

SECTION – INB
INSTRUCTION TO BIDDERS

A. INTRODUCTION

1.0 GENERAL INSTRUCTIONS

The Meghalaya Energy Corporation Ltd. hereinafter called ‘MeECL’/ ‘owner’ will receive bids for maintenance of 220KV line from Misa (Assam) 220KV substation (Power Grid Corporation of India) to 220KV substation at Killing. All bids shall be prepared and submitted in accordance with these instructions.

2.0 COST OF BIDDING

The bidder shall bear all costs and expenses associated with preparation and submission of its bid including post-bid discussions, technical and other presentations etc, and the owner will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

B. THE BIDDING DOCUMENTS

3.0 CONTENTS OF BIDDING DOCUMENT

The goods and services required, bidding procedure and contract terms are prescribed in the bidding documents.

In addition to the invitation to bids, bidding document is a compilation of the following sections:

- (a) Instruction to bidders - section - INB (Vol.-I)
- (b) General conditions of contract - section - GCC (Vol.-I)
- (c) Special conditions of contract - section - SCC (Vol.-IA)
- (d) Bid form and price schedules (Vol.-IB)
- (e) Technical specifications (Vol.-II)
- (f) Maintenance schedule (Vol.-III)

4.0 UNDERSTANDING OF BID DOCUMENTS

A prospective bidder is expected to examine all instructions, forms, terms and specifications in the bid documents and fully inform himself as to all the conditions and matters which may in any way affect the scope of work or the cost thereof. Failure to furnish

all information required by the bid document or submission of a bid not substantially responsive to the bid document in every respect will be at the bidder's risk and may result in the rejection of its bid.

5.0 CLARIFICATION ON BID DOCUMENTS

- 5.1 If the prospective bidder finds discrepancies or omissions, in specifications and document or is in doubt as to the true meaning of any part, he shall at once make a request, in writing, for an interpretation/ clarification, to the owner in triplicate. The owner, then, will issue interpretation(s) and clarification(s), the bidder may submit his bid but within the time and date as specified in the invitation to bid. All such interpretation and clarification shall form a part of the bidding document and shall accompany the bidder's proposal. A prospective bidder requiring any clarification on bidding document may notify the owner in writing. The owner will respond in writing to any request for such clarification of the bidding document which is received not later than 15(fifteen) days prior to the deadline for submission of bids prescribed by the owner. Written copies of the owner response (including an explanation of the query but without identifying its source) will be sent to all prospective bidders who have received the bidding document.
- 5.2 Verbal clarification and information given by the owner or his employee(s) or his representative(s) shall not in any way be binding on the owner.

6.0 AMENDMENT TO BIDDING DOCUMENT

- 6.1 At any time prior to the deadline for submission of bids, the owner may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the bidding document by amendment(s).
- 6.2 The amendment will be notified in writing or by telex or cable to all prospective bidders, which have received the bidding document at the address contained in the letter of request for issue of bidding document from the bidders. Owner will bear no responsibility or liability arising out of non-receipt of the same in time or otherwise.
- 6.3 In order to provide prospective bidder reasonable time in which to take the amendment into accounts in preparing their bids, the owner may, at its discretion extend the deadline for the submission of bids.
- 6.4 Such amendment, clarification, etc. shall be binding on the bidder and will be given due consideration by the bidder when they submit their bids and invariably enclose such documents as the part of the bid.

C. PREPARATION OF BIDS

7.0 LANGUAGE OF BID

The bid prepared by the bidder and all correspondences and document relating to the bid exchanged by the bidder and the owner shall be written in the English language.

8.0 LOCAL CONDITIONS

8.1 It will be imperative on each bidder to fully inform himself of all local conditions and factors which may have any defect on the execution of the contract covered under this document and specifications. The owner shall not entertain any request for clarifications from the bidders, regarding such local conditions.

8.2 It must be understood and agreed that such factors have properly been investigated and considered while submitting the proposal. No claim for financial adjustment to the contract awarded under this specification and document will be entertained by the owner. Neither any change in the time schedule of the contract nor any financial adjustments arising thereof shall be permitted by the owner, which are based on the lack of such clear information or its effect on the cost of the works to bidder.

9.0 DOCUMENT COMPRISING THE BID

9.1 The bidder shall complete the bid form inclusive of price schedules etc. furnished in the bidding document, indicating for the services to be rendered, a brief description of services, quantity and prices.

