

SECTION 4.3.1 DETAILED BIDDING PROCEDURE (INTERNATIONAL COMPETITIVE BIDDING – SINGLE STAGE TWO ENVELOPE)

1. Finalisation of Contract Package/EPC List:

- 1.1 After obtaining the Techno Economic Clearance by the CEA, ED(D&E) in consultation with ED(C&P), wherever required, shall prepare the detailed Package List. The size and scope of Packages will normally depend on the magnitude, nature and location of the Project, for which approved/sanctioned Cost Estimate of the Project will be taken as the basis. For Projects requiring large quantity of similar items, for which procurement under single Package is not feasible, more than one Package for such similar items are desirable for better competition and adherence to the Project completion Schedule.
- 1.2 The Package List/EPC, so prepared, will be processed by ED(D&E) for approval of CMD/Board of Directors.

2. Finalisation of Bid Documents

- 2.1 The bid documents for a particular Package/EPC generally comprise of the following:
 - i) Notice Inviting Bids (NIB).
 - ii) Instruction to Bidders (ITB)
 - iii) Information for Bidder / Project Profile
 - iv) General Conditions of Contract (GCC)
 - v) Special Conditions of Contract (SCC) if required.
 - vi) Bid Form & Data Sheets.
 - vii) Technical Specifications.
 - viii) Tender Drawings.
 - ix) Bill of Quantities & Financial Data Sheets.
- 2.2
 - (a) The Commercial portion of bid documents viz. NIB, Instruction to Bidders, GCC, SCC, Bid Forms & Data Sheets (commercial) shall be prepared and finalized by C&P Department. Financial Data Sheets shall be prepared by Finance Department. These Documents will be vetted by Finance Wing and approved by the ED(C&P) or Tendering Authority.
 - (b) The Technical portion of bid documents viz. Technical Specifications, Bill of Quantities/ Bid Proposal Sheet, Technical Data Sheets, Tender Drawings, shall be prepared and finalized by the D&E Wing and approved by ED(D&E).
 - (c) The ED(D&E) shall forward the Technical portion of the bid document to the ED(C&P) for incorporation of the same in the Bid Document.
 - (d) Any modification/addition to a standardised document shall be carried out only with the approval of concerned ED.
 - (e) The ED(C&P) shall finally approve the set of Bid Documents for issue to bidders.

3. Finalisation of EPC/Package-wise Cost Estimate:

3.1 After finalisation of Contract Package List, the Cost Engineering Group (CEG) under ED(D&E) shall initiate action for preparation of Cost Estimate for different Packages, as per the BOQ received by them from the D&E Wing. The said Cost Estimates shall be concurred by the Associated Finance and approved by the ED(D&E). The approved Cost Estimates shall be forwarded to the ED(C&P).

3.2 Upon approval, the approved Cost Estimate in original shall be retained by ED(D&E) and a copy of the same (including the notes), complete in all respects, shall be forwarded to the C&P Department.

4. Call of Tenders:

4.1 On receipt of cost estimate, bids shall be invited through Notice Inviting Bids (NIB) to be issued by ED(C&P). The NIB shall contain the mode of tendering, bidding programme i.e., date & time of bid submission etc., text of detailed NIB, amount of EMD/Bid Security and cost of document etc.

4.2 The amount of EMD, to be indicated in the NIB shall be equal to 2% of the NIT Cost Estimate for packages/EPC valuing upto Rs. 200 Crores, rounded off to the nearest thousand. For packages/EPC valuing more than Rs. 200 crores, the EMD shall be 1% subject to a minimum of Rs.4 crores rounded off to the nearest thousand. The bidders shall be required to submit the EMD/Bid Security in a sealed Envelope along-with the Techno-Commercial Bid. The EMD shall be in the form of Bank

Guarantee issued from a nationalized /scheduled bank or any foreign bank confirmed by any nationalized bank in India or Demand Draft in favour of NEEPCO.

