

Government of Himachal Pradesh  
Department of Animal Husbandry

No. AHY-F(5)-1/2020

Dated Shimla-2,

21<sup>st</sup> Sept., 2023

**NOTIFICATION**

In supersession of this Department's Notification No. AHY-A(9)-1/2012, dated 01.06.2017 & 18.07.2019, the Governor, Himachal Pradesh is pleased to re-notify the H.P. State Government Policy/Guidelines for the purchase of Veterinary Medicines as under:-

**Title: Himachal Pradesh State Government Policy Guidelines for the Purchase of Veterinary Medicines**

**GUIDING PRINCIPLES:**

I.	Quality, Price, Reliability and Supply Stability to be the main criteria for carrying out transactions.
II.	Fair Competition to be ensured by the Department of animal Husbandry, HP and the tendering/facilitating agency (HP Woolfed).
III.	Medicines etc. to be purchased/procured in a transparent manner. To ensure transparency, tender documents should provide all the necessary information to facilitate submission of appropriate and competitive tenders.
IV.	All the bidders to be treated with fairness and it is ensured that they are given the same level of information for preparing quotations/tenders.
V.	Quotations and tenders to be evaluated on competitiveness in pricing after laying down quality standards.
VI.	Purchase of medicines etc. to be in accordance with the prevailing disease pattern and local requirements.
VII.	Creation of buffer stock of medicines for emergencies like disease out break, natural calamities etc.
VIII.	Long term sustainability of the sector by providing excellent and qualitative animal health care.

**PROCUREMENT OBJECTIVES:**

The main objectives of public buying will be:-

I.	To procure medicines etc of specified quantity and quality.
II.	To procure medicines etc. on a competitive basis at the lowest reasonable price.
III.	To procure medicines etc. with a planned timely delivery.
IV.	To procure medicines as per area based requirement.

**UTILIZATION OF BUDGET ALLOCATIONS:**

	<p>The purchases of Allopathic (including feed supplements, Chemicals, Cotton and Bandages) and Ayurvedic Medicines will be restricted to 85% and 15% respectively of the total annual budget available for the purpose.</p> <p>Department requires to spend some budget on purchase of Ayurvedic Veterinary medicines keeping in view the anatomical and physiological profile of ruminants, which form the larger part of livestock population of the State. Ayurvedic medicines have an added advantage of improving digestion and utilization of feed ingredients thereby improving bioavailability of macro and</p>
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micro nutrients without disturbing normal microflora of the digestive tract in ruminants. Therefore, in order to follow a holistic approach of livestock therapeutics combination of allopathic and ayurvedic medicines is required.

#### **GOVERNMENT POLICY:**

##### **A Applicability:**

- I. The Policy and its guidelines for the purchase of Veterinary Medicines elucidated herein under will be applicable with immediate effect.
- II. The policy to be binding upon both the Department of Animal Husbandry and the HP Wool Federation.
- III. All the tender(s) to be published and finalized in respect of purchase of Veterinary Medicines etc. by the Department of Animal Husbandry/ HP Wool Federation Ltd. Shimla shall be governed under this Policy.
- IV. This policy shall remain in force till the formulation of new policy or further orders in the matter, whichever is earlier.
- V. Veterinary Medicines of following categories will be purchased by their brand/generic name:
  - (a) Allopathic General Veterinary Medicines
  - (b) Veterinary Feed Supplements
  - (c) Chemicals, Cotton and Bandages
  - (d) Ayurvedic Veterinary Medicines

##### **B. Nodal Agency/Facilitator**

1. As per Government notification No. AHY-F(5)-6/91-loose, dated 1.4.2009, the HP State Cooperative Wool Procurement and Marketing Federation Ltd. (HP Wool Federation), SDA Complex, Kasumapti, Shimla-9 is the Nodal Agency.
2. The Nodal Agency is/will be entitled to get 5%(Five Percent) of the net value of medicines to be purchased, as handling/facilitation charges for undertaking the tendering process, facilitating the finalization of rates contracts, issue of rate contracts and subsequent actions like placing of orders on the approved parties and follow-ups etc.

