6.1 Introduction

Purchases through tenders are more formal than the purchases made on casual basis or through established sources. The purpose of issuing tenders is to ensure fair competition and to ensure that the purchaser gets the best product at the most competitive prices. The interest of the buyer as well as the seller, are to be protected by clear understanding and statement of respective responsibilities. Other than buyer and seller, there are various other organisations who are interested in the various conditions of tender such as, the government of the countries concerned, funding bodies where purchases are to be made out of borrowed funds, e.g. World Bank (IBRD), regional banks like Asian Development Bank, and various banks who issue various security bonds to the bidders.

Tender answering that is submission of a bid against a tender is not a overnight job. It involves a lot of work following various steps of procedures. It also involves a certain amount of decision making process at various stages of bid preparation and certain strategies are also followed by the bidders to make most profitable decision from a set of alternatives. The methodology followed for submitting a bid against tender varies from one tender to another. However, some basic procedures which are followed by all most
all bidders are discussed in the following sections.

6.2 Collection of Information about Tenders

Generally information about tenders in the form of tender notices are published in various publications such as commercial newspapers like the Economic Times, Financial Express, government publications like Monthly Statistics of Foreign Trade, publications of some special organisations like the Development Forum by United Nations.

Since answering a tender is competitive activity, every exporter tries to get as much advance information as possible on the prospective tender. Though a time period is provided for preparing a bid against a tender, information in advance puts a competing firm in an advantageous position. Most of the international tendering agencies and governments have an information services that helps to disseminate news about major projects to be undertaken in the future, prior to a tender is floated. The early warning system assures that the tendering invitation actually comes to the knowledge of those concerned, in which a description is given about new projects and the scope of goods and services to be procured in connection with them. It helps the interested firms by providing an opportunity to prepare themselves for participation in the subsequent round of bidding. In case of selective tendering where invitations are sent directly to the selected firms, the early warning system plays a great role. The interested firms at this stage get a chance to apply for inclusion of their name in the list of selected bidders.
The various sources where such type of pre-tender information is published are various newspapers and special publications covering export business, pre notices by tender floating authority, various consulting organisations, budget sources, announcement of loan by certain funding authority (see annexure I). Some of the channels for collection of information prior to tender notices are various foreign agents of an exporter, diplomatic missions, banks, various export promotional councils. Another valuable source of information is the pre-qualification notices where a prospective purchaser asks for pre-qualification bids or registration. Thus the efficiency in interpreting information has a great role in collecting information about prospective tenders. (54)

6.3 Pre-selling Activities

A certain amount of pre-selling takes place in case of open competition through tenders. The maximum pre-selling occurs on specifications. A pre-seller supply specifications of their products to the prospective buyers or various tender preparing consultants. Pre-selling is also done for deliveries and terms of payment. This type of pre-selling help the seller as there is a chance that the tenders stipulate or accommodate such specifications, terms and conditions which are favourable to the prospective sellers. (54)

6.4 Pre-qualification Bids and Registration

Some times pre-qualification bids are invited mainly by major international tenders involving high value contract. If a tender contains a pre-qualification clause, already re-
registered company can bid for it. Otherwise application for registration has to be made. Even where formal pre-qualification bids are not called, it is advisable to register by sending full details of the company that a favourable impression is created.

Every effort is made at pre-qualification stage to submit an attractive and elaborate bid. Since pre-qualification bids are not very formal, a certain amount of exaggeration about the bidder's competence is allowed. At the pre-qualification stage, applications are screened on the basis of the assessment made regarding their technical capability, financial resources position, ability to maintain the time schedule and the probability of successfully executing the contract. Some tender floating organisations have printed form usually covering the main areas of information requirement. Those who do not have a printed questionnaire, only indicate the areas on which the information has to be furnished by the applicant company or firm. The following information is normally requested from the companies seeking for pre-qualification.

(a) Contractors' identification
(b) Resources in terms of personnel, plan and equipment available with the company
(c) Statement on the financial position of the company
(d) Present commitment - details of major work in the past or in progress
(e) Details of work completed similar to that of the present tender has been floated, especially in foreign country
(f) Broad plan of the execution of works
(g) Statement regarding the volume of work that might be sub-contracted
(h) Name of the bank and insurance company

Sometimes, the tendering organisations may also indicate the type of work experience which might qualify a prospective bidder for registration.