4.3 The cost of bid documents shall be reasonable and generally reflect the cost of advertisement of NIB, printing and delivery to prospective bidder and shall not be so high as to discourage qualified bidders. The same shall be finalised by C&P Department, after due Finance concurrence and approved by ED(C&P). The cost of Document so finalised shall be updated every 3(three) years. The cost of bid documents for the first 3(three) years from the date of implementation of this policy shall be as follows:

- (a) Packages valuing upto Rs.5.00 Crore – Rs.5,000/- (Rupees five thousand)only.
- (b) Packages valuing more than Rs.5.00 Crore and upto Rs.100.00 Crore – Rs.10,000/- (Rupees ten thousand)only.
- (c) Packages valuing more than Rs.100.00 Crore and upto Rs.500.00 Crore – Rs.20,000/- (Rupees twenty thousand)only.
- (d) Packages valuing more than Rs.500.00 Crore and upto Rs.1,000.00 Crore – Rs.50,000/- (Rupees fifty thousand)only.
- (e) Packages valuing more than Rs.1,000.00 Crore – Rs.1,00,000/- (Rupees one lakh) only.

Taxes, as applicable, shall be extra.

Note:- In case of International Competitive Bidding, the above tender fee shall be indicated in the equivalent US Dollar.

5. Sale of Bid Documents:

- 5.1 Sale of bid documents shall be against payment of cost of bid documents/tender fee, normally in the form of Demand Draft/Banker's Cheque drawn in favour of NEEPCO Ltd. In the event the Bid Documents are downloaded from NEEPCO's website, the Bid Fee in the form of Demand Draft/Banker's Cheque drawn in favour of NEEPCO Ltd., shall be compulsorily submitted alongwith bids. The tender fee so received, will be deposited to Finance Wing.

In case of e-tendering, requisite Bid fee shall be deposited online to NEEPCO through SB Collect or NEFT/RTGS at the bank account of respective tendering authority of NEEPCO.

The tender fee so received, will be deposited to Finance Wing. The documents shall be issued by an Officer not below the level of Engineer with the approval of the ED(C&P). A Package - wise record of bidders, to whom the documents are issued, shall be maintained by the C&P Department in machine numbered Tender Sale Register. Before bid documents are put on sale, a Master Set of the same duly bound and having the approval of ED(C&P) shall be kept on record. Such set shall be signed on the forwarding page by ED(C&P).

The soft copies of the detailed NIB and /or bid documents will be made available to the IT Department from O/O ED(C&P) for uploading the same in NEEPCO's website to facilitate downloading by pre-qualified bidders. Simultaneously the detailed NIB and/or bid documents shall be uploaded in the Central Public Procurement Portal (CPPP) by the Nodal Officer of C&P Department/ concerned Projects/ Establishments. The action towards this shall be taken by head of IT Department. While uploading the bid documents, the bidders will be requested to submit the cost towards the same on or before submission of their bids. Bids not accompanied by the cost of bid documents will be rejected.

All amendments/clarifications, issued before the bid opening, must be initialed on each and every page and filed with the Master Set.

All bid documents sold must bear initials of the concerned Officer not below the level of Engineer on first or the forwarding page of every Volume of the bid documents and amendments thereto.

- 5.2 The period of sale of bid document shall generally be 4(four) weeks. The submission time of bid shall be kept as per the Time Schedule as provided in Section 3.3.
- 5.3 Any change in the bidding programme, i.e., sale of bid documents, extension of bid opening etc. from that specified in the IFB/NIB, for any reason whatsoever, shall require the approval of the ED(C&P) or tendering authority.

In case of extension of bid submission date beyond the maximum period stipulated in the manual, approval shall be obtained as per the provision given in last para of Clause 1, Section 3.1, Vol-I of the C&P Manual.

