

Guidance Notes on Forfeiture of Bid Security and Debarment process

Forfeiture of Bid Security and Debarment process

The bid security of the bidders shall be forfeited if the bidders are in Breach of their obligation under the BID conditions. The following circumstances may lead to the forfeiture of the bid security, If the bidder:

- *have withdrawn the Bid during the period of Bid validity*
- *having not accepted the correction of errors in accordance with the Instructions to Bidders*
or
- *having been notified of the acceptance of the Bid by the procuring agency during the period of Bid validity,*

- (i) fail or refuse to furnish the performance security in accordance with the ITB, or*
- (ii) fail or refuse to execute the Contract in accordance with the ITB.*

Instructions:

Step 1- Forfeiture of Bid security

In case the bid security is to be forfeited due to any of the reasons stated above;

1. The Procuring Agency (PA) shall send an email/letter to the bidder reminding them of the forfeiture of bid security and clearly stating the reason for such forfeiture.
2. The PA shall instruct the bidder to deposit the forfeited bid security to the e-GP Master account No. (200514622).
3. The PA shall mention the amount (as indicated in the bid notice), deadline (5 days from the day of notification) and account number for which the bidders have to deposit the forfeited amount.
4. PA shall instruct the bidder to provide the screenshot/document of the payment made to confirm that the payment is made to prevent them from getting debarred.

Step 2

Debarment process:

1. The PA shall initiate the debarment process if the bidder fails to deposit the forfeited bid security to the e-GP master account within the stipulated timeline.
2. Write to PMDD (pmdd@mof.gov.bt) to debar the bidder, mentioning the reasons alongside supporting documents.
3. The PMDD shall then proceed with the debarment process in accordance with the debarment rule.