

PURCHASE MANUAL

For APTRANSCO

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INDEX

Chapter No.	Clause No.	Subject / Sub heading	Page Nos.
1.		INTRODUCTION	7
2.		ORGANIZATION	12
3.		VENDOR REGISTRATION & VENDOR EVALUATION	15
	3.1	Objectives	17
	3.2	Registration of Vendors	17
	3.2.1	Registration of Vendors for Centralized Items	17
	3.2.2	Registration of Vendors for non-Centralized Items	18
	3.2.3	Priority in Registration	18
	3.3	Screening	18
	3.4	Authority for Registration	19
	3.5	Vendor Master	19
	3.6	Time to be taken for Registration	20
	3.7	Validity of Registration	20
	3.8	Restrictions of Registration	20
	3.9	Applicability for Registration	20
	3.10	Review	20
	3.11	Renewal	21
	3.12	Removal from Vendor List	21
	3.12.1		21
	3.12.2	New vendors	22
	3.12.3	Banning	22
	3.12.4	Revocation of Ban Orders	22
	3.12.5	Re-Registration	23
	3.12.6	Notification for Removal and Banning from Approved Vendor Master	23
	3.13	Permanent Bid Security	23
	3.14	Vendor Performance Evaluation System	23
	3.15	List of Centralized items	26
	3.16	List of non-centralized items	28
	3.17	Check List for vendor Registration	31
4.		PROCUREMENT & INVENTORY PLANNING	33
5.		PURCHASE PROCEDURE	39
	5.1	Open Competitive Bidding	40
	5.2	Limited Competitive Bidding	41
	5.3	Short Notice Bidding	42
	5.4	Purchase through Single Bid	42
	5.5	Emergency Purchases in open market	43
	5.6	Rate Contract	43

5.7	Extension Order	43
5.8	Purchase by Repeat Orders	44
5.9	Notice Inviting Bids	44
5.10	Pre Bid Meeting	45
5.11	Bid Document	45
5.12	Bid Form	46
5.13	Bid Price	46
5.14	Payment Terms	47
5.15	Payment Procedure	48
5.16	Foreign Exchange	48
5.17	Bid Currencies	48
5.18	Taxes & Duties	48
5.19	Statutory Variations	49
5.20	Quantity to quote	49
5.21	Documents establishing Bidders eligibility to quote	50
5.22	Pre-qualification Requirements	50
5.23	Post Qualification	51
5.24	Cost of Bidding Document	51
5.25	Bid Validity	52
5.26	Bid Security	52
5.27	Signing of Bids	53
5.28	Delivery Schedule	53
5.29	Extension of Delivery Schedule	53
5.30	Superscription on the Bid Cover	54
5.31	Modification & withdrawal of Bids	54
5.32	Submission of Bids	55
5.33	Late and delayed bids	55
5.34	Extension of due date for submission and Opening of Bids	55
5.35	Submission of Samples	56
5.36	Clarifications on Bidding Document	56
5.37	Bid Opening	57
5.38	Two Part Bid	58
5.39	Technical Evaluation Criteria for two part bidding	59
5.40	Tax Clearance Certificate	59
5.41	Evaluation of Bids	60
5.42	Discounts	62
5.43	Erection, Commissioning & other changes	63
5.44	Comparison of Prices	63
5.45	Store Purchase Committee	65
5.46	Price Preference	65
5.47	Dual & Differential Prices	65
5.48	Trial Order	65

5.49	File Movement Chart	66
5.50	Placement of Orders in case of Cartelization	66
5.51	Award Criteria	66
5.52	Purchaser's right to vary quantities at time of Award	67
5.53	Purchaser's right to accept any bid and to reject any or all bids	67
5.54	Notification of award	68
5.55	Performance Security	68
5.56	Forfeiture of Performance Security	69
5.57	Signing of Contract Agreement	69
5.58	Refund of Bid security	70
5.59	Delivery	70
5.60	Inspection and Tests	70
5.61	Consignee Details etc.	72
5.62	Insurance	72
5.63	Incidental Services	73
5.64	Spare Parts	73
5.65	Warranty	74
5.66	Penalty	76
5.67	Force Meajure	77
5.68	Amendment to the Contract	78
5.69	Verification of Bank Guarantee	78
5.70	Termination of Contract	78
5.71	Termination for Insolvency	79
5.72	Payment on Termination due to Default or Insolvency	80
5.73	Termination for convenience	80
5.74	Payment on Termination for Convenience	80
5.75	Settlement of Disputes	80
5.76	Jurisdiction	81
6.	WORKS CONTRACTS	82
6.1	Scope	83
6.2	Preparation & Sanction of Estimate	83
6.3	Bid Specification & Bid Invitation	84
6.4	Qualification Requirements	85
6.5	Bid Security	86
6.6	Bid Opening & Evaluation	86
6.7	The Technical Evaluation	86
6.8	Opening of Price Bids	87
6.9	Quantity Variation	87
6.10	Performance Security	88
6.11	Signing of the Contract	88

6.12	General	88
7.	COMPUTERIZATION OF MATERIAL MANAGEMENT SYSTEM	89
8.	DISPOSAL OF NON-MOVING MATERIALS	94
8.1	Categorization of non-moving materials	95
8.2	Authority for categorization	95
8.3	Segregation of Scrap	96
8.4	Disposal of Copper, Aluminum & Ferrous Scrap	96
8.5	Disposal of un-serviceable Material	97
8.6	Disposal Review Committee	97
8.7	Disposal of Surplus & Obsolete Material	97
8.8	Quarterly Return on Non-moving Material	97
8.9	Terms & Conditions for disposal of scrap through Open Bid	98
8.9.1	Submission of Bid	98
8.9.2	Incomplete bid	98
8.9.3	Bid Security	98
8.9.4	Validity of Bids	100
8.9.5	Payment	100
8.9.6	Quality & Quantity	101
8.9.7	Inspection	102
8.9.8	Period of Contract	102
8.9.9	Default in Payment by the Buyer	102
8.9.10	Default in Lifting by the Buyer	103
8.9.11	Sales Tax / Excise Duty & Levies	103
8.9.12	Delivery	104
8.9.13	Termination / Breach of Contract	107
8.9.14	Force Majeure	108
8.9.15	General	108
8.10	General Conditions of Sale of Scrap by auction	110
8.11	Disposal by Bid-cum-Auction	113
8.12	Guidelines for Bid-cum-Auction	113
9.	SAMPLE FORMS	114
9.1	Bid Form & Price Schedules	115
9.2	a) Bid Security Form	117
	b) Permanent Bid Security Form	118
	c) Agreement for Permanent Bid Security	120
9.3	Contract Form	121
9.4	Performance Security Form	123
9.5	Manufacturers Authorization Form	124
9.6	Proforma for Performance Statement	125
9.7	Details to be furnished by the Manufacturer	126
9.8	Schedule of Deviations	127

	a) Technical	127
	b) Commercial	127
9.9	Statement showing the details of materials to be reviewed periodically	128
10.	DELEGATION OF POWERS	129
10.1	Purchase Committee	130
10.2	Purchase Power of various committees/officers	131
10.3	Powers for award of Works Contract	132
10.4	Powers for sale of Copper, Aluminum & Ferrous Scrap	132
10.5	Disposal of Surplus, Obsolete, unserviceable scrap other than Copper, Aluminum & iron	133
10.6	Important Points & Time Schedules	133
11.	DRAFT SPECIFICATION	137 – 200

INTRODUCTION

1. INTRODUCTION

Power and the infrastructure for its delivery is one of the basics required for economic development. The importance of having a reliable transmission and distribution network is obvious.

APTRANSCO and DISCOMS are charged with the duty of Supply of Electricity within the State of Andhra Pradesh, in the most efficient and economic manner with particular reference to such developments in the areas not adequately served.

The activities can be broadly classified as

- Erection of main transmission lines and sub-stations.
- Erection of sub-transmission and distribution system.
- Release of new services.
- Operation and maintenance of lines and sub-stations.

The sub-stations in service and the lines of transmission, sub-transmission and distribution in use from 1997 to 2001 are as indicated below.

Year	Sub-stations			Length of line in CKT. kM					Distribution Transformers	M.V.A Capacity
	220 kV	132 kV	33 kV	220 kV	132 kV	33 kV	11 kV	LT		
1997	50	158	1,470	7,378	10,142	25,478	1,53,164	3,97,627	1,48,024	11,389
1998	53	161	1,520	7,824	10,357	26,705	1,56,875	4,04,622	1,60,003	12,245
1999	56	164	1,592	8,191	10,593	28,085	1,62,103	4,14,317	1,71,766	13,320
2000	59	169	1,763	8,945	10,893	30,383	1,66,061	4,24,387	1,86,847	14,490
2001	63	179	1,861	9,601	11,744	31,971	1,69,680	4,31,711	2,01,801	15,650

{Power Development in Andhra Pradesh (Statistics) 200-2001 Page 96}

It may be of special interest to note that out of the total investment for the above, material portion constitutes nearly 70% to 75%. The significance of material management is evident, which aims at improving returns on investment. This could be achieved by reducing the investment by proper material planning and forecasting linked with the activity plan and financial plan, speedy execution of

works as per latest techniques such as PERT, careful planning of replacement policies and maintenance plans adopting realistic inventory control. The value of purchases can be reduced by better buying techniques / procedures and rational timely decisions. Also the cost of materials can be reduced by standardization, rational classification and coding, fixing inventory levels, transport planning, handling and storage facility improvement. There has to be a closely coordinated effort between all wings of the organization i.e., Engineering, Finance and Accounting covering resources. Even though the ultimate product is the energy sold to the consumer, in the context of material management the number of kilometers of transmission and distribution lines, the number of sub-stations brought in to commercial service and the number of service connections released for diverse purposes may have to be considered as products.

The key factors in the area of material management are...

- 1) Programming for materials
- 2) Procurement of materials
- 3) Laying down inventory control policy

All the above three are linked with financial planning and coordination.

The purchaser must not only buy the right material, in the right quantity, at the right time but also at the right evaluated prices. There must be a primary force having broad knowledge of the requirements, operation and their use and aware of where new ideas are needed. The objective will be to find a better way to buy from a better source of supply and continuous coordinated buying efforts to improve the purchasing services.

The basic objectives of purchasing...

- 1) Uninterrupted flow of material for works
- 2) To buy competitively and wisely
- 3) To maintain the highest level of quality
- 4) To keep inventory investments at minimum
- 5) To develop reliable alternate sources of supply

- 6) To serve as an information centre on materials knowledge, processes, prices, sources of supply, specifications etc.,

Functions of purchase are...

- 1) Standardization of specifications.
- 2) Market studies and cost analysis.
- 3) Maintaining catalogue library.
- 4) Vendor registration & evaluation
- 5) Calling for bids
- 6) Analyzing bids and prices.
- 7) Negotiations.
- 8) Selecting suppliers.
- 9) Entering into contract.
- 10) Follow up.

The purchasing standards of practice, which should have universal acceptance, are...

- 1) To consider, first, the interests of the company and to carryout and believe in its established policies.
- 2) To be receptive to competent counsel from colleagues and to be guided by such counsel without impairing the dignity and responsibility of office.
- 3) To buy without prejudice, seeking to obtain the maximum value for each rupee of expenditure.
- 4) To strive consistently for knowledge of the materials and processes of manufacture, and to establish practical methods for the conduct of office.
- 5) To subscribe to and work for honesty and truth in buying and selling, and to denounce all forms and manifestations of commercial bribery.

- 6) To accord a prompt and courteous reception so far as conditions will permit, to all who call on legitimate business mission.
- 7) To respect obligations and to ensure that obligations to the concerned be respected consistent with good business practice.
- 8) To avoid sharp practice.
- 9) To counsel and assist fellow purchasing agents in the performance of their duties, whenever occasion permits.
- 10) To co-operate with all organizations and individuals engaged in activities designed to enhance the development and standardizing of purchasing.

It is not enough that the purchase organization does all these things but must do them in a manner which is above reproach, transparent at every stage and unassailable to the audit. The procedures that have to be laid down should afford transparency at every stage of the purchasing activity right from the invitation of bids to the conclusion of the supply contract.

The draft procurement manual for procuring materials / equipment with internal resources of APTRANSCO / DISCOMS is prepared covering the following...

- i) Organization
- ii)
 - a) Vendor registration
 - b) Vendor evaluation
- iii) Procurement and Inventory Planning
- iv) Purchase Procedures
- v) Works contract
- vi) Computerization of material management system.
- vii) Disposal of nonmoving materials.
- viii) Sample form
- ix) Delegation of powers
- x) Draft specification

ORGANIZATION

2. ORGANIZATION

Andhra Pradesh Transmission Corporation (APTRANSCO) is a wholly owned corporation of the Government of Andhra Pradesh and the successor entity to the erstwhile Andhra Pradesh State Electricity Board. The Chair Person and other Directors are appointed by the Government of Andhra Pradesh and are in charge of the day-to-day management of the Company within the powers delegated to them.

The purchase activity of the transmission wing is presently looked after by the Chief Engineer (Trans.) and Chief Engineer / 400 kV Lines. The major materials required for establishing 220 kV and 132 kV substations and laying of connected lines are procured by the Chief Engineer / Trans. Where as the Chief Engineer / 400 kV is incharge of procurement of materials and equipment for 400kV Lines and substations.

The procurement of major materials and equipment is done by the above officers with the approval of The Lower Purchase Committee or The Stores Purchases Committee as the case may be depending upon the value of the materials to be procured.

The Lower Purchase Committee consists of...

1. The Concerned Chief Engineer
2. Director concerned
3. Director Finance

The limits of purchase of this committee is Rs.50 Lakhs only

The Stores Purchases Committee consists of...

1. The full Board of Directors of Andhra Pradesh Transmission Corporation and the nominee of the Commissioner of Industries with

full powers. (However, if the value of purchase exceeds Rs.10 crores the same is to be ratified by the full Board)

Other materials required for the day-to-day operation of the transmission lines and substations are procured by the field Chief Engineer/Superintending Engineer (Transmission Lines & Substations) within the powers delegated to them.

DISCOMS are as of now, the subsidiaries of APTRANSCO discharging the functions of sub transmission and distribution.

There are four such Companies....

- 1) Eastern Power Distribution Company Limited
- 2) Southern Power Distribution Company Limited
- 3) Northern Power Distribution Company Limited and
- 4) Central Power Distribution Company Limited

In case of DISCOMs the Lower Purchase Committee (LPC) consists of the

1. Chief Engineer/Purchases
2. Concerned Director
3. Director (Finance)

The purchase limits of this committee is upto Rs.50 Lakhs.

The full Board and a nominee of the Commissioner of Industries constitute The Stores Purchases Committee with full powers for purchases.

The LPC and SPC of the DISCOMs purchase centralized materials.

Other diverse materials (non centralized materials) are procured by the field Chief Engineer/Zones / Superintending Engineers/Operation within their powers.

The list of materials to be procured centrally and to be procured by the field Engineers are indicated separately.

VENDOR REGISTRATION
&
VENDOR EVALUATION

3. VENDOR REGISTRATION & VENDOR EVALUATION

- (i) APTRANSCO purchase number of items every year for transmission, sub-transmission and distribution works. These items range from a 315MVA, 400 kV power transformer to L.T. insulation tape. The material / equipment being procured are categorized after ABC analysis depending on their value. About 44 Nos. items have been identified as 'A' class items and these items are to be procured from headquarters. About 60 items have been identified under 'B' & 'C' category and are to be procured by field officers. The list of materials to be procured centrally and at field level is appended at pages 27 to 31.
- (ii) In view of the complexity, it is essential that the purchase organization should have full knowledge about the supplier on the following points so as to identify the right vendor who can supply the right material at the right time.
- 1) Manufacturing capacity with details of machinery available.
 - 2) Financial capability.
 - 3) The service facilities available. (Availability of after sales service facilities)
 - 4) The quality standards and procedures observed by the supplier.
 - 5) Testing facilities available with the manufacturer.
- The above are not exhaustive but are only indicative.

In order to fulfill these objectives there will be separate units to register and evaluate the Vendors at Head quarters and also at field.

3.1 Objectives

Vendor registration is an activity to identify and register reliable suppliers who are qualified and competent to deliver the required materials/ equipment of the right quality at the right time and at the right price. This procedure will eliminate all ineligible suppliers abinitio and enables only capable vendors to quote in the bids floated by the utilities. It also results in saving of time

3.2 Registration of Vendors

3.2.1 Registration of Vendors for centralised items

The officer incharge of vendor registration will every 2 years invite vendors to apply for registration by issuing an advertisement in all leading newspapers giving wide publicity. The advertisement will be put on the Website of the purchaser. In addition suppliers whose addresses are gathered from other utilities, trade directories, Department of Industries and all other possible avenues by the Vendor Registration Wing will also be informed of the call for registration.

The suppliers who respond to the advertisement will be furnished with application forms for each item. The supplier intending to register as vendor has to submit the form duly completed, along with the specified fee.

3.2.2 Registration of Vendors for Non-Centralized items

In respect of non-centralized items the Chief Engineer / Superintending Engineer will issue an advertisement for vendor registration following the above guidelines. The advertisement will appear in three leading news papers (Two English and one Telugu). The procedure outlined for registration of centralized items should be followed. Factory inspection is not recommended since dealers and stockists are also eligible to supply these items. However if the registering officer prefers to have inspections for selected items the same may be included.

A specified registration fee for each item will be collected.

3.2.3 Priority in Registration

The priority of registration for different categories of vendors is

- Manufacturers
- Authorized agents/ dealers of manufacturers
- stockists

3.3 Screening

The complete applications received from the prospective vendors shall be scrutinized by the vendor Registration Wing and where necessary it will arrange inspection of the vendor's premises to verify all the points given in the Checklist enclosed.

3.4 Authority for Registration

The officer inviting registration of vendors will refer the completed application forms received from prospective vendors along with the Inspection Report and his comments, to the next higher official for his approval.

In the intervening period between advertisements, suppliers may also apply to the Vendor Registration Wing and obtain registration without waiting for the next advertisement.

3.5 Vendor Master

On approval the vendor's name will be included in the Approved vendor Master for the items for which he has registered. The approved Vendor Master will contain the following columns.

- 1) Serial Number.
- 2) Name and address of vendor
- 3) Materials for which registration accorded.
- 4) Date of registration.
- 5) Validity
- 6) Reference number of registration
- 7) Details of permanent bid security (if furnished)
- 8) Remarks
- 9) Initials of reviewing officer

In addition the Approved vendor Master will contain the following.

- 10) Date of removal from Vendor list.
- 11) Reasons for removal

3.6 Time to be taken for Registration

According registration or otherwise for the vendor must be completed by the Vendor Registration Wing within 2 months of the receipt of a fully completed application from the prospective vendor.

3.7 Validity of Registration

The registration will be valid for 2 years, unless it is cancelled prematurely.

3.8 Restrictions of Registration

For centralized items registration may be limited to manufacturers only.

3.9 Applicability of Registration

- a) Centralized Items: APTRANSCO will send enquires to all approved vendors as per Approved Vendor Master.
- b) Non-Centralized Items: Vendors registering with one zonal Chief Engineer are eligible to quote for other zones in APTRANSCO. For this the zonal Chief Engineer will send copies of the letters according registration to a vendor to other zonal Chief Engineers of APTRANSCO for their record and for taking into consideration such registrations.

3.10 Review The authority granting registration should review the Approved Vendor Master every year to ensure that it is up-to-date.

3.11 Renewal

The vendor can apply 6 months before the expiry of the validity of his registration for renewal. Renewal will be done duly collecting a specified fee.

Renewal will be granted, subject to the previous performance of the Vendor, within one month of submission of a fully completed application by the vendor.

A vendor who was not awarded any contract during the validity period of his registration will be treated as a new vendor and the procedure for the registration of new vendors shall be followed.

3.12 Removal from vendor List

3.12.1 A registered vendor will be removed from the vendors list if...

- a) Its delivery and quality performances are not up to the mark and the Vendor rating is less than 6.
- b) Is declared bankrupt or insolvent or its financial position has become unsound, or in the case of a limited company if it is wound up or taken into liquidation.
- c) Fails to furnish the income tax clearance certificate as required under the rules.
- d) If the equipment / material is found not in conformity with the guaranteed technical particulars during the service.

3.12.2 **New Vendors**

If a new vendor on whom a trial order is placed fails to adhere to the specified delivery, it will not be allowed to participate in the next bid for the same item. If he fails for the second time also the vendor registration will be cancelled.

3.12.3. **Banning**

Vendors shall be banned from future dealings in the case of proven unethical business practices or for furnishing wrong information, false / manipulated documents, or if a vendor is charged with an offence against Government regulations and subsequently prosecuted in a court of law. The banning order will specify the period which shall normally be for 2 years for which it will be effective (permanently, if required). It should also indicate the names of all the partners, directors etc., of the firm and its allied concerns, if any. The vendor registration of a banned vendor will be deemed to have been cancelled from the date the ban period commences.

3.12.4 **Revocation of Ban Orders**

- a) The order for banning / suspension will be revoked after the specified period and if necessary after due inspection.
- b) An order for banning for reasons mentioned at Para 3.11.3 above may be revoked if, in respect of the same facts the accused has been wholly exonerated by a court of law.

c) banning / suspension order may be revoked after review by the competent authority if in its opinion the disability already suffered is adequate in the circumstances of the case.

3.12.5 **Re-Registration**

A vendor whose name has been removed from the Approved Vendor List will not be eligible for re-registration for a period of 2 years.

3.12.6. **Notification of Removal & Banning from Approved Vendor Master**

The vendor will be informed that his firm has been removed / banned from the Approved Vendor Master but without disclosing the reasons therefor.

3.13 **Permanent Bid Security:**

A vendor may avail of the facility of Permanent Bid Security if he so wishes or he may opt to furnish individual Bid Security with each Bid.

3.14 **Vendor Performance Evaluation System**

The following major parameters are considered for the purpose of the vendor performance evaluation system and the vendor ratings are calculated on the basis of the following weighting.

vendor rating will be carried out annually and if the vendor rating is less than 6 the vendors must be removed from the Approved vendor Master List and this fact will be communicated to the vendor.

Parameter	Measure	Weightage
a) Quality Performance	Rejection	5
b) Delivery Performance		
1. Time Schedule Delivery in performance	Ratio of Contract delivery to actual delivery in weeks	3
2. Quantity Schedule Performance	Deviation in Quantity	2

Calculation of vendor ratings will be done as follows:-

$$a) \quad \text{Quality Performance} = \left[1 - \frac{\text{Rejected Quantity}}{\text{Quantity Supplied}} \right] \times \text{Weightage}$$

$$b) \quad \begin{array}{l} 1) \text{ Time Schedule} \\ \text{Delivery} \\ \text{Performance} \end{array} = \left[1 - \frac{\text{Delay in delivery in weeks}}{\text{Contracted Delivery in weeks}} \right] \times \text{Weightage}$$

$$2) \text{ Quantity Schedule} = \left[1 - \frac{\text{Quantity Supplied}}{\text{Quantity Ordered}} \right] \times \text{Weightage}$$

On the basis of the score against each parameter the vendor rating will be calculated. The minimum qualifying percentage will be as follows:-

Parameter	Min. Percentage Score
Quality	60%
Delivery	40%

On the basis of the points scored against each parameter the vendor will be categorized as below:-

Vendor Rating	Points Scored
a) Acceptable	6 and above
b) Unacceptable	less than 6

3.15 **LIST OF CENTRALIZED ITEMS**

- I. INSULATORS AND HARDWARE:
 - 1. Insulators
 - 2. Insulators Hardware
- II. CONDUCTORS AND CABLES:
 - 3. Conductors
 - 4. a) Ground Wire
 - b) Stay Wire
 - 5. Conductors and Ground Wire Hard Ware
 - 6. Power Cables: Under Ground Cables
 - 7. Control Cables
- III. SWITCH CONTROL AND PROTECTIVE GEAR:
 - 8. a) E.H.T.
 - b) H.T.
 - c) L.T. (Porcelain Fuses, I.C. Cut Outs and Time Switches)
 - d) Isolators – EHT & HT
 - e) Circuit Breakers – EHT & HT
 - f) Lightning Arrestors
- IV. TRANSFORMERS:
 - 9. a) Power Transformers
 - b) Distribution Transformers
 - c) Voltage Regulators including Boosters.
- V. INSTRUMENT TRANSFORMERS
 - 10. Potential Transformers
 - 11. Voltage Transformers
 - 12. Current Transformers
 - 13. Capacitor Voltage Transformers
 - 14. Metering Sets
 - 15. Reactors and Capacitors:
 - 16. Panels:
 - 17. Relays
 - 18. Instruments Mounted or Portable Instruments for testing (indicating or recording)

VI. METERS

19. Energy Meters:
 - a) H.T Meters
 - b) L.T. Meters
20. Transformer Oil
21. R.S. Joists
22. Rail Poles
23. M.S. Channels
24. M.S. Angle
25. M.S. Flat
26. M.S. Rods
27. C.R. Sheets
28. Ribbed Tor Steel
29. M.S. Plate
30. Cement
31. H.T. Steel Wire
32. G.I. Wires
33. Transformer Oil Filters
34. R.S.S. Meters
35. H.T. Meter Test Kits and Test Benches for Testing L.T. Meters
36. Oil Testing Kits
37. Meggers and Earth Resistance Meters
38. Batteries with Trickle Chargers

3.16 LIST OF NON-CENTRALIZED ITEMS

1. T.C. Fuse Wires
2. H.R. C.Fuse Units complete.
3. Fuse Units.
4. M.S.Bolts and Nuts
5. M.S.Washers.
6. G.I.Bolts and Nuts
7. G.I.Washers.
8. G.I.Spring Washers.
9. Manila Ropes.
10. Rain Coats.
11. Rubber Gloves.
12. Plastic Helmets.
13. Tarpaulins.
14. Fire Extinguishers.
15. Crimping Lugs.
16. Chain pulley Blocks.
17. Hydraulic Jacks.
18. G.I. Pipes and C.I. Earth Pipes.
19. G.I. Barbed Wires.
20. Cable Jointing Kits & Termination Kits.
21. Cotton Tape.
22. S. C. Bulbs.
23. Tube Lights.

24. Chokes.
25. Starters for Tube Lights.
26. Tube Light Fixtures.
27. M.V.Lamps
28. M.V.Lamps Fittings.
29. M.V. Lamp Chokes.
30. Emergency Lights.
31. Crimping Tolls.
32. Silica gel (Blue).
33. Synthetic Rubberized Gasket Sheets.
34. Craft Paper and Manila paper.
35. Press Pan Sheets.
36. H.V. Bushing Rods suitable for Distribution Transformers.
37. L.V. Bushing Rods suitable for Distribution Transformers.
38. H.V. Bushings suitable for Distribution Transformers.
39. L.V. Bushings suitable for Distribution Transformers.
40. Earthing Rods.
41. Brass Nipples.
42. L.T. Line Spacers.
43. Gum Boots.
44. Batteries for Vehicles.
45. Paints.
46. C.I. Knobs.
47. Danger Boards.
48. Lead Seal Bits.