- 5.4 Bidders may send their query on the bid documents to NEEPCO not later than 15(fifteen) days prior to the closing date. All queries will be answered by NEEPCO not later than 7(seven) days prior to the closing date for submission by means of letter/e-mail/facsimile to all the bidders also uploading in NEEPCO's website. This letter/e-mail/facsimile will contain all questions received and all answers given without disclosing the source of such questions.

- 5.5 If required, a Pre-Bid Meeting will be convened by the ED(C&P) to seek/furnish any clarifications.

6. Formation of Bid Opening Committee:

- 6.1 The tenders/bids received shall be opened by a committee, to be called Bid Opening Committee, comprising of representatives, not below the level of Engineer/Accounts Officer of C&P and Finance Departments.

The Techno-Commercial part of the bids/tenders opened shall be evaluated by another committee, called Bid Evaluation Committee, comprising of representatives from C&P and Finance Departments not below the level of Engineer/Accounts Officer of C&P and Finance Departments respectively. In the Techno-Commercial evaluation, a set of Techno-Commercial bids shall be forwarded to Finance Department and D&E Department or other concerned Departments, if any, for evaluation of the Financial part and Technical part respectively, whereas the Commercial part shall be evaluated in C&P Department. The ED (D&E) or Head of other concerned Departments, if any, shall constitute a separate Technical Evaluation Committee in D&E or other concerned Departments, if any, comprising of members not below the level of Engineer for evaluation of Technical part of the bid wherever necessary and the Committee shall submit its evaluation report indicating its comments to the ED(C&P) or tendering authority.

- 6.2 The Bid Opening Committee, Bid Evaluation Committee and the Technical Evaluation Committee shall be Standing Committees constituted by the ED(C&P) or tendering authority/ED(D&E) or Head of other concerned Departments, if any.

7. Bid Receipt and Opening of Envelope-I:

- 7.1 The bids shall be received up to the specified Date and Time as mentioned in the NIB and subsequent addenda thereto, and shall be opened immediately thereafter. It will be the responsibility of the C&P Department to ensure that bids sent by post by bidders and received in the Central Receipt Section before the closing time are also considered for opening. Separate tender box for each package should be placed in the concerned C&P Wing for facilitating dropping of the tenders by interested bidders. The tender box will be sealed and signed by two officers of the concerned C&P Wing at the end of the closing time for receiving bids. In case it is felt that the bid documents will be too large for dropping inside the box, the Tendering Authority shall receive the same by hand. The bids shall be received by an Officer not below the level of Engineer and witnessed by another Officer of the same level or above.

- 7.2 Wherever necessary, acknowledgement of the bids received shall be given in writing by the same Officer receiving the bids, stating clearly the number of envelopes/packets/boxes received. In case as per the bid documents for a particular package the bidders are required to submit the EMD/Bid Security in a separate envelope, but no such separate envelope is received, the said fact shall also be recorded in the acknowledgement.

- 7.3 Late Bid:

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- 7.3.1 A bid submitted/received after the deadline for bid submission shall be termed as 'late bid'.
- 7.3.2 A late bid submitted/received after commencement of tender/bid opening shall be summarily rejected and returned unopened.
- 7.4 The Bid Opening Committee shall record the names of the bidders, from whom the bids are received in Bid/Tender Opening Register indicating the particulars of bids/envelopes/packets/boxes received from each bidder. The members of the Bid Opening Committee shall sign the Bid/Tender Opening Register.
- 7.5 The opening of bids by the Bid Opening Committee shall commence at the stipulated time and place in presence of bidders' authorized representatives who are present. Immediately upon completion of bid opening, the names of the bidders' authorized representatives who are present shall be entered into the Bid Opening Register and their signatures shall be taken thereon and the Register shall also contain brief particulars of EMD/Bid Security, No. of Volumes forming the bid, reference of covering letters and other relevant correspondence together with any other point considered necessary by the bid opening officials. The Bid Opening Register shall be paginated and the same shall be certified at the time of opening of the new Register by an Officer not below the rank of Sr. Manager in the office of the ED(C&P). A format of Bid Opening Register is enclosed at **Annexure-I**.
- 7.6 In case of two envelope bidding, where both the envelopes are required to be submitted together before the deadline specified in the IFB/NIB, only the Envelope – I, i.e. the Techno-Commercial Bid and EMD, shall be opened on the stipulated Date and Time. The Date & Time of the opening of the Envelope – II, i.e. Price Bid shall be intimated separately to the bidders. The Envelope-II containing the Price Bid, duly authenticated by the Bid Opening Committee at the time of opening of the Envelope I, shall be kept in safe custody of the Tendering Authority under lock and key, after obtaining signatures of the members of the Bid Opening Committee and two of the bidders. Envelope II of all the bidders will then be put inside a bigger envelope and signed by the same persons and sealed. Envelope - II will be opened subsequently only for those bidders who are found to be Techno-Commercially qualified.
- 7.7 Whenever a bid is opened, all relevant documents shall be signed in all pages by the Bid Opening Committee members. All cutting/over-writings/erasers, if any, shall also be encircled and authenticated by initials of the Bid Opening Committee members.
- 7.8 Whenever a bid is opened, the relevant particulars, to the extent required, shall be read out/ informed during bid opening.
- 7.9 Where it is specified in the bid documents that EMD/Bid Security has to be submitted along-with the bid in a separate sealed envelope, failing which the bid shall not be opened and shall be returned unopened to the bidders, the following procedure shall be followed:
- i) In case it is found that the envelope does not contain EMD/Bid Security, the bid envelope shall be returned unopened to the bidder and the receipt of the bidders' authorized representative, if present, shall be taken on the Bid Opening Register.
 - ii) However, if at that moment, the bidder/ bidders' authorized representative confirms in writing that by mistake they have enclosed the EMD/Bid Security in the bid envelope, their bid shall be opened to verify the said confirmation. If the

EMD/Bid Security is not found inside the bid envelope, similar procedure as described in para 7.9(i) above shall be followed.

- 7.10 Earnest Money/Bid Security, immediately after opening of the Techno-Commercial Bids, will be forwarded by the Tendering Authority to the concerned Finance Wing for retention.

8. Evaluation of Techno-Commercial Bids and Submission of Evaluation Report with recommendation:

- 8.1 The bids received and opened as described in Para No.7, above shall be taken up for evaluation. A set of Techno-Commercial bid shall be forwarded to Finance Department and D&E Department/ other concerned Departments, if any, for evaluation of the Financial part and the Technical part respectively. The Commercial part shall be evaluated in C&P Department. The bid evaluation shall be carried out in accordance with the provisions of bidding documents as follows:

8.2 Preliminary examinations of bids:

During preliminary examination, it will be examined whether each bid is of acceptable quality, complete and substantially responsive to the bid document. For the above purpose, a preliminary examination of each bid will be carried out to ascertain whether-

- i) The bid is complete and has been properly signed.
- ii) The bid is accompanied by the requisite EMD/Bid Security.
- iii) The bid does not contain major scope deficiencies, contradictions or ambiguities making it almost impossible to evaluate, and
- iv) The bid is generally in order.

8.3 Detailed evaluation of bids:

Technical and commercial examination of bids for detailed evaluation shall be carried out thoroughly to bring out

- i) Technical deviations/exceptions and additional conditions/stipulations,
- ii) Commercial deviations/exceptions and additional conditions/stipulations,
- iii) Any other details considered relevant
- iv) Common acceptable terms and conditions, if necessary.

In case any clarifications or additional data/documents from the bidders are considered necessary, the same shall be sought by ED(C&P). The bidders shall be allowed a period not exceeding 15 days for furnishing the clarifications /additional data/documents. Finance concurrence required on (i), (ii), (iii) & (iv) under 8.3 above, shall be obtained by C&P office. During this period, price repercussion/revised price bid, as applicable, will be submitted by the bidder. If required, a Bidders' Conference will be convened by the ED(C&P) for this purpose. In case the bidders do not furnish the same within the specified time, it shall be presumed that they have nothing further to say and evaluation shall be carried out accordingly.