9.2 The bidder shall also submit documentary evidence to establish that the bidder meets the qualification requirements as detailed in the accompanying special conditions of contract section – SCC, volume - IA.

9.3 The bid security shall be furnished in a separate cover in accordance with clause 16.0 of section - INB.

10.0 SCOPE OF THE PROPOSAL

10.1 The scope of the proposal shall be on the basis of single bidder's responsibility, completely covering all the equipments specified under the accompanying special conditions of contract, volume – IA & technical specification, volume -II.

10.2 Any items or scope which are not specifically mentioned in the scope of the bidder but required for smooth and successful execution of the work shall also be in the scope of the bidder.

- 10.3 The owner reserves the right to delete any scope of work as mentioned in the technical specification/ schedule of price from the bidder's scope which shall be intimated to the bidder during evaluation of the bid.
- 10.4 The owner reserves the right to split the scope of work and award among two or more contractors which shall be decided by the owner after evaluation of bids.
- 10.5 Bids containing deviations from provisions relating to the following clauses will be considered as non-responsive:
- (a) **Price basis :** clause 11.0 of section - INB, Vol. - I, conditions of contract.
 - (b) **Bid security:** clause 16.0, section - INB, Vol.-I, conditions of contract.
 - (c) **Contract performance guarantee:** clause 35.0, section- INB, Vol.-I, conditions of contract.
 - (d) **Payment:** clause 21.0, section GCC, Vol.-I, conditions of contract.
- 10.6 Bid not covering the above entire scope of works may be treated as incomplete and hence rejected.

11.0 BID PRICE

- 11.1 The bidder shall quote in the appropriate schedule of bid form lump-sum price for the entire scope of works covered under the technical specifications as required in the bid proposal sheets on a **FIRM** price basis and no price variation will be allowed during the currency of the contract. Bidders quoting a system of pricing other than that specified run the risk of rejection.
- 11.2 Bidder shall indicate bid prices in Indian rupees only.

12.0 TAXES AND DUTIES.

- 12.1 The bidder shall include service tax, sales tax on works contract, or any other similar taxes under the sales tax act, as applicable in their quoted bid price and MeECL would not bear any liability on this account. MeECL shall, however, deduct such taxes at source as per the rules and issue TDS certificate to the contractor.
- 12.2 As regards the income tax, surcharge on income tax and other corporate taxes the bidder shall be responsible for such payment to the concerned authorities.

13.0 CONTRACT QUALITY ASSURANCE

- 13.1 The bidder shall include in his proposal the quality assurance programme containing the overall quality management and procedures which he proposes to follow in the performance of the works during various phases.

13.2 At the time of award of contract, the detailed quality assurance programme to be followed for the execution of the contract will be mutually discussed and agreed to and such agreed programme shall form a part of the contract.

14.0 INSURANCE

The bidder's insurance liabilities pertaining to the scope of works are detailed out in clause titled 'insurance' in general terms and conditions of contract(GCC) of this volume -I. bidder's attention is specifically invited to these clauses. Bid price shall include all the cost in pursuance of fulfilling all the liabilities under the contract.

15.0 MAINTENANCE TOOLS AND TACKLES

The proposal shall include all special tools and tackles required for the operation and maintenance of the equipment in the scope of work. The bidder shall indicate all the above items in the proposal sheets in the form of schedule given therein and the description and the quantity of each item. The lump sum price to be quoted by the bidder shall include prices of these tools and tackles.

16.0 BID SECURITY

16.1 The bidder shall furnish, as part of its bid, bid security for an amount of Rs.2.00 lakhs (Rupees two lakh). The bid security shall be valid for a period of 6 (six) calendar months from the date of opening of bids.

16.2 The bid security is required to protect the owner against the risk of bidder's conduct, which would warrant the security forfeiture, pursuant to clause 16.7 below, the bid security shall be made payable to the owner without condition whatsoever.

16.3 The bid security shall be denominated in Indian rupees only and shall be in one of the following forms:

- (a) A crossed bank draft/ call deposit in favour of the Chief Accounts Officer, MeECL, payable at Shillong from nationalized bank.
- (b) A cheque certified by the banker as good for payment drawn in favour of the Chief Accounts Officer, MeECL, payable at Shillong on nationalized bank.
- (c) An irrevocable bank guarantee issued by a nationalized bank in favour of the Chief Accounts Officer, MeECL. Proforma for the bank guarantee is enclosed as Annexure – I, Volume - I.