49. Sealing Wire.
50. Sealing Pliers.
51. I.C. Cutouts.
52. Bi-Metallic Clamps.
53. P.G. Clamps.
54. 11KV 'T' Clamps.
55. H.T. Cable Compound.
56. L.T. Distribution Boxes.
57. L.T. Distribution Boards.
58. H.T. Yellow Tape.
59. Black Insulation Tape.
60. H.T. bituminous Tape.

3.17 CHECK LIST FOR INSPECTION OFFICERS FOR VENDOR REGISTRATION

1. Date of inspection & name and Designation of the inspecting officer
2. Name & Address of the Firm
3. Name of the Material for which Registration is sought & applicable standard
4. Authorized signatory
5. S.S.I. Registration
6. Product Range
7. Plant & Machinery available for Manufacturing of materials & their condition
8. Source of raw materials and quality control measures to ensure their quality & standards
9. Manufacturing process & critical points for in-process inspection
10. Details of power supply
 1. Whether a HT consumer or LT consumer
 2. Connected load and contracted maximum demand
11. Availability of standby Generation
12. Test & Inspection facilities available

Sl. No.	Name of the Instruments	Range	Name of the test for which used	Remarks
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13. Adequacy of testing facilities to conduct routine and acceptance tests
14. Type test certificates with date
15. Manufacturing capacity on single shift basis
16. History of previous supplies

Sl. No.	Name of the Organization	Supply order No.	Quantity	Value

17. Sister concern, if any
- 18.1 Availability of ISO certification
- 18.2 Availability of I.S.I. marking / Certification
19. Status of the Firm
 1. Proprietary Unit
 2. Partnership Firm
 3. Joint Stock Company
 4. Capital
 5. Financial Turnover during the last 3 years
 6. Balance Sheet during the last 3 years
 7. Profit & Loss account during the last 3 years
 8. Bank Limits available
 9. B.G. Limits available
20. vendor Registration from other organization
21. Remarks / Recommendations of inspecting officer

PROCUREMENT AND INVENTORY PLANNING

4. Procurement and Inventory Planning

4.1 The key function in materials management are

- 1) Programming for materials
- 2) Procurement of materials
- 3) Laying down inventory control policy

The above three functions have to be closely coordinated with the works execution wing and the financial wing.

4.2. The various works programmes of APTRANSCO carried out with the financial assistance of various lending agencies. Of these the World Bank, DFID (for turnkey projects) and JBIC have set out procedures for carrying out the projects financed by them and these procedures have to be followed for the procurement of material meant for such projects. These agencies will also approve the proposal for the award of contract. There are other lending agencies like Rural Electrification Corporation and Power Finance Corporation, which permit APTRANSCO purchase procedures to be followed for the procurement of materials for projects funded by them. Thus the internal procurement policy shall be used to obtain the materials required for works under REC and PFC funding, and works funded from internal resources and O&M etc.

4.3 APTRANSCO has a statutory requirement to file their Aggregate Revenue Requirement for the next financial year to A.P. Electrical Regulatory Commission (APEREC) by the end of December. The Aggregate Revenue Requirement among other things contains the details of capital works contemplated in that financial year and the capital outlay required for carrying out those works. APERC approves the Aggregate Revenue Requirement by about 15th of March every year. Whilst formulating the Aggregate Revenue Requirement the materials necessary for capital works can be worked out for APTRANSCO. This will ensure required budget for procurement and necessary control.

4.4 From this overall requirement of materials, the materials expected to be received during the financial year by modes of procurement other than the standard terms of APTRANSCO (viz. World Bank, DFID etc.) are deducted and the indent of material to be procured using the standard internal purchase procedures is arrived at.

4.5 As there are many items involved in the construction of transmission and distribution lines to be procured from different vendors, it is not unreasonable to expect that some suppliers will fail to deliver the goods on time. In order to absorb such slippages a provision of 10% of the requirement is recommended to be provided.

4.6 AP, with a coastline of nearly 1000 Km, is prone to frequent cyclonic storms, which wreak havoc with the electrical installations. In order to cope up with such unforeseen exigencies it is proposed that an additional provision of 15% be provided for transmission, sub-transmission and distribution works for line materials like supports, insulators, conductor & steel etc.

4.7 By the time the indents are finalized, bids processed, and supply contracts awarded six months time would have elapsed. Supplies against the orders can be expected from October of the financial year. Unless advance action is taken to procure materials for the first half of the next financial year a stock out situation may arise. Hence a quantity of 50% of the year's requirements is proposed to be procured as advance planning for the succeeding year with the delivery schedules from April of succeeding year onwards. (i.e. the planning period for material delivery is from October in year 1 to end of September in year 2)

A provision of 5% on all materials other than equipment is proposed towards operation & maintenance works.

A provision of 4% on all equipments (other than power transformers) is proposed for rolling stock.

Thus the requirement of materials to be procured from the internal funds of APTRANSCO works out as noted below.

4.8	a)	Total requirement of materials for a financial year.....	
	b)	Less material requirement of externally aided projects for which APTRANSCO purchase procedure does not apply.	
	c)	Quantity to be procured following APTRANSCO standard purchase procedure	
		add 10% of the above for supplier failure	
		add 15% for unforeseen demand (for line Material) (as per clause 4.6)	
		add 50% for advance planning.	
		(Scheduling deliveries from 1 st April of succeeding year)	
	d)	Total	
		Less stock in stores as on 1 st April	
		
		Less quantity expected from pending orders	
		
	e)	Requirement for capital works	
	f)	O&M requirement	
		(5% of the line materials other than equipment)	
	g)	Rolling stock	
		(4% on the requirement of equipment)	
	h)	Total	

4.9 To achieve the works target of the financial year it is necessary that the materials are supplied well in advance but if a total year's requirement is received all at once there will be undue stock piling. To avoid this, monthly delivery schedules may be given to the suppliers such that the supply of material is always ahead of the works schedule and the entire material indent of a circle for that financial year is supplied by the end of January.

MATERIAL REQUISITION PROCEDURE :

APTRANSCO :

The Superintending Engineers incharge of the execution of works will prepare a month wise list of materials required during the year to complete the various projects on time. This will be sent to the Chief Engineer concerned at APTRANSCO headquarters who is the purchasing officer. The delivery schedules shall be drawn up by the Chief Engineer concerned such that there is smooth flow of materials at the appropriate time and the works can be completed as per schedule.

The finalized material indent will be approved by the committee of Directors (APTRANSCO) before bids are called.

Similarly the Technical Specifications for various materials and general terms and conditions of supply will be standardized and got approved by the committee of Directors before initiating bidding activity.

PURCHASE PROCEDURES

5. PURCHASE PROCEDURES

The following methods may be adopted for the purposes of procurement depending on the nature of materials to be procured, the value of purchases, the urgency of the requirement and the number of known sources of supply.

5.1 Open Competitive Bidding:

For ordering in bulk, with deliveries spread over a long period of time Open Competitive Bidding should be adopted. An advertisement of Notice Inviting Bids (NIB) is to be issued in two English and one Telugu newspapers, giving the details of materials to be procured and the dates of opening of bids for each item. Full details of the bid specification along with list of registered vendors are to be made available on the purchaser's website. Interested vendors will download the required information and submit their bids as per the Notice Inviting Bids along with cost of the bid. The cost of Bid document paid will not be refunded. Bidders who are not registered as Vendors but are interested to quote may apply for Vendor registration duly submitting the required forms and fees before submission of their bids. The purchaser will accord a provisional registration with number and the same may be quoted while submitting the bid. The purchaser will accord permanent Vendor registration as per clauses No.3.2 and 3.3 before bids are finalized. The same condition will be mentioned in the NIB (Notice Inviting Bids). The purchaser will also arrange Bid specification to prospective bidders on requisition duly collecting the cost of specification, in such case the bidder need not enclose specification fee while submitting the bid.

Procurement of materials from registered vendors will be treated as procurement by open bids since vendor registration is open to all, and all eligible vendors are free to participate in bidding.

In case of items for which there are no registered vendors or for major works involving both supply and erection, the purchasing authority may invite bids through newspaper advertisements with the approval of the concerned Director and the Director (Finance). In all such cases, open Bidding will be advertised in newspapers having wide circulations both inside as well as outside the state. All prospective bidders will have to furnish to the purchaser similar information as being gathered for vendor registration.

Procurement of vehicles by issuing limited enquiries to manufacturers of vehicles may be treated as procurement through open competitive bidding.

A clear time of 30 days from the date of publication of the advertisement in the news papers will be allowed for the bidders to submit their bids.

The bids will be valid for acceptance for a period of 90 days from the day of bid opening.

There will be a minimum number of 3 bids to finalize the purchase. In case of insufficient response, the Bids will be cancelled and new bids invited giving wider publicity. If still the response is poor, an order may be placed but only with the approval of the Competent Authority after duly verifying the rates against earlier orders, updated as appropriate.

5.2 Limited Competitive Bidding

This method of purchase may be used when materials are needed urgently at short notice. In this mode of procurement, the bid invitation and the complete specification will be sent by the purchaser to all the Vendors. The value of materials to be procured in this manner will be small, subject to the powers indicated under delegation of powers.

A minimum time of 15 days will be given to the bidders to submit their bids and no extension will be allowed.

The bids will be valid for acceptance for a period of 30 days from the date of opening of bids and no extension of validity will be sought. Justification for procuring materials by this method should be recorded by the purchasing authority. Such procurement will be in exceptional cases or for emergency requirements.

A purchase order for the entire indent shall be given to a single Vendor. When only one quotation has been received during limited competitive bidding it is to be treated as a Single Bid and the procedures and powers set out for a single bid should be exercised by the Competent Authority.

5.3 Short Notice Bidding

When materials are required for immediate use, short notice bidding may be used, subject to the powers of purchase indicated under delegation of powers. The complete description and the applicable standards are spelt out in the enquiry letter which is sent to the vendors. There will be no separate sale of the specification. A time of one week to 10 days is given to the vendors to respond and the validity of bids will be 30 days from the date of opening of bids.

5.4 Purchase through single Bid

The Single Bid system is to be used for the purchase of proprietary items and spares. These would be procured either from the original manufacturer or the sub-assembly manufacturer. In cases where these have to be purchased from an authorized dealer or agent, efforts should be made to obtain the list of authorized agents in the area. The bid analysis will specifically mention the reasonableness of prices based on rates given in earlier orders.

If the competent authority is of the opinion that the materials are required for emergency use and that resorting to open/limited/short bids would cause undue delay, he may after recording the reasons and with the approval of the next higher authority, resort to the single bid system as per the delegation of powers.

5.5 Emergency Purchases in Open Market

Procurement of non-centralized items of small value, required for immediate use can be effected in the open market and no financial clearance is required for such purchases. However, they will be governed by the delegation of power for such purchases.

5.6 Rate Contract

Items, which are procured regularly and repetitively and for items of a proprietary nature, it may be advantageous to enter into a rate contract. Rate contracts will be entered into only with reliable reputed manufacturers of proven ability. The term of the rate contract will be for one year. All the items procured against rate contract orders should be for consumption within 2 months of receipt and should not add to the inventory. The rate contract enquiries may be through open / limited/ single bids depending upon the nature of the item. Chief Engineer (Purchases) / Chief Engineers (Zones) may call for bids from all Vendors to enter into a rate contract and may authorize the field Superintending Engineers to procure their requirements at the agreed rates and within their purchase powers for the category of purchase. The distribution of orders amongst all the parties will be equitable to the extent possible.

5.7 Extension orders

All supply contracts will contain a provision for increasing or decreasing the quantity to be supplied by an agreed percentage during the schedule delivery period. In the case of any emergency, increasing the quantity to the extent

provided in the contract may be necessary. In the case of piling up of stock or if prices have generally reduced, decreasing the quantity may be considered with the approval of the concerned Director and Director (Finance).

5.8. Purchase by Repeat Orders:

Repeat order may be considered under special circumstances where the need is urgent or to cut down the lead-time in procurement. Repeat orders may be considered taking into account for following criteria:

- i) The quantity in the repeat order should not exceed 100% of the quantity ordered in the original order.
- ii) The rate in the repeat order should be the same as in the original order. (It should be ensured that prices have not reduced).
- iii) Repeat orders may be permitted only once against an order placed and before the date of completion of the original order with the approval of the competent authority (i.e. next higher authority).
- iv) The reasons for resorting to repeat orders are to be recorded in writing.
- v) The approving authority for repeat order is the same authority under whose purchase powers the original order falls if the original and the repeat orders are to be placed as a single order.
- vi) Repeat orders will be placed when prices in the market are rising.

5.9 Notice Inviting Bids

The notice inviting bids will contain the following:

1. The name and address of the procuring entity and the designation and address of the bid inviting authority.
2. Name of the scheme, project or programme for which the procurement is to be effected.

3. The dates upto which and places from where bid documents can be obtained.
4. A short description of the materials to be procured.
5. The authority to whom bids should be submitted.
6. The last date and time for submission of the Bid.
7. The place, date and time of the Bid opening.
8. Cost of bid documents.
9. The amount of Bid Security.
10. When two part Bids are invited the form in which the two parts are to be submitted.

A copy of the proforma Notice Inviting Bids is enclosed.

5.10 Pre Bid meeting

In the case of equipment the purchaser may hold the pre bid meeting with the vendors registered for that item before inviting bids, so that the bidders may supplement latest technical developments and the same can be considered if so desired.

5.11 Bid Document

The bid document will be specific and there will be no scope for ambiguity.

In the case of open competitive bidding the Bid documents will normally contain the following:

1. Notice Inviting Bids.
2. Salient feature of the contract.
3. Standard General terms and conditions of contract.
4. Detailed standard technical specification and drawings wherever necessary.
The technical Specification will also indicate the type tests, routine tests and acceptance tests to be conducted.
5. Schedule of requirements (delivery schedule)

6. Qualification requirements.
7. Sample Forms.
 - a. Bid form and price schedules
 - b. Bid security form
 - c. Contract form
 - d. Performance security form
 - e. Manufacturers' authorization form
 - f. Performance statement
 - g. Details to be furnished by the manufacturer
 - h. Schedule of deviations (technical & commercial)

The above bid documents will be approved by the concerned Director for centralized items and by the Chief Engineer in charge of purchases for non-centralized items.

5.12 Bid Form

The bidder will complete the Bid form and the appropriate price schedules furnished in the bidding document, indicating the materials / equipment to be supplied.

5.13 Bid Price

- The purchaser will normally insist upon firm prices. Allowing variable prices may be limited to the following cases.
 1. When the delivery period is 12 months and longer
 2. When the purchaser is of the opinion that the cost of the materials proposed to be procured is likely to come down.
- Where variable prices are permitted, a definite price variation formula should be indicated in the Bid, subject to a maximum ceiling of 10%.

- Variable prices should not be accepted if the supply is to be made ex-stock.
- Where firm prices are specified in the NIB, and a bidder quotes variable prices, the bid will be loaded by 10% or an appropriate percentage, which will be decided by the competent authority.
- The price variation formula will remain the same throughout the execution of the contract.
- Where IEEMA price variation formula is applicable, the same may be adopted.

The bidders will be informed that

- Price variation will be on the basic price of raw materials only.
- The basic price of raw materials as quoted will remain unaltered during the period of validity of the bid as well as during the execution of contract.
- Price variation will be regulated as per the scheduled delivery / actual delivery whichever is less.
- Bid price will indicate break up of ex-works price and other taxes and duties, levies, freight & forwarding charges, insurance and other local costs incidental to delivery of the materials/equipment to their final destination.

5.14 Payment Terms

Payment to the supplier as per the agreed terms will be included in the contract and such payment terms will be clearly defined in unambiguous terms. The payment clause will define the credit period for payment after receipt of goods in good condition and the conditions to be fulfilled by the supplier to receive payment (like performance security). The documents to be submitted by the supplier will also be shown.

100% payment to the supplier may be arranged within 90 days of issue of Form-13 i.e. receipt of the material in good condition at the destination / stores. The purchaser's bank will be advised to transfer the said amount to the bank account of the supplier. The supplier will nominate his bank and provide bank account details while entering into contract.

5.15 Payment Procedure (Documents to be furnished by the supplier for payment)

The supplier will also submit the required documents at the time of delivery of the material / equipment at the destination (stores). The stores incharge after check measurement , take the material/ equipment received in good condition into stock and will issue form-13. He will issue receipt, with date and time, to the supplier. The receipt will contain the details of the contract, total material / equipment of supply and material / equipment taken into stock etc. (Form-13). Based on this information, the concerned authority in APTRANSCO will advise the purchaser's bank to transfer the amount to the supplier's bank . The period for payment will be reckoned from the date of form-13.

5.16 Foreign Exchange

The purchaser will stipulate a clause in the contract that no Foreign Exchange is available or expected for the purchase.

5.17 Bid Currencies

The purchaser will stipulate a clause in the contract that the prices will be quoted in Indian Rupees and will be paid in Indian Rupees Only.

5.18 Taxes and Duties

- The purchase will stipulate that “the bidder is responsible to quote correct taxes and duties. Payment of taxes and duties will be regulated

as per actual paid, subject to a maximum of what is quoted by the bidder”.

- While submitting their bids, bidders will clearly indicate the Excise Duty, Sales Tax and any other taxes and levies payable.
- In case the bidder assumes a lower rate of statutory levies than the correct prevailing rates, payment will be regulated as per the rates quoted. If the statutory levies assumed by the bidder are later proved to be higher than the actual / correct rates prevailing at the time of the bidding, payment will be limited to the total amount quoted by the bidder.

5.19 Statutory Variations

Any variation up or down in taxes and duties or new levies introduced after signing of the contract and during the delivery period will be to the account of purchaser.

Any variation up or down in taxes and duties, or new levies introduced subsequent to bid opening and before award will be considered for comparison purposes.

Any increase in statutory levies during the delivery period will be granted with the approval of concerned Chief Engineer and FA&CCA on production of documentary evidence of such increase by the supplier.

5.20 Quantity to quote

The purchaser must stipulate that the bidder may quote for less than the quantity specified subject to a minimum of 20% of the total quantity.

5.21 Documents Establishing Bidder's Eligibility and Qualifications

The Bidder will furnish the following documents along with the bid

- Documents establishing the Bidder's eligibility to bid
- Documents establishing his qualification as per Bid Specification.

Documentary proof to the effect that the bidder has the financial, technical and production capability necessary for due performance of the contract.

The Bid prepared by the Bidder will comprise the following components :

- a) The bid form and price schedule duly completed.
- b) Documentary evidence establishing that the Bidder is eligible to bid and is qualified to perform the contract if its bid is accepted.
- c) Documentary evidence establishing that the materials/equipment and ancillary services to be supplied by the Bidder are as per the technical specification of the bidding documents.
- d) Bid security
- e) Tax clearance certificate.
- f) Schedule of deviations.
 - i. Commercial
 - ii. Technical

All the schedules will be duly completed but not necessarily using the sheets attached to the specification. Unless the full details required in the schedules are furnished the Bids will be liable for rejection.

5.22 Pre Qualification Requirements

The Pre-qualification procedure shall be used for open competitive bids only. These have to be prepared on an individual basis duly considering factors like the cost and the quantity to be procured, the technical and financial competency required to execute the contract. While stipulating the pre-qualification

requirements, care must be taken to see that an adequate response will be obtained by imposition of such requirements.

Pre-qualification requirements may be finalized based on factors like production capacity to meet the quantity requirement, in house testing facility as per quality assurance plan requirement, financial capability to execute, past experience and performance for similar type of items.

In cases of limited and single bid purchases the pre-qualification requirements may not be insisted upon.

5.23 Post Qualification

In the absence of pre-qualification requirements it will be determined whether the bidder selected as the lowest evaluated responsive bid is qualified to perform the contract satisfactorily. Such determination will take into account the bidder's financial and production capabilities and orders in hand etc. and upon an examination of the documentary evidence submitted by the bidder in this regard.

5.24 Cost of Bid document

In the case of open competitive bidding the cost of the bidding documents may be decided on the basis of the estimated value of the quantity to be procured. Some guidelines are given below.

Sl.No.	Estimated value of the proposed bid	Cost of bids documents
1	Upto Rs.100 Lakhs	Rs.500/-
2	Above Rs.100 lakhs	Rs.1000/-

The bidder may be informed that he will remit the cost of the bid along with the bid while submitting.

5.25 Bid validity

The validity of the bids will be

Open Competitive Bidding	-	90 days from the date of opening of bids
Limited Competitive Bidding	-	30 days from the date of opening of bids
Short Notice Bids	-	30 days from the date of opening of bids

5.26 Bid Security

All bids will be secured by an amount specified by the purchaser. In the absence of any such stipulation it will be secured by an amount equal to 2% of the total ex-works value of the material offered against the Bid.

The facility of permanent bid security may be accorded to the bidders by the purchaser by collecting Rs.2,50,000/- by way of DD / Bank Guarantee etc.

Individual / permanent bid security can be furnished by way of a DD / Bank Guarantee.

SSI certificate holders within the State will be exempted from payment of Bid Security. Request for exemption of bid security will not be entertained in any other case.

Bid Security will be forfeited and the vender black listed if

1. Bidder withdraws his bid or alters the prices before the expiry of validity.
2. Bidder withdraws his bid after its acceptance. In such a case his vendor registration will also be cancelled.
3. Bidder violates any of the provisions of these regulations or the conditions of the Bid issued by the Competent Authority.
4. Samples are not furnished within the time limit prescribed.

5.27 Signing of Bids

The bidder may be informed that he will submit one original copy of the bid and two copies of the bid in separate envelopes properly sealed. The bidder / authorized signatory will sign all pages of original bid (except pamphlets and leaflets). The bidder has to sign the price schedule and any other important document in the copies.

Any interlineations, erasures or overwriting will be valid only if they are initialed by the person or persons signing the bid.

5.28 Delivery Schedule:

Depending upon the field requirements and the number of suppliers supplying the materials, the delivery schedule for each contract will be fixed so that all the consignees receive materials to suit their works programme whilst taking care to see that there is no stock piling beyond two months requirement in each stores.

In case of trial orders / development orders the delivery schedule as given by the bidder will be incorporated in the contract.

5.29 Extension of Delivery Schedule:

Normally the delivery schedule, once specified, should not be extended. However, in the event of the occurrence of a force majeure event, an extension will be granted without additional financial commitment. The supplier will within 10 days of the occurrence of such an event have to approach the purchaser with the necessary documentary evidence.

In cases where the delay in delivery was on account of the purchaser (by not approving the drawings or samples), an extension may be considered with the approval of the competent authority.

5.30 Superscription on the Bid cover

The purchaser may ask the bidder to submit the bid duly superscribed with some important information. The following superscription may be considered.

- Registration No. of the vendor
- Bid enquiry No.
- Due date and time for submission
- Date and time of opening
- Details of payment of bid security and its validity
- Whether ____ days bid validity offered _____ (yes/no)
- Whether delivery is as per schedule indicate _____ (yes/no)
- Whether the sample (if specified) has been enclosed/sent____ (yes/no)

5.31 Modification and withdrawal of bids

Bidders will have the liberty to modify or withdraw their bids after submission as long as this is before the expiry of the dead line prescribed for submission of the bids. Such modification / withdrawal notice will be in writing, sealed and signed by the authorized signatory and should reach the purchaser prior to the dead line fixed for the submission of bids.

Bidders will not withdraw or modify their bids after the last date and time fixed for bid submission.

If a bidder withdraws his offer after the opening of bids, his bid security is liable for forfeiture.

If a bidder withdraws his offer during the validity period of the bid and he has been adjudged L1 bidder his vendor registration will be cancelled besides forfeiting his bid security.

If a bidder modifies the terms and condition of his offer or alters his prices after the opening of bids such that he derives a decided advantage over other bidders, his original bid will be rejected and his bid security will be forfeited.

5.32 Submission of Bids

- Bids will be submitted within the time and date specified in the bidding document, and in the manner as called for in the bidding document. (A soft copy of the complete bid document preferably in 'Office 2000' and price schedule in EXCEL format will be furnished along with the hard copy).
- A register is to be maintained by the purchaser, in which the bids received from the bidders are noted with the time of receipt. The officer receiving the bids will note down the closing time and number of offers received immediately after the dead line for the submission.

5.33 Late and delayed Bids

Bids received after the due date and time either by post or through courier will be returned unopened.

Delayed Bid covers that are opened inadvertently because of the non-availability of superscription on them will be returned to the vendors immediately.

5.34 Extension of due date for submission and opening of bids

Normally the due dates for submission and opening of Bids will not be extended. Under inescapable circumstances extension of the due date for submission may be considered with the approval of the concerned Director in the case of centralized items and the concerned Chief Engineer in the case of non-centralized items. Only two such extensions may be considered after which the bid will be cancelled.

The circumstances under which an extension of time may be given are

- (1) Delay in publication of Notice Inviting Bids
- (2) Delay in communication to the prospective bidders of any material changes to the bid specifications made after the issue of Notice Inviting Bids and before the date of bid opening.

- (3) Delay in issuing clarification to the queries of a prospective bidders and marking copies of the clarifications to other bidders.
- (4) Poor response despite the presence of adequate number of vendors
- (5) When some of the reputed suppliers request for an extension of time and it is felt that granting an extension of time for bid submission will be in the interest of the purchaser.
- (6) Due to a force majeure event like natural calamities in the form of cyclones and earth quakes or civil commotions like riots and bandh depending upon their effect.

Whenever the due date for submission of bids is extended, the bidders who have submitted their bids will be informed of the change and the same should be published in newspapers and put on the purchaser's Website.

5.35 Submission of samples

- The bidders will submit samples as specified in the bid specification.
- The last date for submission of samples will be the date of opening of bids.
- The responsibility for delivery of the samples will lie with the bidders.
- Irrespective of the submission of similar samples against earlier bids fresh samples will be furnished against the new bid.
- The Asst. Divisional Engineer dealing with the subject will maintain a register for receipt and disposal of samples.
- The purchaser will not be responsible for any damage that may be caused to the samples at any time.

5.36 Clarification of Bidding Documents

All clarifications raised by the bidders will be in writing and will reach the purchaser at least 7 (seven) days in advance of the dead line for bid submission. The purchaser shall respond in writing to such requests for clarification of the

bidding documents. Copies of the same will be put on the purchasers Website, besides sending copies to all the bidders who have already purchased bidding documents without identifying the source of the query.

