

National Institute of Technology, Tiruchirappalli-15

Tender for Layout Design, Supply, Installation and Commissioning of Electrical Machine Workstations for the Electrical Machines Laboratory and Power Electronics Laboratory

Tender Reference Number: NITT/ F.No./ UG-MOD 001, 002/ PLAN 2014-15/ EEE dated 27-8-2014

Minutes of the pre bid meeting held on 8th September 2014 at A-13 Hall of the NITT Administrative Building at 2.30 P.M

The Pre bid meeting in connection with the Subject Tender was held on 8th September 2014 in which the following prospective bidders participated:

- (1) Mr. B. Rajasekharan, Rockwell Automation India Private Limited, Chennai
- (2) Mr.C.Selvakumar, Labtech Electronics Private Limited, Chennai
- (3) Mr.R.S.Vivek, Vi Microsystems Private Limited, Chennai

At the outset, Purchase committee of NITT asked the prospective bidders whether they have any query or doubt with reference to the technical specifications of the tender, for which bidders replied that there are no doubts with reference to the technical specifications but they do want clarifications with reference to commercial terms and conditions.

Then, Deputy Registrar read out the commercial terms and conditions in the order of serial number given in the Tender document. The clarifications sought and the reply given by the Purchase committee are tabulated in the following:

Clarifications/ doubts of the prospective bidders	Reply given by the Purchase Committee, NITT
During the course of discussion, M/s. Rockwell Automation made it clear that the scope of work may not include the civil work portion i.e., concrete bed etc., However, they have stated that they will render all assistance to facilitate proper execution of the civil works to ensure that the project is installed, commissioned and run successfully.	The Purchase Committee queried that why the project can't be executed on turnkey basis, for which M/s. Rockwell replied that they don't have qualified civil engineers to execute this part of this work. Other bidders have not expressed their views on this issue. The Purchase Committee decided that the civil works will be executed separately by an independent contractor (scope of NITT).
M/s. Lab tech Electronics Private Limited have enquired whether certificate issued by National Small Industries Corporation i.e.,	The Purchase Committee replied that valid NSIC certificate will be accepted for EMD exemption subject to the following: (1) The

<p>NSIC for exemption from Earnest Money Deposit will be accepted by NITT?</p>	<p>bidder should have been exempted by NSIC for the work intended under this open tender. (2) The Annual Turnover of the bidder should be within the limit prescribed in the NSIC certificate.</p>
<p>M/s. Rockwell Automation has enquired in respect of Earnest Money Deposit, whether a Bank Guarantee from a foreign bank is acceptable and is there any standard format for Bank Guarantee in lieu of EMD amount?</p>	<p>The Purchase Committee replied that it is acceptable provided that the issuing banker should furnish their E-Mail ID for verification of the Genuineness/ Veracity of the Bank Guarantee. Further The Purchase Committee agreed to provide NITT's format for Bank Guarantee in lieu of EMD amount.</p>
<p>The bidders expressed that the completion schedule of 120 days (i.e., Delivery Schedule) prescribed in the tender is practically unrealistic / unworkable and suggested that 9 months from the date of Design approval will be a feasible completion schedule.</p>	<p>Purchase Committee agreed with their suggestion but decided to amend the completion schedule as 250 days from the date of Design approval.</p>
<p>M/s. Rockwell requested for the breakup of the completion schedule with reference to various stages of completion.</p>	<p>Purchase Committee agreed to decide the same mutually with the successful bidder.</p>
<p>As regards Genuine Pricing, M/s. Rockwell expressed that it will be practically difficult to offer same price as that of similar projects executed for other IITs/ NITs/ Universities, in view of the time factor, fluctuations in foreign currency and inflation.</p>	<p>The Purchase Committee replied that (i) time factor (ii) fluctuations in foreign currency and (iii) inflation will be taken into consideration for ensuring reasonable pricing and what is reasonable escalation will be at the discretion of the Purchase Committee.</p>
<p>As regards Service Tax, M/s. Rockwell queried that whether NITT is exempted from service tax with reference to installation and commissioning of the machines under this project.</p>	<p>The Purchase Committee replied that educational auxiliary services are exempted from service tax and according to NITT's interpretation, it is eligible for service tax exemption for E&C under this project. Further The Purchase Committee agreed to give an undertaking to the effect that in case, if the successful bidder comes across any problem, during the course of their service tax assessment, NITT will undertake to pay the service tax.</p>
<p>As regards Sales Tax concession, M/s. Rockwell enquired whether NITT is eligible</p>	<p>The Purchase Committee clarified that sale of scientific equipment and instruments to the</p>