16.4 Any bid not secured in accordance with clause 16.1 and 16.3 above will be rejected by the owner as non- responsive.

- 16.5 Unsuccessful bidder's bid security will be discharged/returned as promptly as possible but not later than 60(sixty) days after the expiration of the period of bid validity prescribed by the owner.
- 16.6 Successful bidder's bid security will be discharged upon the bidder's executing the contract and furnishing the performance guarantee pursuant to clause 35.0 below.
- 16.7 The bid security may be forfeited.
- (a) If a bidder withdraws its bid during the period of bid validity specified by the bidder on the bid form; or
 - (b) In case of successful bidder, if the bidder fails:
 - (i) to sign the contract; or
 - (ii) to furnish the performance guarantee.
 - (iii) for any lapse whatsoever for any misinformation and /or suppression of any required information.
- 16.8 The bid security shall be submitted along with the bid in separate sealed envelope in one original and two copies. Any bid not accompanied by the required bid security in accordance with provisions of this clause will be rejected by the owner and shall not be opened.
- 16.9 No interest shall be payable by the owner on the bid security.

17.0 PERIOD OF VALIDITY OF BIDS

- 17.1 Bids shall remain valid for 6 (six) calendar months after the date of bid opening prescribed by the owner. A bid valid for a shorter period will be rejected by the owner as non responsive.
- 17.2 In exceptional circumstances the owner may solicit the bidder's consent to any extension of the period of validity. The request and the response thereto shall be made in writing(including cable or fax). The bid security provided under clause 16.0 above shall also be extended by the same period as the extension in the validity of the bid. A bidder may refuse to request without forfeiting his bid security. A bidder granting the request will not be required or permitted to modify its bid.

D. SUBMISSION OF BID

18.0 FORMAT OF BID

- 18.1 The bidder shall prepare three copies of the bid, clearly marking each 'original bid' and 'copy of bid', as appropriate. In the event of any discrepancy between them, the original shall govern.

- 18.2 The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by the bidder or a person or persons duly authorized to bind the bidder to the contract. The letter of authorization shall be indicated by written power of attorney accompanying the bid. All pages of the bid shall be initialed by the person or persons signing the bid.
- 18.3 The bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors made by the bidder, in which case such corrections shall be initialed by the person or persons signing the bid.
- 18.4 The bidder must submit the qualifying data in three copies, as required in this instruction to bidders in a separate envelope sealed and enclosed in the envelope submitting the proposals.
- 18.5 The price bid should be prepared separately and placed in a separate envelope and sealed.

19.0 SIGNATURE OF BIDS

- 19.1 The bid must contain the name, residence and place of business of the person or the persons making the bid and must be signed and sealed by the bidder with his usual signature. The names of all persons signing should be typed or printed below the signature.
- 19.2 Bid by cooperation/company must be signed by the legal name of the cooperation/ company by the president, managing director or by the secretary or other person or persons authorized to bid on behalf of such cooperation/company in the matter.
- 19.3 A bid by a person who affixes to his signature the word ‘president’, ‘managing director’, ‘secretary’, ‘agent’, or other designation without disclosing his principal will be rejected.
- 19.4 Satisfactory evidence of authority of the person signing on behalf shall be furnished with the bid.
- 19.5 The bidder’s name stated on the proposal shall be exact legal name of the firm.
- 19.6 Bids not conforming to the above requirements of signing may be disqualified.

20.0 SEALING AND MARKING OF BIDS

- 20.1 The techno – commercial bid under clause 18.4 above accompanied by the bid security should be placed in one envelope, sealed and marked as ‘techno-commercial bid’.
- 20.2 The price bid under clause 18.5 above should be sealed and marked as ‘price bid’ indicating the name of the work etc.
- 20.3 Both the separately sealed envelopes under clause 20.1 & 20.2 above should be placed in another envelope and duly sealed.

- 20.4 The bidder shall seal the original and each copy of the bids in an inner and an outer envelope, duly marking the envelopes as 'original' and 'copy'.
- 20.5 The outer envelopes shall be:
- (a) addressed to the owner at the following address:
The Chief Engineer (Transmission),
Meghalaya Energy Corporation Ltd.,
Lum Jingshai, Short Round Road,
Shillong - 793 001.
 - (b) bear the name of package number, and the words 'DO NOT OPEN BEFORE.....'
- 20.6 The inner envelope shall indicate the name and address of the bidder to enable the bid to be returned unopened in case it is declared 'late' or 'rejected'.
- 20.7 If the envelopes are not sealed and marked as required by clause 20.0 above, the owner will assume no responsibility for the bid's misplacement/ premature opening.