5.37 Bid Opening

- Bids will be opened on the specified day and time indicated in the bid specification in the presence of the representative of the bidders who choose to be present.
- Opening of bids will be fixed on a working day during office hours
- If, for any reason, the bid opening day is subsequently declared a holiday, bids will be opened on the next working day at the same time.
- The representatives of the bidders attending the bid opening will sign the bid opening register furnishing the details of the bidder they are representing.
- The representatives will have written authorization from the bidders to attend the bid opening.
- Bids by telegram or fax will not be considered.
- The officer authorized by the purchaser will open the bids. A representative from the finance wing, not lower in rank than an Accounts Officer, will be present at the time of the bid opening and will attest the bids.
- The Bid opening officer will check whether the bid security is furnished or not. In case of nil/insufficient bid security the bids will not be read out and shall be rejected.
- Salient features like value of the bid, quantity quoted and any other relevant information is to be read out at the time of the bid opening.

- The officers opening the bids and the Accounts Officer will initial every page of the original bid except for Xerox copies and pamphlets and leaflets. They need sign only on the first page of the other two copies of the Bid.
- The officers opening the bid will initial alterations and erasures if any. The prices and discounts portion will be encircled and written in words (if not indicated) and attested by the officials.
- The number of corrections and cuttings in the offer will be indicated.
- After reading out the bids, the authorized officers for bid opening will record bid opening minutes which shall contain the number of bids received, number of bids opened and number of bids rejected duly indicating the reasons for rejection. Any objections raised by the bidders/representatives will also be recorded in the register.

5.38 Two part Bids

- In case of two part bids, the first envelope (technical bid) will contain documents relating to all the technical aspect as called for in the bid, the qualifying requirements and details of the bid security and other commercial terms.
- The second envelope (price bid) will contain the price bid.
- Part-1 will be opened at the first instance at the time and date specified duly observing the formalities prescribed above for bid opening. The qualification requirements and adherence to the specified commercial terms will be verified in the first instance. The officer(s) opening the bids will initial the envelope containing the price bid to preclude the possibility of their substitution later.
- Two part bids will be adopted in case of all major works and procurement of transformers including instrument transformers and meters.

5.39 Technical Evaluation Criteria for Two part bidding

The technical part of the bid will be checked for responsiveness to the technical specification of the bid. The technical details submitted by the bidders will be supported with relevant drawings and descriptive text. The bidder should indicate his available capacity and technical experience taking into consideration the specific time of completion. The technical details furnished, like guaranteed technical particulars, relevant type test certificates as per IS, will be checked and the responsiveness to the bid will be decided.

- The technical responsiveness of each bidder will be noted clearly with all details and will be approved by the technical committee.
- The maximum time allowed for technical evaluation will be 4 weeks.
- The date of opening of part-2 bid will be intimated separately to technically qualified bidders and the price bids of these bidders will be opened on the time and date specified. Representatives of the finance wing not lower than the Accounts Officer will be present for price bid opening.
- The Bid opening officers and Accounts Officer will sign the Bid opening register indicating the number of Bids received, number of bids opened and the number of bids rejected duly recording the reasons thereof.

5.40 Tax Clearance Certificate

Copies of Income Tax, Sales Tax and Turnover Tax certificates for the period from the appropriate authority will be enclosed with the Bid. In the case of a proprietary or partnership firm it will be necessary to produce the certificates for the proprietor or proprietors and for each of the partners as the case may be. If the bidder has already produced the certificate during the financial year in which the Bid is made, it will be sufficient, if the particulars are given.

5.41 Evaluation of Bids

All the bids, which are opened, read out and considered for evaluation will be checked for qualification requirements in respect of technical and commercial aspects. Such of the bids, which do not meet the qualification requirements, will not be evaluated further. The bid is to be checked for its conformity to the technical specification. If it does not meet the technical specification, the Bid will not be evaluated further. However, if in the opinion of the purchaser the bidder has offered equipment / material better than the technical specification the same may be considered.

The bid may be rejected for the following reasons:

1. Not in the prescribed form.
 2. Insufficient bid security or bid not accompanied by the required bid security or proof of permanent bid security / exemption.
 3. Bids not properly signed.
 4. The bidder is a vendor who is banned from further business transactions and the period of ban is still in force.
 5. Bid received after the due date and time.
 6. The bid is through telegram or fax.
 7. The bidder alters his prices during the validity of the bid and after opening of bids.
- Further, the purchaser may enquire from the bidder in writing for any clarification of the bid. The response of the bidder will also be in writing. No changes, amendments which materially alter the prices shall be permitted after opening of the bids.
 - Bids will be examined for completeness and for any computational errors.
 - Arithmetical errors will be rectified on the following basis.
 - Where there is a discrepancy between the unit price and total price, the unit price will prevail and the total price will be corrected accordingly.
 - Where there is a discrepancy between words and figures, the amount in words will prevail.

- If there is a discrepancy between the soft copy and the hard copy, the hard copy will prevail.
- If the bidder does not attest any overwriting in the price column such Bids will be rejected.
- Failure on the part of the bidder to agree to the above corrections will result in rejection of his offer and forfeiture of his bid security.
- It will be ensured that the required sureties have been furnished and that the documents have been properly signed.
- The purchaser's evaluation of a bid shall take into consideration one or more of the following factors
 - (a) Delivery schedule offered in the bid;
 - (b) Deviations in payment schedule from that specified in the general terms and conditions of the contract and technical deviations.
 - (c) The cost of components, mandatory spare parts, and service;
 - (d) The availability of spare parts and after-sales services for the equipment offered in the Bid;
 - (e) The projected operating and maintenance costs during the life of the equipment;
 - (g) The performance and productivity of the equipment offered;
 - (h) Other specific criteria indicated in the Bidding documents.
 - (i) In addition the Purchaser's evaluation of a bid will take into account the net landed cost of the material at the final destination. For the purpose of evaluation net landed cost is arrived at by adding all elements of the basic price, allowable discount, excise duty, sales tax & any other levies, packing & forwarding, freight charges, insurance (transit & storage) as quoted by the bidder, interest on advance if any, unloading at final destination, erection, servicing and other charges as called for.

- (j) In addition any variation up or down in taxes and duties / new levies introduced subsequent to bid opening and before award will be considered for comparison purposes.

The following criteria may be adopted for taxes and duties for evaluation

- a. It is the responsibility of the bidder to quote all taxes and duties correctly without leaving any column unfilled (see samples form 1). Where taxes and duties are not applicable the bidder should enter “NA”. If no duty / tax is leviable the same may be entered as “NIL”. If any column is left blank or filled vaguely like “as applicable”, the same will be loaded with the maximum of the other eligible Bids.
 - b. Where there is an exemption of ED / ST, the documentary evidence to that effect will be enclosed by the supplier.
- Prior to detailed evaluation, the responsiveness of each bid will be determined. A substantially responsive bid is one that conforms to all the terms and conditions of the bidding documents without material deviations. For this purpose superscription, qualification requirement, bid security, validity, delivery, payment term, price schedule, taxes and duties will be deemed to be the critical provisions and deviations in any one of these items will be deemed to be a material deviation.

The purchaser may waive any minor informality, non-conformity or irregularity in the bid which does not constitute a material deviation, provided such waiver does not affect the relative ranking of any bidder. The purchaser will indicate the evaluation criteria in the bid specification.

5.42 Discounts

Quantity discounts will not be considered for comparison purposes though comparable prices are evaluated with and without discount.

If the stipulated period for the offered cash discount is below 90 days, the same is treated as a conditional discount and it will not be considered when determining the status on a landed cost basis.

However, if the stipulated period is 90 days and above from the date of receipt and acceptance of material at stores, the discount offered will be treated as normal/unconditional. The discount will be considered when arriving at the status of landed cost.

5.43. Erection, Commissioning and other charges:

In the case of procurement of equipment where erection, commissioning and servicing charges are included in the scope of work of the bid, these charges will also be included in the total to arrive at the net landed cost. If any of the bidders fail to indicate the same in their offer, if called for, the same will be loaded with the maximum charges quoted by any other bidder for comparison purpose and payment will be restricted to the total bid price quoted by the bidder if he becomes L1.

5.44 Comparison of Prices

The officers opening the bid or an officer nominated as the competent authority will prepare a comparative statement of the various bids opened. The offers of the various bidders are to be brought to a comparable level of free at destination stores and duly loaded for the various technical and commercial deviations to arrive at the evaluated price. All the bids shall be shown in the comparative statement, ranking the various bidders in ascending order according to their evaluated prices so as to enable the competent authority to easily identify the lowest acceptable offer. The cost of spares (if called for) required for a reasonable period may also be included in evaluating bids. The lead-time required for procuring the spares will also be taken into account while fixing the requirement for spares.

The bids will be evaluated only on the basis of the criteria stated in the bid documents. No change in the criteria after the price bids are opened shall be allowed. No document presented by the bidder after the closing date and time of the Bid will be taken into account by the evaluation committee, unless it is purely of a technical nature, has no bearing financially on the contract and does not seek any major changes to the technical specifications given in the bid documents. If a bidder offers a rebate unilaterally after the closing of the bid, it will not be taken into account for evaluation purposes. However, if the bidder emerges as the lowest evaluated, the rebate offered will be taken into account.

The comparative statement and other relevant documents will be forwarded to the competent authority for consideration and approval after checking by the financial wing.

Evaluation criteria will be clearly documented in the bid specification.

All bids evaluated will be listed in the ascending order of evaluated prices. The lowest evaluated bid shall be termed as L1, the second lowest as L2 and so on.

After preparation of the comparative statement as per above guidelines the accounts department (FA&CCA) will approve the same.

The accounts wing will scrutinize the following and certify the same.

- a) Whether the quantity called for is within the scope of the works programme (as per the procedure approved)
- b) Compare the statement with the bids submitted to ensure a second independent check
- c) Arithmetical accuracy.
- d) Indicate competency of approval as per delegation of powers.

5.45 Stores Purchase Committee :

The evaluation report will be placed before the Stores Purchase Committee. The Stores purchase committee will take a decision in awarding the contract based on the analysis and the recommendations of the review committee.

The constitution of this committee at APTRANSCO level is indicated in Delegation of Powers.

5.46 Price Preference:

No price preference will be given to any of the bidders.

5.47 Dual or Differential price:

Normally orders are released at matched prices when more than one source is considered. In some cases where the L2, L3 bidders etc. do not match with the L1 offer and if more than one source is inevitable, the committee deciding the bid can recommend procurement with differential price, subject to the capacity of L1 being totally exhausted.

5.48 Trial Order:

To encourage and develop new vendors and to have more sources, trial orders can be considered where the price offered by the technically acceptable bidder is lower than that of the technically acceptable regular supplier.

Where the bidder is a regular supplier to other electricity utilities / corporations / public sector undertakings during the past 3 or 4 years and its performance is proven, it can be considered for trial orders subject to its offer being technically acceptable. The total orders will be limited to a maximum quantity of 10% of the average annual requirement. When a trial order is placed the same will be brought to the notice of the receiving officer for early installation of the equipment/ material, monitoring of performance and reporting back to the purchaser.

5.49 File Movement chart :

Each current file of the purchase department will have a file movement chart showing the movement of the file from the date of receipt of the bid to the date of refund of the bid security / bank guarantee after the order is placed. The file movement chart is to be maintained. In addition, the actual time taken for the various activities of procurement vis-à-vis the prescribed time schedules will be indicated in the bid evaluation report with reasons for the delay if any.

5.50 Placement of Orders in case of Cartelization :

Where there is reason to believe that the joint L1 firms have formed a cartel and the purchaser has been unable to bring down the rates to a reasonable level, even after negotiations, the bids may be cancelled and re-bidding ordered. However, if the purchaser is of the opinion that material / equipment is urgently required, orders will be placed on one firm the name of which will be drawn on a random basis by calling all the bidders and taking the draw in the presence of those present.

5.51 Award criteria

Normally negotiations will only be held with L1 to explore the possibility of a further reduction in price where the rates are considered to be too high with reference to estimated price or updated prices of the past orders. Then the full quantity could be ordered on L1.

Considering other than L1 would be limited to the following cases only.

- a. When it is clearly felt that L1 cannot supply the total quantity in the required time schedule or in the opinion of the purchaser it is undesirable to depend on one supplier.
- b. Considering other than L1 normally be limited upto L4 only.

- c. In all these above cases, quantity could be distributed to all those agreeing to the rate offered by the purchaser during negotiations or any other acceptable rates.

In case of distribution of quantities among two or more sources, the following ratio at the same price will be adopted.

I.	When the sources of supply are two	Percentage distribution between L1 & L2
	a. When there are two identical L1 offers	50 : 50
	b. When both L1 and L2 are industries in the private sector	70 : 30
	c. When L2 is an undertaking or joint Venture of Govt. of AP/Central Govt.	60 : 40
II.	In case of three sources	50 : 30 : 20
III.	In case of four sources	50 : 25 : 15 : 10

5.52 Purchaser's Right to Vary Quantities at Time of Award

There will be a provision enabling the purchaser, at the time of contract award, to increase or decrease by a certain percentage, the quantity of materials / equipment and services originally specified in the schedule of requirements without any change in unit price or other terms and conditions.

Provision must be made in the contract document to increase / decrease the ordered quantity by a certain percentage (say $\pm 25\%$) during the execution of the contract.

5.53 Purchaser's Right to Accept Any Bid and to Reject Any or All Bids

The purchaser will have the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder / bidders of its reasons.

The purchaser will have the right to split up the orders between different bidders to facilitate delivery of the materials as per works programme.

5.54 Notification of Award

Prior to the expiration of the period of bid validity, the purchaser will notify the successful bidder in writing by registered letter or by cable, to be confirmed in writing by registered letter, that its bid has been accepted.

The notification of award will constitute the formation of the Contract.

Upon the successful bidder's furnishing of the performance security, the purchaser enters into contract with the successful bidder / bidders. The purchaser will promptly notify each unsuccessful bidder and will discharge its bid security.

5.55 Performance Security

- The successful bidder / bidders will submit security for proper fulfillment of the contract and such security will be for an amount of 10% (ten percent) of the contract value.
- This performance security will be furnished within 15 days of receipt of the notification of contract award and should cover a period of 60 days beyond the warranty period. Failure to comply with this stipulation will entail canceling of the contract besides forfeiture of the bid security and cancellation of the vendor's registration.
- The performance security will be in the form of a banker's cheque, crossed DD or Pay Order payable at the headquarters of the purchaser and drawn in favour of the purchaser on any scheduled bank or an individual Bank Guarantee.
- The purchaser at his discretion may accord the facility of permanent performance security for local SSI units of proven earlier performance by collecting Rs.2.0 Lakhs by way of Bank Guarantee valid for three years.

- The purchaser will discharge the performance security after completion of the contract and within 60 days of the expiry of the warranty.
- No exemption will be permitted in case of payment of performance security.

5.56 Forfeiture of Performance Security :

The performance security will be forfeited by the purchaser as compensation if the supplier fails to complete his obligations under the contract.

5.57 Signing of Contract Agreement

The purchaser will immediately notify the successful bidder that his bid has been accepted after finalization of the bid. Within 30 (thirty days) of receipt of the notification, the successful bidder will sign and date the contract. Failure to comply with this stipulation will entail canceling of the contract besides forfeiture of the bid security/performance security and cancellation of vendor registration.

The following documents shall be deemed to form and be read and construed as part of the final Agreement, viz.

- (a) The Bid Form and the Price Schedule submitted by the Bidder;
- (b) The Schedule of Requirements;
- (c) The Technical Specifications;
- (d) The General Conditions of Contract;
- (e) The Purchaser's Notification of Award.
- (f) Brief particulars and prices of the materials/ equipment and services as supplied/ provided by the Supplier in the following form.

Sl. No.	Brief Description of Material/ Equipment & Services	Quantify to be supplied	Unit Price	Total Price	Delivery Schedule

5.58 Refund of Bid Security

The bid security of the unsuccessful bidders will be returned within one month of finalization of bids.

5.59 Delivery

- Delivery of material within the stipulated time is the essence of the contract.
- The delivery period will be reckoned from the date of signing of the contract.
- The delivery date is the date on which the material is received at the destination in good condition.
- The contract will clearly indicate the commencement date and the monthly / quarterly quantities to be delivered.
- Delay in delivery of materials free at destination stores due to non-availability of railway booking / non-allotment of wagons and any such reasons will not be considered. In such cases the supplier will make alternative arrangements to ensure delivery as per schedule.
- The purchaser reserves the right to defer the delivery date at any time after conclusion of the contract without prejudice to the other contract terms.

5.60 Inspection and Tests

- (i) The supplier will keep the purchaser informed in advance of the time of starting and the progress of manufacture of equipment in its various stages so that arrangements can be made for inspection. The accredited representative of the purchaser will have access to the supplier's or his subcontractor's work at any time during working hours for the purpose of

inspecting the materials/ equipment during manufacture and testing and may select test samples from the materials being used in plant and equipment. The supplier will provide the facilities for testing such samples at any time, including access to drawings and production data, at no charge to the purchaser. As soon as the materials are ready the supplier will inform the purchaser by regd. post and carry out the tests in the presence of the representative of the purchaser.

- (ii) The purchaser may at its option have the materials inspected by a third party if it feels this to be necessary and all inspection charges in this connection will be borne by the supplier.
- (iii) Dispatch will only be allowed if the test results comply with the specification. Dispatch will only occur after inspection by the purchaser's representatives or if such inspection is waived by the competent authority.
- (iv) The acceptance of any quantity of materials will in no way relieve the supplier of his responsibility for meeting all the requirements of the specification and will not prevent subsequent rejection if such materials if they are later found to be defective.
- (v) The supplier will give 15 days advance notice to enable the purchaser to depute his representative for witnessing the acceptance and routine tests.
- (vi) Should any inspected or tested materials / equipment fail to conform with the specification, the purchaser may reject the materials and the supplier will either replace the rejected materials or make alterations necessary to meet the specification requirements free of costs to the purchaser.
- (vii) In the case of transformers, instrument transformers and meters inspection will be conducted every year, for the first 5 years on a 2% sample of the quantities supplied. Samples will be collected at random to establish that the guaranteed technical parameters are as per the submitted bid by the supplier. In the case of non-adherence, the

purchaser may take suitable action on the supplier including cancellation of vendor registration and banning further dealings, depending on the gravity of the deviation. These random inspections may be entrusted to a third party inspector.

5.61 Consignee Details etc.

The dispatch instructions contained in the contract will include the consignees, their postal addresses and the nearest railheads. Equipment like circuit breakers, power transformers and poles etc. may be directly consigned to the nearest sub-station to the works. Such direct site deliveries will be regularized with the stores by the concerned field officers. The following documents will be handed over at the time of delivery of material/ equipment.

- (i) 4 Copies of the supplier invoice showing contract no., materials / equipment description, quantity, unit price, total amount;
- (ii) Acknowledgement of receipt of materials / equipment from the consignees (4 copies);
- (iii) Insurance certificate;
- (iv) Test Certificates (one set);
- (v) Supplier's certificate certifying that the defects, if any, pointed out during inspection have been rectified (3 copies);
- (vi) Manuals in six sets and one set of reproducible drawings.

5.62 Insurance

- The material / equipment will be fully insured against loss or damage incidental to manufacturer or acquisition, transport, storage and delivery in the manner specified in the contract and also storage for 30 days at the destination site or stores.

- Insurance will be in an amount equal to 100% value of material / equipment on an all risks basis. The policy will have a provision for extension to cover further storage, if necessary, at the destination site or stores at the purchaser's cost.
- Supplier will take insurance cover in the name of purchaser.

5.63 Incidental Services

The contract will cover, wherever necessary, the following services or any additional services.

- (a) Performance or supervision of on-site assembly and/or start-up of the supplied materials / equipment;
- (b) Furnishing of tools required for assembly and/or maintenance of the supplied materials / equipment;
- (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied materials / equipment;
- (d) Performance or supervision or maintenance and/or repair of the supplied materials / equipment, for a period of time agreed by the parties, provided that this service will not relieve the supplier of any warranty obligations under this contract; and
- (e) Training of the purchaser's personnel, at the suppliers' plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied materials / equipment.

5.64 Spare Parts

The supplier has to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier.

- (a) Such spare parts as the purchaser may choose to purchase from the supplier, provided that this selection will not relieve the supplier of any warranty obligations under the contract; and

- (b) In the event of termination of production of the spare part advance notification of impending termination giving sufficient time to permit the purchaser to procure needed requirement and following such termination furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

5.65 Warranty

Unless otherwise specified the supplier will warrant for the satisfactory functioning of the material / equipment as per specification for a minimum period of 18 months from the date of receipt of the material / equipment in good condition.

The supplier will further guarantee that the material / equipment will conform to the technical specification.

Equipment, sub-assemblies or spare parts replaced under warranty will have further warranty from the date of acceptance, for a further period of 12 months.

If the bidder is to be asked to quote for an extended warranty beyond the normal warranty period of 18 months, the bidder must be asked to quote the rates for such extended warranty separately and the same will be included in the net landed cost used for financial evaluation.

If the bidder is asked to quote to maintain the equipment beyond the normal warranty period, such annual maintenance contract (AMC) charges will also be taken into consideration for financial evaluation. AMC will include normal maintenance including provision of spares as required.

In both the above cases where an extended warranty is asked for / or AMC beyond normal warranty period is contemplated, the history card of the equipment shall be provided along with the equipment and its movements will thereafter be monitored.

The supplier will warrant that the materials / equipment supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier will further warrants that all materials / equipment supplied under the contract will be free from defects, arising from a design and / or use of materials as required by the purchaser's specifications or from any act of omission of the supplier that may develop under normal use of the supplied materials / equipment.

All the material will be of the best class and will be capable of satisfactory operation in the tropics under the service conditions indicated without distortion or deterioration. No welding, filling or plugging of defective parts will be permitted. Unless otherwise specified, they will conform to the requirements of the appropriate Indian Standards. (Where a standard specification covering the material in question has not been published, the standards of the American Society for Testing of Materials should be followed)

The entire design and construction will be capable of withstanding the severest stresses likely to occur in actual service and be capable of resisting rough handling during transport.

The supplier will in addition, comply with the performance guarantees specified under the contract. If, for reasons attributable to the supplier, these guarantees are not attained in whole or in part, the supplier will at its discretion either,

- a) make such changes, modifications, and/or additions to the materials / equipment or any part thereof as may be necessary in order to attain the

contractual guarantees specified in the contract at its own cost and expense and to carry out further performance tests as per the relevant standards.

b) replace the material/ equipment at his own expense.

The purchaser will promptly notify the supplier in writing of any claims arising under this warranty.

Upon receipt of such notice, the supplier will within 30 days repair or replace the defective materials / equipment or parts thereof, free of cost at the ultimate destination. The supplier will take over the replaced parts/materials / equipment at the time of their replacement. No claim whatsoever will lie on the purchaser for the replaced parts/materials / equipment thereafter. In the event of any correction of defects or replacement of defective material during the warranty period, the warranty for the corrected/replaced material will be extended to a further period of 12 months.

If the supplier, having been notified, fails to remedy the defect(s) within the above period, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense duly deducting the expenditure from subsequent bills / bank guarantee and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

5.66 Penalty for delayed Deliveries

Failure on of the supplier to deliver the goods within the stipulated period set out in the contract will attract Penalty @ 0.5% per week of delay or part thereof on the value of the undelivered portion, subject to a maximum of 5% of the contract value. If the period of delay exceeds the specified maximum, the purchaser may consider termination of the contract.

For the purpose of Penalty, the date of receipt of materials at the destination stores in good condition i.e. date of form-13 will be reckoned as the date of delivery.

The number of days of delay should be rounded to the nearest week.

Penalty may not be levied in case of delay due to Force Majeure events or other reasons agreed by the competent authority.

For non-centralized items, extension of delivery period upto 6 months without additional financial commitment to purchaser can be granted by the authority next higher in rank to the authority placing the order, if the orders are placed by officers of the rank of Chief Engineer and below.

For centralized items condonation of delay upto 6 months without any additional financial commitment to purchaser will be with the approval of the concerned Director.

For condonation of delay beyond 6 months for all purchases, approval of concerned Director and the Director (Finance) is necessary.

5.67 Force Majeure

The supplier will not be liable for forfeiture of its performance security, Penalty for delayed deliveries, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the contract is the result of an event of Force Majeure.

For the purposes of the contract, "Force Majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but are not restricted to, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

If a Force Majeure situation arises, the supplier will promptly notify the purchaser within 10 days in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier will continue to perform its obligations under the Contract as far as is reasonably practicable, and will seek all reasonable alternative means for performance not prevented by the Force Majeure event.

No price variance will be allowed during the period of Force Majeure.

If the Force Majeure conditions continue beyond a tolerable period for the purchaser he can propose for the termination of the contract without financial commitment on either side.

5.68 Amendments to the contract

Amendments concerning price, deliver schedule, liquidated damages for delayed supplies, discounts, rebate, scope of supply and any other aspect which will have a bearing on landed cost arrived at while finalizing the bids should be recommended by the review committee and approved by the competent authority. The Chief Engineer can approve other amendments like mode of transport, change of destination etc.

5.69 Verification of Bank Guarantees

All Bank Guarantees furnished by the bidder / suppliers will be referred to the bank and branch of their origin for verification.

5.70 Termination of Contract

The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate the contract in whole or in part:

- (a) If the supplier fails to deliver any or all of the materials / equipment within the period(s) specified in the contract, or within any extension thereof granted by the purchaser.
- (b) If the supplier fails to perform any other obligation(s) under the contract.
- (c) If the supplier, in the judgment of the purchaser has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

For the purpose of this clause. “Corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

“Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the purchaser, and includes collusive practice among bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the purchaser of the benefits of free and open competition”.

In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, materials / equipment or services similar to those undelivered, and the supplier will be liable to the purchaser for any excess costs for such similar materials / equipment or services. However, the supplier will continue performance of the contract to the extent not terminated.

5.71 Termination for Insolvency

The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or not affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

5.72 Payment on Termination due to Default or Insolvency

The purchaser will pay the supplier for all materials/ equipment or services already delivered in accordance with the contract after deduction of any extra costs borne by the purchaser to complete the scope of works specified in the contract.

5.73 Termination for Convenience

The purchaser, by written notice sent to the supplier, may terminate the contract, in whole or in part, at any time for its convenience. The notice of termination will specify the termination is for the purchaser's convenience, the extent to which performance of the supplier under the contract is terminated, and date upon which termination becomes effective.

However the materials / equipment that are complete and ready for shipment within thirty (30) days after the supplier's receipt of notice of termination will be accepted by the purchaser at the contract terms and prices.

5.74 Payment on Termination for convenience

The purchaser shall pay the supplier for all materials/ equipment or services delivered in accordance with the contract up to the time the termination becomes effective as set out in paragraph cited above.

5.75 Settlement of Disputes

If any dispute or difference of any kind whatsoever will arise between the purchaser and the supplier in connection with or arising out of the contract, the parties will make every effort to resolve amicably such dispute or difference by

mutual consultation. If within reasonable time, the purchaser and supplier could not resolve dispute/difference by mutual consultation, the parties may resolve the same through arbitration.