##### **C. Eligibility**

- I. Only licensed Indian Drug Manufacturers and those Drug marketing companies who are getting the tendered Veterinary medicines/Feed Supplements etc. manufactured elsewhere or on outsourcing basis or importing the medicine(s) etc. and marketing the same under their own Brand/trade name are eligible to participate in the Tender.
- II. Dealers/Stockiest etc. are not eligible to participate on behalf of their principals. While quoting the tender the manufacturing/marketing unit may however specify the name of its Dealers/Stockiest.
- III. The tenderer should be manufacturing and marketing the quoted medicines etc. for the last minimum five years.
- IV. The sales turn-over of the tenderer for Veterinary Medicines/Feed Supplements etc. should be as under:-





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SN	Medicines/Supplements	Cumulative during last three years (in Rs.)	Cumulative for each quoted product during last three years (in Rs.)
1	Allopathic Veterinary medicines List-A	45.00 Crore	1.50 Crore
2	Allopathic Veterinary medicines List-B	45.00 Crore	Not required
3	Veterinary Feed Supplements	15.00 Crore	1.50 Crore
4	Chemical, Cotton and Bandages	0.50 Crore	Not required
5	Veterinary Ayurvedic Medicines	0.50 Crore	Not required

<b>D.</b>	<b>Purchase/Procurement Procedure</b>
1.	The purchases of Veterinary medicines would be resorted to by way of inviting open tenders under two bid (Technical and Financial) system through newspaper, Web portal etc. by the Nodal Agency for the procurement of these medicines.
2.	On the basis of the requirements in the field, the list of medicines to be procured/purchased (For which RC/s is/are to be finalized and issued) will be decided by a Committee of officers of the Department to be constituted by the Director AH, as and when required, for onward transmission to the Nodal Agency.
3.	The Tender Document will be prepared and finalized by the Nodal Agency in consultation and with the approval of the Director AH with adequate safe-guards in respect of quality, timely supply of the medicines etc. and penalties for infringements of the tender terms by the approved tenderer(s).
4.	Policy for purchase of Veterinary Medicine would be approved on the easy availability of Allopathic medicines of the same brand/company in the market.
5(a).	<p>The technical bids would be opened by a Technical Sub Committee to be headed by the Managing Director, HP Wool Federation Ltd. With Deputy Director (Epidemiology), Sr Veterinary Officer/Veterinary Officer (Epidemiology) and one representative of Director Animal Husbandry as members.</p> <p>The Technical bids will be approved by any of the Joint Director to be nominated by the Director Animal Husbandry as per availability.</p> <p>The process of finalization of technical bids shall be completed within 28 days.</p> <p>The Technical Bids shall be accepted subject to satisfactory submission of following documents by the tenderers:-</p>
i.	Earnest Money Deposits as per the terms and conditions of the tender.
ii.	Turnover certificate of the tenderer (including turnover of individual product) participating in the tender for the last three years annual turnover certificate duly certified by the CA in original alongwith notarized copies of VAT/ST returns.
iii.	Valid drug manufacturing license issued by the competent authority which should be at least three years old.
iv.	Valid "Good Manufacturing Practices" certificate(s) as laid down under revised schedule "M" of the Drugs & Cosmetics Rules of the actual Manufacturer.
v.	Proof of GMP Certificate issued by competent authority-in case of Ayurvedic medicines.