21.0 DEADLINE FOR SUBMISSION OF BIDS

- 21.1 The bidders have the option of sending the bid by registered post or submitting the bid in person. Bids submitted by telex/telegram will not be accepted. No request from any bidder to the owner to collect the proposals from airlines, cargo agents etc. shall be entertained by the owner.
- 21.2 Bids must be received by the owner at the address specified under clause 20.5 above, not later than the time & date mentioned in the invitation to bid.
- 21.3 The owner may, at its discretion, extend this deadline for the submission of bids by amending the bidding document, in which case all rights and obligations of the owner and bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

22.0 LATE BIDS

Any bid received by the owner after the time and date fixed or extended for submission of bids prescribed by the owner, will be rejected and/or returned unopened to the bidder.

23.0 MODIFICATION AND WITHDRAWAL OF BIDS

- 23.1 The bidder may modify or withdraw its bid after the bid's submission provided that written notice of the modification or withdrawal is received by the owner prior to the deadline prescribed for submission of bids.

- 23.2 The bidder's modification or withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of clause 20.0 above.
- 23.3 No bid may be modified subsequent to the deadline for submission of bids.
- 23.4 No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the bidder on the bid form. Withdrawal/modification of a bid during this interval may result in the bidder's forfeiture.

24.0 INFORMATION REQUIRED WITH THE PROPOSAL

- 24.1 The bidder, along with his proposal, shall submit a list of recommended erection equipment and materials which will be required for the purpose of erection of equipment and materials to be provided by the owner for the work.
- 24.2 Oral statements made by the bidder at any time regarding, quantity or arrangement of the equipment or any matter will not be considered.

E. BID OPENING AND EVALUATION

25.0 OPENING OF BID BY OWNER

- 25.1 The owner will open the bid in the presence of bidders' representatives (upto 2 persons) who choose to attend at the date and time for opening of bids in the invitation to bid. In case any extension has been given thereto, on the extended bid opening date and time notified to all the bidders who have purchased the bidding document. The bidders' representatives who are present shall sign in a register evidencing their attendance.
- 25.2 The bidders' names, bid prices, modifications, bid withdrawals and presence or absence of the requisite bid security and such other details as the owner, at its direction, may consider appropriate will be announced at the opening.
- 25.3 No electronic recording devices will be permitted during bid opening.

26.0 CLARIFICATION OF BIDS

To assist in the examination, evaluation and comparison of bids the owner may, at its discretion, ask the bidder for a clarification of its bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

27.0 PRELIMINARY EXAMINATION

- 27.1 The owner will examine the bids to determine whether they are complete, whether any

computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.

27.2 Arithmetical errors will be rectified on the following basis:

If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and total price shall be corrected. If there is a discrepancy between words and figures, the amount in words will prevail. If the bidder does not accept the correction of the errors as above his bid will be rejected and the amount of bid guarantee forfeited.

The bidder should ensure that the prices furnished in the price schedule are consistent with each other. In case of any inconsistency in the prices furnished in the specified price schedules to be identified in bid form for this purpose, the owner shall be entitled to consider the highest price for the purpose of award of the contract use the lowest of the prices in these schedules.

27.3 Prior to the detailed evaluation, the owner will determine the substantial responsiveness of each bid to the bidding document. For purpose of this clause, a substantially responsive bid is one which conforms to all the terms and conditions of the bidding document.

27.4 A bid determined as not substantially responsive will be rejected by the owner and may not subsequently be made responsive by the bidder of the non-conformity.

27.5 The owner may waive any minor informality or non-conformity or irregularity in a bid provided such waiver does not prejudice or affect the relative ranking of any bidder.

28.0 DEFINATIONS AND MEANINGS

28.1 For the purpose of evaluation and comparison of bids, the following meanings and definitions will apply:-

- (a) 'Bid price' shall mean the base price quoted by each bidder in his proposal for the complete scope of works.
- (b) 'Cost compensation for deviations' shall mean the rupee value of deviations from the bidding documents as from the bidder's proposal.
- (c) 'Evaluation bid price' shall mean be the summation of 'bid price', and 'cost compensation for deviations'.

28.2 Calculation of 'cost compensation for deviations'.

Deviations from the bidding documents in so far as practicable will be converted to a rupee value (D) and added to the bid price to compensate for the deviation from the bidding document while evaluating the bids. In determining the rupee value of the deviations the owner will use the parameters consistent with those specified in the specifications and documents and/or information as necessary and available to the owner.