5.76 Jurisdiction

The purchaser will stipulate a clause in the contract that all and any disputes or differences arising out of or touching this contract will be decided by the Courts or Tribunals situated in the purchaser's headquarters city/ town only.

WORK CONTRACTS

6. WORK CONTRACTS

6.1 Scope

All major contracts costing above Rs. 50 Lakhs are to be awarded following the open competitive bidding, preferably inviting bids in two parts.

Works contracts estimated above Rs.50 Lakhs may be treated as major contracts.

As already described under 'Procurement & Inventory Planning' works executed with the assistance of financial lending agencies like the World Bank, DFID, JBIC etc. are to be formulated following the guidelines of the respective lending agencies, with the material procured for these specific works. The works programmed under REC & PFC funding and the works programmed by APTRANSCO with internal resources are to be executed following the guidelines prescribed below.

6.2. Preparation & Sanction of Estimate

The Executive/Divisional Engineer / Superintending Engineer incharge of the works to be executed will prepare the detailed cost estimate. The cost of the materials to be procured by the contractor and labour charges for erection & commissioning should be based on the current SSR Rates of the Circle / current Cost-Data published by APTRANSCO. For those items for which SSR Rates are not available, the current SSR Rates of R&B / Irrigation Circle of the same area are to be adopted. The estimates so prepared by the field Executive/Divisional Engineer/Superintending Engineer are to be approved by competent authority with associate concurrence of the finance wing before invitation of Bids. The cost estimates for comparison purposes will not consider contingencies and establishment charges. It is also important to ascertain before inviting bids whether the required site has been acquired and is available in case of sub-stations and the route survey has been completed by the department in case of overhead lines.

The estimate shall be comprehensive and shall cover all the provisions of the scheme to implement the project (such as substations etc.,) as a whole as per administrative approval. The estimate prepared and the bidding process contemplated shall be approved by the competent authority before issue of Notice Inviting Bids.

6.3 Bid Specification & Bid Invitation

The bid specification is to be prepared by the concerned Superintending Engineer/ Chief Engineer covering technical and financial clauses with the approval of concerned Director. While preparing the Bid specification the following points may be observed.

- Bid Specification shall include the entire project.
- If separate agencies are to be entrusted with different works (civil and electrical works), they are to be included in the same bid specification in separate lots .
- No splitting of works are to be permitted.
- No further bid shall be called for any additional works under the same project within 12 months after completion of the works under major scheme, already taken up.
- In case of any emergency to take up any sub-works under the main project within 12 months of completion of the main project the Superintending Engineer has to obtain the approval of concerned Director.
- A suitable periodical return is to be sent by the field Superintending Engineer to corporate office indicating works awarded, scheme **wise**.
- The bidding process contemplated shall be got approved by the concerned Director.

A Notice Inviting Bids is to be published in two English and two Telugu newspapers having wide circulation. To achieve the objective of selecting well qualified contractors, it is preferable to invite Bids in two parts. The Part-I

(Technical Bid) containing bid security, bidder's status i.e. class of contractor, qualification requirements, works executed of similar nature, financial capability indicating annual financial turnover, bidder's credit facilities, availability of major tools and plant required for execution of the works, works in hand of a similar nature and other technical data and any other information that APTRANSCO specifies, is to be opened on the due date. The PART-II contains the PRICE BID. The Part-II PRICE BIDS of only those bidders whose Part-I TECHNICAL BIDS were deemed to have qualified will be opened for consideration and evaluation.

6.4 Qualification Requirements

The minimum qualification requirements that the bidder should satisfy for execution of works are to be indicated in detail in the technical specification. The following guidelines should be adopted while prescribing the qualification requirements.

1. The Bidder should have executed 100% quantity of works of a similar nature to that proposed in the bid specification in any consecutive 12 months period during last five financial years.
2. The Bidder should have achieved an annual financial turnover equal to 100% of the value of the works proposed in the bid specification in any one year during the last five financial years.
3. The bidder should own/lease/procure the minimum tools & plants required for the execution of the works, which will be detailed in the qualification requirement of the technical specification.
4. The Bidder should produce evidence from its bankers that it has the required (50% of the estimated value of Bid) liquid/credit facilities necessary to perform the contract.
5. The Bidder should indicate the number of technical persons along with their qualifications available with him for the execution of the works, including the Project Manager / site incharge. Details of the number of

technical persons required for the execution of the works along with their qualifications are to be indicated in the technical specification.

6. Bids from joint ventures may not be preferred.

6.5. Bid Security

The bidder has to furnish 2% of estimated value of the bid, as indicated in the NIB as Bid Security either in the form of DD or Bank Guarantee.

No permanent Bid Security may be considered for acceptance as Bid Security.

The superscription on the bid cover should show that the Bid Security has been enclosed. Bids without such superscription will be returned unopened.

6.6 Bid Opening & Evaluation

The bidders are required to submit their bid in two parts, technical and the price bid. These should be enclosed in separate envelopes and submitted before the due date and time specified for submission in the NIB.

The technical bids of all bidders who submitted their bids with proper superscription before the due date and time of submission will be opened at the time specified for opening.

The bids so opened will be read out before the authorized representatives of the bidders, with the following salient points indicated:

- Bid Security and its validity
- Validity of technical bid
- Concurrence to completion period and payment terms

6.7 The Technical Evaluation

The technical bids so opened will be evaluated by Superintending Engineer/Chief Engineer within four weeks, taking into account all aspects of the qualification requirement stated above.

The bids not complying with the specified completion period and payment terms are to be treated as nonresponsive.

The bidders may entrust part of the work to sub-contractors. In such cases the bidders shall show in the technical bid the names of the sub-contractors with

details of their qualification and experience and the item/quantity of work to be entrusted to them. It is the discretion of the competent authority to accept or reject sub-contractors. In no case shall the complete works be entrusted to a sub-contractor.

Any clarifications required from the opened bids in regard to qualification requirement or technical aspects which do not have a bearing on the price bid may be obtained from the bidders. The bidders' capacity to execute the work, shall be determined taking into account the works in hand already being carried out by the bidder. The technical evaluation will be prepared by the concerned Superintending Engineer/Chief Engineer and shall be approved by the concerned Director.

6.8 Opening of Price Bids

The price bids of those bidders whose technical bids were deemed to have qualified shall be opened on a specified date and time. The qualifying bidders shall be notified of the opening time giving a minimum notice of one week.

The price bids will contain unit prices and totals for each item and prices will be FIRM.

The price Bids of the bidders will be evaluated following the procedures laid out in 'Purchase Procedures' including the arithmetical check and the financial analysis provided by the Accounts wing.

The evaluation report will be submitted to the Competent Authority for approval and the award of the contract.

Bids with abnormally high prices compared to the estimates in excess of 10% may be treated as nonresponsive. This decision will be taken by the Competent Authority. The contract will be awarded to the lowest responsive bidder.

6.9 Quantity Variation

Works may be executed with $\pm 10\%$ variation in quantities against each item and at the rate agreed in the contract. However the value of contract after considering such variations does not exceed the agreed value of the contract and the provision made for this scheme/work by the funding agency.

6.10 Performance Security

The successful Bidder to whom the contract is awarded will be required to furnish the performance security of 5% of the value of the contract for proper execution of the contract, and valid for a period of 12 months over and above the specified completion period. The performance security will be furnished by way of DD/Bank Guarantee in the prescribed format.

If the bidder fails to furnish the performance security as specified within fifteen days of the award of contract is liable for cancellation of the contract and forfeiture of the Bid Security.

6.11 Signing of the contract

A formal agreement will be entered into with the contractor within 30 days of acceptance of the performance security. If the contractor does not sign the Agreement within 30 days of acceptance, the contract awarded may be cancelled and the next lowest responsive bidder will be called for negotiations.

6.12 General

1. The other procedure specified under “Purchase Procedures” may be followed where not specifically covered above.
2. Bidders should specifically indicate whether their firm has been banned/black listed by any Govt. Department / undertaking or Power Utility for nonperformance or malpractice. Bids of bidders who are banned / black listed will be treated as nonresponsive.
3. Proposals for extension of time without any extra financial commitment to purchaser upto six months over and above the contract completion period may be granted by the concerned Chief Engineer and beyond six months by the concerned Chief Engineer, with the approval of the Director concerned and the Director (Finance).

COMPUTERIZATION
OF
MATERIALS MANAGEMENT SYSTEM

7. COMPUTERIZATION OF MATERIALS MANAGEMENT SYSTEM

7.1 Material management in the power sector requires meticulous planning and implementation, with the linking of all activities and monitoring at various levels.

The basic objectives (of a computerized MMS) are:

- To monitor procurement activities (indents, enquiries, purchase contracts etc.) on a continuous basis.
- To reduce the routine paper work by automatically generating various purchase documents and stores documents.
- To support the preparation of the purchasing budget.
- To establish and maintain a vendor Data Base for purpose of vendor performance evaluation and to support purchase decisions.
- To monitor the receipt activities on a continuous basis.
- To monitor the discrepancies, losses and damages.
- To support the decisions in approval of indents.
- To provide necessary data access for all users.
- To generate various Inventory Analysis reports for controlling the inventory.
- To provide an interface to the Financial Accounting System or Stores Accounting and Supplier/ Purchase Accounting by generating the required data.

In short, effective material management should seek to address the problems of

- a) Evaluation of optimum material requirement.
- b) Providing adequate stock to meet the O&M requirements , and exigencies like natural calamities etc.,
- c) Optimum utilization of the materials procured.

7.2 Apart from its general advantages like speed, minimization of manual interference, avoiding of duplication and overlapping of work, minimization of paper work etc. the specific advantage of computerization of the materials management systems can be enumerated as:

- a) Streamlining the procedures of procurement which minimize the wastages and leads to cost-effectiveness.
- b) Preventing mis-utilization of materials. for e.g. excess drawal by the field staff and keeping them idle .
- c) Effective monitoring of work progress, matching with the materials drawn.
- d) Clearing the hurdles in closing work orders at section office level.
- e) Simplifying payment procedure by generating the necessary bills and arranging payment strictly as per seniority and as per time schedule.

In order to achieve the above objectives APTRANSCO will have purchase suitable computer software packages and the necessary hardware for installation at APTRANSCO headquarter, section offices & stores.

The material management software will as a minimum consist of the following modules.

- Purchase module
- Stores module
- Finance module

The above three modules should be integrated through an interface module and state wide network or alternatively a web based application ensuring proper access to all the users, with proper security arrangements.

7.3 The following list of activities at various levels of APTRANSCO will be integrated with the proposed software.

- Administrative approval / technical sanction / working estimates
- Approval of works
- Preparation of material indents
- Preparation of technical specification
- Preparation of terms and conditions of contract
- Preparation of bidding documents
- vendor list
- Bid Invitation to award of contract
- Material inspection
- Issue of dispatch instructions and test certificate approvals
- Information regarding receipt of material in good condition at stores/
receipt of required documents in confirmation of payment of
required taxes & duties by the supplier
- Generation of bills with the information received from stores on
supplier data
- Authorizing the bank to arrange payment of bills as per bid
conditions.
- Provision to generate weekly reports to monitor payment as per the
contracts
- Generation of MIS

7.4. Stores

- Receipt of material and required documents from supplier like proof of payment of taxes and duties, way bill and any other required documents
- Check measurement of material
- Passing on required information to generate bill
- Limiting the issue of material to that sanctioned in the works order
- Issue of material in exceptional cases with the approval of Competent Authority bypassing the above stipulation.
- Maintaining stores receipt and issues
- Updating the stock position daily
- Updating the above information at various levels of Offices
- Generation of statement of nonmoving stores to aid disposals

DISPOSAL
OF
NON-MOVING MATERIALS

8. DISPOSAL OF NON-MOVING MATERIALS

8.1 Categorization of Non-moving materials

All equipment / materials which are not put to gainful use will be categorized into the following groups.

- 1) Surplus
- 2) Obsolete
- 3) Unserviceable
- 4) Scrap

Surplus : Materials which can be put to use and are available in excess of the requirement.

Obsolete : Materials that may be useful but are not in use because of changes in process/design etc.

Unserviceable : Materials which are not in a useful condition.

Scrap : Materials which have served their useful life and have been rendered unserviceable by wear and tear.

The accumulation of these materials results in an increased inventory, locking up of funds, increase in carrying costs, deterioration due to corrosion and the elements of weather.

8.2 Authority for Categorization

The Superintending Engineer controlling the stores will make a thorough inspection of the stores every year to identify and categorize the nonmoving materials in the above 4 categories and send the lists to his Chief Engineer. The Chief Engineer after scrutinizing the lists will approve them, making such changes in them as he may deem fit. The lists of materials thus approved will be disposed of as per the procedure indicated below.

8.3 Segregation of Scrap

Copper scrap will be segregated into over head line scrap and burnt winding scrap copper cable scrap and miscellaneous copper scrap.

Similarly aluminium scrap may be segregated into ACSR/AAA conductor scrap, burnt winding scrap, aluminium cable scrap and miscellaneous aluminium scrap.

Ferrous scrap will be segregated into M.S. scrap and other more valuable items like silicon steel, high carbon and stainless steel scraps.

The scrap may be pooled at one place if,

- i) The quantities available in each stores are too small to obtain good response.
- ii) It commands a better rate than if the scrap is sold from different locations.

Unit for quoting the rates shall be clearly defined, not with predetermined / assessed quantity in Kgs/Nos.

8.4 Disposal of Copper, Aluminum & Ferrous Scrap

Copper, Aluminium and Ferrous scrap will be disposed of centrally by APTRANSCO by inviting open bids and observing all formalities for processing of bids by open competitive bidding system.

The sale may be confirmed in favour of the highest bidder if the rate is not less than 90% of the rate quoted for that variety of scrap in financial dailies as on the date of opening of bids.

The authority to approve the bids for disposal of scrap is the same as that for the purchase of material with the same powers.

Other scrap material may be disposed of by the Superintending Engineers and as per the delegated powers.

8.5. Disposal of Unserviceable Materials :

Unserviceable materials will be disposed of by open bid cum auction method. The highest bid may be confirmed if the rate obtained is more than 75% of the assessed market value. (The market value will be assessed by a team consisting of the Superintending Engineer, SAO and one Divisional Engineer).

The Superintending Engineer concerned is empowered to dispose of unserviceable items duly observing the procedure indicated for bid-cum-auction.

8.6 Disposal Review Committee:

A Committee consisting of two Chief Engineers and FA&CCA will be constituted to review and explore the possibility of utilizing the surplus and obsolete items available in various stores of APTRANSCO.

The review committee will circulate the lists to other users to facilitate them to draw their requirement if any.

8.7 Disposal of Surplus and Obsolete materials

After the drawl by other circles but not later than 3 months of receipt of above lists, the remaining materials will be disposed of by bid cum auction procedure with the approval of the review committee. The minimum offer price will be 75% of assessed market value.

In all cases, a survey report is a prerequisite to the disposal of material/ equipment.

8.8 Quarterly return on Disposal of Non-moving materials

A quarterly return will be prescribed to monitor the disposal of nonmoving stores on the following lines.

Sl. No	Class of non-moving stores		Quantity at the beginning of the quarter		Accumulation during the quarter		Quantity disposed of during the quarter		Amount realized		Closing balance	
	No.	Value	No.	Value	No.	Value	No.	Value	No.	Value	No.	Value

8.9 Terms & conditions for disposal of Scrap through Open Bid

The disposal of scrap by inviting open bids may be governed by the following terms and conditions.

8.9.1 Submission of Bid

All bids must be submitted in the prescribed form only and in sealed covers superscribed as per relevant Clause and the cover submitted before the due date and time to the office of the concerned.

Bidders should enclose inside the sealed cover containing the bid the following document.

- a) DD / Pay Order towards bid security.
- b) The terms and conditions of the bid duly signed by the bidder on every page in token of having accepted the same in toto.
- c) Schedule of rates duly filled in and signed by the bidder.

Telex and telegraphic quotations will not be accepted.

The seller of the scrap will not be responsible for any loss of the bid document in transit or postal delays. Incomplete bids will not be accepted.

8.9.2 Incomplete Bids

The bidder alone is responsible for the completeness of his bid.

In the event of the office remaining closed on the day of opening of the bids for any unforeseen reasons, bids will be received upto the closing date of the next working day and will be opened immediately thereafter in the presence of such of the bidders who may like to be present.

8.9.3 Bid Security

The Bid security payable by a bidder will be fixed as 5% of the basic value quoted by him for each lot (location) which will be paid in the form of a crossed DD/Pay Order drawn in favour of the Pay Officer of the APTRANSCO and payable at his headquarters.

Separate DDs must be furnished for each lot (location).

Bid security in any form other than DD/ Pay Order including permanent bid security will not be accepted.

The bid security of unsuccessful bidders will be refunded after the expiry of the validity of the bids.

After the bid is accepted and after receipt of the due payment towards the 1st installment of the full value of the material including taxes and duties as per the payment terms stipulated, the Bid security of the successful bidder against each accepted quotations will be automatically converted into a security deposit.

If the bid is accepted and the bidder / buyer refuses / fails to make further financial arrangements towards the full value of materials including taxes and duties as stipulated, the full Bid security against the particular accepted lot(s) will be forfeited without prejudice to the rights of the seller to claim such further damages in this regard and without further reference to the bidder / buyer.

No interest is payable on the security deposit. The security deposit is refundable to the buyer only on the fulfillment of all contractual obligations of the buyer.

8.9.4 Validity of Bids

Offers for purchase of scrap must be kept valid for acceptance of a period of 30 days.

8.9.5 Payment

The cost of each lot of material along with taxes and duties must be paid by the buyer in equal installments as per the table given below.

Net Sale value (excluding taxes/duties) Rs. in lakhs (For Each Lot)	No. of Installments	Payment period counted from the date of issue of detailed sale order
Upto & Including Rs.5 Lakhs	1	15 days
Over Rs.5 Lakhs upto Rs.15 Lakhs	2	30 days
Over Rs.15 Lakhs upto Rs.30 Lakhs	4	50 days
Rs.30 Lakhs and above	6	60 days

The buyer is required to pay the total sale value in equal installments as per the above table.

First installment should be paid within 15 days from the date of issue of the sale order and subsequent installments if any should be paid as above or as specified in the sale order.

The seller may fix a reasonable time limit to lift the scrap from the stores depending upon the quantity of scrap offered for sale.

Bidders desirous of availing of Central/State Sales Tax etc. concession as per the rules must submit the appropriate Central/State Sales Tax declaration form duly certified by the concerned authority along with the payment for the first installments / full value, as the case may be, failing which they must be deposit the full amount of Sales Tax. No payment of sale value will be accepted without payment of due Sales tax.

Sale value including Sales Tax and other charges applicable if any must be paid by DD / Pay Order drawn on any scheduled bank in favour of the officer mentioned in the sale order.

8.9.6 Quality and Quantity

Scrap will be sold on “As is where is” basis in so far as the physical condition of the same is concerned that is to say the bidder(s) will be deemed to have made themselves aware of the physical conditions, dimensions, size, weight etc. by inspecting the material before submitting their bid and no complaint / claim in this regard will be entertained.

Bidders may quote for all or any of the lots (locations) mentioned in the schedule, but no quotation for part quantity of material in any particular lot (location) will be accepted. Separate Bid security will be payable for each of the lots quoted for.

Where the scrap is sold by weight, if the actual quantity turns out to be less than the indicated quantity, the buyer will not be entitled to claim any damages, loss of interest or compensation but will be entitled to proportionate refund only after due completion of the lifting by the buyer.

The seller reserves the right to accept or withdraw from sale, the material offered for sale in full or part thereof prior to or after the acceptance of the bid without assigning any reason whatsoever.

The seller reserves the right to accept or reject the highest bid without assigning any reason and the contract of any or all the lots (locations) may be allotted to one or more than one bidder as he may deem fit and no claim/complaint in this regard will be entertained.

8.9.7 Inspection

The materials on offer may be inspected at the locations with the prior permission of the concerned Asst. Divisional Engineer/Stores by observing the entry procedures. The mere production of the bid papers at the concerned location will not confer any entry right. The buyers should thoroughly satisfy themselves about the nature, condition and quality of the materials. The seller gives no guarantee or warranty as to the conditions of the materials, its quality, its fitness for any specific purpose or use. It should be clearly understood that no claim / complaint about the quality, condition and fitness for use will be entertained by the seller.

8.9.8 Period of Contract

The period of contract will be as specified in the terms and conditions of the bid. Unless the materials are lifted within the stipulated time, the contract for the quantity not lifted within the stipulated time will be deemed to have been cancelled and the seller will be at liberty to dispose them of without prejudice to its rights against the buyer(s). If, further material is left in the area allotted to the buyer(s) after the period of contract, seller may at its sole discretion give the extension of time to the buyer(s) to complete the contract in all respect and the buyer(s) will remove the materials during the extended period, at the same contract rate subject only to the price escalation clauses.

8.9.9 Default in Payment by the Buyer

In case of default in payment within the time limits specified in the terms and conditions of bid, the due payment may be made together with additional charges @ ½% per week or part thereof on the due amount for the period of delay within 14 (fourteen) days from the due date. However, the seller reserves the right not to accept the payment with or without the additional charges after the expiry of the above mentioned time limits and in such an event, the sale of the lot will automatically stand forfeited and in addition, the terms of clause 13 here in after will be applicable.

8.9.10 Default in Lifting by the Buyer

In case of any default in lifting the materials by the buyer(s) within the time limits specified in the terms and conditions of the bid, the outstanding material may be lifted within 14 (fourteen) days from the due dates subject to payment of ground rent for the period of delay beyond the specified free delivery period @ 2% per week or part thereof on the value of the quantity not lifted in time. However, it will be the sole discretion of seller not to allow the buyer(s) to lift the material with or without the ground rent after the expiry of the stipulated free delivery period and in such event the sale of the material not lifted by the buyer(s) will be automatically cancelled and the Bid Security will automatically stand forfeited and in addition, the terms of the Clause 12 hereinafter will be applicable.

8.9.11 Sale Tax / Excise Duties and Levies

1. All taxes including sales tax or other levies entailing on the transaction under any provincial, local or central taxes in force for the time being or enforced hereafter having its impact on the transaction will be to bidder's account and will be deposited by him along with cost of the materials.
2. In case of incidence of Central Sales Tax on the transaction the material will have to be transported by the buyer(s) through a registered Public Transport Contractor across the state border and a copy of goods Receipt Note duly signed by the consignee will have to be sent by the buyer(s) to the consignor.
3. The materials to be purchased by the bids will be subject to all such duties (including excise duty) as may be applicable from time to time and the same will have to be borne by the buyer.
4. Whatever rate of excise duty/sales tax/other levies etc. if any, be assessed / applicable on the date of actual removal / lifting of materials will be paid by the buyer(s).

5. The buyer(s) will be responsible for complying with the provisions of the Central and State Excise and Salt Act. And the Sales Tax Act of concerned State and the rules framed thereunder and also by the order or instruction issued in this behalf by the appropriate authority.

8.9.12 Delivery

1. The buyer(s) will lift the full materials lying in the lot/location quoted for by employing their own labour and transport at their own risk and cost within the time stipulated (in the Terms and Conditions of Bid) or within the time as may be prescribed in the delivery order. The buyer(s) will lift the materials only from the lots/site space as may be earmarked/demarcated by the seller from time to time which should be final and binding on the buyer(s) and they will observe the rules and regulations and working hours as may be fixed by the seller. The buyer(s) will follow the procedure for taking the material out of the seller's premises prevailing in the respective works of the seller. The buyer(s) will note that no lifting will be allowed on weekly holiday and closed holiday observed by the seller.
2. The material has to be removed on 'as is where is' basis at the buyer(s) own cost. Processing other than as may be required for convenient transportation will be permitted at the sole discretion of seller before removal from the seller premises. The buyer(s) will not be provided with any equipment including dozer, scrapper, gas, power, water facilities, etc. by seller. The buyer(s) have to arrange for any of these at their own cost and they will have to take prior permission from the seller for this purpose.
3. The locations where the lots are lying are one of the areas of active work. Under no circumstances will the operation of the buyer(s) interrupt/interfere with the normal operation of the seller.

If any damage or loss is caused to the employees of the seller or if any claims are made against seller by reason of any acts of omission or negligence on the part of the buyer or his agents, representatives or employees the seller will be entitled to recover such losses or damages or claim as may be ascertained by seller which ascertainment will be final and binding on buyer(s) from any amount due to the buyer(s) including the advance made/to be made by the buyer(s) or the Bid Security without prejudice to seller's rights to take further action under the contract as well as recover such losses, damages or claim from any other money due or becoming due under any other transaction with seller or from the buyer(s) directly.

4. The buyer(s) will follow the seller's procedure in regard to the issue of gate passes for taking the materials out of the seller's works. The buyer(s) will use for the above purchase only trucks/vehicles/cranes having area passes recommended by the seller and issued by the appropriate authority.

All the motor trucks/tractors/trailers/cranes and other material handling equipment of the buyer(s) will be duly registered, taxes paid properly and otherwise properly maintained in accordance with the Motor Vehicles Act or Rules or any other act, rules in force.

The seller will allow a reasonable number of the buyer's authorized representatives workers/trucks at the sole discretion of the seller for entering into the stores for the purpose of removal and transportation of the materials. The seller will have the right to ban entry of buyer's representative/ workers/ trucks at the sole discretion of the seller without assigning any reason.

5. The buyer(s) will have to fulfill the safety rules, security rules and be governed by the rules under the Factories Act etc. for the representatives

of the buyer(s) prevailing from time to time. The buyer(s) will supply safety equipment appliances to their workers and their own cost.

It will be the entire responsibility of the buyer(s) to ensure that their vehicles are not driven at a speed or in so reckless or rash manner as to cause an accident or prove to be potential threat to the safety of the traffic. Where speed limit has been fixed, the buyer(s) and their drivers will strictly adhere to slow and safe driving inside the seller's work.

6. The buyer(s) will be fully responsible for the acts of their representatives / workers and will fully indemnify seller for losses / damage(s) substantiated by seller. The seller will not be responsible for any claim from labour employed by the buyer(s). The buyer(s) will wholly and fully be responsible for such claim for compensation either for accident or injury / death or damage caused to their employees or to any of the seller's employees or to others or to the seller's property.
7. The buyer(s) or any of their representatives/workers/agents will not indulge in any activity which is directly or indirectly prejudicial to seller's interest or will not commit any acts or any misappropriation, pilferage or abetting misappropriation or pilferage of seller's property or any attempt thereof to offer or attempt to offer illegal gratifications including offering bribe reward or falsification or fabrication of documents, bills, vouchers, indents etc. in support or any claim against the seller for any reduction of any liability or indulge in any other act which amounts to an offence punishable under the Indian Penal Code or any other enactment.
8. The buyer(s) will abide by the Central / State Labour Legislation as may be applicable from time to time. It will be the responsibility of the buyer(s) to provide insurance cover to their workers/laborer as may be required under the law.