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	vi.	Manufacturing/marketing Certificate from Drug Controller for the products quoted for the last five years.
	vii.	Drug manufacturing license.
	viii.	Details of approved formulations by the licensing authority.
	ix.	Loan License.
	x.	Formulations with respect to loan license.
	xi.	Certificate of non-conviction.
	xii.	Samples of medicines and their test reports.
	xiii.	Details of installed machinery and manufacturing capacity.
	xiv.	Brochures and literatures of medicines.
	xv.	Proof of easy availability of veterinary medicines of the same brand/Company in the market.
5(b).	The Committee as at 5(a) will also open the financial bids relating to only those parties who shall qualify the technical bids. The financial bids will be approved by the Joint Director to be nominated by the Director, Animal Husbandry and thereafter by the Director Animal Husbandry, HP. The process of the financial bids shall be completed within 15 days.	
6.	The MD HP Wool Federation or his Representative shall place the approved recommendations before the following State Level Purchase Committee (SLPC) constituting of the following for final approval.	
	ACS (AH)/Pr. Secretary (AH)/Secretary (AH) to the Govt. of H.P.-	Chairman
	Special/Additional/Joint/ /Deputy (Finance) to the Govt. of H.P.	Member
	Special/Additional/Joint/ /Deputy (A.H.) to the Govt. of H.P.	Member
	Director, Animal Husbandry, H.P.	Member
	Head of Medicine Department, CSKHPKV, Palampur.	Member
	Controller of Stores, H.P.	Member
	Managing Director, H.P. Wool Federation, or his Representative	Member Secretary
7.	The SLPC will have full and final powers to accept, reject or amend the entire or part recommendations/tenders and also to ask for additional information/report wherever deemed fit.	
8.	The decision of the SLPC will be treated as final and binding on all concerned.	
9.	After approval as per the decisions of the State Level Purchase Committee, the Nodal Agency, under the signatures of its MD, shall circulate the Rate Contracts/ requisite letters to all concerned. The Department of Animal Husbandry shall place the approved rate contracts on the official Website of the Department.	
10.	Annual Budget for purchase of medicines shall be allocated by the Director AH to all the districts as per norms in the beginning of the financial year.	
11.	The indenting officers of the Department of Animal Husbandry will finalize the indents of the medicines to be procured/purchased, based on local requirements, and forward the same to the Nodal Agency under intimation to the Director AH for placing the orders on the approved parties as per approved Rate Contracts.	
12.	The approved RC parties shall dispatch the consignments of the ordered material directly to the indenters.	
13.	If during validity of rate contract period, any L1 party is disqualified, L2 party will be given an opportunity to supply the material on the same rates. Similarly, if due to any reason(s) the rate contract party abandons/shut down its business/	

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	activities relating to the material being supplied and legally transfer the same to some other party and the 'other party' agrees and/or offer to execute the remaining supplies as per the terms of the rate contract of the first party, there will not be any objection to get the supplies executed from the 'other party' on the existing terms and conditions of the first party. In this case, however, the rate contract in the name of the first party will be withdrawn.
<b>E.</b>	<b>Payments</b>
1	The due payments shall be released by the indenters directly to the RC parties through NEFT/RTGS or other bank instruments.
2	<p>Starting 2019-20, the HP Wool Federation will collect 5% (five) handling charges directly from the concerned supplier (firm/ RC Party) on the basis of supply order issued by it, in respect of Medicines and other material etc.</p> <p>For this purpose, the HP Wool Federation will raise the bills to the concerned supplier(s) (firm/ RC Party) on fortnightly/monthly basis.</p> <p>The suppliers (firm/ RC Party) will be required to remit the amount of handling charges within ten days from the date of bill(s) failing which no fresh order will be placed/issued and the act of non-remittance of handling charges by the supplier (firm/ RC Party) will be considered as infringement of the terms and conditions governing the supply agreement/rate contract.</p> <p>The indenters/ Director AH will, accordingly from 2019-20 onwards, remit full due payments (100% payment) to the supplier (firm/ RC Party) on account of successful supplies.</p>
3	The deduction/charging of taxes will be the responsibility of the supplier and the indenters and all laws, guidelines and orders in this regard will be fully complied with timely by all concerned.
<b>F.</b>	<b>Validity</b>
1.	The rate contract of Veterinary Medicines to be finalized based on tender and approval of SLPC shall be kept valid for a maximum duration of two years from the date of issue of rate contract, unless otherwise approved by the SLPC and specified/clarified in the Rate Contract letter.
2.	The power to extend the validity of Rate Contract(s) will rest with the Director AH maximum for a period of six months from the date of expiry. However, in such circumstances specific reasons will be recorded in writing.
<b>G.</b>	<b>Quality Assurance</b>
1.	Whenever felt necessary the indenters will be at a liberty to assess quality of medicines by way of clinical trials by the Department of Veterinary Medicines, Veterinary College Palampur and/or by way of getting samples tested from NABL accredited Drug Testing Laboratory or any other Lab or both at the cast of manufacturer/supplier.
2.	The indenters, as per the present practice, will be responsible to accept only the quality medicines and for getting the medicines tested regularly for ensuring the quality of the medicines in accordance with the terms of the rate contract/laid down procedure(s) and in case of any shortcoming(s) the matter will be reported to the Director AH in a time bound manner for decision.
3.	Where medicines supplied are found not acceptable due to damage in transit, wrong supply and are consequently rejected, the indenter concerned shall immediately notify such rejection specifying the grounds on which such rejection has been made, to the supplier, Director AH and the Nodal Agency and take necessary action for getting the items replaced as per the specification of the Supply Order. The Nodal Agency shall follow up the matter with the suppliers.

