



CONTRACT MANUAL
2013

National Aluminium Co. Ltd,
(A Govt. of India Enterprise)
Bhubaneswar

FOREWORD

The existing "Contract Manual – 2004" was approved by the Board in its 186th meeting held on 9th June 2004. Since then the existing Contract Manual is in operation. However, with changing business environment, need was felt to update the manual based on changes/amendments in Central Vigilance Commission's guidelines and to bring clarity and uniformity in the process of decision making in tendering activities, award of contracts and post contract management.

Accordingly, a cross functional committee comprising of senior officials, reviewed and suggested modifications to the Contract Manual after deliberations on the comments/observations/suggestions received from other concerned officials. The changes as considered necessary have been incorporated in this Contract Manual. Guidelines from Central Vigilance Commissions have been taken into considerations and incorporated suitably. Considering future needs, efforts have also been made to prepare the Manual, ERP compatible. However, based on experience in the ERP Platform, the Manual could be reviewed to sort out teething problem if any and make it more user friendly.

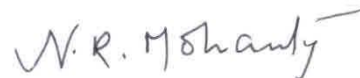
In changing business environment, e-tendering needs to be introduced gradually to save time & cost and make it more transparent. To address e-tendering procedure, a separate chapter has been introduced in the Manual.

Hope this Contract Manual shall be useful and meet the expectations of all concerned to derive maximum benefit out of it.

This "Contract Manual 2013" has been approved in the 267th Board Meeting held on 14th August 2013 and comes into force with immediate effect.

Dated: 23/10/2013

Place: Bhubaneswar



(N. R. Mohanty)

Director (P&T)

CONTRACT MANUAL 2013

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CHAPTER – I

1.0 INTRODUCTION:

- 1.1 For effective working of any organisation, it is very essential that, the organisation should have an efficient procedure for handling tenders, contracts and allied matters in a systematic and transparent manner. The objective of this Manual is not only to streamline the functioning of Tender & Contract (T&C) department at different Units of the Company, but also to streamline the working of the contract executing department for effective contract management.
- 1.2 This Contract Manual in supersession to all earlier circulars/ guidelines is applicable for the entire tender & contract management activities of the Company. This includes all the contracts covered under works contracts like capital, operation and maintenance, horticulture, logistics & material handling, services like consultancy, transport hiring services, guest house management, courier service etc.
- 1.3 Power to interpret the provisions in this Manual or to decide specific cases of contract in variation to specified procedural provisions of the Manual with reasons/justifications recorded in writing will rest with the Chairman-cum-Managing Director.
- 1.4 Where the manual does not cover some aspects of the contract, if same or similar provisions are available in the Purchase Manual the same may be adopted for the purpose.
- 1.5 For work estimated above Rs. 100 Crore is put to tender, tendering and award of such contract shall be handled by Corporate P&T Department. All other works shall be handled by the respective Unit T&C Department or concerned executing department handling tendering activities in absence of T&C Department.
- 1.6 Amendments and modifications to this Contract Manual suiting to functional requirements should only be made with the approval of CMD on being routed through Functional Director and Director (Finance).

CHAPTER-II

2.0 DEFINITIONS AND INTERPRETATIONS:

- 2.1 **Administrative approval:** Acceptance by the competent authority as per Delegation of Power (DOP) for initiating tendering activities for execution of work and incurrence of expenditure.
- 2.2 **Advance Payment:** A payment made in advance against a running account bill or otherwise to a contractor which may be adjusted later.
- 2.3 **Bank Guarantee:** A Security from the bankers on behalf of the bidder or contractor, which may be accepted (in lieu of Cash/ Draft towards EMD or security deposit or for taking any advance or discharging any liability) from such banks as per NALCO's approved list.
- 2.4 **Bid /Tender/RFQ document:** The document containing all information like scope of work, GCC, SCC, technical specifications, Bill of Quantities, Bid drawings and NIT/RFQ/LIB etc is termed as the Bid/Tender/RFQ Document and are used synonymously in the manual.
- 2.5 **Bid/Tender Drawing:** The preliminary drawings enclosed with the bid document, which are indicative only.
- 2.6 **Bidder/Tenderer:** Any Firm/company/agency/organisation that participate against any Tender/ Bid/RFQ issued by the Company. Bidder and Tenderer are used synonymously in the manual.
- 2.7 **Company:** The Company shall mean the National Aluminium Company Limited (NALCO), a company incorporated under the Companies Act 1956 having its Registered Office at Nalco Bhavan, P-1, Nayapalli, Bhubaneswar and shall include its CMD or other Administrative officers authorised to deal on its behalf posted in any of the units/ offices of NALCO.
- 2.8 **Competent Authority:** Any authority to whom the relevant power has been delegated by the Company.
- 2.9 **Contingency:** The incidental expenses of miscellaneous nature pertaining to the work.
- 2.10 **Contract:** An agreement enforceable by law between the Company and the Contractor/Consultant for the execution of the works or services including all documents, such as the Notice Inviting Tender (NIT),

Instructions to the bidders (ITB), General Conditions of Contracts (GCC), Special Conditions of Contract (SCC), Technical Specification, Tender drawings, Schedule of Quantities, Agreed Variations (if any), correspondences between the parties in connection with the said works or services, unless specifically excluded by the parties.

- 2.11 **Construction Power:** The electric power required for construction activity for due completion of the contract.
- 2.12 **Construction water:** The water required for construction activities for due completion of the contract.
- 2.13 **Delegation of power (DOP):** This is the financial authority/ power vested on different levels of officers by the company.
- 2.14 **Detail Letter of acceptance (DLOA) / Detail Work Order (DWO):** A detailed order in acceptance of an offer submitted by a tenderer, which becomes the final document against a tender.
- 2.15 **Digital Signature Certificate (DSC):** A digital signature certificate issued by the authorised agencies like NIC and other.
- 2.16 **Earnest Money Deposit (EMD):** Earnest Money Deposit is a prerequisite for any offer to be considered for evaluation.
- 2.17 **Engineer/Manager/Officer-in-Charge (EIC/MIC/OIC):** The 'Manager/Engineer/Officer-in-Charge' shall mean the person nominated by the Company from time to time and shall include those who are authorised by the Company to act for and on its behalf for all functions pertaining to execution of the contract.
- 2.18 **e-Payment:** Payments made in electronic mode like NEFT/ RTGS etc.
- 2.19 **e-Tendering:** Tenders invited in electronic mode.
- 2.20 **Final Payment:** The last payment against a contract made to a contractor/consultant, after getting completion and no claim certificate on the completion and determination of his contract in full and final settlement of his account for a particular work/contract.
- 2.21 **Force Majeure:** Any delay or failure of the performance of either parties thereto shall not constitute default hereunder or give rise to any claim for damages, if any, to the extent such delays or failure of performance caused by occurrences such as acts of God or the public enemy,

expropriation or confiscation of facilities by government authority, compliance with any order or request of any governmental authorities, acts of war, rebellion, sabotage, fire, floods, explosions, riots or illegal strikes, provided always that such occurrences result in impossibility of performances of the contract. Only events of Force Majeure, which impedes the execution of the contract at the time of its occurrence, shall be taken into cognizance.

- 2.22 **General Conditions of Contract (GCC):** The General Conditions of Contract are as approved by the Company, highlighting various contract conditions.
- 2.23 **Instruction to bidders/tenderers (ITB):** The various instructions to the bidders/tenderer that are listed in the bid/tender/RFQ document so as to bring in clarity in the bid document for submission of offer.
- 2.24 **Intermediate payment:** This is a term applied to disbursement of any kind on a running account. It includes an advance payment, a secured advance and on account payment (other than the final payment on a running account) or a combination of these.
- 2.25 **Issue Rates:** The rate at which any material required for due completion of the Contract is to be issued to the Contractor, which is specified in the bid itself.
- 2.26 **Letter of Acceptance (LOA):** Letter accepting the offer of the tenderer against a tender enquiry as a confirmation, which is the document binding both the Company and the bidder. Other terminology having same meaning as LOA is Fax of Intent (FOI), Letter of Intent (LOI) and Work Order (WO).
- 2.27 **Limited Tender Enquiries (LTE):** In case Bid/Tender/RFQ is send to approved short listed parties, the bid is finalised through LTE.
- 2.28 **Mobilisation advance:** The advance payable to the contractor on award of a work for mobilisation of manpower, machinery and other essential things at work site as per approved guideline against Bank Guarantee(s) in approved format from approved banks of NALCO.
- 2.29 **Notice Inviting Tender (NIT):** Notice for any tender published in the newspaper giving details of the due date and time of submission of offer,

- cost of tender document, EMD which forms part of tender documents.
- 2.30 **Nominated Tender:** When work is awarded to an agency on nomination basis.
- 2.31 **Open Tender:** When the tender is invited by publishing the NIT in News papers.
- 2.32 **Pre-qualification Criteria (PQC) or Bidder Qualification Criteria (BQC):** The qualifying criteria that is stipulated in a tender/bid for acceptance of an offer, which is suitably drafted according to the requirement of the work or service for which tender/bid is invited.
- 2.33 **Rate:** The rate considered, quoted or agreed per unit of measurement indicated against an item for preparation of an estimate or bid or agreement.
- 2.34 **Request for Quotation (RFQ):** Terminology is used when enquiry is sent to approved firms/agencies. Other terminologies having the same meaning are Letter Inviting Bid (**LIB**), Letter Inviting Offer (**LIO**) and Request for Proposal (**RFP**).
- 2.35 **Running Account (RA) Bill:** This term is applied to intermediate bills raised by the contractor during the tenancy of the contract, at regular interval as specified in the bid for smooth execution of the work, subject to the final settlement of the account on the completion or determination of the contract. Payment against running account bill, are treated as advance payment only.
- 2.36 **Schedule of Rates (SOR):** The rates quoted/ accepted against the various item rates listed under the Bill of Material/ Schedule of Items in a tender.
- 2.37 **Secured Advance:** This is a term applied specifically to an advance made to a contractor against the security of imperishable materials/ machinery brought to site for completion of the work, which is required for the contracted items of work.
- 2.38 **Security Deposit:** Security deposit is a means to safeguard the interest of the company against any damage / loss that may occur due to inferior workmanship or otherwise. This also safeguards the company's interest towards recovery of cost towards un-recovered material etc. and *any* other claims attributable to the contractor.

- 2.39 **Special Conditions of Contract (SCC):** These are job specific conditions which are required to be adhered to for due completion of a Work. The SCC for different works is different as per the requirement of the work.
- 2.40 **T&C Department:** The Tender & Contract Department which acts as the nodal agency for tendering/bidding activities.
- 2.41 **Technical specifications:** This shall contain the entire technical specifications/ requirement for due completion of the work.
- 2.42 **Works:** This shall mean and include all works or services to be executed in accordance with the contract or part there of as the case may be and shall include all extra works, additions, alterations or substituted works as directed by the Company/ Engineer-in-Charge for due completion of the contract.

CHAPTER- III

3.0 **SCOPE & FUNCTIONS OF TENDER & CONTRACT (T&C) DEPARTMENT:**

- 3.1 The Tender & Contract department shall be responsible to call for the tenders and process the same for award of work, except where consultants are appointed for such purpose. However, in such cases also, respective T&C department will act as the nodal agency for taking management's approval.
- 3.2 The requisitioning/ user departments, i.e. Civil, Mechanical, Electrical, C&I, Administration etc. who are required to execute any work (by awarding a contract) through T&C department shall initiate the proposal for financial concurrence & administrative approval and furnish the total requirement like justification for award of contract, scope of work, special conditions of contract, technical specification, drawings, estimate, bill of quantities etc. to T&C department for tendering activities. T&C dept shall develop suitable format/ questionnaire to be submitted along with the bid proposal. The proposal should also include a time line sheet indicating time frame for each activities starting from administrative approval to placement of order.
- 3.3 Wherever, T&C dept. is not there, the activities of T&C dept. shall be taken up by the concerned indenting/user department.
- 3.4 Proposal for contracts are to be planned by user department in such a way that T&C dept. gets sufficient time to invite offers and place order. The normal time required for placement of order after administrative approval is as follows :

Type	Bid system	Time required (days)
Short Tender	Single part	30
Nomination Tender	Single part	45
Limited Tender	Single part	60
Limited Tender	Two part	90
Open Tender	Three/Two part	120

CHAPTER-IV

4.0 ADMINISTRATIVE APPROVAL:

- 4.1 No work, except for emergent works related to Plant breakdown/Safety of Employees/ Safety of Company's property shall normally commence or liability thereon committed until and unless funds are available in approved budget and administrative approval and award of work have been approved in conformity with the DOP. In case approved budget is not available, process relating to administrative approval and tendering etc. may be taken up with due approval of competent authority. However, placement of work order will be subject to approval of budget.
- 4.2 The requirement for any work should generally be initiated by the respective user/executing department for administrative approval.
- 4.3 A proposal for administrative approval for works either capital or revenue in nature is to be prepared along with justification and preliminary/detailed estimate. The estimate should clearly indicate estimated contract value and cost of free issue material wherever applicable. However where detailed estimate is not possible due to paucity of time/ exigencies of work/limited knowledge on the work, to save time a preliminary estimate based on thumb rule, with a schematic/ preliminary drawing along with the proposal may be submitted for consideration of the competent authority to appreciate the requirement and accord administrative approval. However the detailed estimate shall have to be prepared and approved before opening of price bid. In case of maintenance/ repair work where the quantities cannot be anticipated reasonably and when the extent of damage is not known, the basis of quantity estimation may be furnished along with the proposal. Price bid shall generally be opened after approval of detailed estimate. While initiating proposal user/executing department shall furnish activities wise time schedule indicating time required from initiation of proposal to administrative approval and time required for subsequent tendering and placement of order. Any deviation to original time schedule furnished at the time of initiation of proposal should be monitored and highlighted while concurring a proposal for approval.

The proposal along with the estimate should contain the following information:

- Scope of work
- Reference of Budget Provision (if any)
- Justification of the work
- Time of completion
- Drawing for tender purpose (if any)
- Mode of tendering (Open/ LTE or otherwise)
- Bidder list (in case of LTE).
- Basis of estimate
- Bill of Quantity /Format for Price bid (if any)
- Pre Qualifying Criteria in case of two part bidding.
- Special conditions of Contract (if any)
- Value of Bank Guarantee/Indemnity Bond for FIM (if any)
- In case of splitting of work between more than one agency, the proportion of splitting (ensuring L-1 bidder should be awarded at least 10% value more than the other agencies) to be specified with justification for splitting.
- Mobilisation Advance (if required).
- Incentive / Bonus Clause for early completion. (if applicable)
- Joint venture or Consortium bidding if to be considered against Open NIT.
- Minimum workable offer (if applicable) against the tender with justification
- Activities wise time schedule starting from initiation of proposal to placement of order.

4.4 In case of periodic contract like maintenance, hiring and service contract of duration more than 6 months and works contract of duration more than 12 months where any of the components like labour or POL or material (Cement & Steel) is more than 30% of the estimated cost, suitable price variation Clause (PVC) may be stipulated if required in the bid document as per following formula:

$$P = 0.85 V \times C_x / 100 \times (X_1 - X_0) / X_0$$

Where,

P = Amount of Price variation

V = Value of work under consideration for PVC on prorata basis.

C_x = % of labour / POL/Material component.

X₁ = Present rate

X₀ = Rate on base date (Tender Opening Date)

Note:

- (i) For Labour escalation, as per NALCO approved rate of USW on the date of bid opening shall be considered as base date. Rate of HSD as declared by IOCL/BPCL/ HPCL for the area of operation on the date of bid opening shall be considered as base date for POL escalation. All India Wholesale Price Index for all commodity as published by RBI on the date of bid opening shall be considered as base date for Material escalation.
- (ii) Labour component to be ascertained in association with respective Industrial Engineering dept. However, for the payment of labour escalation the component shall be limited to the overall calculated service component as per the item rate break up quoted by the contractor or defined labour component in NIT, whichever is less. Such determined component shall be accordingly mentioned in the work order specifying the overall service component/ labour component on which escalation shall be payable.
- (iii) It will be stipulated in the tender document that, the labour component indicated in the PVC shall in no case exceed the overall Service components declared by the bidder.
- (iv) As regards POL and material component user department has to indicate the same with detailed justification in the proposal.
- (v) In case of decrease in rate of any individual component, the PVC in negative shall also be operated.
- (vi) However, PVC will not be applicable to works contract continuing beyond contractual completion date arising out of extension of contract period due to late completion attributable to the

contractor.

- 4.5 In case of LTE, the requisitioning department should recommend all the bidder available in the master bidder list (if any) for similar work or agencies qualified against similar work against open tender in the last three years in such a way that sufficient offers are received against a tender . The list may be scrutinised/ modified by the T&C department based on the master bidder list (if any) and bidders past performance records/ credentials etc. available with them which would be finally approved by the competent authority at the time of administrative approval or during approval of terms and conditions of tender.
- 4.5.1 In case any new agency shows interest in participating in bidding through the user department, they in turn should forward the technical & commercial credentials of the agency to the T&C Cell, who may convene a meeting of the designated committee to evaluate such credential for consideration. Subject to meeting the criteria, such agency could be considered for the tender with approval of competent authority or in subsequent tendering. This may be treated as Vendor development.
- 4.5.2 In case of LTE, when short listed party does not participate in the bid, party shall be advised to give reason in writing for not participating in the bid. In case a party does not participate in three consecutive bids, party shall be informed being put on holiday list for a period of one year.
- 4.6 In case of emergencies/exigencies involving plant breakdown etc., work can be carried out as per relevant provision in DOP and necessary follow up action for administrative approval may be initiated immediately, which has been dealt separately in the Manual.
- 4.7 In respect of operation and maintenance works of plant and township where there are very large number of items and each item is likely to vary to a large extent either on positive or negative side the standard unit item rates are offered to the contractors without quantities who are asked to quote overall percentage discount/ premium on the rates so offered and the L-1 bidder is selected based on the highest discount offered/ lowest premium levied and such contract is operated on unit item rate basis within the limit of administrative approval. The tentative execution value

against the contract needs to be indicated in such type of contracts.