- 8.4 Evaluation of techno-commercial bids: Evaluation of techno-commercial bids shall be carried out, with the help of associated Finance Department and D&E Department or other concerned Departments, wherever necessary. The commercial part of Bid shall

be evaluated by C&P Department. The technical part of Bid shall be evaluated by D&E Department or other concerned authorities, if any. The financial part of Bid shall be evaluated by Finance Department. Thereafter, evaluation report on financial part and Technical part shall be submitted to ED(C&P) within the time schedule as specified in Section 3.3. C&P Department shall compile and prepare the techno-commercial evaluation report for approval by the Competent Authority, after obtaining finance concurrence. The recommendation in the evaluation report shall be scrutinised and approved to open the Envelope-II containing the Price Bid of the bidders who are qualified Techno - Commercially.

- 8.5 In the case of the bidders who have not qualified Techno-Commercially, the Tendering Authority shall collect the EMD/Bid Security from the Finance Wing and release the same to the unsuccessful bidders along with their unopened Price Bids.

9 Opening of Envelope-II, i.e. Price Bids:

- 9.1 Upon approval of the Competent Authority, the time, date and venue of opening of the Envelope-II of qualified bidders shall be decided by ED(C&P) and intimated to the concerned bidders at least 7 (seven) days in advance. The Envelope - II of qualified bidders, along with the envelope containing price repercussions/revised price bid, shall then be opened as scheduled by the same Bid Opening Committee who have opened the Envelope-I of the bidders.

- 9.2 The opening of price bids by the Bid Opening Committee shall commence at the stipulated time and place in presence of bidders' representatives, who are present. The names of the bidders' representatives who are present shall be entered into the Bid Opening Register and their signatures shall be taken thereon.

- 9.3 Whenever a price bid is opened, all relevant documents shall be signed on all pages. All cuttings/over-writings/erasers, if any, shall be encircled and authenticated by initials of the Bid Opening Committee members.

- 9.4 Whenever a price bid is opened, the relevant particulars, to the extent required, shall be read out/ informed during bid opening.

- 9.5 Immediately upon completion of price bid opening, the names of the bidders' representatives who are present shall be entered into the Bid Opening Register (Ref 7.5 of this Section) and their signatures shall be taken. In addition, the following particulars, inter-alia, shall be entered into the Register:

- i) Total price, including component wise break-up, wherever applicable, as indicated in the bid.
- ii) Discount/ rebate along-with condition, if any, related thereto, as indicated in the bid.
- iii) Total net price after discount/rebate, as indicated in the bid.
- iv) Any other point considered relevant by the bid opening officials.

The format of the Register is given in **Annexure – I**.

10 Evaluation of Price Bids and Submission of Evaluation Report with Recommendation:

- 10.1 The Price Bids shall be evaluated in terms of stipulation of the bid document.