8.9.13 Termination / Breach of Contract

In the event of bidder's failure to fulfill any of the bid obligation including not lifting the contracted materials under this agreement, the seller's decision in regard to bidders failure shall be final and binding on the bidder(s). Seller will have the full liberty to do any or all of the following.

- a) Cancel the contract with immediate effect for the materials under the contract not taken delivery of by the bidder as on that date in which case the Bid Security will stand forfeited.

AND/OR

- b) Retain and/or adjust/recover from bidder's any amount lying with seller to the buyer(s) either under this contract or any other contract or which may at any time become payable/refundable to the buyer(s) either under this contract or any other contract, the amount of losses or damages or claim that might be incurred by the seller in selling the material under the contract not taken delivery of by the buyer(s) at his/their risk and costs. Even after such recovery/adjustment from buyer(s) of any amount as mentioned above lying with seller if further amount is still found payable/refundable by the buyer(s), the buyer(s) will pay the same on demand without any objection or demurrage. The decision of the seller in regard to the actual losses incurred by the seller including the reasonableness of the rate at which seller decides, the decision of the seller will be final and binding on the buyer(s). Provided that seller incurs no loss, the buyer(s) will only be entitled to the refund of the amount retained by seller by way of advance payment towards the undelivered stores without any interest thereon but not any other amount.

8.9.14 Force Majeure

The seller will not be liable for any failure or delay in performance due to any cause beyond their control including fires, floods, strikes, go-slow, lockout, closure, pestilence dispute with staff, dislocation of normal working conditions, war, riots, epidemics, political upheavals, Government action, civil commotion, breakdown of machinery, shortage of labour and the time of performance on the part of the seller during the period as may be necessary to enable seller to effect performance after the cause of delay will have ceased to exist. The provisions aforesaid will not be limited or abrogated by any other terms of the contract whether printed or written.

8.9.15 General

1. It should be noted by the buyer(s) that by entering into this contract, the seller is not precluded for entering into similar contracts with any one else of their choice at any time during the subsistence of this contract.
2. The seller will have the right to issue addendum to bid documents to clarify, amend, modify, supplement or delete any of the conditions, clauses or items stated. Addendum so issued will form a part of original invitation to bid.
3. If an offer is not accepted the bidder will not be entitled to claim any cost, charges, expenses incidental to or incurred by the bidders through or in connection with the submission of the offer even though seller may elect to withdraw the invitation to bid. Should an invitations to bid be withdrawn or cancelled by seller for which seller will have the right to do at any time; the Bid security paid by the bidders with the bid will be refunded to them in due course without interest.

4. The bidders will have no right to issue addendum to bid documents to clarify, amend, supplement or delete any of the conditions, clause or items stated there in.
5. Unless otherwise specified all rates and prices in the bid form should be quoted both in figures and in words. Bids containing overwritten or revised rates are liable to be rejected. Should there be any variation between the rates indicated in figures and words, the higher of the two will be considered. However the decision to accept/reject such offer by the seller will be final and binding on the bidder.
6. Intending bidder(s) may obtain any clarification before bidding. The submission of bid implies that the bidder(s) has obtained all the clarifications required and that he has agreed to all general terms and conditions herein specified as well as special terms and conditions of bid, if any.
7. The decision of the seller or his authorized nominee in the matter arising out of this sales will be final in regard to all matters relating to the contract.
8. All kinds of legal proceedings in any matter arising out of the contract will be liable only by appropriate Civil Court situated at the headquarters of the seller.
9. Bidder(s) must ensure the following while submitted the bid:
 - A. THAT EVERY PAGE OF BID DOCUMENT IS DULY SIGNED BY THE BIDDER BEFORE SUBMITTING THE BID.
 - B. THAT IN ALL CASES, RATES QUOTED AGAINST INDIVIDUAL ITEM / LOT IS / ARE INVARIABLY QUOTED IN FIGURES AS WELL AS IN WORDS.

C. THAT ALL ALTERATION, ERASURE(S) AND/OR ANY OVER-WRITING IN THE SCHEDULE OF RATE(S) ARE DULY AUTHENTICATED BY THE BIDDER'S SIGNATURE.

10. Bidder should state whether he is the relative of any employee of APTRANSCO or bidder is a firm in which employee or his relatives of APTRANSCO is/are a partner(s) or bidder(s) are a company in which an employee of APTRANSCO or his relatives are member(s) or Director(s).

8.10 General Conditions of Sale of Materials by Auction

- 1.a. The highest bidder for each lot will, subject to the conditions hereinafter stated, be the Purchaser thereof and in the event of any dispute arising out of or relating to any bid the lot in respect of which the dispute arises will be put up for sale again immediately.
- 1.b. The bid made by the highest bidder will be irrevocable after the fall of the hammer. The seller is bound to accept the bid made by the highest bidder on the fall of the hammer until and unless the supervising officer expressly, reserves his opinion in respect of a particular lot(s).
- 1.c. The highest bidder will on the fall of hammer, give his name and correct address to the officer conducting the Auction and pay to seller the full sale value for lots valued upto Rs.10,000/- each and 25% of the sale value in case of lots valued higher than Rs.10,000/- each in cash by way of security for the due performance of the stipulation to keep the bid open. The said security money will be liable to forfeiture if the bidder does not keep his offer open for a period of fifteen (15) days from the date of auction, it being understood that the auction documents have been sold issued to him and he is permitted to bid in consideration of his agreement to these stipulations. The security money will on acceptance of the bid by the undertaking be treated as part payment of the purchase price. Property in the goods or

materials will not however be deemed to pass to the concerned bidder unless and until the balance of the sale proceeds are deposited by him. Seller may not accept any bid without assigning any reasons before the fall of the hammer. However, after the fall of the hammer seller will have no rights whatever for not accepting the bid by the highest bidder until and unless the supervising officer has expressly reserved his decision in respect of a particular lot(s).

2. The officer supervising the auction, will be entitled to withdraw any lot in part or full from the auction or refuse the offer made by any bidder without assigning any reason.
3. If the purchaser makes default in complying with any of the conditions aforesaid, then the lot or lots in respect of which such default is made may if, the officer auctioning thinks fit be immediately put up again for sale and in such an event if a lower price is offered and accepted for the said lot, the difference in price thereof will be a debt due to the purchaser in default to the seller. In the alternate, the seller will be entitled to sue the purchaser in default, for the price of said lot and again the difference between the offer made by him and resale price of the lot alone be recovered from him. A declaration to this effect has to be signed by each bidder as a pre-requisite for being allowed to participate in the auction.
4. The balance of bid money will be paid by the purchaser to the seller within seven (7) days of the sale. A receipt for the payment will be furnished to the purchaser for the amount signed by the Accounts Officer of seller or such other official as may be designated for the purpose by seller. The goods sold may be removed from the premises only on production of the said receipt and a delivery order from the concerned Superintending Engineer or any other designated officer.
5. No delivery of goods or materials sold will be given on Sundays and public holidays.

6. Goods or materials sold will be removed by the purchaser within fifteen (15) days of the issue to him of the receipt for the balance of the price paid by him and issue of the delivery order. Goods or materials not removed within the said period or any extended period will remain at the purchaser's risk until removal and the seller will be entitled to charge the purchaser ground rent before removal of the said goods or materials and in the event of default in payment thereof seller at its discretion will be entitled to order the resale of the said goods or materials and the bid money or the price, if any paid by the purchaser will be forfeited.
7. Goods in each lot are sold on "as is where is" basis and no warranty is given as regards size, quality, weight, description and the like. The description of any lot in the particulars of sale has been given by way of identification thereof. No sale will be invalid by reason of any defect or fault in any lot or on account of any lot being incorrectly described and / or on account of the approximate weight of any lot being incorrectly stated and the purchaser will not be entitled to claim any damages or compensation whatsoever on account of such fault, error of description, weight or the like.
8. Delivery of lots bought by any one purchaser will be taken at a time or one lot at a time and removal of all lots sold to him completed within the period specified in clause 5 above.
9. If two or more things or material put up for sale in one lot are sold under one bidding, then in default on the part of the purchaser in taking delivery of the entire lot within the period specified in clause 6 above, the purchaser will be liable to pay ground rent on the basis of the room occupied by each thing or material not taken delivery of within the said period.
10. No picking, sorting, cutting or breaking up of goods or material sold will be permitted.

8.11 Disposal by Bid-cum-Auction

This method is adopted at circle level by Superintending Engineers for disposal of surplus, obsolete, unserviceable and scrap materials other than Copper, Aluminum & Ferrous. The materials offered for sale are segregated into marketable lots.

Procedure

- i. Publication of Bid-cum-Auction notice in the newspapers.
- ii. A copy of Bid-cum-Auction notice is sent to the firms who participated in the previous Bid-cum-Auction and also prospective buyers.
- iii. Bid-cum-Auction specification.
- iv. Minimum offer price should be fixed at 75% of the market value.
- v. Auction conducted first and bid is knocked down and highest bid rate is noted. Then bids are opened and highest quoted rate is noted. Both the rates are compared and the rate whichever is higher is the highest Bid-cum-Auction rate.
- vi. Reasonableness of highest Bid-cum-Auction rate and confirmation of the Bid.
- vii. Highest bidder should deposit 25% amount. Balance 75% payment should be paid within 15 days after which release order s issued.
- viii. Materials will be lifted within 15 days.

8.12 Guidelines for Bid-cum-Auction

- i. If the highest rate obtained for the scrap is less than the rate published in the “Economic Times” by 10% and below the scrap may be disposed of.
- ii. If the rates quoted are less than the rates published in “Economic times” and difference is more than 10%, Superintending Engineer may re-bid and if difference persists, Superintending Engineers may request Board for approval.

SAMPLE FORMS

9.1. BID FORM AND PRICE SCHEDULES

Date.

TO: (Name and Address of Purchaser)
Gentlemen and/or Ladies:

Having examined the Bidding documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply and deliver. (Description of Materials / equipment) in conformity with the said bidding documents for the sum of. (total bid amount in words and in figures) or such other sums as may be ascertained in accordance with the schedule of prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the Materials / equipment in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we will obtain the guarantee of a bank in a sum equivalent to 5% of the Contract Price for the due performance of the Contract, in the form prescribed by the Purchaser.

We agree to abide by this Bid upto (period of validity of the Bid) specified in Clause and it will remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal contract is prepared and executed, this Bid, together with your written acceptance thereof and your notification of award, will constitute a binding Contract between us.

We understand that you are not bound to accept the lowest or any bid you may receive.

We certify / confirm that we comply with the eligibility requirements as per clause of the bidding documents.

Dated this.day of.2002

[Signature]

[in the capacity of]

Duly authorized to sign Bid for and on behalf of

PRICE SCHEDULE

Sl. No.	Description of Material	Quantity Required	APTRANSCO Delivery Schedule	Quantity offered by the Bidder	Whether rate is firm or Variable
1	2	3	4	5	6

Free at Destination Stores		Excise Duty	Sales Tax	Any other tax / duties (Specify)	Unit Price	Discount if any	Total Price (Rs.)	Remarks
Ex-Works price per unit	Packing & Forwarding Freight and Insurance							
7	8	9	10	11	12	13	14	15

Note: Columns 1 to 4 to be filled in by the Purchaser and the remaining columns are to be filled by the Bidder.

Signature of the Bidder

9.2.a. BID SECURITY FORM

Whereas. (hereinafter called "the Bidder") has submitted its Bid dated (date of submission of bid) for the supply of(name and /or description of the materials / equipment) (hereinafter called "the Bid").

KNOW ALL PEOPLE by these presents that WE.(name of bank) having our registered office at(address of bank)(hereinafter called "the Bank"), are bound unto(name of Purchaser) (hereinafter called "the Purchaser") in the sum of _____for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this ____day of ____ 2002.

THE CONDITIONS of this obligation are:

1. If the Bidder
 - (a) Withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form; or
 - (b) Does not accept the correction of errors in accordance with the Bid Specification or
2. If the Bidder, having been notified of the acceptance of its bid by the Purchaser during the period of bid validity;
 - (a) fails or refuses to furnish the performance security, in accordance with the Bid Specification.
 - (b) fails or refuses to execute the Contract Form if required; or

We undertake to pay the Purchaser up to the above amount upon receipt of its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including forty five (45) days after(Specification Date) the period of the bid validity, and any demand in respect thereof should reach the Bank not later than the above date.

.....
(Signature of the Bank)

NOTE: This will be executed on a Rs.100/- non-judicial stamp paper issued by a scheduled Bank.

9.2.b. PERMANENT BID SECURITY FORM

Whereas the APTRANSCO has afforded a facility to bidders submitting bids in response to notices of the APTRANSCO calling for bids for supply of materials or rendering of services permitting bidders who furnish a permanent bid security of Rs.2,50,000/- in the shape of cash / Govt. securities / Bank Guarantees in lieu of cash to have their bids considered without separate payment of bid security with each bid; whereas M/s. _____ (company's name and full address) has offered the guarantee of this _____ bank, the (name of Bank and full address) towards fixed bid security and the APTRANSCO has agreed to accept the same and the obligations of the bidder have been incorporated in agreement dated. _____ which will be read as part of this guarantee; we _____ bank Ltd., do hereby undertake to indemnify and keep indemnified the APTRANSCO by reasons of any breach by the bidder afore mentioned of any terms and conditions of any of the bid quotations or the bids submitted by the bidder which are considered by the APTRANSCO in accordance with the terms of the agreement dated. ____ or the contract entered into pursuant to such bids.

We (Name of the Bank & full address) further agree that the guarantee herein contained will remain in full force and effect upto and inclusive of the (date of validity) and that it will continued to be enforceable till all the terms and conditions of the APTRANSCO under or by virtue of any of the said bid quotations or bids or contracts have been fully complied with and its claims satisfied or discharged or till all the Chief Engineers of APTRANSCO certify that the terms and conditions of the said bid quotation have been fully and properly carried out by the said M/s. (Name of the Bidder & full address) and accordingly discharge the guarantee subject however that the APTRANSCO will have no right under this bond after the expiry of three (3) years period from the date of its execution. We the guarantor bank undertake to pay the amount guaranteed hereunder or such part thereof as required within one week of the sum being demanded by the APTRANSCO without reference to the supplier and without questioning the right of the demand. We _____ bank Ltd., lastly undertake not to revoke this guarantee during its currency except with the prior consent of the APTRANSCO in writing.

Notwithstanding anything contained in the foregoing our liability under this guarantee is restricted to Rs.2,50,000/- (Rupees Two lakh fifty thousand only). Our guarantee will remain in force until _____. Unless a claim under this guarantee is made against us within six (6) months from this date all the rights under this guarantee will be forfeited and we will be relieved and discharged from all liability hereunder.

Dated this the ____ day of __ (month) __ (year)

For _____ Bank Ltd.,

STATION

for _____ (Bank Ltd.)

Authorized signatories

Note :

- a. Bank Guarantee should be furnished on Rs.100/- non judicial stamp paper
- b. The B.G. should be valid for a period of 3 years in the first instance
- c. The date of the agreement will be earlier to or the same as the date of Bank Guarantee

9.2.c. Agreement to Permanent Bid Security

Whereas the APTRANSCO has afforded a facility to persons submitting bids in response to notice of the APTRANSCO calling for bids for supply of materials or rendering of services permitting bidders who furnish a permanent bid security for Rs.2,50,000/- (Rupees Two lakhs fifty thousands) in the shape of cash / Govt. securities / Bank Guarantee in lieu of cash to have their bids considered without separate payment of bid security with each bid.

Whereas we (name & full address of bidder) hereinafter called the bidder intend to avail of the said facility and do hereby furnish the fixed permanent bid security of Rs.2,50,000/- in the shape of Bank Guarantee of the _____(bankers name & address)

IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:

1. The Bank Guarantee furnished herewith will in the first instance be valid for three (3) years.
2. So long as the Bank Guarantee is in force all bids submitted by the bidder in response to notices of APTRANSCO inviting bids will be considered by the APTRANSCO without payment of separate bid security with each bid.
3. If there is any default on the part of the bidder in respect of the bid or the contract resulting there from the APTRANSCO will have the unilateral right to call upon the Bank to forthwith pay to the APTRANSCO a sum equivalent to the damages sustained by the APTRANSCO by reason of such default.
4. Where any such amounts have been claimed from and paid by the Bank, the APTRANSCO will not be bound to consider any bid of the bidder submits thereafter unless the Bank Guarantee is restored to the level of Rs.2,50,000/- however, in special cases the APTRANSCO may consider any bid before the guarantee is restored to the full amount of Rs.2,50,000/- if a separate bid security given for the short fall and the bidder undertakes in writing to make good, the short fall in the bank guarantee within 2 months of opening of the bids.

Dated this the ___ day of (month) (year)

STATION

Signature of Bidder

Note : The Agreement should be furnished on Rs.50/- non judicial stamp paper

9.3. CONTRACT FORM

THIS AGREEMENT made the. day of. 200 Between.(Name of Purchaser) of the one part and.(Name of Supplier) of the other part:

WHEREAS the Purchaser invited bids for certain materials / equipment and ancillary services viz.,
.....(Brief description of materials / equipment and services) and has accepted a bid by the Supplier for the supply of those materials / equipment and services in the sum of.(Contract Price in Words and Figures)(hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions will have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents will be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) the Bid Form and the Price Schedule submitted by the Bidder;
 - (b) the Schedule of Requirements;
 - (c) the Technical Specifications;
 - (d) the General Conditions of Contract;
 - (e) the Purchaser's Notification of Award.
3. In consideration of the payments to be made by the purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the materials / equipment and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the materials / equipment and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

Brief particulars of the materials / equipment and services which will be supplied/ provided by the Supplier are as under:

Sl. No.	Brief description of materials / equipment & services	Quantity to be supplied	Unit Price Rs.	Total Price Rs.	Delivery Terms

TOTAL VALUE: (Rupees _____ only)

DELIVERY SCHEDULE:

IN WITNESS whereof the parties hereto have caused this Agreement to be executed on the day and year first above written.

Signed, Sealed and Delivered by the

said.(for the Purchaser)

in the presence of.

Signed, Sealed and Delivered by the

said.(for the Supplier)

in the presence of.

NOTE: To be executed on a Rs.100/- Non-judicial stamp paper.

9.4. PERFORMANCE SECURITY FORM

To: _____(Name of Purchaser)

WHEREAS.....(Name of Supplier)
(hereinafter called "the Supplier") has undertaken, in pursuance of Contract
No.....dated.....200 to supply.(Description of materials /
equipment and services)
(hereinafter called "the Contract").

AND WHEREAS it has been stipulated by you in the said Contract that the
Supplier will furnish you with a Bank Guarantee by a recognized Bank for the
sum specified therein as security for compliance with the Supplier's performance
obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Supplier a Guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you,
on behalf of the Supplier, up to a total of. Rs..... (Amount of the
Guarantee in Words and Figures) and we undertake to pay you, upon your first
written demand declaring the Supplier to be in default under the Contract and
without cavil or argument, any sum or sums within the limit of..... (Amount
of Guarantee) as aforesaid, without your needing to prove or to show grounds or
reasons for your demand or the sum specified therein.

This guarantee is valid until the. ... day of. 200

Signature and Seal of Guarantors

.....
Date.200 .

.....
.....
Address:.....

.....
.....

NOTE: This will be executed on a Rs.100/- non-judicial stamp paper issued
by a scheduled Bank.

9.5. MANUFACTURERS' AUTHORISATION FORM

No. _____ dated

To

Dear Sir,

SPECIFICATION No.

We _____ who are established and reputable manufacturers of _____ (name & descriptions of materials / equipment offered) having factories at _____ (address of factory) do hereby authorize M/s. (Name and address of Agent) to submit a bid, and sign the contract with you for the above materials / equipment manufactured by us against the above Specification No..

No Company or firm or individual other than M/s. _____ are authorized to bid, and conclude the contract in regard to this business against this specific Specification No..

We hereby extend our full guarantee and warranty as per Clause ____ of the General Conditions Contract for the materials / equipment and services offered by the above firm against this Specification No..

Yours faithfully,

(Name)

(Name of manufacturers)

Note: This letter of authority should be on the letterhead of the manufacturer and should be signed by a person competent and having the power of attorney to bind the manufacturer. It should be included by the Bidder in its bid.

9.6 PROFORMA FOR PERFORMANCE STATEMENT

Bid No. _____
 Time _____ Hours

Date of Opening _____

Name of the Firm _____

Order placed by (full name & address of purchaser)	Order No. and Date	Description and quantity of ordered equipment	Date of Completion of Delivery	
			As per Contract	Actual

Remarks indicating reasons for late delivery, if any	Has the equipment been satisfactorily functioning? (Attach a Certificate from the Purchaser)

Signature of the Bidder _____

9.7 DETAILS TO BE FURNISHED BY THE MANUFACTURER

1. Specification No.	:	
2. Name of the Material	:	
3. Bidder's vendor Registration No. for this item	:	
4. Quantity to be procured	:	
5. Last date and time for submission of Bid	:	
6. Date and time for opening of Bid	:	
7. State whether Bid guarantee is enclosed or Permanent Bid Guarantee available	:	
8. State whether the quotation is in single part/ Two part	:	
9. State whether 20% minimum quantity is quoted	:	
10. Whether willing to furnish performance B.G. @ 5% if order is placed	:	
11. Details of remittance of Specification cost	:	Rs. DD No. Date
12. Whether a local SSI Unit/ Local Unit	:	
13. Whether month wise delivery schedule indicated	:	
14. Prices whether variable / Firm	:	
15. Whether any other tax / duty payable. If so give details and the same is included / not included.	:	
16. State whether APTRANSCO terms of payment are accepted.	:	
17. Quantity offered for supply	:	
18. State whether 90 days validity offered	:	
19. Whether sample is enclosed (if specified)	:	
20. Whether the material / equipment offered conforms to the relevant APTRANSCO Specification	:	
21. Whether you have executed orders of the APTRANSCO previously for these items. (Please give details)	:	
22. Similar details in respect of supplies made to other utilities	:	
23. Whether Bid guarantee exemption letter enclosed, if exempted.	:	
24. Whether sales tax clearance certificate enclosed	:	
25. Whether Income-tax clearance certificate enclosed.	:	

9.8. SCHEDULE OF DEVIATION

a. TECHNICAL

Sl. No.	Requirements / Equipment	Specification Clause No.	Deviations	Remarks

It is hereby conformed that except for deviations mentioned above, the offer conforms to all the other features specified in Technical Specification Section ___ of this Bid Document

Place :

Signature of the Bidder :

Date :

Name :

Business address :

b. COMMERCIAL

Sl. No.	Requirements / Equipment	Specification Clause No.	Deviations	Remarks

It is hereby conformed that except for deviations mentioned above, the offer conforms to all the other features specified in Commercial Specification Section ___ of this Bid Document

Place :

Signature of the Bidder :

Date :

Name :

Business address :

**9.9. STATEMENT SHOWING THE DETAILS OF MATERIALS TO BE
REVIEWED PERIODICALLY**

Statement – I

For APTRANSCO

S.No.	Material	Annual Indent	Stock as on 1st April	Materials received so far	Material received during the month	Quantity on order	Quantity expected during the year	Stock as on -----
1	2	3	4	5	6	7	8	9

Statement - II

For _____ Circle

S.No.	District stores	Indent	Stock as on 1st April	Arranged upto end of this month	Arranged during the month	Stock as on -----
1	2	3	4	5	6	7

DELEGATION OF POWERS

10. DELEGATION OF POWERS

10.1 Purchase Committees

In case of APTRANSCO a 3-tier committee for centralized purchases is recommended. The constitution of the committees are as noted below.

Purchase Committee	Members
1. 1 st Level committee (LPC) upto Rs.100 lakhs.	Chief Engineer (Concerned) Director (Concerned) Director (Finance)
2. 2 nd Level committee (SPC-1) above Rs.100 lakhs and upto Rs.500 lakhs.	Director (Concerned) Director (Projects / Transmission) Director (C&C) Director (Finance) JMD (Rev. & HRD) Commissioner of Industries / his nominee
3. 3 rd Level committee (SPC-2) above Rs.500 lakhs.	Board of whole time Directors and Commissioner of Industries / his nominee

10.2 PURCHASE POWERS OF VARIOUS COMMITTEES / OFFICERS

Sl. No	Authority		Methods of Procurement						
			Open Competitive Bidding	Limited competitive Bidding	Short Notice Bidding	Rate contract	Purchase through Single Bid	Emergency purchases in Open Market for non centralized items	Purchase on nomination basis
1	SPC 2 nd Level	E	Full powers	Full powers	Full powers		Full powers	--	Nil
		P	Full powers	Full powers	Full powers		Full powers	--	Rs.50 Lakhs
2	SPC 1 st Level	E	Nil	Nil	Nil		Nil	--	Nil
		P	Upto Rs.500 Lakhs	Nil	Nil		Nil	--	Rs.25 Lakhs
3	LPC	E	Upto Rs.50 Lakhs	Nil	Nil		Nil	--	Nil
		P	Upto Rs.100 Lakhs	Nil	Nil		Nil	--	Rs.5 Lakhs
4	CMD	E	Nil	Nil	Nil		Nil	--	Rs.2 Lakhs
		P	Nil	Nil	Nil		Nil	--	Rs.2 Lakhs
5	CE	E	Rs.5.0 Lakhs Rs.25,000/- @	Rs.50,000/-	Rs.50,000/-	Full powers	Rs.15,000/- Rs.5.0 Lakhs *	--	Nil
		P	Rs.5.0 Lakhs Rs.25,000/- @	Rs.50,000/-	Rs.50,000/-	Full powers	Rs.15,000/- Rs.5.0 Lakhs *	--	Nil
6	Field SE	E	Rs.2.0 Lakhs Rs.10,000/- @	Rs.20,000/-	Rs.25,000/-	Rs.1 Lakh	Rs.10,000/- **	1,000/- #	Nil
		P	Rs.2.0 Lakhs Rs.10,000/- @	Rs.20,000/-	Rs.25,000/-	Rs.1 Lakh	Rs.10,000/- **	5,000/-	Nil
7	Field DE/ EE	E	Rs.10,000/-	Rs.5,000/-	Nil		Nil	Nil	Nil
		P	Rs.10,000/-	Rs.5,000/-	Nil		Nil	3,500/-	Nil
8	Field AEE/ ADE	E	Nil	Nil	Nil		Nil	Nil	Nil
		P	Nil	Nil	Nil		Nil	2,000/-	Nil

* for procurement of proprietary spares only

** for procurement of T&P only

Spares for Vehicles, Transformers, Telephones & other equipments

@ for purchase of office furniture

Stationery items will be purchased through Open Competitive Bidding only.

