
STANDARD BIDDING DOCUMENT

Procurement of Goods and Services



**Dzongkhag Administration
LHUMENTSE**

Preface

This Standard Bidding Document for the Procurement of Goods has been prepared by the Public Procurement Policy Division (PPPD), Ministry of Finance to be used for the Procurement of Goods through National Competitive Bidding in projects that are financed in whole or in part by the Royal Government of Bhutan (RGoB). It should be used in conjunction with the Procurement Rules and Regulations.

The instructions in italics and footnotes provided are for guidance and are not part of the document therefore it should be removed while preparing the bid document.

Those wishing to submit comments or questions on this Bidding Document or to obtain additional information on procurement can contact:

Dzongkhag Administration
Lhuentse: Bhutan
Telephone No# +975-4-545222/17477902
Email ID; wnorbu@lhuentse.gov.bt

**Request for Quotation: Package Identification- Supply of Machinery and Equipment
Hiring for the Fiscal Year 2023-2024**

Procuring Agency:

**DZONGKHAG ADMINISTRATION
LHUMENTSE**

6th September

2023

Invitation for Quotation (IFO)Project title: Machinery and Equipment **hiring for the FY 2023-2024.**Source of Funding: **Royal Government of Bhutan (RGoB)**

Dear Sir/Madam,

1. You are invited to submit your priced bid for the:
Machinery and Equipment Hiring for the fiscal year 2023-2024 on a framework contract basis (*Information on items are attached separately*)
2. The bidder(s) must quote for **all the items** under this invitation. Price quotations will be **evaluated as per the evaluation criteria furnished below.**
 - a) The bid will be evaluated items-wise
 - b) The contract will be awarded to the best-evaluated bidders if the successful bidder submits all required documents.
 - c) The committee might reject the bid if the bidder has quoted abnormally high.
3. The bidder(s) shall submit one original of the priced quotation with the Form of Bid and clearly marked **ORIGINAL**. In addition, the bidder(s) should also submit one copy marked as **COPY**. The bids shall be delivered in sealed envelopes to the appropriate addressee and shall be marked “Confidential”. A “sealed envelope” shall mean that:
 - i. A bid shall be contained in an inner envelope sealed with adhesive or other sealant, which will prevent re-opening;
 - ii. The inner envelope shall be signed across the seal. The name of the bidder shall be written on the inner envelope.
 - iii. The inner envelope shall be placed inside a further outer envelope similarly sealed. On this outer envelope, only the addressee, the word “Confidential”, and any other relevant information in accordance with the bidding documents shall appear.
 - iv. Your quotation in the required format should be addressed and submitted to:

**Chairperson
Dzongkhag Tender Committee
Lhuentse**

5. The deadline for receipt of your quotation(s) by the purchaser at the indicated address is **12th September 2023, on or before 10:00 AM (Bhutan Time), and will be opened on the same date at 10:30 AM (Bhutan Time) at Dasho Dzongrab Chamber.**
6. The bid shall be accompanied by a lump sum bid security of **Nu. 30,000.00 (Ngultrum: Thirty Thousand) only** in the form of an Unconditional Guarantee issued by a reputed financial institution or Cash Warrant or Demand Draft Account Payee addressing **Chairman, Dzongkhag Tender Committee, Dzongkhag Administration, Lhuentse** for a validity period of **60** days. Any bid not accompanied by bid security shall be treated as non-responsive to the Invitation for Quotation and will be rejected without seeking further explanation.
7. Quotation by fax or by electronic means **is not** acceptable.
8. **Bidders have to fill up the Price Schedule Forms in the original sheet provided by the Dzongkhag Administration without using extra forms or sheets.**
9. The quotation should be submitted as per the following instructions and in accordance with the attached Contract. The attached Terms and Conditions of Supply are an integral part of the Contract.
 - a) **PRICE:** All prices shall be quoted in **Ngultrum**. The quoted price shall be inclusive of all related costs including taxes, duties, and other levies until the end of the contract period.
 - b) **EVALUATION OF QUOTATION:** Offers determined to be substantially responsive to the technical specifications will be evaluated by comparison of their quoted prices. In evaluating the quotations, the purchaser will determine for each quotation the evaluated price by adjusting the price quotation by making any correction for any arithmetical errors as follows;
 - (iii) Where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
 - (ii) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as

quoted shall govern unless in the opinion of the Employer, there is an obvious gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted shall govern, and the unit rate shall be corrected.