In case of a large turnkey project, it is usual for the customer to ask potential suppliers to submit as a preliminary document, a feasibility report on the project. The preparation of such report involves considerable amount of initial expense. At this stage, it is not possible to envisage whether the company submitting the report shall be awarded the contract. (8)

6.5 Decision to Bid or Not-to-Bid

Since bidding against a tender is a time consuming, complicated process involving a lot of expenditure, a bidder likes to make his decisions at this stage whether to take action against a floated tender or not. Studying a tender notice, pre-tender notice and/or pre-qualification request helps a bidder to take a right decision in this regard. Bid on no-bid decision is taken by evaluating the tender against the perspective of the company's overall corporate plan. Some of the common factors which have an influence on the
decision of accepting a tender for participation in bidding are:

(a) Type and nature of product/services/project
(b) Political and economic situation of the purchaser's or buyer's country
(c) Business relation between buyer's and Seller's country
(d) Credentials of tender floating body or purchaser (in case purchaser has assigned the tender inviting job to other party)
(e) Possible financial involvement
(f) Nature of involvement whether to supply only products or technical assistance or turnkey project
(g) Nature of loan or grant offered to the various financial organisations to the purchaser
(h) Acceptability of special terms and conditions of the tender

Information given in the tender notice to bid is examined to find out whether the awarding authority has received any loan from international financial agencies or foreign governments. This is particularly important because it shows whether the country of the bidder is eligible for participation and if eligible then which will be other competing countries. For example, if finance by the World Bank, firms in the member countries of the Bank and Switzerland are eligible to bid. If the Asian Development Bank is the financier,
then participation is restricted to the members of ADB. Therefore, in the case of ADB financed projects, competition is less compared to that for the World Bank financed projects. If loan is secured from a foreign government, sometimes it is stipulated that only bidders from countries having diplomatic relations with the financing government will be eligible to bid. Projects financed by International Financial Agencies, it is mandatory that expenditure relating to such projects will be incurred only in the countries which are members of the agency financing the project.

Sometimes it is possible to find out from the tender, notice whether the tender is divisible or not. In many cases the tender floating bodies reserve the right to accept part of the offer unless they explicitly stipulates otherwise. In case of divisible tender, the bidder may take decision to bid for only the identified segment of the tender which he considers to be most competitive.

In international tenders, the bidder has to compete against suppliers from other countries as well as those from the tender floating country. While overseas bidders are treated identically, a certain degree of preference is generally accorded to domestic bidders. World Bank has formulated guidelines about the degree of preference that might be extended to the domestic bidders in the award of World Bank financed projects.

Sometimes bidder has to submit his bid for a project for supply of a number of products against a World Bank financed
project where the real purchaser will be from the same country that of the bidder. Therefore though the tender is of international in nature, the actual supply of the products will be inside the bidders country and the payment also will be allowed in the currency of the bidder's country. This type of tender is known as deemed export. Since the World Bank's loan is generally in foreign currency to the purchaser, ultimately the bidder's country earns the foreign exchange. One of the examples of such type of tender is explained below.

World Bank has provided loan to Central Organisation for Modernisation of Workshops (Railway), a government of India organisation generally known as COFMOW. A tender has been floated for procurement of machine tools and other machinery by COFMOW. If an Indian company's bid is awarded then this deal or contract will be considered as deemed export. Though the seller will not physically ship the machines to foreign country, it will receive the regular export compensatory from the Indian government but in less percentage.

There are several other types of deemed export, such as in case a bidder bids a tender which has been floated by an organisation from Free Trade Zone or by a 100% export oriented unit situated in the bidder's country then the contract is treated as deemed export. Sometimes certain Christian charity organisations float a selected tender where awarded bidder has to supply the product to an organisation inside its own country where as the bill has to be sent to the purchaser's parent organisation situated in one of the foreign countries. This
case also it is treated as deemed export. Since these types of export involve lesser risk and lesser work load, a bidder always prefer in favour of accepting the tender for bidding.

In a turnkey project where a huge amount and the diversified character of work involved, it is necessary to decide to form consortium. The basic advantages of collaboration in the submission of bid is that it provides a mechanism of overcoming the limited capability of a single seller. (7, 9)

It may not be possible in all cases to take a firm and sound decision by analysing the tender notice alone. In those cases, it is necessary to study and analyse the tender document before taking any necessary decision.

6.6 Procurement of Tender Documents

It is found that, if preliminary study of tender notice indicates the bidding is profitable then a prospective bidder procure the tender documents from concerned organisation.