- 4.8 In case splitting of work is envisaged on item rate contract, offer shall be invited by indicating the estimate rate against each item in the tender and the tenderer shall be asked to quote on (+) or (-) percentage on overall basis. Bidder offering lowest percentage above (+) or highest percentage below (-) shall be awarded quantum of work which is at least 10% above the other bidders.
- 4.9 If work is intended to be awarded to two or more agencies on Package concept, Package wise BOQ to be included in the tender document and tenderer shall quote for each package in separate envelope. Highest value package shall be opened first and L-1 party against the package shall be awarded the job. For second highest package, offer of awarded party against the pervious package shall not be opened and considered. Second package shall be awarded to L-1 party against that package. For more than two packages same steps as above shall be followed.
- 4.10 Normally the validity period of offer as per GCC is four months. However in case the tender can be finalised in a shorter time, then short validity period may be indicated in the tender so as to avoid unnecessary loading by tenderers.
- 4.11 **MOBILISATION ADVANCE:**
- 4.11.1 Interest bearing recoverable Mobilisation Advance may be considered under exceptional circumstances up to 10% of contract value with approval of Functional Directors while approving the terms & conditions of the tender.

The Bank Guarantee taken towards security of 'Mobilization Advance' should be at least 110% of the advance so as to enable recovery of not only principal amount but also the interest portion, if so required. The Mobilization Advance should not be paid in less than two instalments except in special circumstances for the reasons to be recorded. This will keep check on contractor misutilising the full Mobilization Advance when the work is delayed considerably. Payment and recoveries of Mobilisation Advance paid, shall be as per guideline issued from time to time.

CHAPTER- V

ESTIMATE

- 5.0 The user department / Cost Engineering department/ Estimate Cell/ Consultant will prepare the cost estimate based on accepted scientific principles and they will do a meticulous detailed exercise if required on the 1st principle basis to arrive at a reasonable estimate. The estimate will not be based solely on the prevailing awarded contracts, though they would certainly be one of the factors in arriving at a fairly accurate estimate.
- 5.1 Tenders can be floated on item rates/ percentage/Lump sum basis depending upon the requirement.
- 5.2 The estimate should preferably be prepared based on latest Delhi Schedule of Rates with cost indexation for civil works. Local market rates may also be considered in case of wide variations between DSR and local rates. For other works, the Manager/Engineer/Officer-in-charge may adopt any of the following to prepare the estimate:
- Zero base estimates considering labour, consumable, specific requirement of the work etc. (To be substantiated with documents enclosed with the proposal.)
 - Budgetary offer. (In case of works/ items, where no past information is available in the last 5 years & zero base estimate is not feasible).
 - Last work order rates/ similar works executed elsewhere, with various allowable price variation with proper analysis justifying the reasonability of the same.
- The Manager/Engineer/Officer-in-charge initiating the proposal shall certify the mode of estimate from out of the above options. The estimate shall also contain cost of FIM, % of labour, material, POL etc as applicable.
- 5.3 All care should be taken to assess the quantities of item of work close to reality to the extent possible.
- 5.4 Detailed drawings, designs etc. are not essential for petty works etc. The estimate shall include all other aspects.
- 5.5 Detailed estimates for the works shall be prepared for following broad

categories:

a) For Civil Works

b) For Mechanical/Electrical/ Instrumentation and other works.

5.5.1 Civil works contain a number of items. Normally all materials required for the work, except cement & steel is supplied by the contractor. The estimates may be prepared preferably based on latest available Delhi Schedule of Rates of CPWD plus or minus applicable percentage as per the cost index and local market rates wherever required.

5.5.1.1 Wherever rates are not available in CPWD/DSR schedule, the same may be prepared based on lower of (i) same or similar items operated in the unit (ii) sum total of cost of material, labour and overheads/ profits (limited to 15%) involved in the item based on local market condition.

5.5.1.2 The cost index shall be calculated as per the guidelines issued by the Department of Public Enterprises (DPE). The cost index for each Unit shall be finalised by a committee approved by respective unit's Executive Director. It is the responsibility of T&C Dept. to initiate the process in April and finalise the new cost index by May of each year.

5.5.1.3 The Cost Index enumerated above gives a certain weightage to elements like cement, steel, labour and bricks etc and accordingly the cost index is calculated with reference to CPWD schedule of rates, which is inclusive of free issue of materials.

5.5.2 In respect of Mechanical/ Electrical & C&I works, the Company normally supplies most of the materials and thus the contract is generally a labour contract. The estimates for such works shall be worked out as follows:

5.5.2.1 The estimated rates for respective items shall be derived from the first principle, i.e. calculated taking into consideration, actual labour, time and materials consumed. 15% extra shall be added towards overhead and profit to arrive at the final estimated rate of item. Since there is no standard schedule of rate for similar items, the department initiating the proposal should prepare this estimate in consultation with Industrial Engineering & Finance department.

5.6 The final estimate shall be inclusive of all taxes and duties except CENVARIABLE taxes and duties.

CHAPTER - VI
TENDER DOCUMENT

- 6.1 All tender documents should be in a standard form and a proper record is maintained for this purpose.
- 6.2 The tender documents are very important documents on which, invitation of tender and subsequent agreement with the contractor are based. Therefore it should be ensured that the tender document is complete in all respects and consist of the NIT/LIB, PQC (if approved), Procedure for Joint Venture/Consortium bidding (if approved)scope of work, instructions to bidders, GCC, SCC, technical specifications (if any), SA 8000 requirement, splitting proportion of item quantity or packages if splitting is approved, bill of quantities, interest bearing mobilisation advance clause along with procedure of recovery (if approved), drawings, safety regulations (if any), labour, Health & Environmental regulations etc. NALCO's responsibility & obligation, if any, should be clearly defined and each page in the tender documents is properly numbered.
- 6.3 Every tender document should be so framed as to place beyond all reasonable doubts all the matters upon which, parties have to agree and the matters to be agreed upon should be clearly and specifically stated in the bid.
- 6.5 Measures to be adapted in the event of breach of contract by either party to the contract and method of settling dispute and termination of the contract shall conform to the guidelines given in the General Condition of Contract.
- 6.6 Time of completion is the essence of any contract. The same must be clearly spelt out in the tender document along with penalties/compensation for delay leviable on the contractor for non-fulfilment of contractual obligations within the stipulated time as spelt out in detail in the GCC.
- 6.7 The ITB of tender document should clearly indicate to whom the offer is to be addressed and the place & time for submission of offer.
- 6.8 At the discretion of the tender approving authority, a pre-bid conference may be held after sale of tenders with the intending bidders at least 15

days before the last date of submission of the tenders as per details given in the bid documents for clarification of any doubts of the intending bidders or for modification on any condition of the contract, specification etc. Minutes of the meeting shall be circulated to all the intending bidders by way of web hosting, whether or not they attend the pre-bid conference.

- 6.9 The tender document should also seek information regarding the past & current litigation, debarring/ expelling of the bidder or abandonment of work by the bidder etc. from the bidder in the prescribed format.
- 6.10 Previous and present performance of contractors at NALCO sites shall be considered while evaluating their offers. In case of poor performance, the offer from such bidders shall not be evaluated.
- 6.11 For ensuring a fair competition all bidders shall be required to give a declaration giving the names of other firms /agencies /partnership firm/wholly owned or partly owned subsidiary etc., where they are having financial /professional stakes and also give a certificate, if any, such firm/agency are participating against the subject tender.
- 6.12 Offers received against a tender from such firms/agencies as stated above, approval from competent authority shall be taken that the offers are from a single source. It may be noted that, one agent can not represent two or more suppliers or quote on their behalf in a particular bid.
- 6.13 **Price Variation Clause (PVC):** Price variation clause as explained earlier is to be included in the tender document if applicable.
- 6.14 **Pre Qualifying Criteria(PQC):**
PQC should be clearly spelt out in the tender document. Following broad guideline for fixing of PQC for two-part bidding may be followed for work contracts:

6.14.1 Financial Criteria:

Average annual financial turnover of the bidder during the last three years ending 31st March of the previous financial year should be at least 30% of the estimated cost. Net worth of the bidder during the last financial year shall be positive as per audited balance sheet.

(The bidders have to submit the copies of audited financial statements/

profit & loss accounts of the relevant years in support of the above qualifying criterion along with the bid. While submitting bids, the bidder at times is not able to submit audited results of the previous financial year, as the same is not ready. In such a case for bids received prior to 30th June of any year, the financial figure for the previous to the previous year may also be considered for evaluation. Whereas for bids submitted after 30th June the bidder may also submit financial statement for the previous year certified by Chartered Accountant / Auditor for consideration of their bid)

6.14.2 Experience Criteria:

Experience of having successfully completed “similar works” during the last seven years (for normal works) / ten years (for works of non-recurring nature) ending last day of the month previous to the one in which applications are invited should be either of the following

a) Three similar completed works each costing not less than the amount equal to 40% of the estimate

(OR)

b) Two similar completed works each costing not less than the amount equal to 50% of the estimate.

(OR)

c) One similar completed work costing not less than the amount equal to 80% of the estimate.

Note:

1. “Similar Work” should be clearly defined in the PQC.
2. The estimated value for one year in case of O&M contracts intended for 2 years or more, shall be considered as the qualifying estimated cost in the PQC.
3. If the estimate includes cost of Cement and Steel in bidder scope, generally to bring parity for the Cost of similar work which do not include cost of steel & cement (supplied by client as FIM) shall be 0.7 of the estimate value for qualifying. The same should be indicate in the bid with condition that work order/completion certificate should indicate cement & steel as FIM.

4. In case of contract intended to be split among more than one agency, the turnover and past experience criteria need to be fixed based on the estimated value of the highest portion of the proposed split quantity/Highest valued package for PQC purpose.
5. Wherever a partially completed work in progress (not abandoned) is to be considered against PQC Stipulation, the same should be clearly mentioned in the bid condition and the part completion certificate submitted by the bidder should clearly indicate the value of work completed along with completed portion of the work (which should satisfy similar work) and the performance/ progress of the agency is satisfactory.
6. Joint venture/Consortium bidding may be considered against PQC, where one of the partners shall be designated as Lead Partner who meets the financial criteria of PQC singly and all partners experience taken together should meet the experience criteria of PQC. Suitably stipulation as above shall be incorporated in the tenders if Joint venture/Consortium bidding is to be considered against a tender.
7. All care shall be taken while framing the PQ criteria referred above, which shall not be relaxed or compromised after offers are opened for evaluation.
8. In case of specialized Services/ works like IT related contracts, R&D contracts, specialised studies etc., the above PQC can be modified with approval of Directors/ Executive Directors on case-to-case basis.
9. Also due to requirement of the work or in case of inadequate competition, the PQ Criteria can also be reviewed with detail reasons for proposed deviation with the approval of Directors/ Executive Directors on case to case basis prior to tendering/retendering.
10. In case of past experience criteria, the experience as a sub-contractor to a main agency in a project awarded by any principal/ project authorities shall be considered subject to following:
 - a. Bidder to submit detailed work order/ PO/ Agreement from the main agency.
 - b. Completion certificate issued by main agency.

- c. Copy of the completion certificate issued by the Principal/ project authorities in favour of the main agency showing due completion of the package.

6.14.3 **Evaluation criteria:** Cost of the completed works by the bidder and the Turn over shall be escalated @10% per annum (simple interest) to bring them at the current price level.

(The cost of work completed within one year prior to original date of bid opening and the turnover of the latest previous year shall not be considered for any weightage. The weightage shall only be considered for work completed prior to one year of original date of bid opening on annual basis and no weightage shall be given for part of the year.)

6.14.4 **Criminal Background:**

The bidder or its Proprietor/Partner(s)/Director(s) of the firm should not have been convicted by a court of Law for an offence involving moral turpitude in relation to business dealings during the past seven years for acceptance of the offer. The bidder shall give an affidavit to this effect. The affidavit must be affirmed before the competent judicial authority or duly notarized by the Notary.

Besides, bidder should furnish litigation history of their firm or group firm (if claiming fulfillment of PQC on group entity terms). The litigation history shall include:

- (i) Arbitration cases pending.
- (ii) Disputed incomplete works.
- (iii) Pending civil cases against the firm or its Proprietor/Partner(s)/Director(s) involving moral turpitude in relation to business dealings
- (iv) Pending criminal cases against the firm or its Proprietor/Partner(s)/Director(s) involving moral turpitude in relation to business dealings.
- (v) Punishments awarded under civil cases or criminal cases involving moral turpitude in relation to business dealings

6.14.5 **Corrupt & Fraudulent practices:** It is expected that Bidders/

Contractors observe the highest standard of ethics during the execution of the contract in pursuance to the policy of “Corrupt & Fraudulent practices”, that is defined as follows:

- (a) ‘Corrupt practice’ means the offering, receiving or soliciting of anything of value to influence the action of a public official in the contract execution.
- (b) ‘Fraudulent practice’ means a misrepresentation of facts in order to influence the execution of a contract to the detriment of NALCO, and includes collusive practices amongst the bidders (prior to or after bid submission) designed to establish bid process at artificial non-competition levels and to deprive NALCO of the benefits of free and open competition.

NALCO will reject a proposal for award of work, if it is determined that any bidder participating in a bid or the agency to whom the work has been awarded, is engaged in corrupt or fraudulent practices as defined above. This shall be clearly included in the tender document.

- 6.15 Possession of independent PF and ESI account shall be included under PQC for acceptance of offer against a tender for works contract.
- 6.16 The concurrent commitments of bidder on various jobs under execution by the bidder will be taken into account to assess the spare capacity available with the bidder. Confirmation from bidder to have disclosed all works being executed by them to be taken in the offer. If the annualized concurrent commitments of the bidder plus annualized estimated value of the work under consideration exceeds two times the average annual turnover of the bidder during the preceding three years, then the price bid of such a bidder shall not be recommended for opening as the bidder may not have adequate resources to execute the tendered work. (To be indicated in the tender document as a condition for disqualification).
- 6.17 For addressing unworkable rates/amount offered by lowest bidder, user department at the time of initiation of proposal may indicate the minimum workable rate/ amount (% below estimate) acceptable against the tender when the estimate is prepared based on DSR with cost index or zero base particularly for repetitive contracts.

6.17.1 When minimum workable offer criteria is approved against a tender, then following shall be stipulated in the tender:

“The tenderers must quote their most reasonable and workable rate. Overall total evaluated price for all items of schedule of quantities shall be the basis for determining the reasonableness of price and gradations of the tenders. In case the offered price of the tenderer(s) are found to be unworkable, based on the rate approved by NALCO, the tenderer(s) may be asked to justify their quoted rates within ten days of issuance of letter to that effect. However if the offer is considered for placement of work-order in virtue of being the lowest bid, the bidder(s) shall be asked to give a performance Guarantee Bond in addition to Security Deposit in the form of Bank Guarantee from NALCO approved Bank, equal to the amount which will be the difference between the lower limit of workability decided by NALCO and the quoted price of the L-1 tenderer. Such performance Guarantee Bond should be valid for the entire scheduled completion period of the work. EMD of such tenderer, who refuses to justify their quoted rate and / or to give Performance Guarantee Bond, shall be forfeited.

6.18 Bidders shall submit the details about engagement of Agents/ Middlemen/ Intermediary/ Consultants / Service Providers and payments proposed to be made to them by the bidder as a part of the present bid. The details shall also be incorporated as a part of Contract Document/ Agreement.

6.19 For tenders with estimated cost of Rs.50 crore or above (any other financial limit that may be issued from time to time), Integrity Pact is to be signed by the supplier/ contractor with the Company on finalization of order/ contract. The format of Integrity Pact is to be included in the tender document for such cases. The names of Independent External Monitors (IEM) are to be mentioned in the work order.

CHAPTER – VII
SPECIAL CONDITIONS OF CONTRACT

- 7.1** The Special Conditions of Contract (SCC) for any tender is specific to that tender only. However if similar tenders are invited at the same time many provisions of the SCC may be common. The SCC has to be formulated specifically as per the requirement of the work and shall form part of the tender document.
- 7.2** The total contract document and contract drawings (if any) are intended to be read together and are complimentary to each other.
- 7.3** Many a times the priorities of the different provisions of the contract like GCC, SCC, BOQ, drawings and specifications are not considered, as it should be. If conflicts between documents, comprising the contract arise, the following shall prevail in the order stipulated and to be included in SCC:
- FOI/LOI/LOA/WO including any agreed variation.
 - Schedule of rates/Bill of Quantity
 - Technical specifications
 - Drawings
 - Special Conditions of Contract
 - Instruction to Bidders
 - General Condition of Contract
 - Relevant Indian Standards
- 7.4** Between two issues of the same documents, the document revised or re-issued on a later date shall prevail.
- 7.5** All specifications, contract drawings and other documents shall be interpreted in conformity with the bid conditions of the contract as supplemented by and modified by the special conditions of the contract.

- 7.6** When a lump sum price for the work is stipulated in the award of work, the quantities stipulated in the schedule of items (if any) shall be disregarded, while preparing the agreement. The contractor shall perform all the work as envisaged in the agreement, including the specifications and contract drawings and the contractor shall be paid only the amount of lump sum price in consideration thereof.
- 7.7** While GCC provision for any variation in quantity in item rate contract, for fairness and transparency, if the contract value fall below 75% or exceed 150% of the awarded value for tenders for capital nature work estimated above Rs. 2 crore following may be incorporated in SCC:
“The item wise quantities given in the tender document are approximate. The Contractor shall not be entitled for any compensation in addition to the payment for the work actually performed by the Contractor. However if due to variation/ amendments by NALCO, the gross value of work actually performed by the Contractor is less than 75% of awarded contract value, then the Contractor shall be entitled for an additional 5% on the amount by which the contract value falls short of 75% of total contract value which the contractor may have anticipated towards profit for due execution of the total contract value. Similarly if due to variation/ amendments by NALCO, the gross value of work actually performed by the Contractor is more than 150% of awarded contract value, then a discount of 5% shall be considered on the amount by which the contract value exceeds beyond 150% of awarded contract value.”
- 7.8** Provision of incentives for completion of work before schedule should be sparingly made after careful assessment of tangible benefits there from and disclosed in the bid documents in clear monetary terms. The bonus clause should be proposed at the time of administrative approval clearly specifying monetary benefit arising if work completed ahead of schedule and the benefit may be considered for rewarding the contractor. The

bonus should be limited to max. 5% of contract value or executed value whichever is lower and should not be paid in case not achieved irrespective of reason of delay. The Incentive/bonus clause shall be included in SCC.