(iii) If the supplier refuses to accept the correction, this quotation will be rejected and the bid security shall be forfeited.

c) **AWARD OF PURCHASE ORDER:** The award will be made to the bidder who is offering the lowest evaluated price that meets the specifications. The successful bidder will sign a contract as per the attached form of contract and terms and conditions of supply.

d) **VALIDITY OF THE OFFERS:** Your quotation(s) shall be valid for a period till 30 September 2024 from the deadline for receipt of quotation(s).

10. Further information can be obtained from: the **Dzongkhag Procurement Office, Dzongkhag Administration, Lhuentse.**
11. The quotation(s) will be opened in the presence of bidders or their representatives who choose to attend at the specified venue and time. The **Power of Attorney** letter shall be asked if representatives other than the legal owner attend the bid opening.
12. The Purchaser is not bound to accept the lowest bid and reserves the right to accept or reject any or all the bids without assigning any reason whatsoever.
13. The bidder whose bid is accepted will be notified of the award of a contract by the purchaser prior to the expiration of the bid validity period. The terms of the accepted offer shall be incorporated in the supply order.
14. The successful bidder has to deposit the sum amount of **Nu. 150,000.00 (Ngultrum: One Lakh Fifty Thousand) only during the contract signing and** shall be retained as a security deposit with the Dzongkhag Administration and paid at the end of the contract period. The validity of the Performance security/security deposit should be one year.

Schedule of Items and Priced Quotation (bid form)

Bidders have to fill up the Bid Forms in the original provided by the Dzongkhag Procurement Office without using extra forms or sheets.

PRICE SCHEDULE

Si.No	Type of Machines/Vehicle	Description	Rate (Nu)
1	Excavator PC 200 and above with both rock breaker and soil bucket, complete.	Rate per hour	
2	Excavator PC140 and above with both rock breaker and soil bucket, complete	Rate per hour	
3	Backhoe machine	Rate per hour	
4	Compressor with Jackhammer, Drill rod& and drilled set.	Rate per hour	
5	Tripper truck	Rate per hour	
6	Road roller	Rate per hour	
7	10-wheeler truck for transporting, Excavator	Rate per hour	
8	Concrete mixer machine	Rate per hour	
9	Tripper truck	Rate per day	
10	10-wheeler truck for transporting Excavator	Rate per day	
11	Concrete mixer machine	Rate per day	
12	Excavator PC 200 and above with both rock breaker and soil bucket, complete	Machinery and operation by bidders and fuelling by beneficiaries) Rate per hour.	
13	Excavator PC 140 and above with rock breaker and soil bucket, complete.	Machinery and operation by bidders and fuelling by beneficiaries) Rate per day.	

Contract Duration	<i>Till 30th September 2024 from the date of contact signing agreement</i>
Warranty ProvidedN/A.....

Signature of Supplier/Contractor	Supplier's Official Stamp
Name of Supplier/Contractor	
Date	

Specification of the Services Required

Sl	Item	Specifications
1	Machinery and Equipment Hiring on framework contract basis for the year 2023-2024	1. Refer to Terms & Conditions and Scope of Services of the Machinery and Equipment Hiring for FY 2023-2024

Documents required to be submitted as part of the Quotation

The original and *copy (ies)* of the quotation submitted by the supplier shall comprise the following:

- (a) A duly completed and signed priced quotation as per the Schedule of Items and the Priced Quotation (**Item Form**);
- (b) A copy of a valid Hiring License; (**location should be within Lhuentse in the Trade license.**
- (c) A copy of a valid Tax Clearance Certificate;
- (d) The Original Bid security (**sum of Nu. 30,000 (Thirty Thousand Only)**)
- (e) Bidders should submit a Bluebook copy of the following machinery and equipment.
 1. *Excavator PC 200 and above (Model 2011 and above)*
 2. *Excavator PC 140 and above (Model 2011 and above)*
 3. *Backhoe Machine (Model 2011 and above)*
 4. *Tripper truck (Model 2015 and above)*
 5. *10-wheeler truck for transporting, Excavator (Model 2011 and above).*

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- (f) Power of attorney letter if the bid is signed other than the proprietor himself/herself to ensure the legality of the bidding process.
 - (g) Any other requirements specified in this document

Scopes of Services

The scope of service hereinafter may only be varied with the written agreement of the procuring agency and no terms and conditions put forward at any time by the service provider shall form any part of the Contract.

1. The service provider shall be required to submit a lump sum performance security sum of **Nu.150,000.00 (One Lakh Fifty Thousand Only)** in the form of a cash warrant, demand draft, or unconditional Bank Guarantee issued by a financial institution located in Bhutan, which shall be furnished upon signing the contract. The performance security shall be valid till the end of the contract period and will be returned after the end of the contract period. The performance security form is included in Form 3.
2. The service provider shall not have the right to revise any rates that are offered in the bid without the prior approval of the procuring agency during the contract period.
3. The Procuring Agency reserves the right to monitor the rates regularly.
4. The quoted rate of the service provider is applicable only with the movement authorization approved by the Procuring Agency or with due permission from officials on duty.
5. The quoted rate shall be inclusive of loading and unloading charges
6. The service provider should strictly adhere to the timely delivery of the services and the staff members of the service provider shall maintain proper dress code whenever on duty.
7. The service provider must be responsible and ensure the vehicle given for hire is always in good condition.
8. The required number of staff shall be deployed to deliver the services efficiently.
9. The service provider must ensure that the designated machines or equipment is able to produce a valid license and relevant documents at all times of the hiring period.
10. Sub-letting of Contract/License directly or indirectly is not permissible and may result in premature termination of the contract or imposition of penalty, including forfeiture of performance security.
11. The procuring agency may place a work order from another service provider if the successful service provider fails to provide the required service within the stipulated time and realizes the difference between the quoted price & and market price from the performance security.
12. Payment of the Invoice shall be made by the Procuring Agency, within fifteen days **(15) days upon submission of the original Invoice** and TPN number, against the actual service provided as and when required.
13. The service provider shall be liable to pay the applicable TDS for all the services provided to the Procuring agency.
14. The procuring agency may, by written notice, terminate the Contract in whole or in part at any time for its convenience:
 - a. If the service provider fails to perform any other Scope of services/any other obligation specified in the contract.

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- b. if the service provider fails to perform any other obligation(s) under the contract, or
 - c. if the Service provider does not take any remedial action within a period of (7) seven calendar days after receipt of a notice of default from the procuring agency specifying the nature of the default(s), or
 - d. if the service provider, in the judgment of the Procuring agency, has engaged in any corrupt or fraudulent practices in competing for or in executing the tasks under this Purchase Order; and
15. If the service provider intends to terminate the contract before the term of expiry of the contract, the Procuring Agency should be notified in writing, at least three months in advance for necessary action as deemed appropriate by the Procuring Agency. Failure to notify as required shall result in forfeiture of performance security.
16. After termination of the existing contract, the procuring agency may decide to:
- a. Award to the next lowest service provider
 - b. Retender
 - c. Directly contract award
17. If no bid is received by the procuring agency or the bid received is abnormally high/abnormally low compared to the market price, the agency may decide to cancel the award and proceed as per the clauses of PRR.
18. If the service provider fails to deliver the required services as per the scope of the services, within the period specified in the Contract, the Procuring agency may, without prejudice to all its other remedies under the Contract, deduct from the running bill, as liquidated damages, a sum equivalent to 0.05% (per day) of the value of the purchase order of the delayed service until actual delivery or performance, up to a maximum of 10%. Once the maximum is reached, the Procuring agency may terminate the Contract.