Payment methods are followed to obtain tender documents; Other than a few cases where tender documents are obtained at free of cost. Generally tender notice provide the address of a party from whom the floated tender has to be purchased against a required price. The tender documents are purchased in ultimate bidder's name. It can also be purchased in joint names of bidders and agent, if the documents are purchased by an agent. Sometimes tender documents are prohibited from transfer to others. The tender documents are also obtained through the embassy in the tender floating country by sending
a cable. In some countries like Kuwait, tender documents are sold only to local agents.

Sometimes it is necessary to procure extra copies of tender documents, especially when it is expected that the bidders should submit the bid by filling up the form supplied by the buyer along its tender documents. Extra copies are normally issued at reduced cost. (8)

6.7 Preparation of the Bid

It is observed that the preparation for a bid is a very long process. It is not one man's job. Team-work and timely making of right decisions help to prepare a competitive bid. Though there is no general procedure which the bidder can follow in this connection, but on the whole the process of tendering could be divided into five important functions, viz. Selection of product/s to be quoted, Pricing, Procurement of various supporting documents, Presentation of the bid, Submission of the Bid.

6.7.1 Selection of Product/s for Quoting

An exporter always likes to select the most suitable product/s for quoting purpose. The thorough knowledge of competitors' products helps the bidder at this stage to choose right product/s or to modify suitably. An exporter may be an export department attached to a manufacturing company or a subsidiary company of a manufacturing company. It may be an export house or a trading house. The exporter may export products of its own manufacturing products or it may export
other manufacturers' products or both. The nature and scope of the exporter has a great influence on the selection procedure of the products. For example if an exporter exports products of its own manufacturing company as well as the products of other manufacturing companies whom he represents as an export agent, the selection procedure would be as follows: The export company will try to select first product/s from a range of products manufactured by his own manufacturing company, if the suitable product is not available then it will try to select product/s of the other companies whom he represents. If a bidder is too sure about the profitability of the bid and has a fair chance of winning the bid, then he may try to negotiate with concerned persons/organisations for a collaboration or to get acknowledgement as an export agent so that he will be able to quote suitable product/s in his bid.

Primarily the selection of product is done on the basis of matching first some of the main features of a product with that of the technical specification provided in the tender document. The product/s from the selected short list is again analysed for detailed matching of product specifications. In case of engineering product, most of the cases 100% matching is not possible. Therefore near most matched product/s is/are selected.

Depending on the specifications specified in the tender, various competitors' products specifications, negotiation between bidder and manufacturers is carried on to find out whether
it is possible to incorporate a few modifications in the selected product/s which will help the bidder in better position to quote.

In case of turnkey projects the bidder has to bid for the complete project involving a number of items and aspects. For example, a complete machine tool project will involve the following:

- supply of plant and machinery
- civil engineering for factory and office building, machinery foundations, housing, roads & railways, etc.
- supply of various machine tools, measuring machines and other related machinery
- planning and developing of ancillaries
- commissioning the plant
- training of local personnel to ultimately take over the plant.

The very complicated nature of requirements in a turnkey project make the selection procedures for its machineries and other products complicated. (66)

6.7.2 Pricing

Quotation is a formal offer made by a bidder to a buyer for sale of products at a certain price and under certain specified conditions. It is also known as proforma invoice with little variations. (See Sec. 9.3.8)
Pricing is an important activity of tendering especially in international market. Mostly no simple mathematical formula is available for an international marketer in arriving at the right pricing decision.

Under open competitive bidding, the level of the price quotation is crucial factor which determines the success or failure in securing the contract. Preparation of a bid in the presence of imperfect and insufficient information on competitor's bidding strategy involves the decision-making under uncertainty. It may be possible for the management to estimate, however imperfectly the varying degree of probability of success in securing the contract on the basis of alternative price quotations based on past experience.

Pricing is done on a case to case basis. It is very common to quote different prices for same product in different bid as various factors which influence the price structure differ from one bid to another.(54)

6.7.2.1 Export Pricing and Cost Factor

Manufacturing cost of a product plays an important role in determining final selling price in the export market. There are certain costs which directly influence the export pricing and relevant only to export operations. In practical situations, the total composition of the various costs that forms the export price of a product is flexible. Though the price structure is essential to determine the prices in the export market, it is not in fixed nature. The various ele-
The cost of a product can be broadly classified into two groups.

(a) Ex-factory cost

(b) Sales and distribution overheads
(a) **Ex-factory Cost**: The ex-factory cost of a product includes all the costs incurred on it till it leaves the factory premises.