7.9 The following validity period for offers of different types of tenders may be followed:

In days

Type	Bid system	Time required for finalisation	validity period of offer
Short Tender	Single part	30	45
Nomination Tender	Single part	45	60
Limited Tender	Single part	60	90
Limited Tender	Two part	90	120
Open Tender	Three/Two part	120	120

CHAPTER – VIII
TENDERING PROCEDURE

8.0 All Tender Enquiries, Requests for Proposals, Requests for Expressions of Interest, Notice for Pre-Qualification/ Registration or any other notice inviting bids or proposals in any form, whether they are advertised, issued to limited number of parties or to a single party including corrigenda thereon and details of bid awards shall mandatorily be published on the Central Public Procurement Portal (www.eprocure.gov.in) using e-publishing module in addition to hosting on NALCO website (www.nalcoindia.com) and other appropriate websites.

8.1 MODE OF TENDERING:

8.1.1. To the extent possible, tenders shall be invited through open advertisement. In case of open tendering, tender notice is to be published at least in one national English and Hindi newspaper and in one local language news paper. Tender notices should be put on notice boards of Company units & corporate office for the purpose of wide circulation. However, if the estimated value of work is less than threshold limit indicated at Sl. No. 8.1.1.1 and it is decided to go for open tender, selection of news paper for advertisement shall be at the discretion of competent authority. In case of open tendering, copies of tender notice may be sent by tendering department to known prospective vendors/ agencies requesting for participation.

8.1.1.1 Open tender should be resorted to with following financial limitations:

- a. Civil /Structural works above Rs.200 lakh.
- b. Mechanical works above Rs. 100 lakh.
- c. Operation assistance, Electrical & C&I above Rs. 50 lakh.
- d. Horticulture & Sanitation works above Rs. 50 lakh.
- e. Hiring of Vehicles & Material Handling job above Rs 50 lakh.
- f. Consultancy work above Rs 50 lakh.

8.1.1.2 Open tender shall also be resorted to when the number of enlisted agencies are less than three although the estimated value is less than the threshold limit indicated at 8.1.1.1 for any category for better competition.

8.1.1.3 However, the value cannot be the only criteria for open tendering. The

Competent Authority may exercise his discretion to dispense with open tender and limited tender enquiry can be adopted subject to following:

- (a) The indenting/user department certifies that the requirement is urgent and entering in to contract within specified period is essential which cannot be achieved resorting to open tender. The Department should also put on record the nature of the urgency and reasons why the same could not be anticipated earlier.
- (b) Indenting/user department certify with reasons that it will not be in public interest to entering in to contract through open tendering.
- (c) Vendors/agencies capable of executing the service/work and possibility of fresh source(s) beyond those is remote.

8.1.2 Limited tender enquiry (LTE) shall be resorted to works with upper financial limit set forth at 8.1.1.1 above. LTE shall be floated amongst the bidders, who are enlisted with the Company for the purpose. In addition user department to provide list of prospective agencies (if any) with their credential for their consideration against LTE.

8.1.3 In normal circumstances award on nomination basis should be avoided. All works award on nomination basis shall be brought to the notice of the Board for information on quarterly basis. Open tendering and LTE can be dispensed with and work on nomination basis can be resorted to only under following circumstances and the reason for such decision is to be recorded in writing and approval of competent authority needs to be obtained in this regard:

- (a) Emergencies arising out of unforeseen circumstances.
- (b) Service provider/Agency has exclusive right for the type of work/service. User department to furnish proprietary certificate approved by competent authority
- (c) Urgency for completion of work for meeting project schedule.

8.1.4 In case it is not feasible to formulate detailed specification or identify specific characteristics for the subject work without receiving inputs regarding technical aspects from bidders, the executing dept should resort to Two Stage Bidding System (EOI & RFP) instead of Single Stage Bidding i.e. resorting to RFP directly.

8.2 Tendering Procedure:

8.2.1 For open tendering, single stage three parts or two parts tendering procedure shall be adopted with PQC. The objectives of single stage three parts or two parts tendering procedures are to select only capable techno-commercially acceptable bidders ensuring that the price does not influence ordering decision at the cost of quality.

8.2.1.1 In case of single stage three parts tendering procedure, approval should be obtained from competent authority for acceptable bidders based on EMD and PQC (1st part) before opening Techno-commercial part of the tender. Rejected bidders to be informed through e-mail/fax/sms immediately of the rejection of their offer and their EMD, Techno-commercial bid (2nd part) and price bid (3rd part) as in received conditions shall be returned within fifteen days of such approval. Techno-commercial part (2nd part) of tender of acceptable bidders shall be opened and approval should be obtained from competent authority for acceptable bidders based on Techno-commercial (2nd part) conditions of the tender. Rejected bidders to be informed through e-mail/fax/sms immediately of the rejection of their offer and their EMD and price bid (3rd part) as in received conditions shall be returned within fifteen days of such approval. Price part (3rd part) of acceptable bidders shall be opened after intimating the date of price-bid opening (giving at least 2 days time from the date of intimation) through e-mail/fax/sms to the acceptable bidder with a request for participation in the price bid opening and evaluated for award of work.

8.2.1.2 In case of single stage two part tendering procedure approval should be obtained from competent authority for acceptable bidders based on EMD, PQC and techno-commercial conditions (1st part). Rejected bidders to be informed through e-mail/fax/sms immediately of the rejection of their offer and EMD and price bid as in received conditions of rejected bidders shall be returned within fifteen days of such approval. Price part (2nd part) of acceptable bidders shall be opened after intimating the date of price-bid opening (giving at least 2 days time from the date of intimation) through e-mail/fax/sms to the acceptable bidder with a request for participation

in the price bid opening and evaluated for award of work.

8.2.2 For LTE, single stage single part or two parts bidding system can be adopted. Single part bidding shall be adopted for LTE when the capability & credentials of the short-listed bidders are known. In cases where LTE is resorted adhering to guideline at 8.1.1.1 but credential of parties are not known, two-part bidding shall be followed with PQC. If technical and commercial conditions are such that specific confirmations are required from the bidders in case of LTE, two-part bid system shall be followed without PQC.

8.3 There cannot be standard bid formats for single, two or three part system since terms and conditions may vary from case to case. Hence, PQC, Techno-Commercial conditions and Price formats are to be prepared by indenting/user department in association with T&C and associated finance department for each case

8.4 The following time limits between the date of calling tenders (i.e. issuance of tenders in case of LTE and publication of NIT in news paper in case of open tendering) and the date of submission of offers shall normally be observed to give sufficient time to the bidders to study the tender document and visit site etc before submission of the offer:

- (a) Open tenders of all values : 4 to 6 weeks
- (b) Limited tender enquiries : 2 to 4 weeks
- (c) Short Tenders (Through Fax/e-mail/Hand delivery) : 7-10 Days

8.5 EARNEST MONEY DEPOSIT (EMD)

8.5.1 Earnest Money Deposit is a pre-requisite for any offer to be considered for evaluation. The Bidder must submit the same along with the offer as per the stipulations in the tender document. No interest shall be paid by the Company on the EMD deposited by the bidder. The Earnest Money slab for different value of works shall be as follows:

Sl.No	Estimated Value Work	EMD Amount in Rs.
1	Upto Rs.2 lakhs	2,000=00
2	More than Rs.2 lakh and upto Rs.5 lakhs	4,000=00
3	More than Rs.5 lakhs and upto Rs.15 lakhs	10,000=00

4	More than Rs.15 lakhs and upto Rs.30 lakhs	20,000=00
5	More than Rs.30 lakhs and upto Rs.50 lakhs	40,000=00
6	More than Rs.50 lakhs and upto Rs.70 lakhs	60,000=00
7	More than Rs.70 lakhs and upto Rs.100 lakhs	80,000=00
8	More than Rs.100 lakhs and upto Rs.150 lakhs	1,25,000=00
9	More than Rs.150 lakhs and upto Rs.200 lakhs	1,75,000=00
10	More than Rs.200 lakhs and upto Rs.300 lakhs	2,50,000=00
11	More than Rs.300 lakhs and upto Rs.400 lakhs	3,50,000=00
12	More than Rs.400 lakhs and upto Rs.500 lakhs	4,50,000=00
13	More than Rs.500 lakhs	@1% subject to maximum of 25,00,000=00

8.5.2 The EMD may be submitted either in the form of Demand Draft/ Pay Order/through e-payment favouring "National Aluminium Company Limited" or in the form of a Bank Guarantee (BG) in NALCO's formats from any approved bank of NALCO.

8.5.2.1 The BG received towards EMD shall be forwarded by the T&C department to concerned finance department for its verification/ confirmation from the issuing bank, which shall be the responsibility of the finance department. T&C Department before opening of price bid in case of two part tendering and placement of the order in case of single part tendering shall ensure the confirmation regarding the BG from finance Department. If confirmation is received directly from the

concerned bank, the same may also be accepted. In case of two part tendering T&C department shall ensure adequate validity of all the BGs considering time period for award of contract before price bid opening.

8.5.2.2 For allowing bidder for submission of EMD amount through electronic remittance mode (NEFT/RTGS), the following are to be filled up by respective tender managers in consultation with finance and shall be indicated in the tender document. Transaction receipt of such deposit need to be enclosed with the offer document by the bidder.

Payment in Favour of: National Aluminium Company Limited

Bank & Branch: ----- A/c No. ----- IFSC Code: -----

8.5.3 The EMD will be returned to all unsuccessful bidders within fifteen days of award of the work with approval of competent authority as per DOP. In case of technically rejected bidders, the EMD shall be returned to the bidder within fifteen days of approval. EMD of successful bidder shall be returned after submission of Initial Security Deposit /Security Deposit. The EMD of the successful bidder if paid in form of DD/Cash/e-payment shall be adjusted towards initial security deposit.

8.5.3.1 The EMD can be released to the unsuccessful bidders (if the work could not be awarded within the original validity period of offer) with approval of competent authority as per DOP after assessing the lowest bidder in association with finance department, within a period of fifteen days from establishing the successful bidder.

8.5.4 The Public Sectors, Government agencies and the Firms registered with NSIC (for the service/work for which they are registered), and others such as Ancillary Industries etc. for which specific exemption has been granted by NALCO shall be exempted from submission of EMD.

8.5.5 Normally offers without EMD (wherever asked) shall not be considered. However in exceptional cases, where number of techno-commercially acceptable offers is less than three, the bidders who have not submitted EMD may be asked to submit EMD before price bid opening giving suitable time limit with the approval of competent authority. If the bidder refuses to submit EMD, waiver of EMD may be considered before price bid opening with approval of competent Authority.

- 8.6** Interest free Security Deposit (SD)/Initial Security Deposit(ISD) as specified in the GCC is to be submitted by the successful bidder either in the form of Demand Draft/Pay Order or by way of Bank Guarantee in NALCO's approved format from approved banks. Security Deposit is a means to safeguard the interest of the company against any damage/ loss that may occur due to inferior workmanship or otherwise. This also safeguards the company's interest towards recovery of cost towards unrecovered material etc and claim from other sources due to the default by the contractor. The rate of the Security deposit recovery shall be as per the stipulations in the GCC.
- 8.6.1** In case of turnkey packages involving supply and erection/ execution, Contract-cum-Performance Bank Guarantee (CPBG) may be taken from the successful bidder in NALCO's approved format from approved banks.
- 8.6.2** In case the successful bidder fails to submit the ISD /SD, within a period of 21 days from the date of issue of work order/ FOI, the ISD amount along with a simple interest @12% per annum as penalty, applicable from the date of work order till the date of submission of ISD or submission of 1st RA bill, shall be recovered starting from 1st RA bill (to be specified in the bid document).
- 8.6.3** The above details of submission of EMD, return of EMD, Security Deposit/ CPBG etc. are to be mentioned in the tender documents.
- 8.7** The cost of tender document is to be fixed on case-to-case basis but not exceeding Rs. 2,000/- (Rupees two thousand) only inclusive of Sales Tax, which will be charged for all open tenders. The specified cost of bid document will not be applicable to agencies that are exempted from submission of EMD as noted at 8.5.4. The cost of bid document is to be deposited through Demand Draft/Pay Orders in favour of National Aluminium Company Limited.

CHAPTER – IX

ISSUE & RECEIPT OF TENDERS - ACCEPTANCE OF OFFER

- 9.0** The following procedure shall be followed in connection with the issue, receipt and opening of tenders and their acceptance.
- 9.1** Tender enquiries can be sent to vendors/ agencies, in case of LTE/ proprietary bidder through post (Registered/Speed post or by Courier)/ Fax/E-mail. In case of open tender, the preferred mode of tender document availability is by downloading from the website. However, in case any vendor/ agency come for collecting the tender document in person, the same can be issued in shape of a CD/ Hard copy after receipt of cost of tender document if stipulated in the tender document.
- 9.2** The acceptable mode of receipt of offer is through post/ courier or deposit in the prescribed tender box or at the office of the issuing officer only as stipulated in the tender document except when enquiry has been issued to a single vendor in which receipt of offer through fax/e-mail mode is acceptable. In case of adopting e-tendering mode for receipt of offer the mode of submission of offer is as addressed in Chapter-X. NALCO shall not be responsible for late receipt of offers due to postal/ courier delay. Offers received against a tender are to be entered in the tender register chronologically specifying the date and time of receipt.
- 9.3** The offers are to be opened on the due date and time specified in the tender document. If the offers are not opened on the due date and time specified, specific approval is to be taken, furnishing reasons for extending the date of submission and opening. The extended date and time of submission and opening of the offers should be informed to all the approved bidders in case of limited tender, to the bidders who have submitted offers within due time against open tender and to be published in all the news papers/websites where the original NIT was published.
- 9.4** In the event of extension of offer submission date, any bidders who have already submitted offers will be permitted to submit a revised offer, if they so desires. The bidders shall be allowed to withdraw their offers any time before due date and time. If any bidder request for return of his offer already submitted, the same shall be allowed within bid due date and

time of submission. Bidders are not allowed to withdraw offer after bid submission date and time. In case any bidder withdraw offer after bid submission date and time, his EMD shall be forfeited. In case of two or more offers submitted by a bidder, the latest offer so submitted shall be considered for evaluation. In case two or more offers are submitted by the bidder in the same date without time, then out of all such offers, lowest offer shall be considered for evaluation.

- 9.5** Tenderer or their representative who may wish to be present at the time of opening of the tender should be permitted to do so. During price bid opening only final quoted value as mentioned by the bidders shall be read out before the participating tenderers. Cutting, over writings, unquoted items, if any should also be brought to the notice of the bidders.
- 9.6** In three/two part tender, if any offer is received in composite form, the same shall be re-sealed by tender opening officers immediately after opening. Such bidder shall be asked to submit separate techno-commercial bid without any alteration/ modification to the originally offered techno-commercial bid for evaluation. (which shall be ensured after price-bid opening).
- 9.7** All the offers received shall be serially numbered. Covering letter of the offer, all pages of documents submitted by bidders against PQC and deviation format of the tender document along with its attachment (if any) and all pages of Price Bid shall be signed by the nominated officers opening the bid from T&C and finance department. Any over-writing/ corrections/ unquoted/ blank spaces in the above document shall be encircled and signed by both the persons with date. In ITB it should be indicated that if any alteration or modification to the tender document is done by the bidder, the offer shall be ignored which shall ensure submission of other tender document without any alteration and hence need not be signed after opening.
- 9.8** In case an offer is submitted in a properly bound volume with printed page numbering, the officers opening may put their signatures at the beginning and end of the volume mentioning the number of pages.
- 9.9** The number of corrections and overwriting (if any) may be mentioned at

the end of each page of the bid paper with signature and date.

9.10 The officers concerned should see that the contractor has quoted the rates both in figures and words to avoid chance of tampering in any rates. When the contractors have omitted the quoted rates in figure or in words, the officers opening the bid on each page of the schedule should record such omission.

9.11 Tender shall be evaluated based on information/ data provided in the offer. However Tender handling officer may seek clarification on the information submitted by the bidder and request for submission of deficient documents (if any) giving reasonable time. However delay in submission of deficient document and clarification by the bidder should be brought to the notice of TEC/competent authority so that the evaluation and finalisation of tender is done within the validity of period.

9.12 Classification of tender:

9.12.1 Regular tenders: Tenders received on or before due date and time of tender submission will be treated as regular tenders.

9.12.2 Delayed tenders: Delayed tenders are those tenders which have been posted before due date and time of submission of the bid, but are received after the due date and time of submission of the tender. In the event of receipt of delayed tender, the cover shall be signed by the officials opening the tender and kept with other tenders. Tender dealing official shall bring it to the notice of head of tender handling department immediately on receipt of any delayed tender. Such tenders may be considered for opening with approval of head of tender handling department, in case the numbers of regular offers are less than three or numbers of regular offers received are not adequate considering the nature of the item or circumstances of the case. In case it is decided by head of tender handling department for not considering the tender, the tender as in received conditions shall be returned to the bidder immediately.

9.12.3 Late tenders: Late tenders are those tenders, which have been actually posted or delivered and received after the due date/ extended due date of tender submission. In the event of receipt of any late tender, the cover shall be signed by the officials opening the tender and entered in the

register. Such tenders shall not be considered and the tender as in received conditions shall be returned to the bidder by the tender handling official immediately after informing TEC.

9.12.4 Unsolicited tenders:

Following tenders/offers are called unsolicited tenders/offers. All such tenders / offers shall not be considered.