29.0 COMPARISON OF BIDS

29.1 The bid shall be compared on the basis of lump-sum prices (i.e. prices for services to be rendered as quoted by the bidder) for the entire scope of the proposal as defined in the bidding document.

29.2 For comparison purposes all the evaluated bid price shall be in Indian rupees as under:

$$W = M + D$$

Where,

W = total comparison price

M = bid price in Indian rupees (price of erection and other component if any)

D = cost compensation for deviations calculated according to clause 28.2 above.

29.3 All evaluated bid prices of the bidders shall be compared among themselves to determine the lowest evaluated bid and, as a result of this comparison, the lowest bid will be selected for the award of the contract.

30.0 CONTACTING THE OWNER

Bids shall be deemed to be under consideration immediately after they are opened and until such time official intimation of award/rejection is made by the owner to the bidders. While the bids are under consideration, bidders and/or their representatives or other interested parties are advised to refrain from contacting by any means, the owner and/or his employees/representatives on matters related to the bids under consideration. The owner, if necessary, will obtain clarifications on the bids by requesting for such information from any or all the bidders, either in writing or through personal contact as may be necessary. Bidders will not be permitted to change the substance of the bids after the bids have been opened.

F. AWARD OF CONTRACT

31.0 AWARD CRITERIA

31.1 The owner will award the contract to the bidder whose bid has been determined to be substantially responsive and has been determined to be substantially responsive and has been determined as the lowest evaluated bid, provided further that the bidder is determined to be qualified to perform the contract satisfactorily. The owner shall be the sole judge in this regard.

31.2 Further, the owner reserves the right to award separate contract to two or more parties in line with the terms and conditions specified in the accompanying technical specifications.

32.0 OWNER'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS

The owner reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to award of contract, without thereby incurring any liability to be affected bidder or bidders or any obligation to inform the affected bidder or bidders of the grounds for the owner's action.

33.0 NOTIFICATION AND AWARD

33.1 Prior to the expiration of the period of bid validity and extended validity period, if any, the owner will notify the successful bidder in writing by registered letter or by cable or telex or fax, to be confirmed in writing by registered letter, that its bid has been accepted.

33.2 The notification of award will constitute the formation of the contract.

33.3 Upon the successful bidder's furnishing of the contract performance guarantee pursuant to clause 35.0 below, the owner will promptly notify each unsuccessful bidder and will discharge its bid security, pursuant to clause 16.0 above.

34.0 SIGNING OF CONTRACT

34.1 At the same time as the owner notifies the successful bidder that its bid has been accepted, the owner will send the bidder the detailed letter of award, incorporating all agreement between the parties.

34.2 Within 15 (fifteen) days of receipt of the detailed letter of award, the successful bidder shall sign and date the same and return it to the owner.

34.3 The bidder will prepare the contract agreement as per the proforma enclosed at annexure – VI to this Vol. - I and the same will be signed within 30 (thirty) days of issuance of the LOA.

35.0 CONTRACT PERFORMANCE GUARANTEE

35.1 As a contract performance security, the successful bidder, to whom the work is awarded, shall be required to furnish a performance guarantee from (a) a public sector bank or (b) a scheduled Indian bank having paid up capital (net of any accumulated losses) of Rs. 100 crores or above (the latest annual report of the bank should support compliances of capital adequacy ratio requirement) or in favour of the owner. The guarantee amount shall be equal to 15% (fifteen percent) of the contract price and it shall guarantee the faithful performance of the contract in accordance with the terms and conditions specified in these documents and

specifications. The guarantee shall be valid upto 90(ninety) days after the end of contract period.

- 35.2 The performance guarantee shall cover additionally the following to the owner
- (a) The successful bidder guarantees the successful and satisfactory operation of the transmission line maintained under the contract, as per the specifications and documents.
 - (b) The successful bidder further guarantees that the transmission line maintained shall be free from all defects in material and workmanship and shall upon written notice from the owner fully remedy free of expenses to the owner such defects as developed under the normal use of the said transmission line within the contract period specified in the relevant clause of the general terms and conditions (GCC).
- 35.3 The contract performance guarantee is intended to secure the performance of the entire contract. However, it is not to be construed as limiting the damages stipulated in other clauses in the bid conditions.
- 35.4 The performance guarantee will be returned to the contractor without any interest at the end of the guarantee period.

END OF SECTION - INB