(b) **Sales and Distribution Overheads**: These cover all the costs incurred from the time the product leaves the factory premises. Some of the common cost elements which are exclusively incurred in exporting a product are explained below.

(i) **Export Packaging Cost**: Products for exporting require special packaging to withstand rough handling in the process of loading and unloading. Seaworthy packing is required for products with long sea voyage schedule to avoid rusting and other damages. Though the packaging is done at the factory itself, the cost of packaging is not added in the ex-factory cost and it is added while calculating the final price of a product.

(ii) **Export Handling Charges**: Export handling charges include the cost of transportation of a product from warehouse to port, all storage charges before it is loaded on to a ship, payment of port duties, charges connected with documentation for export, etc. Sometimes due to unavoidable situations, the products may have to lie in the dock premises for more than the initial grace period
of seven days. Demurrage charges are claimed towards storage and protection of these products in the port premises.

(iii) **Freight Charges:** Depending on the requirements of a purchaser, the products like machine tools are shipped or despatched by air, or by rail or by road. When the products have to be shipped or air-freighted, a certain amount of incidental charges are usually added while pricing.

(iv) **Insurance:** Products for export are usually insured against damages, deterioration and loss during transit. Depending on the tender conditions, insurance charges are added in the price to cover the insurance feature of the product as soon as they are shipped.

(v) **Commission and Service Charges Payable to the Export Houses:** Since enormous effort and expenditure involved in organising export activities, some of the organisations, especially small scale and medium scale industries prefer to export their products through established export houses. In such cases, commission or service charges payable to an export house are to be taken care of in pricing the product.
(vi) **Commission Payable to Agents Abroad**: Where an agent at abroad is appointed to promote the sale of an exporter, a predetermined commission is required to be paid to the agent on the sale price of the product. Thus, the commission charges also form a part of the cost of the product and should be taken into account while arriving at the price of a product.

The composition of pricing of a product for international tendering depends on the nature of delivery terms specified by the purchaser in the tender document.

In order to have uniform export terms for delivery, 'INCOTERMS' are used all over the world. They indicate:

(i) the charge and expenses which must be paid by the seller
(ii) the place of delivery of the products
(iii) the point of time when the products and their transit risks are transferred

Each term means a different division of costs, risks and responsibilities between the buyer and seller. The common ones are:

**Exworks**: It means that the seller's only responsibility is to make the products available at his premises (i.e. work place
or factory). He is not responsible for loading the products in the vehicle provided by the buyer, unless otherwise agreed. However, packing costs are paid by the exporter. The buyer bears the full cost and risk involved in bringing the products to the desired destination. Thus the seller is having minimum obligation according to this term.

Ex-works price quotations are rarely used in international tendering except for some cases of deemed exporting. Also when it is difficult to estimate the cost of transportation, shipping freight, etc. in advance (mostly in case of a large amount tender), ex-works quotations are usually accepted by the buyer irrespective of delivery terms. Later, charges like transportation, freight, insurance, etc. are charged at actuals to the buyer.

**Free on Board (FOB):** The exporter has the obligation to put the products on board of a ship at a port of shipment named in the sale's contract. The risk of losing or damage to the products is transferred to the buyer from the seller when the products pass the ship's rail. Thus port trust charges and other duties (if any) for completing the shipping document and loading the products on the ship are incurred by the exporter.

In Indian conditions, FOB price of a product is very significant as all the export benefits offered by the Government of India are usually related to the FOB price of a product. Thus, when a price quotation is made depending on
other delivery conditions, FOB price of a product is always identified.

**Cost & Freight (C & F):** This denotes that in addition to the responsibility and expenses to be incurred as in FOB, the exporter has also to pay ocean freight. Delivery takes place when the bill of lading is handed over; and the products and transit risks, as well as of any cost increases are transferred from the seller to the buyer as soon as the products pass the rail in the port of shipment. In other words, C & F means FOB price plus freight charges.

**Cost, Insurance and Freight (CIF):** It means that all the costs as in C & F together with marine insurance are paid by the exporter. Here also delivery takes place when the bill of landing is handed over and the products and transit risks are transferred when the products pass through the ship's rail. In other words CIF means, FOB price plus freight and insurance charges.