- (i) Tenders/offers received from parties to whom tender papers were not issued (in case of LTE)
- (ii) In other cases, tenders/offers received from parties to whom enquiry has not been sent, except those to whom the enquiry has been forwarded by the addressee (principals) to quote on their behalf. (in case of LTE)
- (iii) Suo-moto revised tenders/offers submitted by bidders after opening of tenders. This applies to both techno-commercial and price bids in case of two-part bidding.
- (iv) Suo-moto revised tenders/ offers submitted by the bidder after the Scheduled/extended time & date of opening, including the intervening period, when an administrative decision is pending for opening of bids due to insufficient offers.
- (v) Un-called for tenders/offers submitted by tenders after negotiation.
- (vi) Tenders submitted by any blacklisted, suspended, banned party against open tender during the period of suspension/ banning/ blacklisting shall not be considered. To be specified in NIT.

9.13 Evaluation of Offer:

9.13.1 Single Part Bid: In case of single part bid involving more than one bidder, normally no technical/commercial deviation which may have price impact shall be allowed. However, the following may be taken into consideration before a decision is taken on the matter:

9.13.1.1 If the deviations taken can be quantified in monetary terms with reasonable accuracy, then proper loading factor on quoted rates must be considered for evaluation.

9.13.1.2 Deviations of minor nature, which have no financial implications, can

be considered in the interest of competition.

9.13.2 Two Part Bid:

9.13.2.1 Techno Commercial evaluation shall be done by the authorised Tender Committee as per Delegation of Power. However, the initial scrutiny for adequacy of the documentation and compliance with the stipulations in bid/ PQ criteria etc. may be done by the dealing official of T&C Dept. for placing before the Tender Committee for their perusal. A separate technical Committee may be constituted for technical evaluation, wherever necessary.

9.13.2.2 Where no Committee is required as per D.O.P., the T&C department will scrutinize technical aspects in consultation with the user department and based on the technical recommendation by user department, T&C Department will examine the commercial aspects, obtain clarifications, if required and process the case for approval of Competent Authority for opening of price bids.

9.13.2.3 The bidder shall be asked to submit the un-priced bid along with the techno-commercial offer to confirm that they have not attached any conditions in their price bid and have quoted for all the Items of BOQ. In the event, any condition is attached in the price format not indicated in the un-priced bid, the same shall be ignored during evaluation.

9.14 Evaluation Procedure for Two/Three part Bid:

9.14.1 Evaluation of offer against PQC and techno-commercial condition of tender:

Prior to price bid opening, the following shall be ensured by tendering department:

A. Bid should be accompanied with requisite EMD. In case EMD is submitted by way of BG, confirmation of BG to be obtained by associated finance from issuing bank before price bid opening. In case EMD is paid by electronic transfer, the payment to be confirmed by associate finance.

- B. Bidder to fulfill the pre-qualifying criteria as stipulated in the bid. Confirmation from Client/customer of the bidder for experience criteria to be requested.
- C. The concurrent commitments of bidder on various jobs under execution by the bidder will be taken into account to assess the spare capacity available with the bidder. In case bidder does not have spare capacity, then the price bid of such a bidder shall not be recommended for opening as the bidder may not have adequate resources to execute the tendered work.
- D. In-house information for assessment of capability of bidder and their performance on jobs completed/ in progress at NALCO shall be taken into account for evaluation purpose.
- E. In case any specific adverse report is received against any bidder during enquiry about the statement made/ credential submitted along with the offer document in respect of capabilities, performance and criminal background of the bidder, the offer submitted by such bidder shall be rejected with justifiable reasons recorded by the committee in writing with due approval of the competent authority.
- F. The technical discussions should be held with various bidders at the first instance by the technical committee if required. The outcome of technical discussion shall be placed before the TEC for necessary action.

9.14.2 Evaluation of price bids

After opening of price bid the evaluation shall be done as under:

- A. The rates quoted by the bidder shall be checked for arithmetic correction, if any, based on price filled by the bidder in the schedule of rate as per GCC provision.
- B. To arrive at the evaluated price, loading/ adjustment on total quoted price, wherever applicable, shall be done as per following :
 - i) **Loading for unquoted items:** In case any bidder(s) does not quote for any items, then such offer(s) shall be evaluated by considering rate of such unquoted items as average of the rates quoted by the

other bidders against such items or estimated rate of that item whichever is low. After evaluation if it is observed that the total value of unquoted items is more than 10% of total evaluated price, then the offer shall be rejected as incomplete offer. But if after evaluation it is observed that the total value of unquoted items is less than 10% of total evaluated price and the items cannot be deleted from the scope of tender certified by user dept. and such bidder happens to be the L-1 bidder, rate for the unquoted items as calculated above shall be offered to the bidder for acceptance. On acceptance of the offered rate by the bidder, offer of the bidder shall be accepted as lowest against the tender and shall be processed for award of work. In case of more than one offer with unquoted rates, such offer shall be evaluated as above and offer shall be made to the bidders in order of their position as stipulated above, in case of refusal by the lowest tender. In case all bidders with unquoted items with implication less than 10% of the evaluated price refused to accept the offered rates, then offers of such bidders shall be rejected against the tender as incomplete offer and the **lowest complete offer** against the tender shall be processed for award of work. Offered rates to the bidder(s) as indicated above shall not be considered as negotiation.

- ii) Loading on account of Deviation, if any.
- iii) Conditional discount, if offered, shall not be considered for evaluation.
- iv) Any uncalled for lump-sum/ percentage or adhoc reduction/ increase in prices, offered by the bidders after opening of the prices, shall not be considered.
- v) Bids in Foreign Currency shall be evaluated based on Bill selling exchange rate of SBI prevailing as on date of price bid opening

9.15 After opening of the price bids a comparative statement with pre-fixed technical/ financial loading if any as detailed above will be prepared by T&C Department and checked by finance department. The person preparing/checking the comparative statement shall sign on the

comparative statement as a token of having prepared and checked the comparative statement.

9.16 REVISED PRICE BIDS: Normally, parties are not allowed to revise price bids after opening of tender. However, revised price bids/price implication are acceptable in following situations only in two part/ three part bids and that too before opening of the price bid:

- (i) Validity of offer has expired.
- (ii) Revision in price by bidder to withdraw deviation to NIT specification / conditions during techno commercial discussions.
- (iii) Post tender change in specifications/terms and conditions of tender has been approved during the validity period. However, in case of such changes to tender specification, only corresponding price implication will be allowed. In such cases, all parties should be given equal chance for the same.
- (iv) Revised price bids can also be called in sealed bids from all technically and commercially acceptable bidders, as the case may be, when there is perceptible downward/upward trend in market condition during process of evaluation subject to financial concurrence and approval of the Competent Authority.

9.17 Function of the TEC shall be as follows:

- i) To scrutinise all the valid offers received against the tender.
- ii) The TEC shall conduct the techno-commercial discussions, if necessary, with the bidder, provided their bids are otherwise complete in all respect, and are in order. The required EMD has been deposited. Attempts should be made to bring all the bidders at par with respect to technical parameters. Financial implications, if any, for technical changes may be asked from all the bidders by a cut-off date.
- iii) TEC shall recommend for price bid opening of the techno-commercially acceptable offers.
- iv) The revised offers/ financial implications arising out of techno commercial discussion along with original price bid should be opened on the date and time fixed for the same.

- v) Among all the techno-commercially acceptable offers, the lowest offer will be accepted for award of work. In case L-1 bidder back out then there shall be retendering and the retendering mode shall be same as original tender.
- vi) Government guidelines with respect to purchase preference, if any, to PSUs or any other specific category of firm/industry shall be taken into account.
- vii) TEC shall examine the reasonability of offer and individual item rates and may recommend for negotiation, with adequate justification as detailed at 9.18 below, for approval of competent authority.
- viii) Negotiation shall be held by the TEC by way of discussion/ e-mail/ fax, if approved by competent authority.
- ix) After negotiation, the proposal shall be submitted by the TEC or the dealing officer, as the case may be for financial concurrence / approval of the competent authority endorsing reasonableness of price. Where reasonableness of price cannot be established based on available data, placement of order may be considered after recording clearly the circumstances and exigency of requirement.

9.18 Negotiation shall be exception rather than rule and shall be resorted to with justification, if any one or combination of the following situations exists; and subject to guidelines issued by the Company from time to time:

- (i) Procurement of Proprietary items/ items with limited sources of supply.
- (ii) Price quoted by the lowest bidder is unreasonably higher than the estimated value/ last awarded value of the bid.
- (iii) Sudden change in the market/ local environment during the period of tender finalization.
- (iv) Terms and conditions quoted by the bidder are not as per the bid and better terms can be negotiated with.
- (v) The bidders are suspected to have formed ring/ cartel and have quoted unreasonable rates.

(vi) Procurement of Services from OEM or where offer is less than three received against open tender or LTE.

(vii) Where there is a decision for retendering due to offer being unreasonably high, but the requirement is urgent, negotiation with L-1 is permitted for the minimum requirement. The balance quantity should however be procured expeditiously through a re-tender, following the normal tendering process.

9.19 When more than one source is required (specified in the NIT) or the lowest bidder has not offered for full tender quantity, negotiation will be held first with L-1 bidder, **in case negotiation is necessary** as detailed at 9.18 to freeze the acceptable L-1 price. The frozen L-1 price is then to be offered to all the technically acceptable bidders in order of their position till the entire quantity is covered. After considering at least 10% higher quantity in case of splitting envisaged on item rate contract for the L-1 bidder provided he has offered for such quantity and is considered acceptable, the remaining quantity will be distributed among bidders (who have matched L-1 price) in order of bid status till the required numbers of sources/quantities are met. If required number of sources/quantities could not be met even with above and the uncovered quantity cannot be kept in abeyance till the next tender, then negotiation will be held with the lowest bidder who have not matched the L-1 price to bring down the price to the extent possible and order can be placed on them at that differential negotiated price with due approval of the competent authority. This process will continue till the required numbers of sources/quantities are met.

9.19.1 In all the cases where more than one source is required, approval of competent authority is to be taken prior to issue of tender and there has to be clear stipulation in the tender about the division of the order, so that the bidders are aware of the same at the time of bidding itself.

9.20 Any counter-offer to L-2, L-3 etc. (at the rates accepted by L-1) in case of splitting of quantities, as pre-disclosed in the tender, shall not be deemed to be a negotiation. Similarly offer to bidder for the unquoted items as stipulated at 9.14.2 shall not be deemed to be a negotiation.

9.21 Award of work/ Acceptance of bid:

9.21.1 On receipt of recommendations of Bid committee through T&C Department, the competent authority shall decide regarding the award of the work with concurrence of associate finance.

9.21.2 On approval of competent authority, concerned department handling the tender shall issue FOI/LOI/WO communicating the bidder regarding acceptance of his offer. In case bidder refuses to carry out work for whatsoever reason, his available security with NALCO shall be forfeited.

9.21.3 The party in whose favour the work is awarded shall have to enter into an agreement in writing on non-judicial stamp paper as laid down in the GCC. The agreement normally consists of LOI, BOQ at the accepted rate, Complete bid document, Schedule of Agreed Variations (if any) etc. The documents such as, correspondences, minutes of meeting, (if held with the party) etc. shall also form part of the contract agreement as required. For contracts up to value Rs 1 lakh, the execution of Contract agreement may be dispensed with.

9.21.4 Top priority should be given to decide the award of the work after receipt of bids preferably before expiry of validity period. The reasons for not being able to finalize the bid within the validity period should be clearly spelt out while seeking approval for extension of validity period from competent authority.

9.21.5 In a case where the contractor is not prepared to do the work at the agreed rate or contracted rate, the work can be done through any other agency at the risk and cost of original contractor after giving him due notice. The HOD/ EIC of the executing department shall issue necessary notice in writing under registered letters and give sufficient chance to the contractor before taking recourse to risk and cost. All legal / contract formalities should be followed in consultation with the T&C / Law Department.

9.22 Repeat Order: Repeat Orders are those orders which may be placed on the parties at the same terms and conditions of the previous order except for the quantity and delivery. Repeat orders may be considered only if there is no downward movement of the prices which should be certified by

user department. Repeat Orders can be placed within 12 months of placement of original order or as specifically agreed in the original order. Repeat orders can be placed if the original order has been placed through competitive bidding. However, for proprietary and standardized items also, which have been purchased from single source, repeat orders can be placed. The total item value under Repeat Order shall not exceed 100% of the original order item value.

In exigencies a second repeat order not exceeding the original order item value can be placed recording sufficient justification with the approval of next higher authority. For cases where original order placements have been approved by the CMD / COD/ Board, second repeat order shall be approved only by the original approving authority.

9.23 Cancellation of Tender : Tender may be cancelled under following circumstances:

- a. Where there has been material change in the specifications.
- b. Where tenders received do not fulfill the required specifications laid down in the Tender Notice even after techno-commercial clarification.
- c. Where the price quoted appears to be unreasonably high (say more than 20% above estimate prepared on DSR with cost index or zero base) or ring prices seem to have been quoted and there is possibility of getting lower rates.
- d. Where there is sudden slump in the price of service in question (may be justified by user department and approved by CA) after opening of tenders.
- e. Requirement ceases to exist. In such cases no tendering for the subject works/services can be taken up for the next six months.
- f. Unworkable rates/amount offered by the lowest bidder when the estimate is prepared on DSR with cost index or zero base.
- g. Any other reason in the interest of the Company.

Reasons for cancellation of tender shall be recorded and approval to be taken from the competent authority with concurrence of finance.

CHAPTER - X

e-TENDERING

10.1 Introduction:

10.1.1 The e-tendering / e-procurement for service contracts have been started in a limited way in Nalco through Central Public Procurement Portal (CPP Portal), <http://eprocure.gov.in/>. The site is maintained by NIC, as per guidelines from Ministry of Finance, Department of Expenditure, Public Procurement Cell; Government of India, and is available over Internet.

The e-procurement application in CPP Portal provides the basic IT facilitation for e-tendering / e-procurement of contracts & services. The commercial and other terms and conditions of the contracts/services are as per Nalco's requirements and other processes spelt out else where in this manual.

10.1.2 Various salient points addressed by this portal:

- Free Access to tender documents for all
- Facility to publish tender documents, to add corrigendum with document
- Facility to publish bid award details along with contract document
- Facility to publish NIT through on-line form,
- In public domain, no registration is required for access/viewing by public

10.1.3 Features of the System:

- Registration of Bidders and Nalco officials in different roles
- Tender Creation and Publishing including corrigendum etc.
- Online Bid submission/ resubmission/ withdrawal as per the needs (configurable)
- Facility for online/ offline payment of Tender Fee and EMD
- Encryption of bids submitted by the bidders
- Online tender opening
- Tender status on different stages of the tender
- Digital signing of all documents

10.1.4 Security & Authentication:

- Secured Hosting facility
- Web security- SSL technology
- Two factor authentication with Digital Signatures
- Bid Encryption at Client System
- Audit trail of each activity
- Replication of data & backup facility
- Security audited by various CERT-IN agencies
- Time stamping of all events.

10.1.5 Objectives of the system:

- Enhanced Transparency
- Non-discrimination among bidders
- Free access of tender documents to any bidder & bid submission from their place of convenience
- Promotes open competition
- Accountability of all activities
- Security of the entire process using PKI Technology

10.2 Operational Infrastructure / Support:

10.2.1.1 Nodal Officer:

10.2.1.2 At present a Nodal Officer has been entrusted at Corporate System Dept. with email id: nodalofficer_cppp@nalcoindia.co.in to facilitate the users in this regard.

10.2.1.3 Any physical supports required from NIC are to be coordinated through him.

10.2.1.4 The Nodal Officer has the responsibility for identifying and creating user accounts for e-procurement roles such as Tender Creators, Tender Publishers, Bid Openers and Bid Evaluators.

10.2.2 Tender Inviting Authority: All Unit Heads/ RMs are to form the e-tendering team and empower the selected team members as Tender Inviting Authority by providing user-id & password and Digital Signature Certificate (DSC) for taking ahead the e-tendering practice:

10.2.3 User-Id & Password: Details of Nalco Officials, to be designated as Tender Inviting Authority for e-procurement activity, will provide

requisite information as per Format-1 to the Nodal Officer, after duly recommended by respective Head of Dept, and approved by at least concerned General Manager / Regional Manager.

Nodal Officer will create the user account in CPP Portal using his credentials and DSC. The password will be directly received by the user over e-mail.

10.3 Digital Signature Certificate (DSC):

10.3.1 Digital Signature Certificate (DSC) is required for digitally signing a document as per IT parlance. Digitally signed documents are legally admissible in a court of law, as provided under the provisions of IT Act. For implementation of e-procurement / e-tendering & other such activities, the Tender Managers / other executives involved in such activities need to have Class II or Class III DSC with Encryption Certificate.

10.3.2 Digital Signature Certificates can be procured from any Certified Agency of Govt. of India.

10.4 E-procurement System: The CPP Portal <http://eprocure.gov.in/> has links to related documents starting from Govt. Guide lines, Instructions, Rules & procedures, self-help presentations and Training documents for both Tender Inviting Authority and Bidders. For familiarization and mock-drills and a demo site as <http://demoeproc.nic.in/> is also maintained by NIC with self learning demonstration-cum-training presentation is available.

10.4.1 Mode of Tender: The systems supports open, Limited and Single / Proprietary mode of tenders.

10.4.2 Type of covers / parts: The system supports multi-cover mode of tendering.

10.4.2.1 Single Cover consists of EMD & cost of bidding document (if there), Pre-qualification, Techno-commercial and price bid in one cover.

10.4.2.2 Two Cover consists of EMD & cost of bidding document (if there), Pre-qualification, Techno-commercial part in one cover and Price part in 2nd cover.

10.4.2.3 Three Cover consists of EMD & cost of bidding document (if there), Pre- qualification part in one cover, Techno-commercial part in 2nd cover and Price part in 3rd cover

10.4.2.4 Four Cover consists of EMD & cost of bidding document (if there) in one cover, Pre- qualification part in 2nd cover, Techno-commercial part in 3rd cover and Price part in 4th cover.

10.5 For the bidders interested in bidding in NALCO tenders, they should be advised to get their e-mail-ids and digital signatures in advance. They can be trained by Nalco-Officials or NIC as per requirement. The guidelines to be adopted by bidders are as enumerated at 10.9.