TERMS AND CONDITIONS FOR HIRING MACHINERY AND EQUIPMENT.

The Terms and Conditions hereinafter may only be varied with the written agreement of the Purchaser and no terms and conditions put forward at any time by the Supplier shall form any part of the Contract.

1. The hiring of machinery and equipment shall be completed within said days from the date of issue of the Work Order,
2. Failure to deploy the machinery within 10 days of issuance of the work order irrespective of work volume. This shall lead to imposing the 0.05% LD for 30 working days however if the hiring agency fails to deploy the machinery and equipment within 30 days the bidder shall lead forfeiture of the EMD (PS) and the firm shall be debarred from participating in the contract for the period of two years in Lhuentse Dzongkhag.
3. Payment of the Invoice shall be arranged by the Purchaser, upon submission of the original Invoice and TPN number, against each performance of the activities.
4. The quoted price shall include all taxes, duties, insurance, and any other costs involved and nothing extra shall be paid.
5. The supplier shall pay liquidated damages at the rate of 0.05% per day for each day of delay to a maximum of 10% of the bill amount. (LD shall impose after the 10 working days)

6. If the progress of the work is held up due to the breakdown of machines for more than 10 days, the liquidity damage equivalent to the quotation rate per day as submitted by the firm shall be deducted from the bill from the eleventh day of the breakdown of the machines.

7. The Purchaser may, by written notice, terminate the Purchase Order (or Contract if applicable) in whole or in part at any time for its convenience:

- a. If the Bidder fails to perform any other Terms and conditions specified with the work order, or exceeds the maximum amount of liquidated damages.
- b. If the Bidder fails to perform any other obligation(s) under the Work Order, or
- c. If the Bidder does not take any remedial action within a period of (7) seven calendar days after receipt of a notice of default from the Purchaser specifying the nature of the default(s), or
- d. If the Supplier, in the judgment of the Purchaser, has engaged in any corrupt or fraudulent practices in competing for or in executing the tasks under this Work Order.

8. The security deposit shall be used to cover the cost of supplies and defective works.

9. The Procuring Agency may place a work order from the open market in case the supplier fails to provide services within the stipulated time and realizes the difference amount between the quoted price & and market price from the security deposit.

10. The required types of machinery & and equipment should be deputed as and when required as per the work order. The verbal and written reminders shall be given by the Dzongkhag Administration on the failure of any obligation by the supplier. The Dzongkhag Administration will use discretion power to terminate and forfeit the performance security.

11. The Procuring Agency shall not entertain halt charges in case of breakdown of the transportation vehicle or roadblock during the time of transporting the machinery and equipment at the work site.

12. The quoted rate shall be inclusive of Loading and Unloading charges along with the arrangement of own transportation vehicle till at site (mentioned site location as per the work order).

13. The bidder should bear their own fueling or any lubricants expenditure incurred during the time of hiring period.

14. The bidder should be responsible and insured the machine or equipment given for hire is always in good condition.

15. The bidder must ensure that the driver concerned must carry all the valid licenses and documents at the time of the hiring period.

16. The bidder must bear their own maintenance cost during the time of hiring period.

17. The bidder must ensure to keep their machine or equipment in excellent condition.

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18. Morning 8:00 am to 5:00 pm, if the procuring agency hired the vehicle and equipment for a day.
19. Evaluation of Bids shall be item-wise.

Contract Agreement

[The successful Bidder shall fill in this form in accordance with the instructions indicated]

THIS CONTRACT AGREEMENT made the *[insert number]* day of *[insert month]*, *[insert year]*,

BETWEEN

- (1) Dzongkhag Administration, Lhuentse, a Government of Bhutan, and having its principal place of business at Lhuentse (hereinafter called “the Purchaser”), and
- (2) *[insert name of Supplier.....]*, a corporation incorporated under the laws of *[insert: country of Supplier.....]* and having its principal place of business at *[insert: address of Supplier.....]* (hereinafter called “the Supplier”).