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4.	<p>Dispute Redressal Committee (DRC) under the Chairmanship of Joint Director to be nominated by the Director, Animal Husbandry with following members will decide all types of issues related to purchase and supply of Veterinary Medicines /equipment etc. during the period of validity of rate contract:-</p> <p>(a) Managing Director, H.P. Wool Federation / his representative.</p> <p>(b) Assistant Controller (F&amp;A), Directorate of Animal Husbandry</p> <p>(c) Two Technical Officers, Directorate of Animal Husbandry to be nominated by the Director Animal Husbandry.</p> <p>(d) Representative of Drug Controller, H.P.</p> <p>The above Dispute Redressal Committee shall meet as and when required and make recommendations to Director, Animal Husbandry, H.P. whose decision will be final.</p>
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#### GENERAL

1	The powers to purchase the Veterinary Medicines are already delegated by the Government to the Director, Animal Husbandry. These powers stand further delegated to the Controlling Officers.
2	<p>The Director, Animal Husbandry HP will henceforth have special powers to purchase Veterinary Medicines required in emergency up to Rs. 3,00,000/- in each financial year from the open market subject to fulfilling all codal formalities and the availability of budget.</p> <p>The Controlling Officers/field in charges will have the power to purchase veterinary medicines up to Rs. 1,00,000/- in each financial year from the open market under extreme emergency after fulfilling all codal formalities and subject to the approval of the Director Animal Husbandry, HP.</p> <p>Similarly, Incharge of all Livestock Farms will have the power to purchase veterinary medicines up to Rs. 50,000/- in each financial year from the open market under extreme emergency after fulfilling all codal formalities and subject to the approval of the Director, Animal Husbandry, HP.</p>
3	The interpretation of the Addl. Chief Secretary/Pr. Secretary/Secretary (AH) to the Govt. of Himachal Pradesh in respect of this policy will be treated as final.
4	The Nodal Agency can facilitate the procurement of medicines etc. ibid as per this policy to other Departments etc. also in case desired/requested by them.

#### APPEALS

1	Wherever difficulties arise in interpreting these rules, the decision of the Addl. Chief Secretary/Pr. Secretary/Secretary (AH) to the Govt. of Himachal Pradesh will be treated as final.
2	<p>The Addl. Chief Secretary/Pr. Secretary/Secretary (AH) to the Govt. of Himachal Pradesh or such person nominated by the Addl. Chief Secretary/Pr. Secretary/Secretary (AH) to the Govt. of Himachal Pradesh will be the arbitrator in case of dispute(s) arising between the concerned parties (i.e. Director AH/Nodal Agency and the Tenderers/RC Parties) in the matter.</p> <p>Henceforth, the Administrative Secretary (A.H.) to the Govt. of HP shall have the power to review and give final decision on the penalties imposed by the Director AH on the rate contract parties after recording the reason(s), in the event the concerned party(ies) make a representation in this regard.</p>
3	Only the courts in Shimla will have the jurisdiction to take up the matters pertaining to the dispute(s) arising between the parties concerned (i.e. Director AH/Nodal Agency and the Tenderers/RC Parties).

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WRITE OFF AND DISPOSAL	
	<p>The Director AH shall annually constitute a stores survey and disposal committee of not less than three members at least two of whom will be Class-I officers. This committee shall survey the non-consumable medicines/equipments (if any) and recommend write-off for items, which are not usable/unserviceable/expired. The committee shall record the reasons for recommending write-off. The Director AH shall take action in the matter as per rules.</p>

By Order

(Rakesh Kanwar)  
Secretary (A.H.) to the  
Government of Himachal Pradesh.


Endst. No.: As above.

Dated Shimla-2,

21<sup>st</sup> Sept., 2023

Copy is forwarded to the followings :-

1. The Sr. Private Secretary to the Hon'ble Animal Husbandry Minister, HP.
2. The Secretary (Finance) to the Government of Himachal Pradesh, Shimla-2.
3. The Controller of Stores, HP Shimla.
4. The Director Animal Husbandry, HP Shimla-5.
5. The Registrar, CSKHPKV, Palampur, District Kangra, HP.
6. The Managing Director, H.P. Woolfed, Shimla-9.

  
(Jagtamba Devi)  
Joint Secretary (A.H.) to the  
Government of Himachal Pradesh.