10.6 Training for trainers / Tender Inviting Authority / Bidders: Training to be imparted to all stake holders by training of trainers by NIC or by Nalco Officials

10.7 Activities by Nalco Tender Inviting Authorities:

10.7.1 User Authentication: The login-id (same as official e-email-id of the employee) and password as provided and maintained at CPP Portal is used as 1st level of authentication. DSC is used as the 2nd level of authentication. The roles for the user, is as defined by the Nodal Officer. User Manuals / reference documents are available in the CPP Portal as ready reckon.

10.7.2 Tender Creation: The tender document is prepared in pdf format, as per tender scope & guidelines already defined in this manual. All documents such as NIT including Information/ Instructions to bidders, other conditions of the tender, Schedule of Quantities, Drawings and other documents shall be uploaded at one time.

To generate Comparative Statement in composite bids all components of the schedule of quantities shall be uploaded in a single spread sheet showing the schedule of quantities.

Already sample BOQ format for a. Item Rate, b. Percentage Rate, c. Item wise with taxes are published in CPP Portal. Any other BOQ format required (Including foreign currency or any specific types of BOQ format) can be prepared in consultation with NIC.

The basic details of the tender, cover details, NIT details are submitted followed by work item details, Fee details, Critical dates & times, bid-opener details as per requirement on case to case basis.

Tender Creation Data Sheet, as available in the CPP Portal can be used for this purpose.

Users need to login with tender creator / administrator role for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner.

10.7.3 Tender Publishing: Users need to login with tender publisher role for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner and user department to update himself from time to time..

10.7.4 Corrigendum Creation: Corrigendum Creation Data Sheet, as available in the CPP Portal can be used for this purpose. Users need to login with tender creator / administrator role for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner.

10.7.5 Corrigendum Publication: Users need to login with tender / corrigendum publisher role for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner.

10.7.6 Bid Opening -I (Technical): Users, designated as bid-openers role for the case tender need to login for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner. The process of technical evaluation is mostly offline. The Bid Documents are given to the Technical Evaluation committee and their recommendations are uploaded into the system. If the tender can be parameterized and put in the form of a template the system facilitates on-line evaluation also.

10.7.7 Technical Evaluation: Users need to login with Evaluator role for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner.

10.7.8 Bid Opening – II (Financial) :Users, designated as bid-openers role for the case tender need to login for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner.

- 10.7.9 Financial Evaluation:** Users need to login with Evaluator role for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner.
- 10.7.10 Award of Contract (AOC):** Users need to login as Dept. User / Evaluator role for this purpose. User Manuals / reference documents are available in the CPP Portal as ready reckoner.
- 10.8** Contractors/Bidders for the e-submission of the bids online through this tender site should follow instruction as given below.
- 10.8.1** Bidder should do the registration in the tender site <http://eprocure.gov.in> using the option available. Then the Digital Signature registration has to be done with the e-token, after logging into the site. The e-token may be obtained from one of the authorized Certifying Authorities of Govt. of India such as MTNL / SIFY / TCS / nCode / eMudhra / NIC etc.
- 10.8.2** Bidder then login to the site through giving user id / password chosen during registration. The e-token that is registered should be used by the bidder and should not be misused by others.
- 10.8.3** The Bidders can update well in advance, the documents such as certificates, purchase order details etc., under **My Documents** option and these can be selected as per tender requirements and then send along with bid documents during bid submission.
- 10.8.4** After downloading / getting the tender schedules, the Bidder should go through them carefully and then submit the documents as asked, otherwise, the bid will be rejected.
- 10.8.5** If there are any clarifications, this may be obtained online through the tender site, or through the contact details. Bidder should take into account of the corrigendum published before submitting the bids online.
- 10.8.6** Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender schedule and they should be in PDF/xls/rar/dwf formats. If there is more than one document, they can be clubbed together.

- 10.8.7** Bidder should get ready the EMD as specified in the tender. The original should be posted/couriered/given in person to the Tender Inviting Authority, within the bid submission date & time for the tender.
- 10.8.8** The bidder has to reads the terms & conditions and accepts the same to proceed further to submit the bids
- 10.8.9** The bidder has to submit the tender document online well in advance before the prescribed time to avoid any last minute hitch/problem.
- 10.8.10** After the bid submission, the acknowledgement number, given by the e-tendering system should be printed by the bidder and kept as a record of evidence for online submission of bid for the particular tender.
- 10.8.11** The details of the Earnest Money Deposit document submitted physically to the Dept and the scanned copies furnished at the time of bid submission online should be the same otherwise the Tender will be summarily rejected
- 10.8.12** The **Tender Inviting Authority (TIA)** will not be held responsible for any sort of delay or the difficulties faced during the submission of bids online by the bidders.
- 10.8.13** The bidder should see that the bid documents submitted should be free from virus and if the documents could not be opened, due to virus, during tender opening, the bid is liable to be rejected
- 10.8.14** The time settings fixed in the server side & displayed at the top of the tender site, will be valid for all actions of requesting, bid submission, bid opening etc., in the e-tender system. The bidders should follow this time during bid submission.
- 10.8.15** All the data being entered by the bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered will not viewable by unauthorized persons during bid submission & not be viewable by any one until the time of bid opening. Overall, the submitted tender documents become readable only after the tender opening by the authorized individual.

- 10.8.16** The confidentiality of the bids is maintained since the secured Socket Layer 128 bit encryption technology is used. Data storage encryption of sensitive fields is done.
- 10.8.17** The bidders are requested to submit the bids through online e-tendering system to the TIA well before the bid submission end date & time **(as per Server System Clock)**.
- 10.8.18** The bidder should logout of the tendering system using the normal logout option available at the top right hand corner and not by selecting the (X) option in the browser.
- 10.8.19** If the bidder submits the bid in manual form (if permitted categorically in the tender), he should have already registered in the tender site and he has to inform the registration ID in the bid submitted otherwise his tender will not be considered.
- 10.9** In case at any point of time, Nalco decides to adopt e-procurement platform other than CPP Portal, the same shall be notified as and when imminent.
- 10.10 Guidelines for e-tendering:** Separate guidelines shall be issued regarding the implementation and detailed procedures to be followed for e-tendering.

CHAPTER XI

PETTY/ SMALL VALUE CONTRACTS AND EMERGENCY CONTRACTS

11 PETTY WORKS/ SMALL VALUE WORKS: The procurement of services for petty works or small value works with upper ceiling of Rs.20,000/- shall be dealt directly by the user department subject to availability of budget provision and compliance to DOP provision. (No contract agreement is required)

11.1 EMERGENCY CONTRACT

11.1.1 In case of exigencies/ eventualities like (i) to meet the emergency need of the plant/unit for operation & maintenance, safety, security, commissioning and break down jobs, where internal resources are not adequate to take timely action, so as to keep the flow of production/plant operation uninterrupted (ii) any emergency requirement of Project to meet the targeted project schedule, (iii) other miscellaneous jobs that cannot wait for normal bidding cycle, shall be dealt as Emergency Contract.

11.1.2 Due to very nature of the requirement, which has to be met in the shortest possible time, the normal process of bidding cannot be followed for such works. Such jobs can either be awarded through inviting short limited bid or spot bid after selecting parties out of available registered vendor list or from available known sources, based on due certification by the user department. The bidding process etc. may therefore be adopted as per the specific requirement of the nature of work with due justification and approval of competent authority. Even provisional order at the rate to be finalised later on and placement of order on single bid basis may also be adopted in such situations. The work order details so awarded need to be placed on website.

11.1.3 In case of such requirement, the proposal shall be accompanied by “criticality certificate” to be issued by concerned HOD in prescribed format and approved by Unit Head showing the emergent nature of

work. The proposal may be finalised through T&C dept or user department as per the decision of unit/project head on case-to-case basis. In case of execution of emergency jobs, the procedure which could not be followed as applicable in case of normal tendering procedure may be clearly highlighted and approved by competent authority.

11.2 The following procedure shall normally be followed by the user department while finalising such orders.

11.2.1 Emergency contracts shall not be covered under normal tendering procedure

11.2.2 Similar emergency type of work shall not be awarded more than twice in a financial year by any individual department. The maximum duration of contract shall not be more than six months. The work should not be repetitive in nature. In no case a repeat order for such work orders shall be awarded.

11.2.3 The estimation for such work shall be based on relevant chapter on Estimates covered under this manual. The HOD/ Dy.GM of the concerned department shall satisfy himself about the accuracy of the estimate.

11.2.4 Enquiry for such work shall be issued to minimum 03 parties preferably from Approved Master vendor list available in the T&C Dept as LTE or even as Short LTE or spot enquiry basis. In case the number of available vendors in the approved vendor list is less than 03 or not available at all, the vendor list for issue of such bids is to be approved by the concerned Unit head up to Rs. 50 Lakh value of tender and beyond that by Complex head.

11.2.5 The user department shall follow abridged fool proof standardised bid documents, while floating such bids. The bidders are not allowed to take any deviation in their offer and in the event of any such deviation; the bid shall summarily be rejected.

11.2.6 Earnest Money Deposit & Security Deposit as applicable for bids shall be adopted.

11.2.7 In case response is not less than 03 or the number of bidders approved (whichever is less), the same may be opened without further approval.

Otherwise, approval of competent authority is to be obtained for opening of Part-1 bid of two part bids or price bid of single part bid.

11.2.8 Opening of bids shall be done in association with finance representative and comparative statement need to be vetted by associated finance.

11.2.9 The work shall be awarded after ascertaining the reasonability of the quoted price vis-à-vis estimated value. Negotiation may be resorted to as per Clause 9.18 of this manual.

CHAPTER-XII

EXECUTION OF WORK

12 EXECUTION OF WORK:

- 12.1** Item rates higher or lower by more than 30% of the estimated rates shall be considered as abnormally high or low rated items. The authority in charge of award of the contract shall inform to the executing authority and concerned finance department regarding such items.
- 12.2** During the course of execution, a constant watch shall be kept on any upward variation in respect of the items having abnormal high rates (AHR).
- 12.3** Normally, the quantity of AHR items should not be allowed to exceed the quantity mentioned in the BOQ. However, in case of any increase in quantity of AHR items beyond BOQ quantities necessitate for due execution of work, the same shall have to be informed by the Manager/Engineer in charge to the competent authority immediately of such increase. Further execution of such items should be undertaken after checking inerse position of the bidders against the tender and with prior approval of competent authority supported by adequate justification. For contract awarded with approval of Executive Director and above level, Executive Director is the competent authority to approve the upward deviation against AHR items. The same procedure shall also be followed for deviation in any single item, which has significant impact on the contract value (say above 5%).
- 12.4 Inspection of works:** It is incumbent upon various persons concerned with the work to inspect the same frequently to ensure that the work is being executed according to the designs and specifications laid down for the purpose. Primarily a person who records, checks the measurements of an item of work will be responsible for the quality, quantity and dimensional accuracy of the work which he has measured/checked. The Manager-in-Charge/ Engineer-in-Charge shall maintain the Hindrance Register as per prescribed format, which shall be referred/ analysed while considering request for Time extension vis-à-vis waiver of Compensation for delay. In order to determine the same, hindrance register maintained

for the work jointly signed by EIC/MIC and contractor shall be taken into consideration. Bid document will clearly stipulate that delays will be determined on the basis of register jointly signed by the EIC/MIC and contractor and that any refusal on the part of the contractor to sign the register would mean that the delay, if it occurs will be solely attributable to him.

12.5 In case of works involving supply of equipment/ structures/material etc, the specification of work shall clearly indicate norm against which, the structures/ equipment/ material etc. are to be accepted. The specification must indicate the following:

- That inspection will be carried out to establish conformation to the acceptance criteria.
- In case equipment/structure/ material does not conform to acceptance norms they will be summarily rejected, unless deviation in this regard have been accepted for good and sufficient reasons should be recorded in writing.

12.6 Contractor will give a clear notice period offering material/equipment for inspection and they will not be despatched unless they are inspected and cleared for despatch. However, in exceptional cases inspection may be waived for good and sufficient reasons after taking necessary approval in writing from the competent authority.

12.7 Completion certificate: Before a work is declared completed in all respect and final payment is released to the contractor, it should be inspected by Manager/ Engineer-in-charge of executing department. Necessary certificate may be issued only after total completion of work and after plugging all the checklist points. The completion certificate should contain final executed value and date of completion along with the other details of the contract. Issue of completion certificate/ performance certificate to any executing agency working in NALCO, the same shall be as per contract stipulation only. Any interim certificate requested by the party may be considered only after due approval by the concerned Head of the Department not below the rank of DGM of the dealing department.

- 12.7.1** In case of consultancy assignments, the completion certificate shall be issued by MIC only after approval/acceptance of such report by the authority who has approved placement of order.
- 12.8 Excess over Contract Value:** In case any excess expenditure is anticipated during execution of work, necessitating preparation of revised contract value/ deviation statement etc., action should be taken as per relevant provision mentioned below.
- 12.9** It may be necessary that, during the course of execution of any contract, some change is made either in the method of execution of the work or the scope of the work is required to be enlarged or new additions/ alterations to the original contemplation are required to be implemented. In such an event, the revised contract value shall be prepared for approval of the competent authority.
- 12.10** In case of Item rate contracts, the quantity indicated in the BOQ may undergo changes during execution of the contract. In such case, when the executed value is about 80% of the contract value and it is apparent to the engineer-in-charge that, the contract amount is likely to be exceeded, the revised contract value with deviation statement shall be processed for approval of competent authority. The circumstances leading to the change in quantities needs to be mentioned in the revised contract value. The revised contract value must show the amount of the original contract value and the total of the sanction required in the revised contract value. Proper justifications of each item of addition and alteration are to be given with the revised contract value.
- 12.11** However, in respect of maintenance works, additions and alterations (if any) to the work envisaged need to be recorded in writing and approval of competent authority obtained from time to time.
- 12.12** However, a suitable clause may be inserted in the bid document, so that, it becomes mandatory by the contractor to enclose the proposed deviation statement with the RA Bill once the executed value of work has reached 80% of the awarded value.
- 12.13** In case of maintenance contracts, there could be variation in individual quantity of items. For variation in quantity within the contract value, the

final deviation statement should be approved by concerned HOD /DGM with due concurrence by associate finance department.

- 12.14**The work of civil, mechanical, electrical, sanitary and water supply installations should be properly co-ordinated with the building construction by planning well ahead of the execution of work in question so that there will be no delay in final completion of work.
- 12.15**No sooner a work is started the respective electrical, mechanical engineers must be informed by the Civil Engineer-in-charge of the construction. The concerned department shall show the respective installation and mark clearly the position and size of the holes and pockets etc., which should be left to accommodate their fittings and equipment. One copy of the same shall be sent to the Civil Department for incorporation in the works.
- 12.16**The contract agreement will specify major items of supply or services, for which the contractor proposes to engage sub-contractor/sub-vendor. The contractor may from time to time propose any addition or deletion from any such list and will submit the proposals in this regard to the Engineer-in-charge/Designated officer-in-charge for approval of designated sub-contract/sub-vendors well in advance so as not to impede the progress of work. Such approval of the Engineer-in-charge/Designated officer-in-charge will not relieve the contractor from any of his obligations, duties and responsibilities under the contract of such departmental procedure manual.
- 12.17**For Defective/ sub-standard work relevant clause of GCC in this regard shall be applicable.
- 12.18**Items like cement, reinforcement steel, structural steel, rails, bearings, pumps & other equipments are issued to the contractor as free issue material for use in the work. For free issue of material used inside plant premises, the contractor may be asked to submit an indemnity bond and BG as per GCC stipulation. Whereas free issue of material required to be taken outside plant premises, the contractor may be asked to submit a bank guarantee equal to the value of material in the custody of the contractor at any point of time. This needs to be suitably addressed in the SCC of the tender document.

12.19 Measurement of works:

- 12.19.1** The payment to the contractor for the work done or the services rendered are made on the basis of the measurement recorded in the measurement sheets as per computerised format.
- 12.19.2** The bill along with measurement shall be submitted by the contractor and are to be checked by Supervisor/Sr. Supervisor in charge of the work concerned. In the absence of Supervisor, concerned Jr./Asst Manager shall check the same. Any senior officer not below the rank of Dy. Manager/ Manager should do the test checking.
- 12.19.3** In case of works related to building and project etc. photograph showing physical progress may be attached duly certified by the engineer-in-charge endorsed by the superior officer as proof of progress of work.

CHAPTER – XIII
EXTENSION OF TIME

- 13 Time is the essence of the contract and therefore the time required for completion of the work to be carefully fixed on the basis of control network chart taking into account the availability of material, local condition, hindrances due to rain and standard of finishing expected. The contract should provide suitable penalty leviable due to delay on the part of the contractors. In view of this, it shall be the duty of the executing officer of the technical dept. to see those materials and other facilities as agreed upon in the contract which has been issued/complied without delay or failure on the part of the company. Any continuing lapse may be viewed seriously and the matter should be brought to the notice of competent authority for taking remedial action as deemed fit. This would ensure that no act is done to nullify or vitiate the provision of the contract connected with the time factor.
- 13.1** Reasonable mobilisation time as provided in the contract shall be permitted to the contractor. The effective date of the contract shall be reckoned from the date of order unless otherwise agreed between Company and contractor.
- 13.2** To ensure timely progress of work, physical/ financial progress may be regularly monitored with reference to agreed milestones in terms of bar chart / pert network prepared for this purpose as well as estimated cost at different stages of progress of the work.
- 13.3** If the work is delayed due to happening of any of the following event the contractor shall immediately give notice thereof in writing to the Engineer/Manager-in-Charge but shall nevertheless use his best efforts to prevent or make good the delay and shall do all that may be reasonably required to the satisfaction of the engineer-in-charge to proceed with the work/job.
- a) Force majeure
 - b) Abnormal bad weather for a considerable time.
 - c) Serious loss or damage by fire
 - d) Civil commotion strike or lock out

- e) Delay on the part of other contractors or supplier engaged by NALCO in executing work, which has a bearing in completion of the work.
 - f) Non-availability of materials, which are in NALCO's scope of supply.
 - g) Non-availability or break down of tools and plants supplied by NALCO
 - h) Any other causes considered to be beyond the reasonable control of contractor.
- 13.4** The intimation in writing has to be submitted by the contractor to EIC/MIC not later than 15 days of occurrence of such events indicating possible impact on the completion schedule giving full justification for the same. EIC/MIC shall examine the reasonableness of such submission and shall take action as deemed fit.
- 13.5** The reasons brought out by the contractor in the request for time extension shall be brought to the notice of the competent authority along with extract from hindrance register in support of contractor's claim. The competent authority to grant extension of time should ensure that the reasons to be forwarded by the contractor(s) endorsed by Engineer/Manager-in-Charge are genuine and he is fully satisfied with those reasons.
- 13.6** The competent authority can grant extension of time in full or part if he is of the opinion that the reasons shown by the contractor while seeking extension of time are genuine/ reasonable. He may levy or may completely waive the compensation recoverable from a contractor after recording the reasons. He may also extend the contract without prejudice to levy of penalty at a later date.
- 13.7** Unless and otherwise agreed to, during the extended period of the contract, the contract rates shall remain firm and there will not be any additional establishment or idle charges. The escalation clauses of the contract shall not be applicable if the contract is extended with imposition of L.D.
- 13.8** In exceptional cases considering the exigency and urgency of the work (reasons to be recorded in writing) provisional time extension may be granted by GM's of executing department/Competent authority without

prejudice to levy of penalty in terms of the contract at a later date and subject to rate remaining firm and without any additional financial implication to the company.