Besides all these factors, in India, there are some other factors which have a direct effect on pricing of a product such as various incentive schemes provided by the Government of India to the exporters to help in pricing the export products more competitive in the international market. The export assistance schemes which have direct bearing on the export pricing of a product are:

(i) Cash compensatory assistance

(ii) Exemption from custom duty
(iii) Duty drawback

The scope of these schemes are described in Sec 4.6.2(5,30,32)

The above discussion gives an indication that pricing of a product for international tendering is influence by various factors and conditions of the tender. Thus, in practical situation various alternative prices of a product is calculated following more than one mathematical models. One such mathematical model which is in use for calculating FOB prices of a product (machine tools) is described below.

If, \[ Z = \text{FOB price to be quoted} \]
\[ A = \text{Ex-works price} \]
\[ B = \text{Escalation} \]
\[ R = \text{Percentage realisation (\%)} \]
\[ C = \text{Commission charges (absolute)} \]
\[ D = \text{Seaworthy packing charges (absolute)} \]
\[ E = \text{Inland transport (absolute)} \]
\[ F = \text{Inland insurance (absolute)} \]
\[ G = \text{Port handling charges (absolute)} \]
\[ Y = (D + E + F + G) \]
\[ H = \text{Commission payable in India (\%)} \]
\[ I = \text{Commission payable abroad (\%)} \]
\[ J = \text{Finance charges \% of FOB} \]
\[ K = \text{ECGC as \% of FOB} \]
\[ L = \text{Any other charges as \% of FOB} \]
\[ M = \text{CCS as \% of FOB} \]
\[ N = \text{DBK as \% of FOB} \]
P = Cost of special accessories for machine to be added with the basic machine (when buyer wants standard accessories) (say A) (absolute)
Q = Cost of special accessories to be supplied along with the basic machine A (absolute)
X = Exchange rate (in rupees)

then,

\[ Z = \frac{(A+P)(100+B)}{100} \cdot \frac{R}{100} + Q + C + Y \]

\[ \frac{1 + \frac{M+N}{100} \cdot \left( \frac{100-I}{100} \right) - \left( \frac{H+I+J+K+L}{100} \right)}{X} \]

From this model, it is possible to get various alternative values just changing any of the factors mentioned above.

6.7.2.2 Determining the most Profitable Price

A certain amount of uncertainty is present in determining the most profitable price. The management generally comes to the conclusion based on the past data on similar tenders, which have been won or lost by the firm. One of the strategies that is followed by bidders is explained below with an example.

The management of a particular firm by following a pricing model could arrive at a price value for a product to be quoted to export market and also could get a set of alternative prices by changing the value of a few parameters of the model. It is noted that the prices range from Rs.50,000 to Rs.53,000. On the basis of the past data on
similar tenders, the management feels that is highly unlikely that any of the potential competitors will quote the price lesser than Rs.50,000. Thus, the profitability of getting the contract at Rs.50,000 is very close to 100%. Similarly, on the basis of the same data it may be possible to estimate the upper limit at Rs.53,000. Thus, according to management the probability to secure the contract more than at Rs.53,000/- is zero because all competitive bids are expected to be lower than Rs.53,000. The range within which the competitive bids are expected to be followed is determined by locating the lowest and highest bid on every past occasion. It is possible to express the past lowest bids of the competitors as proportional to the firm's cost estimate by analysing the past data. If there is no change in the behaviour pattern of the competitors, the frequency distribution technique can be used for determining the firm's bidding strategy for the present tender. The expected profit associated with various bids can also be calculated in conjunction with the frequency distribution. If a situation arise where the more probability of getting award is associated with less profits, then the final choice as to the bid to be submitted depends on

(a) the importance of the contract to the company in the context of its present and future levels of operation

(b) the alternatives, if any, open to the company to use its productive resources and the attitude of the management to risk-taking.
If the company does not treat the tender as crucial or expect any more profitable jobs in future and the management is risk-neutral, the company will select the price which maximises the gross expected profit.

Though past data is used for analysis in guessing competitors' prices, it is really necessary to know the present cost estimate of the potential competitors which is very difficult to collect.

If the company is using technology similar to that of the potential competitors, it may be possible to compute approximately the direct manufacturing cost of the competitors, on the basis of own cost data and a number of correction factors. The estimated cost thus prepared can be cross checked with data collected from external sources.