E – Existing P - Proposed

10.3 POWERS FOR AWARD OF WORKS CONTRACT

Sl. No.	Authority		Open Competitive Bidding	Nomination basis
1	SPC 2 nd Level	Existing	Full powers	Nil
		Proposed	Full powers	Rs.50 Lakhs
2	SPC 1 st Level	Existing	Nil	Nil
		Proposed	Upto Rs.500 Lakhs	Rs.25 Lakhs
3	LPC	Existing	Upto Rs.50 Lakhs	Nil
		Proposed	Upto Rs.100 Lakhs	Rs.5 Lakhs
4	CMD	Existing	Nil	Rs.2 Lakhs
		Proposed	Nil	Rs.2 Lakhs
5	Chief Engineer	Existing	Rs.7.0 Lakhs	Nil
		Proposed	Rs.7.0 Lakhs	Nil
6	Field SE	Existing	Rs.5.0 Lakhs	Nil
		Proposed	Rs.5.0 Lakhs	Nil
7	Field DE/EE	Existing	Rs.1,00,0,00/-	Nil
		Proposed	Rs.1,00,000/-	Nil
8	Field AEE/ADE	Existing	Rs.2,500/-	Nil
		Proposed	Rs.2,500/-	Nil

10.4 POWERS FOR SALE OF COPPER, ALLUMINUM & FERROUS SCRAP

S.No.	Authority		Open Competitive Bidding	Remarks
1	SPC 2 nd Level	Existing	Full powers	Chief Engineer/Transmission will invite bids and process them
		Proposed	Full powers	
2	SPC 1 st Level	Existing	Nil	
		Proposed	Upto Rs.500 Lakhs	
3	LPC	Existing	Upto Rs.50 Lakhs	
		Proposed	Upto Rs.100 Lakhs	

10.5 Disposal of Surplus, Obsolete, Unserviceable and Scrap other than Copper, Aluminium and Iron

The Superintending Engineer concerned is fully empowered to dispose of above categories of materials by tender cum auction method of disposal duly adopting the procedure indicated in the manual.

10.6 Important Points & Time Schedules

Vendor registration/ Vendor evaluation	For centralised items at the Head quarters and for non-centralised items at the field level.
Bid Security	Value equivalent to 2% of the total ex-works value of the material offered against the Bid. The facility of permanent Bid security may be accorded to the bidders by the purchaser by collecting Rs.2,50,000/- by way of DD/ Bank Guarantee. SSI certificate holders within the state will be exempted from payment of Bid security.
Performance Security	10% of the total contract value. The purchase at his discretion may accord the facility of permanent performance security for local SSI units of proven earlier performance by collecting Rs.2.0 Lakhs by way of Bank Guarantee valid for 3 years. All others to submit individual DD/Bank Guarantee towards performance security for entering into the contract.
Indents	To be prepared based on works approved with provision for O&M, supplier failure and unforeseen conditions.

Notice Inviting Bid	To be published in English and Telugu Newspapers.
Bid Specification & Vendor list	To be put on Web.
Minimum quantity the bidder has to quote	20%
Evaluation Criteria	To be indicated in the Specification
Order placing	Normally entire quantity on evaluated L1. Considering other than L1 will be when L1 cannot supply the full quantity as per schedule delivery. In such case negotiations will be done upto L4.
Third Party Inspections	May be considered for testing of random samples before dispatch and during service (Clause 5.61).
Payment Terms	Payment shall be made within 90 days of issue of Form-13 i.e. receipt of material / equipment in good condition.
Procedure for Payment	The supplier at the time of delivery of the material / equipment at destination (stores) will also submit the required documents. The stores incharge after check measuring the material / equipment will issue a receipt with date and time to the supplier. The receipt will contain the details of the contract, total material / equipment of supply and material / equipment taken to stock etc. (Form-13). Based on this information, the Head quarters of APTRANSCO will advise the purchaser banker to transfer the amount to the supplier's bank.
Weighing at Stores	The existing weighing machines / bridges at different stores are to be replaced with more accurate electronic machines wherever required.

Testing facilities	The existing testing facilities at field for testing equipment like Transformers & Meters etc. are to be augmented with latest state of the art equipment.
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Time Schedules:

Sl.No.	Item / Activity	Time Frame		
1	Vendor Registration	2 months from the date of submission of application in full shape		
		OCB	LCB	SNB
2	Validity	90 days	30 days	30 days
		From the date of opening of bids		
3	Evaluation of comparable rates	15 days	7 days	7 days
		From the date of opening of bids		
4	Financial Analysis	15 days	5 working days	5 working days
		From the date of receipt of bids in the finance wing		
5	Processing and evaluation of bids	45 days	17 days	17 days
		From the date of opening of Bids		
6	Decision by Competent Authority	75 days	25 days	25 days
		From the date of opening of Bids		
7	Communication of award of contract	Within validity period i.e.		
		90 days	30 days	30 days
		From the date of opening of Bids		
8	Submission of performance security by the successful bidder	Within 15 days from the date of receipt of award of contract		
9	Signing of contract agreement	Within 30 days of notification of award		
10	Refund of Bid security to unsuccessful bidders	Within 30 days of finalization of bids		
11	Inspection	Within 15 days of receipt of intimation regarding readiness of materials		
12	Issue of Despatch Instructions	Three days from the date of inspection clearance		
13	Despatch of materials	Within a week of receipt of dispatch instructions		
14	Receipt of materials	Within 15 days from the date of dispatch of materials		
15	Check measurement	Within 5 working days after the receipt of materials at stores		

16	Issue of Form-13	Within 1 week from the date of receipt of material at stores
17	Submission of Test Certificates	Within a week of inspection clearance
18	Approval of TCs	Within 1 week of their submission
19	Payment	Within 90 days reckoned from the date of Form-13
20	Return of Performance Security	Within 60 days of the expiry of warranty period

OCB :Open Competitive Bidding
LCB :Limited Competitive Bidding
SNB : Short Notice Bidding

DRAFT SPECIFICATION

**TRANSMISSION CORPORATION OF ANDHRA PRADESH LIMITED
HYDERABAD - 500 082, ANDHRA PRADESH.**

TELEX :

PHONE :

FAX :

E-mail :

CONTENTS

SECTION	DESCRIPTION	PAGE NO.
I	Notice inviting bids	
II	Salient Features of the Bid	
III	General Terms and Conditions Of Contract	
IV	Schedule Of Requirements	
V	Technical Specification	
VI	Qualification Requirements	
VII	Sample Forms	
	1) Bid Form and Price Schedules	
	2) Bid Security Form	
	3) Contract Form	
	4) Performance Security Form	
	5) Manufacturers' Authorization Form	
	6) Performance Statement	
	7) Details to be furnished by the Manufacturer	
	8) Schedule of deviations (Technical & commercial)	

TRANSMISSION CORPORATION OF A.P.LIMITED, HYDERABAD

POWER DISTRIBUTION COMPANY OF A.P LIMITED

NOTICE INVITING BIDS

1. The APTRANSCO (Transmission Corporation of A.P. Limited) invites sealed bids for the supply of the following materials / equipment for use in (scheme, project or programme)

Sl. No.	Spec. No.	Description of Material /Equipment	Quantity	Closing time & date for submission of bids	Time & date for opening bids	Bid Security in Rupees
						2% of the Exworks quoted values

2. This specification covers the manufacture, testing and delivery FADS (Free At Destination Stores) of the above materials.
3. Complete set of bidding documents is available on WWW.COM. Interested eligible vendors may download the bidding documents and furnish their bids before the due date and time. Prospective bidders can also obtain complete set of bidding documents from the office of the undersigned upto one day prior to the date of bid opening. Bidders will remit Rs. _____ towards non-refundable cost of the Bid Specification in the form of a DD / Pay Order on any scheduled Bank payable at _____ drawn in favour of the Pay Officer, _____ enclosed in a separate cover and submit the same along with the Bids. Failure to enclose the cost of the Bid will result in the bid being rejected and returned unopened.
4. APTRANSCO will not be responsible for any postal delay in delivery of the Bid document or for non-receipt of the same.
5. Clearing of doubts:
If a Bidder has any doubt on any portion of this document, he should obtain the required clarification / information from the undersigned in writing.
6. Bids must be addressed to _____ Engineer / _____ and delivered at Room No. _____ on or before the time and date indicated. All bids must be accompanied by Bid Security as indicated in the bid, unless exemption / permanent bid security is available.

7. Superscription as detailed at Salient Features of the Bid must be invariably written on the bid cover, failing which the bid cover will be returned unopened. Late submission of bids will not be accepted. Bids will be opened in the presence of Bidders' representatives who choose to attend at the time and date indicated and at the Office of the undersigned.
8. Bids received from other than registered vendors will not be considered.

Phone No.: _____ **ENGINEER ELECY.,**
Extn: **APTRANSCO**
Fax No.:

SALIENT FEATURES OF THE BID

- Specification No :
Material :
Officer to whom the bid will be addressed :
Superscription on the bid cover and
the outer envelope :
- a. Registration No. of the vendor
 - b. Specification No.
 - c. Due date and time for submission
 - d. Date and time of opening
 - e. Payment of bid security
 - i. If paid give details: DD No._____ Dt._____ for Rs._____
 - ii. Mention if permanent bid security is available
 - iii. If exempted give details
 - f. Whether 90 days validity offered(yes/no).
 - g. Whether bid is made accepting payment terms Clause....(yes/no).
 - h. Whether delivery is as per delivery schedule indicated....(yes/no)
 - i. Whether the sample (if specified)has been enclosed/sent...(yes/no)

Content of Bidding Documents:

The materials / equipment required, bidding procedures, and contract terms are prescribed in the bidding documents as listed below:

- a. Notice Inviting Bids.
- b. Salient feature of the contract.
- c. Standard General terms and conditions of contract.
- d. Standard Technical specification and drawings wherever necessary.
- e. Qualification Requirements.
- f. Schedule of requirements (delivery Schedule)

SAMPLE FORMS.

- g. Bid Form and Price Schedules
- h. Bid Security Form
 - i. Contract Form
 - ii. Performance Security form
- i. Manufacturers' Authorization form

- j. Performance Statement
- k. Details to be furnished by the Manufacturer
- l. Schedule of Deviations (Technical & Commercial)

The Bidder is expected to examine all instructions, forms, terms and technical specifications in the bidding documents. Failure to furnish all information required by the bidding documents or to submit a bid not substantially responsive to the bidding documents in every respect will be at Bidder's risk and may result in the rejection of its bid.

Deviations from standard bidding document

- i. General terms and Condition of Contract
- ii. Technical

The above deviations supercede the existing terms of GCC and Technical Specification

CHIEF ENGINEER (ELECY)

Table of Clauses

	P. No.
A. Introduction	
1. Definitions	146
2. Applicability	146
3. (a) Standards	147
3. (b) Interchangeability	147
4. Scope of Work	147
5. Eligible Bidders	147
B. The Bidding Documents	
6. Contents of Bidding Document	147
7. Pre Bid meeting / Clarification of Bidding Documents	148
8. Amendment to Bidding Documents	148
C. Preparation of Bids	
9. Language of the Bid	149
10. Cost Associated with Bidding	149
11. Documents Constituting the Bid	149
12. Bid Form	149
13. Bid Prices	150
14. Variable Prices and Price Variation Basis	150
15. Taxes & Duties	152
16. Statutory Variations	152
17. Bid Currencies	153
18. Quantity to Quote	153
19. Documents Establishing Bidders Eligibility and Qualification	153
20. Bid Security	154
21. Period of Validity of Bids	156
22. Tax Clearance Certificate	156
23. Service Condition	157
24. Format and Signing of Bids	157
D. Submission of Bids	
25. Sealing and Marking of Bids	158
26. Deadline for Submission of Bids	159
27. Late Bids	159
E. Opening and Evaluation of Bids	
28. Opening of Bids by the Purchaser	160
29. Clarification of Bids	160
30. Preliminary Examination	160
31. Evaluation and Comparison of Bids	161
32. Contacting the Purchaser	165
F. Award of Contract	
33. Post Qualification	165
34. Award Criteria	165

35.Purchaser's Right to Vary Quantities at Time of Award	166
36.Purchaser's Right to accept any Bid& to reject any or all bids	166
37.Notification of Award	166
38.Signing of Contract	167
39.Performance Security	167
40.Corrupt or Fraudulent Practices	168
41.Use of Contract Documents and Information	168
42.Patent Rights	169
43.Places of Locations	169
44.Delivery	169
45.Inspection and Tests	170
46.Name Plate	171
47.Packing	171
48.Delivery Documents	172
49.Insurance	172
50.Transportation	172
51.Incidental Services	173
52.Spare Parts	173
53.Warranty	173
54.Payment	175
55.Prices	176
56.Change Orders	176
57.Contract Amendments	176
58.Assignment	176
59.Delays in Supplier's Performance	176
60.Penalty for delayed supplies	177
61.Termination for Default	178
62.Termination for Insolvency	178
63.Termination for Convenience	178
64.Force Majeure	179
65.Settlement of Disputes	179
66.Jurisdiction	181
67.Notices	181
68.Foreign Exchanges	181

A. Introduction

1. Definitions

1.1 In this Contract, the following terms will be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between the Purchaser and the Supplier, as recorded in the contract Form signed by the Parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- (b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations.
- (c) "The Materials / equipment" means all of the equipment, machinery, and/or other materials which the Supplier is required to supply to the Purchaser under the Contract.
- (d) "The Services" means those services ancillary to the supply of the Materials / equipment, such as transportation and insurance, and any other incidental Services, such as installation, commissioning, provision of technical assistance, training, and other such obligations of the Supplier covered under the Contract.
- (e) "GCC" means the General Terms and Conditions of Contract contained in the section.
- (f) "The Purchaser" means the organization purchasing the Materials / equipment.
- (g) vendor is a supplier who has registered with the purchaser for supply of materials/equipment.
- (h) "The Supplier" means the firm supplying the Materials / equipment and Services under this Contract.
- (i) "Day" means calendar day.

2. Applicability

2.1 These General Conditions of contract will apply to the extent that they are not superseded by provisions of Salient features of the Bid.

3(a) Standards

The Materials / equipment supplied under this Contract will conform to the Standards mentioned in the Technical specifications, and, when no applicable standard is mentioned, the authoritative standards appropriate to the Materials / equipment' i.e., BIS, such standards will be the latest. All material will be of the best class and will be capable of satisfactory operation under tropical conditions without distortion or deterioration.

3(b) Interchangeability:

All similar materials and removable parts of similar equipment will be interchangeable with each other. A specific confirmation of this should be furnished in the bid.

4. Scope of Work:

This specification covers design manufacture, testing and delivery FADS (Free At Destination Stores) of the materials described at Section IV and Technical Specification Section V.

5. Eligible Bidders:

Vendors who have registered themselves with APTRANSCO for supply of the material / equipment listed in Section No. IV, of Bid specification and meeting the qualification requirements described at section VI only need quote. Bids received from firms not meeting the above two criteria will not be considered.

B. THE BIDDING DOCUMENTS

6. Contents of Bidding Document:

6.1 The Materials / equipment required, bidding procedures, and contract terms are prescribed in the bidding documents as listed below:

1. Notice Inviting Bid
2. Salient Features of the Bid
3. General Terms and Conditions of Contract
4. Schedule of Requirements (Delivery Schedule)
5. Technical Specifications
6. Qualification Requirements

- 7. Bid Form and Price Schedules
- 8. Bid Security
- 9. Performance Security Form
- 10. Schedule of Deviations

6.2 The Bidder is expected to examine all instructions, forms, terms and Technical specifications in the bidding documents. Failure to furnish all information required by the bidding documents or to submit a bid not responsive to the bidding documents in every respect will be at Bidder's risk and may result in the rejection of its bid.

7. Clarification of Bidding Documents

Clarification of Bidding Documents: A prospective Bidder requiring any clarification of the bidding documents may notify the Purchaser in writing or by cable (hereinafter, the term cable is deemed to include telex and facsimile) at the Purchaser's address. The Purchaser will respond in writing to any request for clarification of the bidding documents, which it receives no later than fifteen (15) days prior to the deadline for the submission of bids. Written copies of Purchaser's response (including an explanation of the query but without identifying the source of inquiry) will be put on Website of the purchaser or intimated by mail.

8. Amendment to Bidding Documents:

- 8.1 At any time prior to the deadline for submission of bids, the Purchaser, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, may modify the bidding documents by amendment.
- 8.2 All such amendments also would be made available on the website of APTRANSCO and such amendments will be binding on the respective Bidders.
- 8.3 In order to allow prospective Bidders reasonable time in which to take the amendment into account in preparing their bids, the Purchaser, at its discretion, may extend the deadline for the submission of bids.

C. PREPARATION OF BIDS

9. Language of Bid:

The bid prepared by the Bidder including all correspondence and documents relating to the bid exchanged by the Bidder and the Purchaser, will be in English.

10. Cost Associated with Bidding:

The Bidder will bear all costs associated with the preparation and submission of its bid, and the Purchaser, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

11. Documents Constituting the Bid:

11.1 The bid prepared by the Bidder will comprise the following components:

- i. DD / Pay Order towards cost of the Bid
- ii. A Bid Form and Price Schedule completed in accordance with Clause No.12 and 13.
- iii. Documentary evidence establishing in accordance with Clause No.19 that the Bidder is eligible to bid and is qualified to perform the contract if its bid is accepted.
- iv. Documentary evidence establishing that the Materials / equipment and ancillary services to be supplied by the Bidder are as per the Technical specification of the bidding documents; and
- v. Bid Security in accordance with Clause No.20.
- vi. Tax clearance certificate
- vii. Schedule of Deviations
 - i. Commercial
 - ii. Technical

All the Schedules will be duly filled but not necessary in the sheets attached to the specification unless full details required in the schedules are furnished the Bids will be liable for rejection.

12. Bid Form:

12.1 The Bidder will complete the Bid form and the appropriate Price Schedule furnished in the bidding documents, indicating the Materials / equipment to be supplied, a brief description of the Materials / equipment, quantity and prices.

13. Bid Prices:

- 13.1 The prices quoted will be Firm delete whichever is not applicable). Bids will be called for with prices FADS inclusive of packing and forwarding E.D, ST and other legally permissible duties and levies wherever applicable, handling charges to cover the transport by road from destination railway station to site / stores, unloading at destination and insurance (transit and storage at site for 30 days).
- 13.2 Even though composite price is given the break-up for all the duties, taxes, freight, insurance, packing and forwarding etc., will be furnished.
- 13.3 It is the responsibility of the Bidder to inform himself of the correct rates of duties and taxes leviable on the materials at the time of bidding.
- 13.4 The proforma credit available to the bidder on the purchases of inputs (raw materials) consequent to the introduction of “MODVAT” Scheme may be taken into account while quoting the prices.
- 13.5 The Bidder will indicate in the appropriate Price Schedule the unit prices (where applicable) and total bid price of the Materials / equipment it proposes to supply under the contract. Any alternative offers shall be indicated only in the price schedule.

Prices indicated on the Price Schedule will be entered separately in the following manner.

The price of the Materials / equipment quoted EXWORKS and all excise and other duties and sales and other taxes payable on the finished Materials / equipment with individual breakup for Taxes and Duties, packing and forwarding, freight and insurance etc.

14. Variable prices & price variation basis:

- 14.1 Wherever prices quoted are not firm (variable), prices FADS, E.D., S.T., freight, Insurance, packing, forwarding and other legally permissible duties and levies will be given separately.
- 14.2 Quotations will be with prices subject to adjustment up or down as per specific variation formula with reference to the base prices of major raw-materials / components involved which will be detailed in the bid along with the respective percentage costs in the composite price for the finished goods.

- 14.3 Whenever IEEMA price variation formula is applicable, the Bidder may quote according to IEEMA formula in force at the time of bidding which will remain the same through out the execution and completion of the order.
- 14.4 The quoted prices will be on FADS basis inclusive of transit cum 30 days storage insurance inclusive of all taxes and duties.
- 14.5 The prices of raw- materials / components will be those at which Bidder actually purchases from their principal suppliers (whose names will be invariably stated) and will not be the landed cost at the Bidder's work including transport or any other charges. The basic price of raw materials so quoted will remain unaltered during the period of validity of bid as well as during the execution of contract.
- 14.6 Where IEEMA formula is not applicable and where the raw materials such as Steel, Aluminium, Zinc, Lead and Copper are involved the SAIL / TISCO / MUKUND price of steel for Zinc and Copper as published by IEEMA and the BALCO / HINDALCO price of Aluminium will be applicable for price variation. The Base and final prices / indices will correspond to same manufacturers.
- 14.7 In case of conductors, where the bidder makes his own arrangements to get the Properzi Rod made out of Aluminium, Ingot, the price of Properzi Rod as prevailing at the time of the bidder obtaining the ingot from the primary producers will only be taken into consideration for arriving at the price variation claims irrespective of whatever expenditure the bidder might have incurred in getting the ingot converted into Properzi Rod.
- 14.8 In cases where variable prices are quoted, if complete information as above is not given, the bid is liable for rejection.
Irrespective of the increase in the prices of raw materials the price variance (increase) will be limited to a maximum of 10% over the original quoted price.
- 14.9 If the date of delivery as defined in the P.V. formula is beyond the contracted delivery date the scheduled delivery date or the actual delivery date which ever is advantageous to the Purchaser will form the basis for calculation of price variation.

14.10 Notwithstanding the formula applicable for regulating the price variation, if at any time any documentary evidence proof or certificate in regard to the price variation bills is required by the Purchaser, the bidder will have to furnish the same to the Purchaser.

14.11 The price for inland transportation, insurance, packing and forwarding and other local costs incidental to delivery of the Materials / equipment to their final destination,

The price of other (incidental) services, if any.

15. Taxes and Duties

15.1 A bidder will be entirely responsible for quoting the correct taxes and duties, other local taxes or levies if any, license fees, etc., he has to incur until completion of the contract. For the purpose of evaluation the bidder should clearly indicate the Excise Duty, Sales Tax and any other taxes and levies payable in the respective columns provided in the price schedule. Failure to furnish the details as prescribed in the price schedule will be loaded as indicated in the evaluation criteria.

15.2 If the rates of statutory levies assumed by the Bidder are less than the actual rates prevailing at the time of bidding, the Purchaser will not be responsible for such errors. If the rates of statutory levies assumed by the Bidder are later proved to be higher than the actual / correct rates prevailing at the time of bidding, the difference will be passed on to the credit of the Purchaser.

15.3. Deemed Export Benefits: This is not applicable for local purchases with APTRANSCO funds.

16. Statutory Variations

Any variation up or down in statutory levy or new levies introduced after signing of the contract under this specification will be to the account of APTRANSCO provided that in cases where delivery schedule is not adhered to by the supplier and there are upward variation / revision after the agreed delivered date the supplier will bear the impact of such levies and if there is downward variation / revision the APTRANSCO will be given credit to that extent.

17. Bid Currencies:

Prices will be quoted in Indian Rupees; and will be paid in Indian Rupees Only.

18. Quantity to quote:

Bidder will quote a minimum quantity of at least 20% of the total quantity indicated in the bid Specification. Offers less than the minimum prescribed are liable for rejection.

19. Documents Establishing Bidder's Eligibility and Qualifications

The Bidder will furnish, as part of its bid, documents establishing the Bidder's eligibility to bid and its qualifications to perform the contract if its bid is accepted.

The documentary evidence of the Bidder's qualifications to perform the contract if its bid is accepted will establish to the Purchaser's satisfaction:

- (a) that the Bidder has the financial, technical, and production capability necessary to perform the contract;
- (b) that the Bidder meets the qualification criteria listed in Section VI. In addition the Bidder may furnish full particulars regarding supply of the material in question made so far to APTRANSCO during the last 5 years and other reputed utilities.

19.1 Documents Establishing Materials / equipment Conformity to Bidding Documents.

The Bidder will furnish as part of its bid, documents establishing conformity to the bidding documents of all Materials / equipment and services, which the Bidder proposes to supply under the Contract.

The documentary evidence of conformity of the Materials / equipment and the services to bidding documents may be in the form of literature, drawings, and data, and will consist of:

- (a) a detailed description of the essential technical and performance characteristics of the Materials / equipment;
- (b) the bidder should specifically mention about furnishing the test certificates and a specimen form of test certificate should be furnished along with the bid.

- (c) a list giving full particulars, including available sources and current prices of spare parts, special tools etc., necessary for the proper and continuing functioning of the Materials / equipment following commencement of the use of the Materials / equipment by the Purchaser; and
- (d) an item-by-item commentary on the Purchaser's Technical Specifications demonstrating substantial responsive-ness of the Materials / equipment and services to those specifications, or a statement of deviations and exceptions to the provisions of the Technical Specifications.

For purposes of the commentary to be furnished pursuant to above, the Bidder will note that standards for workmanship, material, and equipment, as well as references to brand names or catalogue numbers designated by the Purchaser in its Technical Specifications, are intended to be descriptive only and not restrictive. The Bidder may substitute alternative standards, brand names, and/or catalogue numbers in its bid, provided that it demonstrates to the Purchaser's satisfaction that the substitutions ensure substantial equivalence to those designated in the Technical Specifications.

20. Bid Security

- 20.1 The Bidder will furnish, as part of its bid, a Bid Security in the amount of 2 % of the Total Ex-works value of the materials offered against the bid or the amount specified by the Purchaser. This amount should be paid by way of a crossed demand draft drawn on any schedule bank in favour of the Pay Officer APTRANSCO and payable at headquarters of the Purchaser. The crossed DD should invariably be furnished along with the bids. Alternatively the bidders may furnish a B.G. in original in lieu of DD as per the proforma attached. Fax / photocopies of the bid security will not be accepted and will be rejected.
- 20.2 The fact of having enclosed bid security by DD / B.G. along with the bid or the fact of the bidder having permanent bid security should be clearly superscribed on the bid envelope.

Bids, which do not have the above superscription, will be rejected and returned to the respective bidders unopened.

- 20.3 Submission of BID SECURITY by way of cheque, cash, money order, call deposit will not be accepted and will be considered as disqualification.