13.9 In case of Periodic Contract like Maintenance contract, Hiring contract & Service contract etc., where completion of work is not the essence of the contract but the continuation of work during a specific period is essential, the EIC/MIC shall initiate proposal for fresh contract well in time to ensure that the new contract is in place on expiry of the contract. Extension of such contract can be considered only in exceptional circumstances with reasons to be recorded and adhering to following conditions.

13.9.1 Extension of Periodic Contract shall be granted maximum up to one-fourth of the original contract period with value enhancement or otherwise.

13.9.2 Such extension shall be preferably on same rates, terms and conditions.

13.10 In case the contractor fails to complete the work within the stipulated period unless such failure is due to force majeure as defined in the contract or due to Company's default, contractor shall pay to the Company by way of compensation for delay and not as penalty, a sum at the rate of one percent of contract value per week of delay up to a maximum 10% of the contract value. The contract document will contain a provision that, this is a genuine pre-estimate of the loss/damage which will be suffered on account of delay/breach on the part of the contractor and said amount will be payable on demand without there being any proof of the actual loss or damages caused by such delay/breach. All sums payable by way of compensation under any of the conditions will be considered as reasonable compensation without reference to the actual loss or damage, which will-be sustained.

13.11 If the contractor fails to fulfil the terms and conditions of the contract, Company shall have the right to award the total or left out work to any other contractor at the risk and cost of the said contractor after giving 15 days notice to the contractor.

CHAPTER – XIV
PAYMENT TO THE CONTRACTOR

14 Payment to the contractors shall be released as per terms of the contract, after necessary certification by the executing department and necessary checking in finance department.

14.1 No intermediate payment shall be considered for works estimated to cost less than Rs.25,000/- till the whole work have been completed. But in case of works estimated to cost more than Rs. 25,000/-, the contractor is entitled for intermediate payment proportionate to the part of work executed on submitting the bill duly approved and passed by the Engineer-in-charge (to be stipulated while placing a work order with approval of competent authority), whose certificate of such approval and passing of the sum so payable shall be final and conclusive against the contract. Payment will be made after making necessary deductions as stipulated elsewhere in the contract document for materials, security deposit etc or any statutory recoveries. The level of Engineer-in-charge shall be decided by the Unit Head/ GM/ RM depending on the value of the contract if not specifically mentioned in the work order.

14.2 Bill submission schedule shall be stipulated in the ITB of the tender document. The schedule should be framed by the executing department in such a way that the payment against bill should not be for a very large interval or for very small interval. EIC/MIC should ensure that the contractor should submit bill as per schedule in the contract document.

14.3 All payment shall be made by e-mode only. Any relaxation to this mode of payment shall require approval of GM (Fin)/DGM (Fin).

14.4 Time schedule for submission of bills to Finance Dept by Engineering Dept.

RA Bill	Within 7 (seven) days of submission of bill by contractor.
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Final Bill	Less than Rs.10 lakh	Within 4 weeks of submission of bill by contractor
	Rs.10 lakhs or more	Within 6 weeks of submission of bill by contractor

14.5 Time schedule for payment of bills by Finance Dept on receipt from Technical Dept. duly checked and approved by the Engineer-in-charge.

RA Bill	Within 7 (seven) days of receipt in Finance dept	
Final Bill	Less than Rs.10 lakh	Within 2 weeks of receipt in Finance dept
	Rs.10 lakhs or more	Within 4 weeks of receipt in Finance dept

CHAPTER – XV

ENLISTMENT OF CONTRACTORS

- 15 The achievement of the project schedule and cost objectives of an enterprise is to a great extent dependent on the performance of contractors or agencies, to whom the works are entrusted depending on their capability, resourcefulness, technical soundness etc. However, the problem of finding efficient and able contractors, who can execute works on reasonable terms, has been one of the main difficulties faced by the construction industry in India. It is in this context and to obviate the difficulties experienced in finding suitable agencies for execution of works, the necessity of maintaining lists of different categories and classes of contractors arises.
- 15.1** The T&C department of the concerned unit must have a comprehensive list of contractors to whom enquiries can be sent in case of LTEs. The enlistment may be principally based on certain experience in the relevant/ similar job with monetary limits as well as category of work. The T&C department shall call for applications from time to time (once in three years) through usual enquiry/ advertisements/ website etc. for enlistment of contractors for various works.
- 15.2** On receipt of such applications, (along with their technical & financial credentials such as work orders. completion certificates, performance certificates issued by clients, profit/loss accounts, EPF/ESI/VAT registration certificates, PAN etc.), the capability of the party shall be assessed. In case of past experience, party's capability, past performance may be accessed through confidential enquiries from the party's clients.
- 15.3** If a contractor is enlisted with CPWD, MES, P&T, Railways or State Govt., PWDS, due recognition is to be given for that.
- 15.4** The list of approved contractors shall be prepared and reviewed periodically, preferably once a year and kept up to date by the T&C department. The "Approved Vendor List" shall be distributed to all the technical department of unit and up-loaded in NALCO's website for wider publicity by T&C department. The enlistment shall be valid for three years. After that re-registration and fresh enlistment has to be done. In

case contractor in the Approved Vendor List fail to submit required document, the name of the contractor will be deleted from approved vendor list with intimation to bidder.

15.5 The dealing department (T&C Dept.) with approval of the competent authority shall remove the name of any contractor from the list, permanently or temporarily whose conduct and business dealings with the company do not conform to the minimum standards desirable.

15.6 For Civil, Mechanical, Process, Electrical, C&I, Horticulture, Transport, Sanitation and other miscellaneous works, enlisted firm/agencies shall be classified as given below with monetary limits of works for which they are enlisted:

Category I -	Up to Rs.10 lakh
Category II -	Rs.10 - 50 lakh
Category III -	Rs.50 - 100 lakh
Category IV -	Rs.100 - 500 lakh
Category V -	Rs 500 lakh & above.

15.7 For above classification, the assessment of contractors shall be based on certain guiding principles as detailed below.

15.7.1 Assessment of financial soundness of contractors based on following documents is an important factor to be considered before enlisting them. Those who fail to submit any of the following documents without any justifiable reasons for non-submission thereof should not be normally considered for registration.

- Annual report or copy of audited annual accounts of last three years duly certified by Chartered Accountant.
- Income tax return copy for last three years.
- Solvency certificate from bank indicating credit limit enjoyed & financial soundness.
- Net worth of the bidder/ Company should be positive in the preceding financial year.

Based on financial statement as above, firms/agencies should be considered for 3.33 times the average annual turnover of the firm in the last three financial years.

- 15.7.2** For technical competency, the contractor should submit work orders copy along with completion certificate of having satisfactorily executing the similar works during last three years. The capacity of contractors may be assessed on verification of certificates, testimonials regarding satisfactory completion/ execution of such contracts from their principals or through confidential enquiries with previous clients, with whom the agency had done business earlier. In case party submit more than three work orders of similar work, three highest work orders should be taken as basis for enlistment of the contractor for similar work.
- 15.7.2.1** If party has submitted one work order copy, then the party should be enlisted for similar tender estimated at less than or equal to 150% times the work order value.
- 15.7.2.2** If party has submitted two work order copies, then the party should be enlisted for similar tender estimated at less than or equal to 200% of the lowest of the two work orders value.
- 15.7.2.3** If party has submitted three or more than three work order copies, then the party should be enlisted for similar tender estimated at less than or equal to 250% of lowest of the three work orders value considered for enlistment
- 15.7.3** Certain jobs, depending on their magnitude, may warrant employment of suitable, experienced and qualified technical personnel by contractors. In all such cases, before enlisting contractors, it may be desirable to see whether the contractors have on their rolls the required number of such technical personnel. In order to verify this, the contractors may be required to submit, along with their application for enlistment, full details about their organisation and list of key persons.
- 15.7.4** It may be essential that the contractors desiring enlistment have sufficient equipment, machinery, tools and plants, appliances,

implements etc. of their own and are capable of executing the categories of works for which they desire enlistment. The contractors shall submit, with their application, full details of plant and machinery at their disposal.

15.7.5 In addition to above, the firm/agency desirous for enlistment should submit the following:

- The party should have adequate legal status for entering into a contract.
- They are in not insolvent, in receivership, bankrupt or being wound up, their affairs not being administered by a court or judicial officer, their business activities have not been suspended and they are not subject of legal proceedings.
- They have not been convicted in any criminal offence related to their professional conduct or making of any false statement or misrepresentation as to their qualifications to enter into a works contract or have been otherwise disqualified pursuant to administrative suspension or disbarment

15.7.6 For purpose of enlistment, the contractors/agencies/farm etc. shall be required to furnish complete details required for enlistment. A standard Proforma as per Annexure-I may be used for this purpose. All those desiring enlistment may be allowed to apply only in such prescribed application forms.

15.7.7 While maintenance of a list of registered contractors is one of the important requirements of an efficient 'Contract System' as enumerated above, the performance of the contractors should be reviewed periodically depending upon the tenure of the contract and suitable remarks made in the Contractor's profile. As a result of such review, weeding out of such contractors, who do not satisfy the performance requirements of the company, is activated. Here 'Weeding out' may mean either 'Removal' or 'Suspension of Business' or Blacklisting etc. of unsuitable agencies depending upon the extent and nature of unsatisfactory performance. Criteria of review for critical contracts may be specified with rating assigned and the same should be available in

the intranet for viewing by designated officials associated with the contract.

- 15.7.8** The agency/ applicant would be required to give a declaration that they have not been banned or de-listed by any Government or quasi Government agencies or PSUs. If they do not give this declaration, their request may not be considered. The application form for enlistment should contain a clause that, mere enlistment of an agency does not bestow the right for automatic inclusion in the bidder list of any particular tender.
- 15.7.9** Upgrading of demoted contractor, lifting the ban on business, restoring registration, withdrawal of blacklisting etc. may be considered at an appropriate time on the merits of each case by the competent authority.
- 15.7.10** Online registration on NALCO or CPP Portal, when implemented, a separate guideline shall be issued.

CHAPTER – XVI

APPOINTMENT OF CONSULTANT

16 Appointment of a Consultant is different than engaging a Contractor for works contracts.

16.1 Consultant(s) includes a wide variety of private and public entities, including consulting firms, engineering firms, construction management firms, management firms, universities, research institutions, government agencies and individuals/experts. These organizations as consultants could be used to help the company in a wide range of activities, i.e. policy advice; institutional reforms; management; engineering services; construction supervision; project management; feasibility studies; financial services; procurement services; social and environmental studies and identification & preparation of projects; development of Computer software services etc. to meet the requirement of the Company and/or to complement the capabilities of the Company.

16.2 Conflict of Interest. The consultant shall not receive any remuneration in connection with the assignment except as provided in the contract. The consultant and its affiliates shall not engage in consulting activities that conflict with the interest of the client under the contract and shall be excluded from downstream supply of goods or construction of works or purchase of any asset or provision of any other service related to the assignment other than a continuation of the “Services” under the ongoing contract. It should be the requirement of the consultancy contract that, the consultants should provide professional, objective and impartial advice and at all times hold the client’s interests paramount, without any consideration for future work and that in providing advice they avoid conflicts with other assignments and their own corporate interests. Consultants shall not be hired for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of being unable to carry out the assignment in the best interest of the Employer.

16.3 When to engage Consultant:

The purpose of this procedure is to employ a suitable Consultants

depending on the circumstances of the particular case. However, following main considerations may be considered as per the need and the selection process:

- (a) Absence of required expertise in-house.
- (b) The need for high quality services.
- (c) The need to have qualified and experienced Consultants for providing the specific services;
- (d) The identification of scope of work and the time frame for which services are to be availed
- (e) The need for economy and efficiency.

16.3.1 Procedure to engage Consultant:

16.3.2 Quality and Cost Based Selection (QCBS):

Under normal circumstances where technical expertise is not very high, this method of evaluation shall be used for selection of consultant. The procedure for evaluation is as follows:

User department may assign scores to the response of each consultant based on weightage assigned to each of the criteria in RFQ/EOI. Normally, the following weightage may be used for such evaluation

A. Past Experience of The firm	<u>60%</u>
• Number of years experience	20%
• Past Experience of studies of similar nature.	50%
• Past experience in carrying out studies in related sectors.	20%
• Studies carried out in India.	10%
B. Experience of Key Personnel	<u>25%</u>
• Qualifications	70%
• Relevant Experience	30%
C. Financial Strength of the Consultant.	<u>15%</u>
• Turnover figure for Last three Years.	50%
• Net Profit Figure for Last three year	50%

The Employer shall short list all the consultants who secure the

minimum required marks [normally 70%]. The minimum qualifying requirement shall be specified in the RFQ/EOI document.

Alternatively, it may be specified in the RFQ/EOI document minimum qualifying requirement for each of the criteria i.e. minimum years of experience, minimum number of assignments executed, minimum turnover etc. Under such circumstances, the employer shall apply pass-fail test and short list all the consultants who meet the minimum requirement as specified.

The financial proposals of all the consultants who have been short listed, as per above, shall be opened in the presence of the short listed consultants who choose to remain present. The consultant, who has submitted the lowest financial bid, shall be selected for award.

16.3.3 Cost Evaluation under Combined Quality Cum Cost Based System (CQCCBS)

Under CQCCBS, the technical proposals will be allotted weightage of 70% while the financial proposals will be allotted weightage of 30%.

Proposal with the lowest cost may be given a financial score of 100 and other proposals given financial scores that are inversely proportional to their prices.

The total score, both technical and financial, shall be obtained by weighing the quality and cost scores and adding them up. The proposed weightage for quality and cost shall be specified in the RFP.

Highest points basis: On the basis of the combined weighted score for quality and cost, the consultant shall be ranked in terms of the total score obtained. The proposal obtaining the highest total combined score in evaluation of quality and cost will be ranked as H-1 followed by the proposals securing lesser marks as H-2, H-3 etc. The proposal securing the highest combined marks and ranked H-1 shall be recommended for award of contract.

The detailed guidelines issued by Ministry of Finance for appointment of consultant available in the website may please be referred. A copy of the same is also available in NALCO intranet.

CHAPTER – XVII

BLACK LISTING/ SUSPENSION/ BANNING OF BUSINESS

17.0 BLACKLISTING:

17.0.1 Blacklisting of any agency/ firm/ contractor working with the Company may be resorted to in following cases:

- (i) If the Proprietor or Partner or Director of the Firm is convicted by a Court of Law, following prosecution under the normal process of Law for an offence involving moral turpitude in relations to business dealings;
- (ii) If security considerations including the question of loyalty to the State warrant as per recommendations of Ministry of Home Affairs.
- (iii) If there is justification for believing that the Proprietor or Partner or Director (or Employee) of the Firm has been guilty of malpractices such as bribery, corruption, cheating, fraud, substitution of bid or theft or any other illegal activities while carrying out the work etc.
- (iv) If the Firm refuses/fails to return the Company's dues without adequate cause;
- (v) If the Firm is blacklisted by any Department of the Central Government/ State Government.
- (vi) If the Firm is a confirmed evader of Central / State taxes/duties for which NALCO has received notice from the concerned department of Central / State Govt.
- (vii) Misbehavior/ threatening of departmental supervisory staff during work execution.
- (viii) Constant non-achievement of milestones on insufficient and imaginary grounds and non-adherence to quality specifications despite being pointed out.
- (ix) Persistent & intentional violation of important conditions of contract.
- (x) Submission of false/ fabricated/ forged documents for consideration of a bid.
- (xi) If declared bankrupt or insolvent.

17.0.2 **PROCEDURE FOR BLACK LISTING:**

- i) Before black listing the party shall be given an opportunity of a notice and hearing.
- ii) Cases of blacklisting and revocation thereof shall be legally vetted and submitted by T&C Department to the Chairman-cum-Managing Director of the Company through the Head of the Unit at Unit level and through GM (Contracts) at Corporate level. The Chairman-cum-Managing Director is the Competent Authority to approve blacklisting of any firm. *Period of black-listing shall be decided by Competent Authority.*
- iii) The issue of such orders shall normally involve termination of all business with the Company including any on-going contracts.
- iv) The list of blacklisted parties will be circulated by T&C Deptt. to the Unit Heads and Finance Departments of all Units/Corporate office.
- v) Particular care shall be taken to see that, the same Firm is not permitted to transact business with the Company in the guise of another name or through any of its agents, employees or subsidiaries whatsoever.

17.0.3 **REVOCATION OF BLACKLISTING ORDER :**

A blacklisting order shall ordinarily not be revoked unless;

- (i) the period specified therein, (if any) has expired; **or**
- (ii) on a review, the Chairman-cum-Managing Director is of the opinion that, the punishment already meted out is adequate in the circumstances of the cases; **or**
- (iii) where the order is based on a conviction in the Court of Law and the firm is honorably acquitted of the charge by a competent Court.