<p>for concessional rate of TN VAT and if so, whether there is any notification by the sales tax department in this regard.</p>	<p>educational institutions recognized in Tamil Nadu is eligible for concessional rate of 5% VAT and agreed to provide the notification in this regard to avail concessional rate of 5% VAT as against 14.5% VAT.</p>
<p>As regards payment terms, all the prospective bidders expressed their reservations/ difficulties and requested for relaxation.</p>	<p>After deliberations, the Purchase Committee, NITT agreed for milestone payment in the following manner: 5% on approval of the Design; 35% against inspection and approval of functioning of the system at the suppliers site; 40% against shipment of materials to NITT; 20% against successful installation, testing, Commissioning and Demonstration of the project at NITT.</p>
<p>As regards Warranty bidders expressed that 1 + 2 years is the standard warranty period.</p>	<p>NITT clarified that the bidders should quote for Five Years comprehensive warranty covering Labour service and cost of spares.</p>
<p>Bidders enquired that what should be the validity period of the Performance Bank Guarantee (PBG) and when should the PBG period commence?</p>	<p>The Purchase Committee replied that the bank Guarantee should cover the entire warranty period of five years and three months beyond the warranty period. The PBG period should commence from the date of successful commissioning of the project.</p>
<p>As regards LD clause, bidders requested that standard LD will be half percent and overall LD may not exceed 5% of the total contract value.</p>	<p>Purchase Committee, NITT concurred with the views of the bidders and this clause is accepted.</p>
<p>Black listing: Bidders enquired “in which paper should the non-black listing certificate” be furnished?</p>	<p>The Purchase Committee clarified that it may be furnished in Non-judicial paper.</p>
<p>As regards arbitration, M/s. Rockwell requested for panel of arbitrators as against sole arbitrators.</p>	<p>Purchase Committee, NITT after deliberations decided to reiterate sole arbitration. Hence, there is no change in the original tender stipulations as regards dispute resolution by the sole arbitrator appointed by the Director, NITT.</p>
<p>M/s. Rockwell expressed their reservations regarding the terms stipulated in the warranty certificate. However, they have not come out explicitly as to what is their reservation.</p>	<p>Purchase committee, NITT decided to retain the warranty certificate at the annexure 7 of the tender document, as it is.</p>
<p>As regards pre-qualification criteria at the</p>	<p>The Committee replied that the same was</p>

chapter 3 of the tender document, M/s.Vi Micro systems private limited enquired about the basis for pre-qualification criteria fixed by the NITT.	fixed as per the guidelines of the Central Vigilance Commission (CVC).
As regards Annual Turnover, the bidders enquired whether enclosure of the audited balance sheet suffice the Technical bid requirement.	The Purchase Committee replied that a separate statement duly certified by a Chartered Accountant along with photo copies of the balance sheet and profit loss account of the previous three financial years (2011-12, 2012-13 and 2013-14) will be required. In case, if the annual accounts of 2013-14 is yet to be finalized, then annual accounts of 2010-11 may be furnished.

At the end of the meeting, the Purchase Committee insisted that in respect of annexure 3 and annexure 4, the bidders may furnish as many details as possible, so as to judge their competence/ capabilities/ experience.

Enclosure: Specimen Bank Guarantee for Bid security (i.e. towards EMD Amount)

Initiating Faculty

Specimen Bank Guarantee towards Bid Security (i.e., Earnest Money Deposit)

BID BOND

Ref No.....

Bank Guarantee Number

Dated

To

**The Director,
National Institute of Technology, Tiruchirappalli-15**

Sir,

1. Whereas National Institute of Technology, Tiruchirappalli-15, a Central Statutory Autonomous Body functioning under the control of Ministry of Human Resources Development, Government of India and having its Engineering College at Thuvakkudi, Tiruchirappalli-15 (herein after referred to as NITT which expression shall unless repugnant to the context or meaning thereof include all its successors, administrators, executors and assignees) has floated a tender vide Tender reference number ----- dated ----- and M/s. -----(herein after called the BIDDER which expression shall unless repugnant to the context and meaning thereof mean and include all its successors, administrators, executors and permitted assignees) have submitted a Tender/ Bid document and the Bidder having agreed to furnish as a condition precedent for participation in the said tender an unconditional and irrevocable Bank Guarantee of Rupees ----- (in figures and words) for the due performance of the Bidder's obligations as contained in the terms of the Notice Inviting Tender (NIT) and other terms and conditions contained in the Bidding documents supplied by the NITT which amount is liable to be forfeited on the happening of any contingencies mentioned in said documents.
2. The obligations under the Subject Notice Inviting Tender, *inter alia*, includes the following:
 - i. If the Bidder withdraws his bid during the period of bid validity period specified by the Bidder on the bid form or
 - ii. If the Bidder, having been notified of the acceptance of his bid by the Purchaser (NITT) during the period of bid validity (a) fails or refuses to execute the contract, if required or (b) fails or refuses to furnish the Performance Security, in accordance with the instructions to the Bidder.
3. We (Name of the Bank)-----registered under the laws of -----having head/ registered office at ----- (hereinafter referred to as " the Bank" which expression shall, unless repugnant to the context or meaning thereof, include all its successors, administrators, executors and permitted assignees) guarantee and undertake to pay immediately on first demand by the NITT,

the amount of Rupees -----(in figures as well as words) in aggregate at any time without any demur and recourse, and without NITT having to substantiate the demand. Any such demand made by NITT shall be conclusive and binding on the Bank irrespective of any dispute or difference raised by the Bidder.

4. The Bank confirms that this guarantee has been issued with observance of appropriate laws of the country of issue.
5. The Bank also agree that this guarantee shall be irrevocable and governed and construed in accordance with Indian Laws and subject to exclusive jurisdiction of Indian Courts of the place from where tenders have been invited.
6. The Guarantee shall be irrevocable and shall remain in force upto -----which includes thirty days after the period of bid validity and any demand in respect thereof should reach the Bank not later than the aforesaid date.
7. Notwithstanding anything contained hereinabove, our liability under this Guarantee is limited to Rs..... (in figures as well as in words) and our guarantee shall remain in force until (indicate the date of expiry of bank guarantee)
8. Any Claim under this Guarantee must be received by us before the expiry date of this Bank Guarantee. In no such claim has been received by us by the said date, the rights of the NITT under this Guarantee will cease. However, if such a claim has been received by us by the said date, all the rights of NITT under this Guarantee shall be valid and shall not cease until we have satisfied that claim.
9. In witness whereof, the Bank, through its authorized officer, has set its hand and stamp on this -----day of -----at -----

WITNESS 1

(Signature)
Name and Official address
(in legible letters)

(Signature)
Full Name, designation
and official address
(in legible letters) with
Bank Stamp

WITNESS 2

(Signature)
Name and Official address
(in legible letters)