- 20.4 The Bidder may deposit with the APTRANSCO a fixed deposit of Rupees Two lakhs fifty thousand (Rs.2,50,000/-) as BID SECURITY in the shape of cash, Government Securities or in the form of Bank Guarantee in lieu of cash, valid for a period of three years constituting the said sum as security for the due compliance with the obligation undertaken in the bids submitted by the Bidders and obtain Permanent Bid security Certificate . No interest will be payable on such amount. Such Bidders will be entitled to submit their Bids and to have them considered without payment of BID SECURITY with each Bid separately. They need only refer to the Lr.No._____ in which the B.G. was accepted and the B.G. No., Date and the validity of the B.G.
- 20.5 Payment of BID SECURITY will be waived at the discretion of the APTRANSCO in the case of fully owned Government undertaking of the Central or State Government. Such undertakings should immediately apply and obtain exemption before submitting their Bids. They need only refer to the details of such exemption in their Bids. Exemption accorded by any organization other than APTRANSCO will not be considered.
- 20.6 Manufacturers registered as S.S.I. Units with industries Department, Government of Andhra Pradesh are exempted from payment of BID SECURITY. They should apply in advance and obtain exemption from the concerned Purchaser well before submitting the Bid. They need to refer to the details of such exemptions in their bids.
- 20.7 Requests for exemption from payment of BID SECURITY will not be entertained in any other cases.
- 20.8 Any bid not secured as above will be rejected by the Purchaser.
- 20.9 Unsuccessful Bidders' Bid Security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of bid validity prescribed by the Purchaser.
- 20.10 The successful Bidder's Bid Security will be discharged upon the Bidder signing the contract.
- 20.11 The Bid Security may be forfeited:
- (a) if a Bidder:
 - i. Withdraws its bid or alters its prices during the period of bid validity specified by the Bidder on the Bid Form, or
 - ii. Does not accept the correction of errors pursuant to Clause No.30.2; or

- iii. Offers post Bid rebates, revisions or deviations in quoted prices and / or conditions or any such offers which will give a benefit to the Bidder over others will not only be rejected outright but the original Bid itself will get disqualified on this account and the Bidder's BID SECURITY will be forfeited.
- (b) In the case of a successful Bidder, if the Bidder fails:
- i. To sign the contract in accordance with Clause No.38.
 - ii. To furnish performance security in accordance with Clause No.39.

20.12 In cases where the Bid Cover Contains superscription of having furnished Bid Security by way of DD/BG but if the same is not found within, such Bids will be rejected and bidder will run the risk of being banned.

21. Period of Validity of Bids.

21.1 Bids will remain valid for the period of ninety (90) days from the date of bid opening prescribed by the Purchaser. A bid valid for a shorter period will be rejected.

The bidders should clearly super scribe on the sealed envelopes of the bids about the validity. Bids not containing superscription of validity will be rejected and returned unopened.

21.2 In exceptional circumstances, the Purchaser may solicit the Bidder's consent to an extension of the period of validity. The request and the responses there to will be made in writing (or by cable). The Bid Security provided under Clause No.20 will also be suitably extended. A Bidder may refuse the request without forfeiting its Bid Security.

22. Tax Clearance Certificates:

22.1 Copies of Income Tax, Sales Tax and Turnover Tax certificates for the latest period from the appropriate authority will invariably be enclosed to the bid. In the case of proprietary or partnership firm it will be necessary to produce the certificate / certificates for the proprietor or proprietors and for each of the partners as the case may be. If the Bidder has already produced the certificate during the calendar year in which the bid is made, it will be sufficient, if particulars are given.

23. Service Conditions

23.1 The equipment / materials offered will be entirely satisfactory for operation under the climatic conditions indicated below:

(a)	Maximum ambient air temperature (in shade)	45 ⁰ C
(b)	Maximum ambient air temperature (under sun)	50 ⁰ C
(c)	Maximum daily average ambient air temperature	35 ⁰ C
(d)	Maximum yearly average ambient air temperature	30 ⁰ C
(e)	Maximum humidity	100%
(f)	Altitude above M.S.L.	Up to 1000M
(g)	Average No. of thunder storm days per annum	50
(h)	Average No. of dust storm days per annum	Occasional
(i)	Average No. of rainy days / annum	90
(j)	Average Annual Rain fall	925mm
(k)	Normal tropical monsoon period	4 months
(l)	Maximum wind pressure	150 kg/Sq.M.

23.2 Due consideration will be given to any special devices or attachments put forward by the Bidder which are calculated to enhance the general utility and the safe and efficient operation of the equipment / materials.

24. Format and Signing of Bid.

24.1 The Bidder will prepare an original and two more copies of the bid, clearly marking each "ORIGINAL BID" and "COPY OF BID", as appropriate. In the event of any discrepancy between them, the original will govern.

24.2 The original and the copies of the bid will be typed and will be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the contract. The person or persons signing the bid will initial all pages of the bid, except for printed literature.

24.3 Any interlineations, erasures, or overwriting will be valid only if they are initialed by the person or persons signing the bid.

D. Submission of Bids

25. Sealing and Marking of Bids.

25.1 The Bidder will seal the original and each copy of the bid in separate envelopes, duly marking envelopes as "ORIGINAL" and the "COPY". The envelopes will then be sealed in an outer envelope. In addition a soft copy of the entire Bid with price schedule in MS-Excel format will be enclosed to the original Bid.

25.2 The inner and outer envelopes will:

- (a) Be addressed to the Purchaser.
- (b) The sealed cover as well as outer envelop should be super scribed as noted below

25.3 The sealed cover as well as the outer envelope should be super scribed as follows:

- (a) Registration no. of the vendor.
- (b) Bid Enquiry No.
- (c) Due date and time for submission.
- (d) Date and time for opening.
- (e) Payment towards cost of Bid Specification Rs._____ DD No.____ Dt._____
- (f) Payment of Bid Security
 - (i) If paid, give details: D.D. No. Date: / details of B.G._____
 - (ii) Mention if Permanent Bid Security is available:
 - (iii) If not paid or exempted, give details.
- (g) Whether 90 days validity offered.....YES / NO
- (h) Whether the quotation is made accepting Payment terms clause YES/NO
- (i) Whether the delivery is as per delivery schedule indicated.... YES/NO
- (j) Whether the sample (if specified) has been enclosed/ sent...YES/NO

25.4 Bids not super scribed as above are liable to be rejected.

25.5 The Bidder will invariably complete the Bid in full. Details to be furnished by the bidder and Schedule of Prices attached to the specification and enclose the same to the bid without fail.

- 25.6 The time of actual receipt in the office only will count for the acceptance of the bid and either the date of bid, date stamp of post office or date stamp of any other office will not count. The APTRANSCO will not be responsible for any postal or any other transit delays.
- 25.7 Telegraphic quotations will not be entertained under any circumstances. Clarification, amplifications, and / or any other correspondence from the Bidder subsequent to the opening of bid will not be entertained. The Bidders are advised to ensure that their bids are sent in complete shape at the first instance itself.
- 25.8 The inner envelopes will also indicate the name and address of the Bidder to enable the bid to be returned unopened in case it is declared "late".
- 25.9 If the outer envelope is not sealed and marked as required above, the Purchaser will assume no responsibility for the bid's misplacement or premature opening.

26. Deadline for Submission of Bids.

- 26.1 Bids together with modifications if any, or other withdrawals must be received by the Purchaser not later than the deadline for submission of bids specified in the Salient features of the Bid.
- 26.2 The Purchaser may, at its discretion, extend this deadline for the submission of bids by amending the bidding documents in which case all rights and obligations of the Purchaser and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

27. Late Bids

- 27.1 Any bid received by the Purchaser after the deadline for submission of bids prescribed by the Purchaser will be rejected and returned unopened to the Bidder.
- 27.2 Modification and Withdrawal of Bids.

The Bidder may modify or withdraw its bid after the bid's submission, provided that written notice of the modification, including substitution or withdrawal of the bids, is received by the Purchaser prior to the deadline prescribed for submission of bids.

The Bidder's modification or withdrawal notice will be prepared, sealed, marked, and dispatched. A withdrawal notice may also be sent by cable, but followed by a signed confirmation copy, postmarked not later than the deadline for submission of bids. No bid may be modified after the deadline for submission of bids.

No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified. Withdrawal of a bid during this interval may result in the forfeiture of its Bid Security.

E. Opening and Evaluation of Bids

28. Opening of Bids by the Purchaser

28.1 The Purchaser will open all bids meeting above criteria in the presence of Bidders' authorized representatives who choose to attend, at the time, on the date, and at the place specified. The representatives who are present will sign a register evidencing their attendance.

28.2 The Bidders' names, bid modifications or with-drawls, bid prices, discounts, and the presence or absence of requisite Bid Security and such other details as the Purchaser, at its discretion, may consider appropriate, will be announced at the opening.

28.3 Bids that are not opened and read out at bid opening will not be considered further for evaluation, irrespective of the circumstances.

29. Clarification of Bids

29.1 During evaluation of the bids, the Purchaser may, at its discretion, ask the Bidder for a clarification of its, bid. The request for clarification and the response will be in writing, and no change in the prices or substance of the bid will be sought, offered, or permitted.

30. Preliminary Examination

30.1 The Purchaser will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.

- 30.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price will prevail, and the total price will be corrected. If the Supplier does not accept the correction of the errors, its bid will be rejected, and its Bid Security may be forfeited. If there is a discrepancy between words and figures, the amount in words will prevail. If the supplier does not accept the correction of the errors, its bid will be rejected and its Bid Security may be forfeited. In case of a discrepancy between soft copy and hard copy, the entries in hard copy will prevail.
- 30.3 The Purchaser may waive any minor informality, nonconformity, or irregularity in bid which does not constitute a material deviation, provided such waiver doesn't prejudice or affect the relative ranking of any Bidder.
- 30.4 Prior to the detailed evaluation, the Purchaser will determine the substantial responsiveness of each bid to the bidding documents. For purposes of these Clauses, a substantially responsive bid is one, which conforms to all the terms and conditions of the bidding documents without material deviations. Deviations from, or objections or reservations to critical provisions, such as those concerning Bid Security, and Taxes and Duties will be deemed to be a material deviation. The Purchaser's determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence.
- 30.5 If a bid is not substantially responsive, it will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the nonconformity.

31. Evaluation and Comparison of Bids.

- 31.1 The Purchaser will evaluate and compare the bids, which have been determined to be Substantially responsive.
- 31.2 The Purchaser's evaluation of a bid will take into consideration one or more of the following factors

All the bids, which are opened, read out and considered for evaluation will be checked for qualification requirements in respect of technical and commercial aspects. Such of the bids, which do not meet the qualification requirements, will not be evaluated further. The bid is to be checked for its conformity to the technical specification. If it does not meet the technical

specification, the Bid will not be evaluated further. However, if in the opinion of the purchaser the bidder has offered equipment / material better than the technical specification the same may be considered.

The bid may be rejected for the following reasons:

1. Not in the prescribed form
 2. Insufficient bid security or bid not accompanied by the required bid security or proof of permanent bid security / exemption
 3. Bids not properly signed
 4. The bidder is a vendor who is banned from further business transactions and the period of ban is still in force.
 5. Bid received after the due date and time
 6. The bid is through telegram or fax
- Further, the purchaser may enquire from the bidder in writing for any clarification of the bid. The response of the bidder will also be in writing. However no change in the prices or substance of the bid will be sought, offered or permitted.
 - Bids will be examined for completeness and for any computational errors.
 - Arithmetical errors will be rectified on the following basis.
 - Where there is a discrepancy between the unit price and total price, the unit price will prevail and the total price will be corrected accordingly.
 - Where there is a discrepancy between words and figures, the amount in words will prevail.
 - If there is a discrepancy between the soft copy and the hard copy, the hard copy will prevail.
 - If the bidder does not attest any overwriting in the price column such Bids will be rejected.
 - Failure on the part of the bidder to agree to the above corrections will result in rejection of his offer and forfeiture of his bid security.
 - It will be ensured that the required sureties have been furnished and that the documents have been properly signed.
 - The purchaser's evaluation of a bid shall take into consideration one or more of the following factors
 - (a) Delivery schedule offered in the bid;
 - (b) Deviations in payment schedule from that specified in the general terms and conditions of the contract and technical deviations.
 - (c) The cost of components, mandatory spare parts, and service;
 - (d) The availability of spare parts and after-sales services for the equipment offered in the Bid;
 - (e) The projected operating and maintenance costs during the life of the equipment;

The performance and productivity of the equipment offered;
Other specific criteria indicated in the Bidding documents.

In addition the Purchaser's evaluation of a bid will take into account the net landed cost of the material at the final destination. For the purpose of evaluation net landed cost is arrived at by adding all elements of the basic price, allowable discount, excise duty, sales tax & any other levies, packing & forwarding, freight charges, insurance (transit & storage) as quoted by the bidder, interest on advance if any, unloading at final destination, erection, servicing and other charges as called for.

In addition any variation up or down in taxes and duties / new levies introduced subsequent to bid opening and before award will be considered for comparison purposes.

The following criteria may be adopted for taxes and duties for evaluation

- a. It is the responsibility of the bidder to quote all taxes and duties correctly without leaving any column unfilled (see samples form 1). Where taxes and duties are not applicable the bidder should enter "NA". If no duty / tax is leviable the same may be entered as "NIL". If any column is left blank or filled vaguely like "as applicable", the same will be loaded with the maximum of the other eligible Bids.
 - b. Where there is an exemption of ED / ST, the documentary evidence to that effect will be enclosed by the supplier.
- Prior to detailed evaluation, the responsiveness of each bid will be determined. A substantially responsive bid is one that conforms to all the terms and conditions of the bidding documents without material deviations. For this purpose superscription, qualification requirement, bid security, validity, delivery, payment term, price schedule, taxes and duties will be deemed to be the critical provisions and deviations in any one of these items will be deemed to be a material deviation.

The purchaser may waive any minor informality, non-conformity or irregularity in the bid which does not constitute a material deviation, provided such waiver does not affect the relative ranking of any bidder. The purchaser will clearly indicate in the bid specification the methodology for evaluation of bids.

- (a) Bid price, which will include all, costs of manufacture and services at manufacturing place as well as, Transportation to destination stores, packing and forwarding, insurance and all Taxes & other legally permissible duties& levies payable.

- (b) Delivery schedule offered in the bid.
- (c) Deviations in payment schedule from that specified in the general terms and conditions of the contract.
- (d) The cost of components, mandatory spare parts, and service
- (e) The availability of spare parts and after-sales services for the equipment offered in the Bid;
- (f) The projected operating and maintenance costs during the life of the equipment;
- (g) The performance and productivity of the equipment offered; and/or
- (h) Other specific criteria indicated in the Bid Specification.

31.3(a) The Purchaser's evaluation of a bid will take into account the Net Landed Cost of the Material at destination stores inclusive of all taxes and duties quoted by the Bidder. It is the responsibility of the bidder to quote all Taxes and Duties correctly without leaving any column unfilled. Where not applicable the column may be filled as "NA". If no duty / tax is leviable the same may be filled as "NIL". If any column is left blank the same is loaded with maximum of other eligible Bids. If any overwriting is not attested by the bidder in the price schedule such Bids will be rejected.

31.3(b) Any statutory variations of taxes and duties and new levies imposed after opening of the bid and before award of the contract will be taken into consideration for the purpose of evaluation.

31.4 A substantially responsive bid is one, which conforms to all the terms and conditions of the bidding documents without material deviations. For this purpose superscription, qualification requirement, bid security, validity, delivery, payment term, price schedule, submission of Types test certificates (as per Clause 4 section VI), taxes and duties will be deemed to the critical provisions and deviations in any one of these things will be deemed to be a material deviation.

32. Contacting the Purchaser.

- 32.2 From the time of the bid opening to the time of contract award, if any Bidder wishes to contact the Purchaser on any matter related to the bid, it should do so in writing.
- 32.3 Any effort by a Bidder to influence the Purchaser in its decisions on bid evaluation, bid comparison, or contract award will result in the rejection of the Bidder's bid.

F. Award of Contract.

33. Post Qualification

- 33.1 In the absence of pre-qualification, the Purchaser will determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated responsive bid is qualified to perform the contract satisfactorily.
- 33.2 The determination will take into account the Bidder's financial, and production capabilities. It will be based upon an examination of the documentary evidence of the Bidder's qualification submitted by the Bidder, as well as such other information as the Purchaser deems necessary and appropriate.

34. Award Criteria:

- 34.1 The Purchaser will award the contract to the successful Bidder / Bidders whose bid has / have been determined to be substantially responsive.

Negotiation if necessary would be held limiting to L4 only and specified quantities will be ordered on different firms to meet the requirements of the APTRANSCO.

Where negotiations are held, the following pattern of distribution of quantities will be adopted when orders are placed with more than one firm subject to their manufacturing capacities.

The following pattern of distribution of quantities will be adopted while placing orders and at the same price.

I.	When the sources of supply are two	Percentage distribution between L1 & L2
	a. When there are two identical L1 offers	50 : 50
	b. When both L1 and L2 are industries in the private sector	70 : 30
	c. When L2 is an undertaking or joint venture of Govt. of AP/Central Govt.	60 : 40
II.	In case of three sources	50 : 30 : 20
III.	In case of four sources	50 : 25 : 15 : 10

However it is not binding on APTRANSCO to accept the lowest or any other Bid. It reserves the right to place orders on different Bidders.

35. Purchaser's Right to Vary Quantities at Time of Award

35.1 The Purchaser reserves the right at the time of contract award to increase or decrease the quantity of Materials / equipment and services originally specified in the Schedule of Requirements without any change in unit price or other terms and conditions.

35.2 The purchaser reserves the right to vary the ordered quantity by +/- 25% during the execution of the contract.

36. Purchaser's Right to Accept Any Bid and to Reject Any or All Bids

36.1 The Purchaser reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders.

37. Notification of Award

37.1 Prior to the expiration of the period of bid validity, the Purchaser will notify the Successful Bidder in writing by registered letter or by cable, to be confirmed in writing by registered letter, that its bid has been accepted.

37.2 The notification of award will constitute the formation of the Contract.

37.3 Upon the successful Bidder's furnishing of the performance security, the Purchaser enters into contract with successful Bidder / Bidders. The Purchaser will notify each unsuccessful Bidder and will discharge its Bid Security.

38. Signing of Contract:

The Purchaser notifies the successful Bidder that its bid has been accepted. Within 30 (thirty days) of receipt of notification of award of Contract, the successful Bidder will sign and date the contract. Failure to comply with this stipulation will entail cancellation of the contract besides forfeiture of the bid security.

39. Performance Security:

39.1 Within Fifteen (15) days of receipt of the notification of Contract award. The successful Bidder will furnish to the Purchaser the performance security for an amount 10% of the contract value for proper fulfillment of the contract, which will include the warranty period, and completion of performance obligations including Warranty obligations. The Performance Security will cover 60 days beyond the date of completion of performance obligations including Warranty obligations.

In the event of any correction of defects or replacement of defective material during the warranty period, the warranty for the corrected / replaced material will be extended to a further period of 12 months and the Performance Bank Guarantee for proportionate value will be extended 60 days over and above the extended warranty period.

39.2 The proceeds of the performance security will be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Contract.

39.3 The performance security will be...

(a) A bank guarantee issued by a scheduled bank acceptable to the Purchaser, in the form provided in the bidding documents.

(b) A banker's cheque or crossed DD or Pay Order payable at the Head quarter of the Purchaser in favour of the Purchaser drawn on any scheduled bank.

39.4 The performance security will be discharged by the Purchaser and returned to the Supplier not later than sixty (60) days after the expiry date.

39.5 In case of local SSI units of earlier proven performance, the purchaser at its discretion may accept Permanent Performance Security B.G. for Rs.2 laks valid for 3 years initially in lieu of 10% Performance Security.

39.6 Failure of the successful Bidder to comply with the above requirement will entail cancellation of the award and forfeiture of the Bid Security.

40. Corrupt or Fraudulent Practices

It is essential that the Purchaser as well as Bidder / supplier / contractor for the purposes of this provision, the terms set forth below as follows:

(i) “Corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution, and

(ii) “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the purchaser, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the purchaser of the benefits of free and open competition;

(iii) Will reject a proposal for award if it determines that the Bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;

(iv) Will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a contract if it at anytime determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, a contract.

41. Use of Contract Documents and Information:

41.1 The Supplier will not, without the Purchaser's prior written consent, disclose the Contract, or any provision thereof, of any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person will be made in confidence and will extend only so far as may be necessary for purposes of such performance.

41.2 The Supplier will not, without the Purchaser's prior written consent, make use of any document or information except for purposes of performing the Contract.

- 41.3 Any document, other than the Contract itself, will remain the property of the Purchaser and will be returned (in all copies) to the Purchaser on completion of the supplier's performance under the Contract if so required by the Purchaser.
- 41.4 The Supplier will permit the Purchaser or his authorized representative to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Supplier.

42. Patent Rights

- 42.1 The Supplier will indemnify the Purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Materials / equipment or any part thereof.

43. Places / Locations:

- 43.1 Particulars of site location and nearest rail heads to which the equipments / material have to be supplied will be given to successful Bidders.

44. Delivery:

- 44.1 Delivery period will be reckoned from the date of signing of the contract. The delivery quoted will be firm, definite, unconditional and on the basis of receipt of materials at destination in good condition without any bearing on the procurement of raw materials or any similar prerequisites. The commencement date and date of delivery will be indicted. The preferred delivery time, which is the essence of this specification, is indicated in the schedule. Final deliveries are however, subject to confirmation at the time of Contract. Delay in delivery of materials FADS – (Free At Destination Store) due to non-availability of railway booking, non-allotment of wagons and any such reasons will not be considered. It is the responsibility of the supplier to make alternative arrangements for transporting the materials by road or rail so as to see that the material reaches the destination within the stipulated period. The Purchaser reserves its right to defer the delivery date at any time after orders are placed without any change in the conclusion of contract other conditions supply. The delivery period, which will be reckoned from the date of the Contract, will be guaranteed under penalty as in Clause 61.

45. Inspections and Tests

- (i) The supplier will keep the Purchaser informed in advance of the time of the starting and the progress of manufacture of equipment in its various stages so that arrangement could be made for inspection. The accredited representative of the APTRANSCO will have access to the supplier's or his subcontractor's work at any time during working hours for the purpose of inspecting the materials during manufacturing of the materials / equipment and testing and may select test samples from the materials going into plant and equipment. The supplier will provide the facilities for testing such samples at any time including access to drawings and production data at no charge to Purchaser. As soon as the materials are ready the supplier will duly send intimation to APTRANSCO by Regd. Post and carry out the tests in the presence of representative of the APTRANSCO.
- (ii) The APTRANSCO may at its option get the materials inspected by the third party if it feels necessary and all inspection charges in this connection will be borne by the supplier.
- (iii) The dispatches will be affected only if the test results comply with the specification. The dispatches will be made only after the inspection by the APTRANSCO Officer is completed to the APTRANSCO satisfaction or such inspection is waived by the competent authority.
- (iv) The acceptance of any quantity of materials will in no way relieve the supplier of its responsibility for meeting all the requirements of this specification and will not prevent subsequent rejection if such materials are later found to be defective.
- (v) The supplier will give 15 days advance intimation to enable the Purchaser depute his representative for witnessing the acceptance and routine tests.
- (vi) Should any inspected or tested materials / equipment fail to conform to the specification, the Purchaser may reject the materials and supplier will either replace the rejected materials or make alterations necessary to meet specifications requirements free of costs to the Purchaser.
- (vii) In the case of transformers, instrument transformers and meters inspection will be conducted every year, for the first 5 years on a 2% sample of the quantities supplied. Samples will be collected at random to establish that the guaranteed technical parameters are as per the submitted bid by the supplier. In the case of non-adherence, the purchaser may take suitable action on the supplier including cancellation of vendor registration and banning further dealings, depending on the gravity of the deviation. These random inspections may be entrusted to a third party.

46. Name Plate:

Equipment should be provided with name plate giving full details of manufacture, capacities and other details as specified in the relevant ISS or other specification stipulated. The contract No. and date and year of supply and the words “APTRANSCO” must be etched on the name plate.

47. Packing

47.1 The Supplier will provide such packing of the Materials / equipment as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract. The packing will be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing case size and weights will take into consideration, where appropriate, the remoteness of the Materials / equipment' final destination and the absence of heavy handling facilities at all points in transit.

47.2 The packing, marking, and documentation and outside the packages will comply strictly with such special requirements as will be expressly provided for in the Contract and in any subsequent instructions ordered by the Purchaser. The supplier will be required to make separate packages for each consignee, each package will be marked on three sides with proper paint / indelible ink with the following;

1. Contract Number
2. Supplier's name
3. Packing list reference number

47.3 The supplier, whenever dispatches material to a destination should prepare the following information in the form of packing slip in quadruplicate and send the same to the consignee and obtain his acknowledgement. The consignee will return to the supplier one copy of the packing slip with his remarks. The proforma of packing slip will be as follows:

PACKING SLIP

1. Contract No.& Date.
2. Quantity allotted to the stores and rate applicable.
3. Quantity so far supplied to the stores and the rate applied.
4. Quantity now supplied and the rate applied.
5. Total quantity supplied under the Contract with rates applied.
6. Programme for supplying the balance quantity to the Stores.

48. Delivery Documents

48.1 Delivery of the Materials / equipment will be made by the Supplier in accordance with the terms specified in the contract.

The latest test certificates containing the result of the tests as per the relevant ISS or other specification stipulated must be submitted to the Chief Engineer and got approved by him.

48.2 Documents to be submitted by the Supplier are specified as under...

- (i) Insurance certificate;
- (ii) Supplier's certificate certifying that the defects if any pointed out during inspection have been rectified (3 copies).
- (iii) Manuals in Six sets and one set of reproducible drawings.

The Purchaser will receive the above documents soon after the dispatch of materials and if not received, the supplier will be responsible for any consequent expenses.

49. Insurance

49.1 The Materials / equipment supplied under the Contract will be fully insured against loss or damage incidental to manufacture or acquisition, transportation and delivery and also storage for 30 days at destination stores.

The insurance will be in an amount equal to 100% FADS value of Materials / equipment on all risks basis. The policy will have a provision for extension to cover further storage if necessary at destination stores / site at APTRANSCO cost. The supplier will take the insurance cover in the name of purchaser.

50. Transportation

50.1 The Supplier is required under the Contract to transport the Materials / equipment to a specified place of destination defined as normally the district stores, transport to such place of destination, including insurance and storage, will be arranged by the Supplier, and the related costs will be included in the Contract Price only.

51. Incidental Services

51.1 The Supplier may be required to provide any or all of the following services, including additional services, if any.

- (a) Performance or supervision of on-site assembly and/or start-up of the supplied Materials / equipment;
- (b) Furnishing of tools required for assembly and/or maintenance of the supplied Materials / equipment;
- (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Materials / equipment;
- (d) Performance or supervision or maintenance and/or repair of the supplied Materials / equipment, during warranty period, provided that this service will not relieve the Supplier of any warranty obligations under this contract; and
- (e) Training of the Purchaser's personnel, at the Suppliers' plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Materials / equipment.

52. Spare Parts

52.1 The Supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the Supplier.

- (a) Such spare parts as the Purchaser may choose to purchase from the Supplier, provided that this election will not relieve the supplier of any warranty obligations under the contract; and
- (b) In the event of termination of production of the spare parts:
- (c) Advance notification to the Purchaser of the impending termination.
- (d) Time to permit the Purchase to procure needed requirement; and following such termination, furnishing at no cost to the Purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

53. Warranty

53.1 The supplier will warrant for the satisfactory functioning of the material / equipment as per specification for a minimum period of 18 months from the date of receipt of the material / equipment in good condition.