17.1 **SUSPENSION OF BUSINESS:**

Suspension of business may be ordered, where full enquiry into the allegations is pending, which, if proved, may entail the blacklisting of the firm with due approval of the concerned Director. The list of suspended parties will be circulated to all Units and the reasons of suspension shall

not be communicated to the firm concerned. Suspension of business may also be considered, if a firm resorts to any legal dispute by filing suite in a Court of Law against the company.

17.2 **BANNING:**

An order banning business with a Firm for a period exceeding one year but less than three years may be passed by the concerned Director duly recommended by Head of T&C Deptt of respective units.

In case where the conduct (which term would include any offence or failure to execute a contract satisfactorily) of the Firm is not serious enough to merit blacklisting but at the same time is of such a nature that removing the name of the Firm from the list of registered suppliers is justified in the interest of the Company, Head of T&C Deptt at respective units may at their discretion, recommend on the banning of the Firm. The list of banned parties will be suitably informed to all concerned including T&C and Finance Department of all the units with necessary/appropriate instructions in this regard.

Temporary banning of Business with a firm for failure to execute a contract satisfactorily for a period not exceeding one year can be ordered by Head of T&C Department at the Units, with due approval from Unit head.

An order of banning/suspension/blacklisting, passed in respect of blacklisted/banned/ suspended Firms shall be extended to allied Firms. In determining this, the following factors shall be taken into consideration:

- (a) Whether the Management is common.
- (b) Whether majority interest in the Management is held by the Partners or Directors of the blacklisted/banned/suspended Firm.
- (c) Whether substantial or majority shares are owned by the blacklisted/banned/ suspended Firm and by virtue of this it has a controlling power.

CHAPTER – XVIII
STANDARD FORMATS

Following standard formats are attached to the document for uniformity. However, amendments (if any) to the said formats may be adopted with due approval of concerned Directors:

- Model Application Form for Enlistment – Annexure – I
- Information regarding current litigation, debarring expelling of bided or abandonment of work by the bidder. – Annexure – II
- Format for affidavit. – Annexure – III
- Format for acknowledgement cum consent letter from bidder- – Annexure- IV
- Commercial questionnaire – Annexure-V
- Format for Initiation of Contract proposal – Annexure-VI
- Format of checklist for submission of offer – Annexure-VII
- Fax of Intent/Letter of Intent – Annexure-VIII
- Format of Letter of Acceptance/Detail Work Order – Annexure-IX
- Format for submission of RA Bill – Annexure-X

MODEL APPLICATION FORM FOR ENLISTMENT OF CONTRACTOR

1. Name of applicant and full address:
2. Whether the firm is private or public limited, concern or undivided Hindu family, individual or a registered partnership firm (attested copies of deeds or Article of Association to be enclosed)
3. Name (s) of person holding the power of Attorney, and his present nationality with their liabilities.
4. Name (s) of partners, their present Nationality with their liabilities (Attested copy of partnership deed to be enclosed).
5. Name of Bankers and full address.

Note: The Banker's report in original preferably in sealed cover, giving his/their financial capacity to handle works of the required magnitude should be enclosed.)

6. Place of business.
7. Class and category in which enlistment is sought.
8. List of works executed.
 - i) Name of work
 - ii) Year of execution (To be shown in a separate statement)
 - iii) Amount
 - iv) Authority under which carried out:

Note: For works done in Department, Public sector undertakings other than this undertaking, original or attested copies of certificates from officers under whom works were carried out should be enclosed. If it is not possible to obtain such certificates; the applicant should clearly indicate this.

9. Area where the contractor wants to work?
10. Whether the applicant has a permanent Engineering Organisation capable of dealing with large works in all their stages and has sufficient machinery and tool etc. at his disposal. (Full details of organisation and machinery and tools to be given).
11. Whether the applicant has a valid Electrical License (Attested copy of license to be enclosed). (For Class II & III (Elect) contractors).
12. Whether the applicant is already enlisted in this undertaking? If so, in

which class and category?

13. Whether enlisted with another Department/Public Undertaking? If so, in which class and category showing amount up to which qualified to bid.
14. Whether the applicant is a shareholder or partner of any firm enlisted in this undertaking?
15. Has the applicant or any of his partner or shareholders been blacklisted, or removed from the approved list of contractor, or demoted to lower class or orders passed, banning/suspending business with the applicant etc. by any department in the past. (The undertaking has the right not to issue bid form in any particular case, and also to suspend, remove, demote or blacklist a contractors name in certain circumstances).

Note: I/We certify that I/We will not get myself/ ourselves enlisted as contractor(s) in the undertaking under more than one name. I/ We also certify that the information furnished above are correct and I/We undertake to indemnify the company for any action taken by them relying on the incorrect information furnished above.

16. Certified Accounts for last 3 (three) financial years to be furnished.
17. Permanent Account Number allotted by Income Tax department to be furnished.
18. Whether registered with PF/ESI authorities? If so, Account Codes allotted by the respective authorities.
19. Latest Income Tax/ Sales Tax clearance certificate to be enclosed.
20. An undertaking to the effect that the information furnished by the applicant is true and authentic and if they are found false later on, action as deemed fit by the company may be taken against them.

I/We certify that I/We will not get myself/ourselves enlisted as contractor(s) in the undertaking under more than one name.

Date:

Signature of the applicant and address

|

IMPORTANT NOTES

1. All relevant certificates should be attached with the application.
2. Income Tax Clearance Certificates for the latest assessment year should be sent along with the application. Without the Income Tax Clearance certificates the enlistment will not be made.
3. The PF and ESI Registration No. may be furnished along with the application.
4. Mere enlistment of the contractor does not confer any right to the contractor to be included in any bidder list for a particular bid.

**INFORMATION REGARDING CURRENT LITIGATION, DEBARRING
EXPELLING OF BIDER OR ABANDONMENT OF WORK BY THE BIDDER**

1.	(a)	Is the bidder currently involved in any litigation relating to the works.	Yes/No
	(b)	If yes,,: give details:	
2.	(a)	Has the bidder or any of its constituent partners been debarred/ expelled by any agency in India during the last 5 years.	Yes/No
	(b)	If yes, give details:	
3.	(a)	Has the bidder or any of its constituent partners failed to perform on any contract work in India during the last 5 years.	Yes/No
	(b)	If yes, give details:	

Note:

If any information in this schedule is found to be incorrect or concealed, qualification application will summarily be rejected.

Signature of the Bidder

Date:

AFFIDAVIT TO BE SUBMITTED BY THE BIDDER

1. The undersigned, do hereby certify that all the statement made in the bid and attachments are true and correct.

2. The undersigned also hereby certifies that neither our firm M/s..... nor any of its constituent partners have abandoned any work in India nor any contract awarded to us for such works have been rescinded during the last five years prior to the date of this bid.

3. The undersigned hereby authorised and request (s) any bank, person, firm or Corporation, Govt. officers to furnish pertinent information as deemed necessary and as requested by NALCO to verify this statement or regarding my (our) competency and general reputation.

4. The undersigned understands and agrees that further qualifying information may be requested and agree to furnish any such information at the request of NALCO.

Signature of the Bidder

Date:

FORMAT FOR ACKNOWLEDGEMENT CUM CONSENT LETTER FROM BIDDER

To

Unit address handling the tender

FAX NO. -----

TEL. NO. -----

ATTN : -----

SUBJECT: Tender for ----- (BIDDING DOCUMENT NO. -----)

Dear Sir,

We hereby acknowledge receipt of a complete set of Bidding Document along with enclosures for subject works as per the Master Index for our use in preparing the Bid.

We undertake that the contents of the above Bidding Document shall be kept confidential and further that the drawings, specifications and documents shall not be transferred and that the said documents are to be used only for the purpose for which they are intended.

A. We intend to bid as requested for the subject works and furnish following details with respect to our quoting office:

- a. POSTAL ADDRESS : _____
- b. TELEPHONE NUMBER : _____
- c. TELEFAX NUMBER : _____
- d. CONTACT PERSON : _____
- e. E-MAIL ADDRESS : _____

B. We are unable to bid for the reasons given below and we are returning back the entire set of Bidding Documents.

Reasons for non-submission of Bid:

AGENCY'S NAME : _____

SIGNATURE : _____

NAME : _____

DESIGNATION : _____

DATE : _____

COMMERCIAL QUESTIONNAIRE (TO BE INCLUDED IN THE TENDER DOCUMENT)

Bidder's reply/ confirmation as furnished in the Commercial Questionnaire (CQ) shall supersede the stipulations mentioned elsewhere in their offer.

SL. NO.	NALCO'S QUERY	BIDDER'S REPLY/ CONFIRMATION
1.0	Confirm that your offer is valid for 4 (Four) months from the last date of submission of offer.	
2.0	Confirm that Earnest Money Deposit (EMD) as per tender stipulations have been furnished along with bid.	
3.0	Confirm that the following documents are submitted with Part-I:	
a)	All documents as per CHECK LIST.	
b)	Master Index as enclosed with Bidding Document is submitted in unpriced part duly signed and stamped on each page.	
c)	Compliance letter for Addendum/ Amendments as a token of acceptance (Applicable, if issued).	
4.0	Confirm that price has been submitted in a separately sealed envelope superscribing "PRICE PART". 2 Copies (One original & One Photo copy)	
5.0	Schedule of Price	
a)	Price must be filled in the soft copy of the SOR furnished along with the tender document. Please note that the format of the Excel file including columns of Item No., Description, Unit, Quantity, name of file or worksheet etc. are not to be edited by the tenderer. Confirm that price part submitted is the print out of the soft copy submitted along with the price bid.	
b)	Confirm that rate/ price has been quoted for all items of SOR.	
c)	Confirm that deviation/terms & conditions are not mentioned in the price part. In case any terms and condition is mentioned in the price part, the same shall be treated as null and void.	
d)	Confirm that correction fluid is not used in the price part. (In case of any correction, the same shall be signed and stamped by authorised signatory.)	
6.0	Confirm your compliance to critical stipulations of bidding document as mentioned in ITB.	
7.0	Confirm that you have studied complete tender document including technical and commercial	

SL. NO.	NALCO'S QUERY	BIDDER'S REPLY/ CONFIRMATION
	part and your offer is in accordance with the requirements of the tender document.	
8.0	Confirm your compliance to total Scope of Work mentioned in the Bidding Document.	
9.0	Confirm your acceptance for `Scope of Supply' mentioned in the tender document and confirm that all materials shall be supplied as per Standards and Specification.	
10.0	Confirm your acceptance for Time Schedule as mentioned in tender document.	
11.0	Confirm that your quoted price includes all taxes, duties as applicable for this WORK in accordance with the provision of General Conditions of Contract and Special Conditions of Contract.	
12.0	Confirm that your quoted price includes all types of insurance as per the provisions of General Conditions of Contract and Special Conditions of Contract.	
13.0	Confirm that all costs resulting from safe execution of WORK, such as safety induction, use of protective clothing, safety glasses and helmet, safety precaution taken during monsoon, or any other safety measures to be undertaken by the Contractor for execution of work are included in the quoted rates.	
14.0	Confirm that adequate numbers of construction equipments, tools, tackles etc. have been proposed which will be sufficient to complete the work as per the time schedule.	
15.0	Confirm that you have proposed adequate project/site organisation with qualified supervisory personnel having requisite experience including personnel responsible for safety, planning, stores, QA/QC etc.	
16.0	Confirm that while submitting your price, you have taken consideration of scope of supplies, scope of work and technical requirement mentioned in Bidding Document.	
17.0	Confirm that only exception and deviation indicated in the specific format shall be considered and evaluated. Deviations listed at any other places of the tender documents shall not be considered.	
18.0	Confirm that you have your own QA/QC programme for executing this work.	
19.0	Confirm that Bidder is not involved in any Litigation/ Arbitration, otherwise, if involved please furnish information about the same.	
20.0	Confirm that the Bidder is not under liquidation, court receivership or similar proceedings.	

SL. NO.	NALCO'S QUERY	BIDDER'S REPLY/ CONFIRMATION
21.0	Confirm the following:	
a)	The planning schedule, S-curves etc., submitted by the bidder with his Bid, are indicative and shall not be basis for extra compensation in case actual needs are higher.	
b)	Detailed planning schedule developed by CONTRACTOR after contract award may be subject to fluctuations depending upon actual progress of the project and available work front.	
c)	Co-ordination and making available by Contractor of all staff, manpower, construction equipment, tools, cranes, etc. and materials as required for a timely completion of all WORK as per Owner's construction and priority schedule and in accordance with the available work front are included in the quoted rates.	
22.0	Please confirm whether you need Mobilization Advance or not.	
23.0	Please confirm that you have submitted Tender Fee in the Unpriced Part of your Bid in case Bidding Document downloaded from website. In case of non-submission of tender fee as specified, tender shall not be considered for evaluation.	

SIGNATURE OF BIDDER : _____

NAME OF BIDDER : _____

COMPANY SEAL : _____

CONTRACT PROPOSAL INITIATION FORMAT

1.	<u>Name of the Proposed Work:</u>
2.	(a) Department: (b) Dept. Code:
3.	Nature of the Job: Repetitive / Repetitive but intermittent / New but would be repetitive/ One Time
4.	Location of job: At Plant premises / At contractor's premises/Township/Outside Plant
5.	Proposed Period of contract: - _____ Years/Months
6.	Justification of the proposed contract: -
7.	Activity wise time schedule starting from initiation of proposal to placement of order furnished YES/NO
8.	SAP Purchase (Contract) requisition number: (With cost centre / CWIP Code)

A. DETAILS OF LAST / EXISTING CONTRACT (Applicable for repetitive contracts only)

i)	Name of the existing Contractor/s	(1) _____ (2) _____							
ii)	Work Order No. & date	(1) _____ (2) _____							
iii)	Contract Value	1. Original : Rs _____ Enhanced : Rs _____ 2. Original : Rs _____ Enhanced : Rs _____							
iv)	Contract Period	1. Original: from _____ to _____ Extended: to _____ 2. Original: from _____ to _____ Extended: to _____							
v)	Approximate Value of Work executed :	1. Rs _____ up to date: _____ 2. Rs _____ up to date: _____							
vi)	Performance of existing Contractor/s	Satisfactory / Unsatisfactory (If unsatisfactory, attach supporting documents)							
vii)	Status of deployment of permanent employee for the work								
viii)	Number of contract labours deployment for the work	Male		Nos		Female		Nos	
ix)	Worker category / numbers deployed	HSW		SW		SSW		USW	

DETAILS OF PROPOSED NEW CONTRACT

Technical			
Sl No.	Description	Attached	Page No.
	<u>Following documents are attached:</u>		
(i)	Scope of work along with Technical specification.	Yes / No	__ to __
(II)	Bill of quantity	Yes / No	__ to __
(III)	For repetitive contract, whether there are any changes in <u>Scope of Work</u> compared to previous contract. (If yes, highlight or underline the changed the portion. Justification for change of scope of work should be detailed in the note-sheet)	Yes / No	__ to __
(IV)	For repetitive contract, whether there are any changes in <u>Bill Of Quantity</u> compared to previous contract. (If yes, highlight or underline the changed the portion. Justification for change of BOQ should be detailed in the note-sheet)	Yes / No	__ to __
(V)	Method of Testing / Inspection	Yes / NA	__ to __
(VI)	Tender purpose drawing	Yes / NA	__ to __
(VIII)	List of Free Issue Materials (FIM) with Mat. Code, Qty and Cost	Yes / NA	__ to __
(IX)	List of tools & tackles to be arranged by the bidder	Yes / NA	__ to __
(X)	List of plant and machineries to be arranged by the bidder (for mechanical and civil jobs)	Yes / NA	__ to __
(XI)	Specific Safety and Environmental Requirement	Yes / NA	__ to __
(XII)	<u>NALCO's obligation / Contractor's obligation</u>	Yes / NA	__ to __
(XIII)	Special condition of contract including specific requirement of manpower w.r.t. qualification & experience, if applicable	Yes / NA	__ to __
(XIV)	Requirement of site office-cum-store with justification.	Yes / NA	__ to __
(XV)	Possible location of site office-cum-store (please decide along with Civil department). Enclose details.	Yes / NA	__ to __

Financial			
Sl No.	Description	Attached	Page No.
	Following documents are attached:		
1	i) Detailed Estimate inclusive of all taxes & duties except service tax, Excise duty & Edu.cess (Attach item wise calculation sheet) NB:- In case of repetitive contract, detailed comparative statement showing calculation for quantity and/or value increase w.r.t previous contract if any, needs to be furnished	Yes / NA	__ to __
	ii) Estimate of FIM	Yes / NA	__ to __
2	Basis of Estimate (Attach supporting documents)	Zero based / DSR____ / Budgetary offer / Others	
	i) Estimate is in line with IE Recommendation. (Attach supporting documents)	Yes/No/NA	
	ii) Basis of labour cost of the estimate	As per the labour rates w.e.f date:_____/ Others	
	Projected total man days of the estimate		
	v) For repetitive contracts, whether there are any change in material/supply/consumable component of in the estimate w.r.t last/existing contract (Attach the details)	Yes/No/NA	__ to __
3.	Estimated Value inclusive of all taxes & duties except service tax, Excise duty & Edu.cess. a) Work value excluding FIM AND ST & Ed cess: b) Estimated value of FIM c) ST & Ed cess d) Total Estimated value including FIM and ST	Rs._____ Rs._____/NA Rs._____ Rs._____	
4.	Proposed Bank Guarantee value for Materials/ equipments taken outside the plant (if applicable)	Rs._____/NA	
5.	Proposed Bank Guarantee / Indemnity bond value for FIM, if applicable.	B.G: 20% of FIM/ Rs._____/NA I. B: 80% of FIM/ Rs._____/NA	
6	Labour escalation applicable or not applicable (I.e. Firm price basis).	Applicable/Not applicable	
7.	Labour component (only for work portion incase of separate W.O and supply order are to be placed) in percentage (Attach Calculation sheet)	_____ %	
8	Defect liability period (Attach justification)	NIL / _____ months / years	
9	Minimum Workable offer if applicable with justification as per Clause 6.17 & incorporated in tender as per Cl. 6.17.1 of Contract Manual	Yes/No	__ to __
10	Mobilisation Advance considered and incorporated in tender along with guideline for payment and recoveries of the Mobilisation Advance.	Yes /No	__ to __
11	Incentive bonus to contractor for early completion considered and incorporated in tender as per Cl. 7.8 of Contract Manual	Yes /No	__ to __
12.	Budget Allocation a) Nature of Expenditure	Revenue / Capital	
	b) Incase of capital i) Budget Code ii) Calculation of Payback Period attached iii) D (P) & D (F) Format duly filled in	_____ Yes / No Yes / No	
13	Payment terms	Monthly RA bill / attached at page (if different) ____	

D. PROPOSED METHOD OF TENDERING: -			
1.	Mode of Tendering	OPEN / LTE / SINGLE PARTY/ PROPRIETORY	
2.	Type of Tendering	<u>SINGLE PART / TWO PART</u>	
3.	i) List of Proposed bidders for floating LTE with complete postal address and contact Phone No. / Fax No. & e-mail and ERP Vendor code.		
	1.	6.	
	2.	7.	
	3.	8.	
	4.	9.	
	5.	10.	
	<i>Additional Sheet may be attached for addresses or more parties etc, if required.</i>		
	ii) Basis of selection of proposed bidders in 3 (i) above (Pl indicate the Job Description and S.No. from the list of approved contractors.)		
4.	Pre-Qualifying Criteria incase of two part Tendering	Technical criteria	Financial criteria
		Page No. _____	Page No. _____
5.	Partially Completed work in progress to be considered against PQC and incorporated in the tender as per Cl. 6.14.2 Note 5 of Contract Manual: YES/NO		
6.	Joint venture/ Consortium Bidding acceptable against the tender and incorporated in the tender as per Cl. 6.14.2 Note 6 of Contract Manual : YES / NO		
7.	Whether Splitting of Work is required among two or more parties: No/____ Parties Justification for splitting of job:		
8.	Manager-in-Charge of the proposed contract: Name _____ Designation: _____ P.No: _____		
9.	ANY OTHER INFORMATION:		

(N.B:-Copies of last W.O, Amendments and administrative approvals are attached for reference. Please refer pages: - to)

**Signature of the proposer:
Name:
Designation:**

CHECK LIST FOR SUBMISSION OF OFFER

Bidder is requested to fill this check list and ensure that all details/ documents have been furnished as called for in the tender document along with duly filled in, signed and stamped **checklist with Part-I bid.**

Please tick the box and ensure compliance:

- 1.0 **Bid submission Letter** as per proforma attached in bidding document.