It is not always true that the party who will submit the lowest bid is automatically awarded the tender. There are certain non-price factors which influence the success of the bid. Thus to compute the probability of success against the bidder, factor rating procedure is used. The basic step is to assign weights to the various factors (like cost effectiveness, technical competence, credit terms, delivery terms, prior experience, economic-political relationship), which may influence the decision regarding the award of the contract. Weights reflect the relative importance that the management attaches (on the basis of buyer's past behaviours and attitudes to the factors in
determining the outcome of the bid. (7,53)

6.7.3 Procurement of Supporting Documents for Bid

In most of the cases a bidder is expected to furnish a certain supportive documents while submitting a bid. The nature of the documents vary from one tender to other. However, some common supportive documents (54) are:

(i) **Bid Bond:** The foreign buyers require this document when an exporter wants to quote for a tender. This is a guarantee certifying the genuineness of the offer submitted by the bidder. Timely and clear advice through the issuing banks and fool-proof arrangement of collection of bid bonds at site are necessary to avoid disqualification. Photocopies of bid bonds, issuing banker's letter, counter signatures of competent authorities like foreign missions, sometimes helps, if the bid bond does not reach in time. Unless the wording of bid bond is specified in the tender, it is wise to give only an overall bid bond in consultation with the banker who would advice on fair yet safe wording. In some tender bid bond is referred to as bid security bond.

(ii) **Reference Letters:** To create confidence a favourable reference from a previous purchaser is also submitted along with the bid documents. The reference could be on quantity or quality. If sufficient foreign references can not be given, impressive Indian references can also be submitted to create a confidence on the prospective buyer.
(iii) **Eligibility Certificate:** If the awarding authority has received loan from any international financial agencies or foreign governments, it is necessary that bidder should provide proof that the bidder is eligible for participation (see Sec 5.3.1). Thus each bidder has to submit with bid a certificate of location and nationality of the bidder and a certificate of source and origin of the equipment and products of the bid. It is also sometimes necessary for the bidder to submit certificates that the bidder is a manufacturer of the items bid, or he is an authorised exporter of the items bid.

Trade catalogues, design drawings, standards and specifications are also some of the common documents which are to be supplied as supporting documents.

**6.7.4 Presentation of the Bid**

Good preparation, easier references help a bid to be evaluated easily for award purpose. In most of the cases, guidelines are provided in the tender document regarding the presentation of the bid. In some cases purchaser provides various bid forms along with the tender document which is expected to be filled in submitted by the buyer.

In case of choice, it is advisable to present the bid in neatly classified chapters like introductory, specifications, pricing, technical and commercial support documents.

It is good to conform to all conditions except to those on which it is found to be necessary to comment. Such pro-
jection by exceptions generates much confidence during evaluation of the tender by the buyers. Deviation should be highlighted as it leaves room for negotiations. It is important to define the delivery schedule clearly. It helps in generating confidence of the purchaser. Bar charts which show a number of features at one glance will be able to assure the buyer that completion of the total project in time is taken into consideration and also the contractual protection look justified. It is better to present the bid with a covering letter which indicates the salient features of the bid. The signature in the bid should be minimum. Some cases are there where the purchaser insists for specific authorities acceptance such as, Chamber of Commerce, diplomatic mission, notaries public and also bank issuing bid bonds. It is advisable to make main bid entirely as specified by the purchaser and submit the alternative bid which will be more advantageous to the customer with some deviations.

In the physical presentation of the bid and its presentation considerable care has to be taken. It should be complete, perfectly typed and bound in elegant folders. The necessary brochures, reference lists, drawings, etc. should also be submitted in companion folders. To ensure confidentiality of the price and to guard against industrial espionage it is advisable to take proper care of the security of the bid. (54)
6.7.5 Submission of the Bid and Follow-up

It is observed that a bidder directly or through his agents or through the Indian embassy submit the bid to the address specified in the tender document. If there is a public opening of the bids, every bidder likes to be present to collect information about other bidders (competitors). If it is not possible for a bidder to attend, one of his representatives attends the bid opening. Sometimes the tender awarding authority gives a chance for a limited bidders (short listed) to amend the bid according to modified conditions or give chances for negotiations. If bid opening is of closed nature, the bidder tries to collect the information about awarded tender through information intelligence service to analyse the demerits of his own bid.

If tender results proves favourable, the awarding tender is treated as an order and the responsibility is passed to the order processing and execution department for further action. Otherwise, arrangement is made to obtain the refund of bid deposit from the tender awarding authority.

6.8 Parameters for Information Requirements

The procedural presentation of international tendering has indicated the diverse factors that surround the issues of decision-making. Information requirements specification is based on each of the factors such as quoting, pricing, and other follow up factors. The details of these are discussed in the next chapter.