- The Price Bids and price repercussions, if any, of Techno-Commercially qualified bidders shall be taken up for evaluation in the C&P office.
- 10.2 The Comparative Statement (CS) of the Price Bids, so opened, shall be prepared and the comparative position of all the bidders shall be reflected therein. The CS shall be prepared based on the Estimated Cost and itself reflect the discount/rebate, if any, offered by the bidders. The total quoted amount of the bidders also shall be shown in percentage, above or below the estimated amount. The probable escalation shall not be considered in the CS.
- 10.3 The price bid evaluation report containing the CS shall be forwarded from C&P office to finance department for concurrence. On receipt of finance concurrence, the same shall be put up to the ED(C&P) along-with the recommendation for award of work/supply. Generally, recommendation for award shall be in favour of the L1 bidder as defined in the bid document.
- 10.4 The EDC&P) will subsequently process the proposal for approval by the Competent Authority.
- 11 Post Bid Discussion:**
- 11.1 The post bid discussions with the successful bidder, if necessary, shall be undertaken by the ED(C&P) or Tendering Authority on commercial and technical issues, with the involvement of D&E Wing or other concerned authorities, if any and the Project Authorities. During post bid discussions, all the issues for resolution, as brought out in the evaluation report and/or indicated in the bid of the recommended bidder, shall be discussed and resolved; and other relevant issues including those related to Quality Assurance and Work Schedule shall be suitably tied up. Joint discussions involving the representatives of all concerned departments shall be held to sort out common issues.
- A common Minutes of Meeting incorporating the Agreements reached with all the departments shall be signed with the bidder at the designated venue and time.
- 11.2 Post-bid price negotiations shall normally be avoided. However, the same may be done in exceptional situations with the lowest evaluated bidder. Such exceptional situations would include procurement of proprietary items, items with limited sources of supply and items, where there is a suspicion of a cartel formation. The justification and details of such negotiations should be duly recorded and documented without any loss of time.
- 11.3 If the lowest evaluated bidder backs out during the post-bid stage and within the validity period of its bid, re-tendering shall be resorted to, after cancelling his bid and forfeiting his EMD.
- 11.4 During post-bid discussions, efforts shall be made to finalise sub-contractor/sub-vendors for different items of work/supply. If it is not possible to approve a sub-contractor/sub-vendor during post-bid discussions, the same shall be dealt with during post award stage.
- 11.5 It should be ensured by the Bid Evaluation Committee that during post bid discussions, no agreement should be reached with or commitments given to the successful bidder, by which the bidders may get certain financial advantages beyond the provisions of bid documents or beyond the deviations permissible as per the approved evaluation report.

12 Issue of Letter of Intent (LOI), Letter of Award/Work Order and signing of Contract:

- 12.1 LOI shall be issued to the successful bidder after obtaining approval of award from the Competent Authority as per DOP.

In case approval of the Board is necessary for award the following shall apply:

The draft Board Agenda for approval of award of work shall be prepared by the ED(C&P) and the final agenda shall be placed to the Board of Directors by the Director (Technical). After obtaining necessary approval and instruction from the Board, the Letter of Intent (LOI) shall be issued by the ED(C&P) to the successful bidder.

- 12.2 It may be noted that in case variation in costs between the package cost cleared by the CEA and the lowest acceptable bid obtained is more than 10%, the matter must be specifically brought out in the Proposal/ Agenda placed before the Board of Directors (for Board level approval) along with full facts while seeking approval and sanction for the work.
- 12.3 Detailed Work/Supply Order shall be issued by ED(C&P) only after obtaining unconditional acceptance of the LOI.
- 12.4 Detailed Work/Supply Order shall be prepared by the office of the ED(C&P) and shall be concurred by the Corporate Finance Wing. The DWO/DPO shall include in brief, Contract Sum, Scope of Work, Time of Completion, Payment Terms, Bill of Quantities etc.
- 12.5 Unconditional acceptance of the terms of the DWO/DPO shall constitute the formation of the Contract Agreement. After acceptance of the DWO/DPO by the Contractor, the Contract Agreement shall be signed between the Ordering Authority and the Contractor subject to submission of ISD/CPG by the Contractor and its acceptance by the Ordering Authority. The contents of the Contract Agreement shall be checked and initialled by an officer of C&P department, not below the rank of Sr. Manager who will put up the same for signature of Authorised Representative of the Contractor and the ED(C&P) or Tendering Authority.
- 12.6 The Contract Agreement shall be signed in triplicate, 1st Original, 2nd Original and 3rd Original. The 1st Original Copy shall be retained in the office of the ED(C&P), 2nd Original shall be handed over to the Contractor and the 3rd Original Copy shall be sent to the Engineer-in-Charge responsible for executing the work/supply.