Submitted.

- 2.0 **Information about Bidder** as per proforma attached in bidding document.

Submitted.

- 3.0 **EMD** of requisite amount is submitted in the form of DD/BG from any scheduled bank as mentioned in tender document, in separate sealed envelope marked "Earnest Money Deposit".

Submitted in the form of DD/ BG EMD value: Es. _____

BG No. _____ Dated _____ Valid up to _____
DD No. _____ Dated _____ Drawn on _____

- 4.0 **Validity of Bank Guarantee** towards Earnest Money Deposit enclosed with Techno-commercial Part of your offer (if submitted in the form of BG) is ----- **Months** from the date of submission of bid.

Yes Valid Up to _____.

- 5.0 **Validity of Offer** is up to ----- **Months** from the date of submission of offer.

Yes Valid Up to _____.

- 6.0 **Annual Turnover Details** as per proforma including **Audited Balance Sheets including Profit and Loss Account Statement** for the last 3 (Three) years.

Submitted. Submitted for the years:
1. _____
2. _____
3. _____

- 7.0 **Fresh Solvency Certificate** from your Bankers (Date of issue of this certificate should not be earlier than one year from the date of opening of Techno-commercial Part).

Submitted. Certificate dated _____
From (Name of Bank) _____

- 8.0 **Details of Past Experience** in the proforma enclosed in the Bidding Document.

Submitted.

- 9.0 **Details of Present Commitments** in the proforma enclosed in the proforma enclosed in the Bidding Document.

Submitted.

10.0 **List of minimum equipment** proposed to be deployed for the work in the proforma enclosed in the Bidding Document.

Submitted. Ref.: _____

11.0 **Deployment Schedule of equipment** proposed for the work in the proforma enclosed in the Bidding Document.

Submitted. Ref. _____

12.0 **Proposed Site Organisation** (as per proforma enclosed in the Bidding Document)

i) Submitted Ref. _____

ii) Qualification and Experience of Resident Engineer/ Site-in-Charge and other key personnel have been mentioned in the site organisation chart.

Yes Ref. _____

iii) Number of Key Personnel under different heads have been mentioned in the Site Organisation Chart.

Yes Ref. _____

iv) Site Organisation Chart includes qualified and experienced **Quality Control Engineer, Planning Engineer and Safety Officer.**

Yes Ref. _____

13.0 **Deployment Schedule of Supervisory Personnel** proposed for the work in the proforma enclosed in the Bidding Document.

Submitted Ref. _____

14.0 **Power of Attorney** in favour of person who has signed the offer in stamp paper of appropriate value.

Submitted.

15.0 **Partnership Deed** in case of partnership firm and **Articles of Association** in case of limited company.

Submitted.

16.0 **Declaration regarding** relationship with client's Director

Submitted.

17.0 **Copy of P.F & ESI code, Service Tax registration certificate :**

Submitted.

18.0 **An Overall Schedule in the form of Bar Chart**, clearly indicating all important milestone of the construction activities.

Submitted. Ref. _____

19.0 **Bid Compliance Statement** (confirmation for no deviation stipulated in Bid) in the proforma enclosed.

Submitted. Ref. _____

20.0 **Exception and Deviation Statement** in the proforma enclosed.

Submitted.

21.0 All the **documents** submitted **in requisite number of copies** as mentioned in the Bidding Document and are readable/legible.

Submitted. No. of copies submitted: _____

22.0 **Original Biding Document along with blank (un-priced) copy of Price Bid/ Schedule of Rates**, corrigendum and addendum (if any).

Submitted.

22.0 All pages/ documents are stamped and signed by the authorised signatory of the bidder.

Yes.

SIGNATURE OF BIDDER:

NAME OF BIDDER:

COMPANY SEAL:

FAX OF INTENT/LETTER OF INTENT

FAX :

REF. NO.

DATE:

To: -----

FOI/LOI No.-----

SUB: -----
(Bid Doc. No. : -----)

1.0 THIS HAS REFERENCE TO YOUR OFFER NO. ----- DTD. -----
FOR THE AFORESAID BID AND VARIOUS CORRESPONDENCES CULMINATING IN
YOUR FINAL LETTER REF NO. ----- DTD. ----- (.) NALCO IS PLEASED TO
AWARD THE SUBJECT WORK TO YOU AT A TOTAL PRICE OF RS. -----
(RUPEES ----- ONLY) ON ITEM RATE BASIS (.) THE
AMOUNT IS EXCLUSIVE OF SERVICE TAX WHICH SHALL BE PAID EXTRA (.)

2.0 THE DATE OF COMMENCEMENT OF WORK SHALL BE RECKONED FROM THE DATE
OF ISSUE OF THIS FAX OF INTENT i.e. ----- & THE WORK WILL BE COMPLETED
IN ALL RESPECT WITHIN A PERIOD OF ----- MONTHS (.)

3.0 ----- IS THE MANAGER/ENGINEER/OFFICER-IN-
CHARGE FOR THIS WORK (.) PLEASE CONTACT ----- FOR COMMENCEMENT
OF THE WORK (.)

4.0 PLEASE FAX YOUR ACCEPTANCE TO:

5.0 YOU MAY AVAIL INTEREST BEARING MOBILISATION ADVANCE EQUIVALENT TO 10 %
OF CONTRACT VALUE ON SUBMISSION OF BANK GURANTEE OF EQUIVALENT VALUE
IN THE PRESCRIBED FORMAT FROM OUR APPROVED BANKS AS PER TERMS OF THE
CONTRACT (.) THE RATE OF INTEREST IS 12% PER ANNUM (.)

6.0 PLEASE MAKE NECESSARY ARRANGEMENT FOR SUBMISSION OF INITIAL SECURITY
DEPOSIT AND OTHER FORMALITIES AS PER CONTRACT FOR COMMENCEMENT OF
WORK (.)

(-----)
AUTHORISE PERSON TO SIGN
Fax No. -----

PCC: TO ABOVE ADDRESS BY SPEED POST.

CC: - -----

DETAILED LETTER OF ACCEPTANCE/DETAIL WORK ORDER

Ref. No.

Date:

SUBJECT: -----

(BIDDING DOCUMENT NO. -----)

Dear Sirs,

This is in continuation to our Fax of Intent/Letter of Intent No. ----- dated ----- issued to you for subject works, we are pleased to issue this detailed Letter of Acceptance on the following terms and conditions:

1.0 SCOPE OF WORK

Your scope of work under this contract shall be as detailed in various sections of the Bidding Document.

2.0 CONTRACT VALUE

The estimated value of works included in this contract works out to **Rs.** ----- /- (Rupees ----- only) on the basis of unit rates included in the Schedule of Rates (SOR) attached as Annexure-I to this Letter of Acceptance. The actual contract value shall however, be subject to variation depending upon the actual quantities of works executed, measured and accepted for payment at site.

The contracted rates are inclusive of all applicable taxes, works contract tax, turnover tax, duties etc. except Service Tax. The service tax shall be reimbursed at actual as per the provisions mentioned in clause no. ---- of Special Conditions of Contract in the Bidding Document. However, at a later date if there is any statutory variations in applicable rates of taxes & duties and/or any additional tax/duty is imposed due to Government Notification during the execution of the works then the same shall be reimbursed or recovered as case may be by Company to/ from Contractor as per provisions of Cl. ----- of the Special Conditions of Contract. The base date for the purpose of statutory variations shall be -----.

The Contractor shall pay and bear all liabilities in respect of statutory variations regarding all taxes, duties, levies etc. that may be imposed beyond the contractual completion date in case the delay is due to reasons not attributable to Company.

Further, the contracted unit rates shall remain firm and fixed till completion of all works and no escalation in prices whatsoever shall be permissible.

3.0 **SCHEDULE OF RATES**

“Schedule of Rates” attached with Bidding Document stand replaced with “Schedule of Rates” attached as Annexure-I to this detailed letter of acceptance.

4.0 **ALR/ AHR ITEMS**

The Abnormally Low Rate Items (ALR) / Abnormally High Rate Items (AHR) items have been identified in Annexure V to DLOA. You are requested to bring to the notice of EIC/MIC in case quantity against any AHR Items exceed SOR quantity.

5.0 **TIME SCHEDULE**

The time schedule for completion of all works covered under this contract in all respects shall be ----- Months to be reckoned from -----.

6.0 **INITIAL SECURITY DEPOSIT/SECURITY DEPOSIT**

You are requested to deposit Initial Security Deposit/ Security Deposit in accordance with Clause no. 19.0 of General Conditions of Contract within 20 (Twenty) days of receipt of this Letter of Acceptance (from the date of FOI/LOI if placed) . Otherwise penalty @ 12% per annum shall be levied on the ISD amount from the date of award till the date ISD is deposited.

7.0 **CONSTRUCTION EQUIPMENT**

The Contractor shall without prejudice to his overall responsibility to execute and complete the works as per specifications and time schedule, progressively deploy equipments as per the Minimum Construction Equipments attached as Annexure- to SCC in the Bidding Document and augment the same as decided by the Engineer-in-Charge depending on the exigencies of the work so as to complete all works within the contracted time schedule and without any additional cost to Company.

8.0 **MOBILISATION ADVANCE**

Interest Bearing Mobilisation Advance equivalent to 10 % of Contract Value on Submission of Bank Guarantee of 110 % of the Advance Value in the prescribed format from approved banks shall be paid to the Contractor as per the provisions specified in the Bidding Document.

9.0 **SITE ORGANISATION**

Subject to the provisions in the contract document and without prejudice to Contractor’s liabilities and responsibilities to provide adequate qualified, skilled, semi skilled and unskilled personnel on the work. Contractor shall deploy site organization and manpower as per Minimum Construction Manpower attached as Annexure- to SCC in the Bidding Document and augment the same as decided by the Engineer-in-Charge depending upon the site requirement and the exigencies of work so as to complete all works within the contracted time schedule and without any additional cost to Company.

10.0 **CONTRACT AGREEMENT**

You are requested to execute a Contract Agreement with us as per our prescribed proforma on a non-judicial stamp paper of appropriate value and of Orissa State within 10 (Ten) days from the date of issue of this Letter of Acceptance. The cost of non-

judicial stamp paper shall be borne by you.

11.0 CONTRACT DOCUMENT

The following shall constitute the contract document:

- i) Fax of Intent/Letter of Intent No. ----- dated -----
- ii) This Letter of Acceptance along with all its Annexure.
- iii) Bidding Document.
- iv) Contract Agreement

Accordingly, all other stipulations made by you in your offer/ correspondence exchanged prior to issue of the Fax of Intent/ Letter of Intent shall be treated as null & void and deemed to have been unconditionally withdrawn by you in favour of the provisions of contract documents.

12.0 ENGINEER-IN-CHARGE

----- is the Manager/Engineer/Officer-in-Charge for this work. You are requested to contact ----- for commencement of the work.

This Letter of Acceptance along with its enclosures is being sent herewith in triplicate. You are requested to return two copies of the same duly signed and stamped on each page in token of your acceptance.

Thanking you,

Very truly yours,

For & On behalf of M/s NATIONAL ALUMINIUM COMPANY LTD.

(.....)

CONTRACTOR'S ACCEPTANCE

We accept the Letter of Acceptance in totality (signed and stamped by person holding power of attorney).

Date :

For & on behalf of

Seal :

(Contractor)

PROFORMA-A

Unit :
MEMORANDUM OF PAYMENT

RUNNING ACCOUNT BILL NO :-		Date :-	Vendor Code :-	
1	Name of Work			
2	Name of Contractor	M/S		
3	Work Order No. and date			
4	Date of commencement of work			
5	Schedule date of completion as per contract			
6	Extension granted (if any)			
7	Value of contract (Rs.)			
8	Total value of work billed upto date (Rs.)			
9	Approximate percentage of work done (%)			
		Up to date Bill (Rs.)	As per Previous bill (Rs.)	This Bill (Rs.)
10	Value of work done (Service Component)			
	Labour Escalation (if any)			
	Sub Total			
	Service tax including Cess (%)			
	Material Component / Reimbursable items			
	TOTAL			
11	RECOVERIES			
	a) Mobilisation Advance			
	b) R.A.Bill Advance			
	c) Security Deposit (ISD 2.5%+ SD 10%)			
	d) Cost of materials issued from store			
	e) Electricity charges			
	f) Hire charges Machinery			
	g) Income Tax Sec:194__ %			
	h) Sales Tax WCT %			
	i) Compensation for Delay			
	j) House rent			
	k) Retention/Hold			
	l) Penelty			
	TOTAL RECOVERY			
12	Net Amount After Recoveries			
13	Other Payments Recommended :			
	Following formats duly filled in are appended : Proforma 'B' _____ Sheets Proforma 'C' _____ Sheets Proforma 'D' _____ Sheets Proforma 'E' Book No. _____ Page _____ to _____	a) Scrap Return		
		b) Release of Hold		
		c) Other(Secured Advance etc.)		
		d)		
		14. NET PAYABLE		
		In Words	Rupees	
Signature of Contractor	Signature of EIC	Counter Signature of HOD	For use in Finance Department	
			Passed for Payment	
			Rs. _____ (Rupees)	
Date:-	Date:-	Date:-	Asst./Acctt. Officer	

PROFORMA-B

Unit :

ABSTRACT OF MEASUREMENT

Name of Work:							PERIOD OF BILL								
Name of Contractor : M/s							DATE : from to								
Running Account bill No. :				Vendor Code :			A M O U N T (Rs./P)								
				QUANTITY			RATE		Upto Previous Bill		Since Previous Bill		Total Upto Date		
Sl. No.	Item No.	DESCRIPTIONS OF WORK	Unit	Upto Previous Bill	Since Previous Bill	Total Upto Date	Material Component	Service Component	Material Component	Service Component	Material Component	Service Component	Material Component	Service Component	
1															
2															
3															
4															
5															
6															
7															
		Total							0	0	0	0	0	0	

- 1.Certified that the quantity work shown as executed in this bill have been actually done as per specification drawing.
- 2.Certified that cost of all materials including Cement and Steel issued on cost recoverable basis and consumed on the work has been fully recovered.

PROFORMA-C

Unit :

STATEMENT OF RECOVERY OF MATERIALS ISSUED TO CONTRACTORS

Name of Work													R.A. Bill No.			
Name of Contractor													Date			
PART-I SUMMARY																
Sl. No.	Item	Unit	Rate of Recovery (Rs.)	ISSUED			Value	UTILISED			RECOVERED			Value	BALANCE	
				Quantity				Quantity			Quantity				Quantity	Value
				Up to previous bill	Since previous bill	Total		Up to previous bill	Since previous bill	Total	Up to previous bill	Since previous bill	Total			
1	Cement	MT														
2	M.S. Steel	MT														
3	Tor Steel	MT														
4	Stl. Steel															
5	Plates															
6	Ch. Plates															
Total																
PART-II DETAILS OF ISSUES SINCE PREVIOUS BILL																
Item	MIV		Qty.	Item	MIV		Qty.	Item	MIV		Qty.					
	No.	Date			No.	Date			No.	Date						
Signature of Contractor				Signature of Departmental Officer				Counter Signature of Departmental Officer								
Date				Date				Date								

PROFORMA-D

Unit :

STATEMENT OF SECURED ADVANCE AGAINST MATERIALS AT SITE

Name of the work					Agreement No.	
Name of Contractor		M/S			Vendor Code	
Running Account Bill No.		Period of Bill:				
Sl. No.	Description of materials	Unit	Quantity at site	Rate claimed by Contractor	Rate Allowed	Amount of Secured Advance Allowed
		Total				
Details of Indemnity bond / hypothecation bond		Certified that the value of materials as secured by the Engineer-in-charge and shown above is in no way more than the expenditure incurred by the contractor in this respect				
Signature of Contractor		Signature of Engineer-in-charge		Counter Signature of Departmental Officer		
Date		Date		Date		