WHEREAS the Purchaser invited Bids for certain Goods and ancillary services, viz., *[insert brief description of Goods and Services.....]* and has accepted a Bid by the Supplier for the supply of those Goods and Services in the sum of *[insert Contract Price in words and figures, expressed in the Contract currency/ies]* (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall constitute the Contract between the Purchaser and the Supplier, and each shall be read and construed as an integral part of the Contract, viz.:
 - (a) This Contract Agreement;
 - (b) Terms and Conditions;
 - (c) Technical Requirements (including Schedule of Supply and Technical Specifications); (**List of items**)
 - (e) The Original Supplier’s Bid Bid security
 - (f) The Purchaser’s Notification of Award of Contract;
 - (g) The form of Performance Security;
 - (h) *[insert here any other document(s) forming part of the Contract]*
3. This Contract shall prevail over all other Contract documents. In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.

4. 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 Goods and Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

5. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Related 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.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Bhutan on the day, month and year indicated above.

For and on behalf of the Purchaser

Signed:.....
in the capacity of.....

in the presence of
in the capacity of.....

For and on behalf of the Supplier

Signed:
in the capacity of.....

in the presence of
Witness.....

Bid Security (Bank Guarantee)

[The Bank shall fill in this Bank Guarantee Form in accordance with the instructions indicated.]

[insert Bank's Name, and Address of Issuing Branch or Office]

Beneficiary: _____ *[Name and Address of Purchaser]*

Date: _____

BID GUARANTEE No.: _____

We have been informed that *[insert name of the Bidder]* (hereinafter called "the Bidder") has submitted to you its Bid dated (hereinafter called "the Bid") for the execution of *[insert name of Contract]* under Invitation for Bids No. *[insert IFB number]* ("the IFB").

Furthermore, we understand that, according to your conditions, Bids must be supported by a Bid Guarantee.

At the request of the Bidder, we *[insert name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* (*[insert amount in words]*) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the Bid conditions, because the Bidder:

- (a) has withdrawn its Bid during the period of Bid validity specified by the Bidder in the Form of Bid; or
- (b) having been notified of the acceptance of its Bid by the Purchaser during the period of Bid validity, (i) fails or refuses to execute the Contract Form; or (ii) fails or refuses to furnish the Performance Security, if required, in accordance with the Instructions to Bidders.

This guarantee will expire: (a) if the Bidder is the successful Bidder, upon our receipt of copies of the contract signed by the Bidder and the Performance Security issued to you upon the instruction of the Bidder; or (b) if the Bidder is not the successful Bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder of the name of the successful Bidder; or (ii) twenty-eight days after the expiration of the Bidder's Bid.

Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

[signature(s)]

Performance Security

[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated]

Date: *[insert date (as day, month, and year) of Bid submission]*

IFB No. and title: *[insert no. and title of bidding process]*

Bank's Branch or Office: *[insert complete name of Guarantor]*

Beneficiary: *[insert complete name of Purchaser]*

PERFORMANCE GUARANTEE No.: *[insert Performance Guarantee number]*

We have been informed that *[insert complete name of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert day and month]*, *[insert year]* with you, for the supply of *[description of Goods and related Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a Performance Guarantee is required.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum(s) not exceeding *[insert amount(s)]¹ in figures and words* upon receipt by us of your first demand in writing declaring the Supplier to be in default under the Contract, without cavil or argument, or you needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This Guarantee shall expire no later than the *[insert number]* day of *[insert month]* *[insert year]*,² and any demand for payment under it must be received by us at this office on or before that date. We agree to a one-time extension of this Guarantee for a period not to exceed *[six months]* *[one year]*, in response to the Purchaser's written request for such extension, such request to be presented to us before the expiry of the Guarantee.

[signatures of authorized representatives of the bank and the Supplier]