsible for the failure.

# Fails to Fulfill Commitment

If the firm fails to fulfill commitment weather intentionally or not. It means submitting quotations knowing that it is not either technically or financially capable of fulfilling the requirement, or submitting very low quotation to win the tender and withdrawing from the commitment.