- 53.2 The Supplier warrants that the Materials Contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the Contract. The supplier further warrants that all Materials / equipment supplied under this Contract will have no defect, arising from a design and / or materials as required by the Purchaser's specifications or from any act of omission of the Supplier, that may develop under normal use of the supplied Materials / equipment./ equipment supplied under the
- 53.2 All the material will be of the best class and will be capable of satisfactory operation in the tropics under service conditions indicated in clause 23.1 without distortion or deterioration. No welding filling or plugging of defective parts will be permitted, unless otherwise specified, they will conform to the requirements of the appropriate Indian, British or American Standards. (Where a standard specification covering the material in question has not been published, the standards of the American Society for testing of Materials should be followed).
- 53.3 The entire designs and construction will be capable of withstanding the severest stresses likely to occur in actual service and of resisting rough handling during transport.
- 53.5 Unless otherwise specified the warranty period will be 18 months from the date of acceptance of the Materials / equipment. The Supplier will, in addition, comply with the performance guarantees specified under the contract. If, for reasons attributable to the Supplier, these guarantees are not attained in whole or in part, the supplier will at its discretion either, Make such changes, modifications, and/or additions to the Materials / equipment or any part thereof as may be necessary in order to attain the contractual guarantees specified in the contract at its own cost and expense and to carry out further performance tests as per the relevant standards.
- 53.6 The Purchaser will promptly notify the supplier in writing of any claims arising under this warranty.
- 53.7 "Upon receipt of such notice, the Supplier will within 30 days repair or replace the defective Materials / equipment or parts thereof, free of cost at the ultimate destination. The supplier will take over the replaced parts/Materials / equipment at the time of their replacement. No claim whatsoever will lie on the Purchaser for the replaced parts/Materials / equipment thereafter". In the event of any correction of defects or replacement of defective material during the warranty period, the warranty

for the corrected/replaced material will be extended to a further period of 12 months.

53.8 If the Supplier, having been notified, fails to remedy the defect(s) within the above period, the Purchaser may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense duly deducting the expenditure from subsequent bills / bank guarantee and without prejudice to any other rights which the Purchaser may have against the Supplier under the Contract.

54. Payment

54.1 100% payment will be arranged within 90 days reckoned from the date Form-13 i.e. receipt of material / equipment in good condition at the destination / stores duly transferring the said amount to the bank account of the supplier by the purchaser bank. The supplier will have to predefine the Bank details while entering into contract.

54.2 The 100% payment mentioned above is subject to on submission of performance security as per Clause 39 by the supplier.

54.3 The supplier should invariably submit test certificates and other documents, the purchaser specifies as soon as dispatch is made so that they can be checked and approved well in advance.

54.4 The performance guarantee to be executed in accordance with this specification will be furnished on a stamp paper of value Rs.100/-. The Bank Guarantee will be extended if required suitably. In accordance with the provisions of Clause No.39.

54.5 If the supplier has received any over payments by mistake or if any amounts are due to the APTRANSCO due to any other reason, when it is not possible to recover such amounts under the contract resulting out of this specification, the APTRANSCO reserves the right to collect the same from any other amount and / or Bank Guarantees given by the company due to or with the APTRANSCO.

54.6 When the supplier does not at any time, fulfill his obligations in replacing / rectifying etc. of the damaged / defective materials in part or whole promptly to the satisfaction of the APTRANSCO Officers, the APTRANSCO reserves the right not to accept the bills against subsequent dispatches made by the supplier and only the supplier will be responsible

for any demurrages, wharfages or damage occurring to the consignments so dispatched.

55. Prices

55.1 Prices charged by the Supplier for Materials / equipment delivered and Services performed under the Contract will not vary from the prices quoted by the supplier in its bid, with the exception of any price adjustment authorized in the contract.

56. Change Orders

56.1 The Purchaser may at any time, by a written order given to the Supplier make changes within the general scope of the Contract in any one or more of the following:

- (a) Drawings, designs, or specifications, where Materials / equipment to be furnished under the Contract are to be specifically manufactured for the Purchaser;
- (b) The method of shipment or packing;
- (c) The place of delivery; and/or
- (d) The Services to be provided by the Supplier.

57. Contract Amendments

57.1 No variation in or modification of the terms of the Contract will be made except by written amendment by the Purchaser and accepted by the supplier.

58. Assignment

58.1 The Supplier will not assign, in whole or in part, its obligations to perform under this Contract, except with the Purchaser's prior written consent.

59. Delays in Supplier's Performance

59.1 Delivery of the Materials / equipment will be made by the Supplier in accordance with the time schedule prescribed by the Purchaser in the Schedule of Requirements.

59.2 If at any time during performance of the Contract, the Supplier should encounter conditions impeding timely delivery of the Materials /

equipment, the Supplier will promptly notify the Purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Purchaser will evaluate the situation and may at its discretion extend the Supplier's time for performance, with or without liquidated damages, in which case the extension will be ratified by the parties by amendment of the Contract.

- 59.3 Except as provided under force majeure clause a delay by the Supplier in the performance of its delivery obligations will render the Supplier liable to the imposition of liquidated damages unless an extension of time is agreed upon without the application of liquidated damages.

60. Penalty for delay in supplies

The time for and the dates for delivery mentioned in the contract will be deemed to be the essence of the contract. Subject to force majeure Clause No.64, if the Supplier fails to deliver any or all of the Materials / equipment or to perform the Services within the period(s) specified in the Contract, the Purchaser will, without prejudice to its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to 0.5% per week on the undelivered portion subject to a maximum of 5% of the total value of the contract. Once the maximum is reached the Purchaser may consider termination of the contract.

The date of Form-13 ie., the date of receipt of materials at destination stores in good condition will be taken as the date of delivery. Materials / Equipment which are not of acceptable quality or are not confirming to the specification would be deemed to be not delivered. For penalty, the number of days would be rounded off to the nearest week and penalty calculated accordingly.

The penalty specified above will be levied and would be adjusted against subsequent pending bills.

In cases where new vendors fail to meet the requirement of the Contract there would be no penalty to such vendors but they will be excluded from the next bid for the particular item of the material.

Any failure on the part of new vendors for a second time would cause them to be removed from the list of registered vendors.

61. Termination for Default

61.1 The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate this Contract in whole or in part:

- i. If the Supplier fails to deliver any or all of the Materials / equipment within the period(s) specified in the Contract, or within any extension thereof granted by the Purchaser.
- ii. If the Supplier fails to perform any other obligation(s) under the Contract.
- iii. If the Supplier, in the judgment of the Purchaser has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

61.2 In the event the Purchaser terminates the Contract in whole or in part, the Purchaser may procure, upon such terms and in such manner, as it deems appropriate, Materials / equipment or services similar to those undelivered, and the Supplier will be liable to the Purchaser for any excess costs for such similar Materials / equipment or Services. However, the Supplier will continue performance of the Contract to the extent not terminated.

62. Termination for Insolvency

62.1 The Purchaser may at any time terminate the Contract by giving written notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or not affect any right of action or remedy, which has accrued or will accrue thereafter to the Purchaser.

63. Termination for Convenience

63.1 The Purchaser, by written notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination will specify the termination is for the Purchaser's convenience, the extent to which performance of the supplier under the Contract is terminated, and date upon which termination becomes effective.

63.2 However the Materials / equipment that are complete and ready for shipment within thirty (30) days after the supplier's receipt of notice of termination will be accepted by the Purchaser at the Contract terms and prices.

64. Force Majeure

- 64.1 The Supplier will not be liable for forfeiture of its performance security, penalty for late delivery , or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.
- 64.2 For purposes of this clause, "Force Majeure" means an event beyond the control of the Supplier and not involving the Supplier's fault or negligence and not foreseeable. Such events may include, but are not restricted to, wars or revolutions fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 64.3 If a Force Majeure situation arises, the supplier will promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier will continue to perform its obligations under the Contract as far as is reasonably practice, and will seek all reasonable alternative means for performance not prevented by the Force Majeure event.

No price variance will be allowed during the period of force meajure.

65. Settlement of Disputes

- 65.1 If any dispute or difference of any kind whatsoever will arise between the Purchaser and the Supplier in connection with or arising out of the Contract, the parties will make every effort to resolve amicably such dispute or difference by mutual consultation.
- 65.2 If, after thirty (30) days the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Purchaser or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.
- 65.3 Any dispute of difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause will be finally settled by arbitration. Arbitration may be commenced prior to or after delivery of the Materials / equipment under the Contract.
- 65.4 Arbitration proceedings will be conducted in accordance with the following rules of procedure. The dispute resolution mechanism will be as follows:

- (a) In the case of a dispute or difference arising between the Purchaser and a Supplier relating to any matter arising out of or connected with this agreement, such dispute or difference will be settled in accordance with the Arbitration and Conciliation Act. 1996. The Arbitral Tribunal will consist of three Arbitrators one each to be appointed by the Purchaser and the supplier the Third Arbitrator will be chosen by the two Arbitrators so appointed by the parties and will acts as Presiding Arbitrator. In case of failure of the two Arbitrators appointed by the parties to reach upon a consensus within period of 30 days from the appointment of the Arbitrator appointed subsequently, the Presiding Arbitrator will be appointed by The Institution of Engineers (India).
- (b) If one of the Parties fails to appoint its Arbitrator in pursuance of Sub-Clause (a) within 30 days after receipt of the notice of the appointment of its Arbitrator by The Institution of Engineers (India), will appoint the Arbitrator. A certified copy of the order of the Institution of Engineers (India), making such an appointment will be furnished to each to the parties.
- (c) Arbitration Proceedings will be held at Purchaser's Headquarters, and the language of the Arbitration Proceedings and that of all documents and communication between the parties will be English.
- (d) The decision of the majority of Arbitrators will be final and binding upon both parties. The cost and expenses of Arbitration Proceedings will be paid as determined by the Arbitral Tribunal. However, the expenses incurred by each party in connection with the preparation, presentation etc., of its proceedings as also the fees and expenses paid to the Arbitrator appointed by such party or on its behalf will be borne by each party itself.
- (e) Where the value of the Contract is Rs. One Crore and below, the disputes or differences arising will be referred to the Sole Arbitrator. The Sole Arbitrator should be appointed by agreement between the parties; failing such agreement, by the appointing authority namely The Institution of Engineers (India).

65.5 Notwithstanding any reference to arbitration herein,

- (a) The parties will continue to perform their respective obligations under the Contract unless they otherwise agree; and
- (b) The Purchaser will pay the Supplier any monies due the Supplier.

66. Jurisdiction

66.1 All and any disputes or differences arising out of or touching this contract will be decided by the Courts or Tribunals situated in Purchaser's Headquarters only. No suit or other legal proceedings will be instituted elsewhere.

67. Notices

67.1 Any notice given by one party to the other pursuant to this Contract will be sent to the other party in writing or by cable, telex, or facsimile and confirmed in writing to the other party's address.

67.2 A notice will be effective when delivered or on the notice's effective date, whichever is later.

68. Foreign Exchange

68.1 No Foreign Exchange is available or expected for this purchase. Offers which do not require release of F.E. or procurement of import license by APTRANSCO only will be considered. Where some of the components are to be imported the manufacturer will have to make their own arrangements for import license etc., and should not look for any assistance from APTRANSCO.

SECTION - IV

SCHEDULE OF REQUIREMENTS

SECTION - V

TECHNICAL SPECIFICATION

SECTION – VI

QUALIFICATION REQUIREMENTS

SECTION – VI
QUALIFICATION REQUIREMENTS
Bid No.

1. The bidder should be a manufacturer who must have designed, manufactured, tested and supplied at least 40% of the quoted quantity of the goods / equipment of same or higher voltage class indicated in the “Schedule of Requirement” in one continuous period of 12 months and its financial turnover during any one year of the last five years should have been equal or more than 100% value of the material now quoted.

At least 20% of similar material offered against this Specification should be in successful operation since 2 years as on the date of opening of the Bid.

2. The bidder should furnish the information on all past supplies and satisfactory performance in proforma under Form 6.
3. All bids submitted will also include the following information:
 - i. Copies of original documents defining the constitution or legal status, place of registration and principle place of business of the company or firm or partnership, etc.,
 - ii. The bidder should furnish a brief write-up, backed with adequate data, explaining his available capacity and experience (both technical and commercial) for the manufacture and supply of the required equipment within the specified time of completion after meeting all their current commitments.
 - iii. The bidder should clearly confirm that all the facilities exist in his factory for inspection and testing and these will be made available to the purchaser or his representative for inspection.
 - iv. Reports on financial standing of the Bidder such as profit and loss statement, balance sheets and auditor’s report for the past three years, bankers certificates etc.
4. The bidder will furnish Type Test Results. The type tests must have been conducted on the material offered as per the relevant IS in recognized laboratory as per the latest revision of the Technical Specification and the date of Type tests will not be later than 3 years. The Bids received without type test reports will be treated as Non-Responsive.

5. Even though the bidder meets the above qualifying criteria, they are subject to be disqualified if they have...
 - a. made misleading or false representations in the forms statements and attachments submitted in proof of qualification requirements and / or
 - b. record of poor performance such as not properly completing the contract, inordinate delays in supply completion, litigation history or financial failure etc.

6. Notwithstanding anything stated above the purchaser reserves the right to assess bidder's capability and capacity to performs the contract should circumstances warrant such an assessment in the overall interest of the purchaser.

SAMPLE FORMS

1. BID FORM AND PRICE SCHEDULES

Date.

TO: (Name and Address of Purchaser)
Gentlemen and/or Ladies:

Having examined the Bidding documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply and deliver. (Description of Materials / equipment) in conformity with the said bidding documents for the sum of. (total bid amount in words and in figures) or such other sums as may be ascertained in accordance with the schedule of prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the Materials / equipment in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we will obtain the guarantee of a bank in a sum equivalent to. 5% of the Contract Price for the due performance of the Contract, in the form prescribed by the Purchaser.

We agree to abide by this Bid upto (for the Bid Validity Period) specified in Clause and it will remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal contract is prepared and executed, this Bid, together with your written acceptance thereof and your notification of award, will constitute a binding Contract between us.

We understand that you are not bound to accept the lowest or any bid you may receive.

We certify / confirm that we comply with the eligibility requirements as per clause of the bidding documents.

Dated this.day of.200

[Signature]

[in the capacity of]

Duly authorized to sign Bid for and on behalf of

PRICE SCHEDULE

Sl. No.	Description of Material	Quantity Required	APTRANSCO Delivery Schedule	Quantity offered by the Bidder	Whether firm or Variable
1	2	3	4	5	6

Free at Destination Stores		Excise Duty	Sales Tax	Any other tax / duties (Specify)	Unit Price	Discount if any	Total Price (Rs.)	Remarks
Ex-Works price per unit	Packing & Forwarding Freight and Insurance							
7	8	9	10	11	12	13	14	15

Note: Columns 1 to 4 to be filled in by the Purchaser and the remaining columns are to be filled by the Bidder.

Signature of the Bidder

2.a. BID SECURITY FORM

Whereas. (hereinafter called "the Bidder") has submitted its Bid dated (date of submission of bid) for the supply of.(name and /or description of the Materials / equipment) (hereinafter called "the Bid").

KNOW ALL PEOPLE by these presents that WE.(name of bank) having our registered office at.(address of bank)(hereinafter called "the Bank"), are bound unto.(name of Purchaser) (hereinafter called "the Purchaser") in the sum of _____for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this ____day of ____ 200 .

THE CONDITIONS of this obligation are:

1. If the Bidder
 - a) withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form; or
 - b) does not accept the correction of errors in accordance with the Bid Specification, or
2. If the Bidder, having been notified of the acceptance of its bid by the Purchaser during the period of bid validity;
 - (a) fails or refuses to furnish the performance security, in accordance with the Bid Specification.
 - (b) fails or refuses to execute the Contract Form if required; or

We undertake to pay the Purchaser up to the above amount upon receipt of its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including forty five (45) days after(Specification Date) the period of the bid validity, and any demand in respect thereof should reach the Bank not later than the above date.

.
(Signature of the Bank)

NOTE: This will be executed on a Rs.100/- non-judicial stamp paper issued by a scheduled Bank.

2.b. PERMANENT BID SECURITY FORM

Whereas the APTRANSCO has afforded a facility to bidders submitting bids in response to notices of the APTRANSCO calling for bids for supply of materials or rendering of services permitting bidders who furnish a permanent bid security of Rs.2,50,000/- in the shape of cash / Govt. securities / Bank Guarantees in lieu of cash to have their bids considered without separate payment of bid security with each bid; whereas M/s. _____ (company's name and full address) has offered the guarantee of this _____ bank, the (name of Bank and full address) towards fixed bid security and the APTRANSCO has agreed to accept the same and the obligations of the bidder have been incorporated in agreement dated. _____ which will be read as part of this guarantee; we _____ bank Ltd., do hereby undertake to indemnify and keep indemnified the APTRANSCO by reasons of any breach by the bidder afore mentioned of any terms and conditions of any of the bid quotations or the bids submitted by the bidder which are considered by the APTRANSCO in accordance with the terms of the agreement dated. ____ or the contract entered into pursuant to such bids.

We (Name of the Bank & full address) further agree that the guarantee herein contained will remain in full force and effect upto and inclusive of the (date of validity) and that it will continued to be enforceable till all the terms and conditions of the APTRANSCO under or by virtue of any of the said bid quotations or bids or contracts have been fully complied with and its claims satisfied or discharged or till all the Chief Engineers of APTRANSCO certify that the terms and conditions of the said bid quotation have been fully and properly carried out by the said M/s. (Name of the Bidder & full address) and accordingly discharge the guarantee subject however that the APTRANSCO will have no right under this bond after the expiry of three (3) years period from the date of its execution. We the guarantor bank undertake to pay the amount guaranteed hereunder or such part thereof as required within one week of the sum being demanded by the APTRANSCO without reference to the supplier and without questioning the right of the demand. We _____ bank Ltd., lastly undertake not to revoke this guarantee during its currency except with the prior consent of the APTRANSCO in writing.

Notwithstanding anything contained in the foregoing our liability under this guarantee is restricted to Rs.2,50,000/- (Rupees Two lakh fifty thousand only). Our guarantee will remain in force until _____. Unless a claim under this guarantee is made against us within six (6) months from this date all the rights under this guarantee will be forfeited and we will be relieved and discharged from all liability hereunder.

Dated this the ____ day of (month) (year)
For _____ Bank Ltd.,

STATION

for _____ (Bank Ltd.,)
Authorized signatories

Note :

- a. Bank Guarantee should be furnished on Rs.100/- non judicial stamp paper
- b. The B.G. should be valid for a period of 3 years in the first instance
- c. The date of the agreement will be earlier to or the same as the date of Bank Guarantee

2.c. Agreement to Permanent Bid Security

Whereas the APTRANSCO has afforded a facility to persons submitting bids in response to notice of the APTRANSCO calling for bids for supply of materials or rendering of services permitting bidders who furnish a permanent bid security for Rs.2,50,000/- (Rupees Two lakhs fifty thousand only) in the shape of cash / Govt. securities / Bank Guarantee in lieu of cash to have their bids considered without separate payment of bid security with each bid.

Whereas we (name & full address of bidder) hereinafter called the bidder intend to avail of the said facility and do hereby furnish the fixed permanent bid security of Rs.2,50,000/- in the shape of Bank Guarantee of the _____(bankers name & address)

IT IS HEREBY AGREED AND DECLARED AS FOLLOWS:

1. The Bank Guarantee furnished herewith will in the first instance be valid for three (3) years.
2. So long as the Bank Guarantee is in force all bids submitted by the bidder in response to notices of APTRANSCO inviting bids will be considered by the APTRANSCO without payment of separate bid security with each bid.
3. If there is any default on the part of the bidder in respect of the bid or the contract resulting there from the APTRANSCO will have the unilateral right to call upon the Bank to forthwith pay to the APTRANSCO a sum equivalent to the damages sustained by the APTRANSCO by reason of such default.
4. Where any such amounts have been claimed from and paid by the Bank, the APTRANSCO will not be bound to consider any bid of the bidder submits thereafter unless the Bank Guarantee is restored to the level of Rs.2,50,000/- however, in special cases the APTRANSCO may consider any bid before the guarantee is restored to the full amount of Rs.2,50,000/- if a separate bid security is given for the short fall and the bidder undertakes in writing to make good, the short fall in the bank guarantee within 2 months of opening of the bids.

Dated this the ___ day of (month) (year)

STATION

Signature of Bidder

Note : The Agreement should be furnished on Rs.50/- non judicial stamp paper

3. CONTRACT FORM

THIS AGREEMENT made the. day of. 200 Between.(Name of Purchaser) of the one part and.(Name of Supplier) of the other part:

WHEREAS the Purchaser invited bids for certain Materials / equipment and ancillary services viz.,
.....(Brief description of Materials / equipment and Services) and has accepted a bid by the Supplier for the supply of those Materials / equipment and services in the sum of.(Contract Price in Words and Figures)(hereinafter called "the Contract Price").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions will have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents will be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) the Bid Form and the Price Schedule submitted by the Bidder;
 - (b) the Schedule of Requirements;
 - (c) the Technical Specifications;
 - (d) the General Conditions of Contract;
 - (e) the Purchaser's Notification of Award.
3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the Materials / equipment and services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Materials / equipment and services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

Brief particulars of the Materials / equipment and services which will be supplied/ provided by the Supplier are as under:

Sl. No.	Brief Description of Materials / Equipment & services	Quantity to be supplied	Unit Price Rs.	Total Price Rs.	Delivery Terms

TOTAL VALUE: (Rupees _____ only)

DELIVERY SCHEDULE:

IN WITNESS whereof the parties hereto have caused this Agreement to be executed on the day and year first above written.

Signed, Sealed and Delivered by the
 said.(for the Purchaser)
 in the presence of.

Signed, Sealed and Delivered by the
 said.(for the Supplier)
 in the presence of.

NOTE: To be executed on a Rs.100/- Non-judicial stamp paper.

4. PERFORMANCE SECURITY FORM

To: _____(Name of Purchaser)

WHEREAS.....(Name of Supplier)
(hereinafter called "the Supplier") has undertaken, in pursuance of Contract
No.....dated.....200 to supply.(Description of Materials /
equipment and Services)
(hereinafter called "the Contract").

AND WHEREAS it has been stipulated by you in the said Contract that the
Supplier will furnish you with a Bank Guarantee by a recognized Bank for the sum
specified therein as security for compliance with the Supplier's performance
obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Supplier a Guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you,
on behalf of the Supplier, up to a total of. (Amount of the
Guarantee in Words and Figures) and we undertake to pay you, upon your first
written demand declaring the Supplier to be in default under the Contract and
without cavil or argument, any sum or sums within the limit of..... (Amount
of Guarantee) as aforesaid, without your needing to prove or to show grounds or
reasons for your demand or the sum specified therein.

This guarantee is valid until the. ... day of. 2002.

Signature and Seal of Guarantors

.....
Date.2002.

.....
.....
Address:.....

.....
.....

NOTE: This will be executed on a Rs.100/- non-judicial stamp paper by a
scheduled Bank.

5. MANUFACTURERS' AUTHORISATION FORM

No. _____ dated

To

Dear Sir,

SPECIFICATION No.

We _____ who are established and reputable manufacturers of _____ (name & descriptions of Materials / equipment offered) having factories at _____ (address of factory) do hereby authorize M/s. (Name and address of Agent) to submit a bid, and sign the contract with you for the above Materials / equipment manufactured by us against the above Specification No..

No Company or firm or individual other than M/s. _____ are authorized to bid, and conclude the contract in regard to this business against this specific Specification No..

We hereby extend our full guarantee and warranty as per Clause 15 of the General Conditions Contract for the Materials / equipment and services offered by the above firm against this Specification No..

Yours faithfully,

(Name)

(Name of manufacturers)

Note: This letter of authority should be on the letterhead of the manufacturer and should be signed by a person competent and having the power of attorney to bind the manufacturer. It should be included by the Bidder in its bid.

6. PROFORMA FOR PERFORMANCE STATEMENT

Bid No. _____

Date of Opening _____

Time _____ Hours

Name of the Firm _____

Order placed by (full address of purchaser)	Order No. and Date	Description and quantity of ordered equipment	Date of Completion of Delivery	
			As per Contract	Actual

Remarks indicating reasons for late delivery, if any	Has the equipment been satisfactorily functioning? (Attach a Certificate from the Purchaser)

Signature of the Bidder _____

7. DETAILS TO BE FURNISHED BY THE MANUFACTURER

1. Specification No.	:	
2. Name of the Material	:	
3. Bidder's vendor Registration No. for this item	:	
4. Quantity to be procured	:	
5. Last date and time for submission of Bid	:	
6. Date and time for opening of Bid	:	
7. State whether Bid guarantee is enclosed or Permanent Bid Guarantee available	:	
8. State whether the quotation is in single part/ Two part	:	
9. State whether 20% minimum quantity is quoted	:	
10. Whether willing to furnish performance B.G. @ 5% if order is placed	:	
11. Details of remittance of Specification cost	:	Rs. DD No. Date
12. Whether a local SSI Unit/ Local Unit	:	
13. Whether month wise delivery schedule indicated	:	
14. Prices whether variable / Firm	:	
15. Whether any other tax / duty payable. If so give details and the same is included / not included.	:	
16. State whether APTRANSO terms of payment are accepted.	:	
17. Quantity offered for supply	:	
18. State whether 90 days validity offered	:	
19. Whether sample is enclosed (if specified)	:	
20. Whether the material / equipment offered conforms to the relevant APTRANSCO Specification	:	
21. Whether you have executed orders of the APTRANSCO previously for these items. (Please give details)	:	
22. Similar details in respect of supplies made to other utilities	:	
23. Whether Bid guarantee exemption letter enclosed, if exempted.	:	
24. Whether sales tax clearance certificate enclosed	:	
25. Whether Income-tax clearance certificate enclosed.	:	

SCHEDULE OF DEVIATION

TECHNICAL

Sl. No.	Requirements / Equipment	Specification Clause No.	Deviations	Remarks

It is hereby conformed that except for deviations mentioned above, the offer conforms to all the other features specified in Technical Specification Section ____ of this Bid Document

Place :

Signature of the Bidder :

Date :

Name :

Business address :

SCHEDULE OF DEVIATION

COMMERCIAL

Sl. No.	Requirements / Equipment	Specification Clause No.	Deviations	Remarks

It is hereby conformed that except for deviations mentioned above, the offer conforms to all the other features specified in Commercial Specification Section ____ of this Bid Document

Place :

Signature of the Bidder :

Date :

Name :

Business address:

