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STANDARD BIDDING DOCUMENT

# Procurement of Goods

(For value up to Nu. 0.25 million)



**Royal Government of Bhutan**  
**Ministry of Finance**

**March 2011**

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## **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:

Public Procurement Policy Division

Ministry of Finance

Royal Government of Bhutan

[pppd@mof.gov.bt](mailto:pppd@mof.gov.bt)

Telephone no. 00975 2 336962, fax no. 336961

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## Request for Quotation for vehicle Hiring

### *[Vehicle Hiring (Machineries)]*

#### LIST OF MACHINERIES for FISICAL YEAR 2019-2020 (Quotation).

Sl.#	Particulars	Unit	Rates in Figure(Nu.)	Rates in Words(Nu.)
1	Excavator with Breaker	Per hour		
2	Excavator without Breaker	Per hour		
3	Backhoe Loader/ JCB	Per hour		
4	Tipper Truck	Per hour		
5	Air Compressor with 2 Jack hammers	Per hour		
6	Concrete Mixer- Electricity Operated	Per hour		
7	Concrete Mixer- fuel Operated	Per hour		
8	Roller With vibrator	Per hour		
9	Roller Without vibrator	Per hour		

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*[Purchaser to use normal Letter Headed format]*

Date:

**Invitation for Quotation (IFQ)**

Project title: Hiring of Machineries

Source of Funding: Dzongkhag Administration (RGoB)

Contract Ref:

To:

\_\_\_\_\_  
\_\_\_\_\_

Dear Sir/Madam,

1. You are invited to submit your priced bid for the supply of the following items;
  - i) Hiring of Machineries by Dzongkhag Administration.
  
2. The bidder(s) may quote for any or all items under this invitation<sup>1</sup>. Each item shall be evaluated and contract awarded separately to the firm(s) offering the lowest evaluated price for each item
  
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 quotation including all documents in the attached format should be sealed in an envelope as required by PRR 2009 clause 5.1.7.2 and addressed to and delivered at the following address.

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<sup>1</sup> The procuring agency shall specify the evaluation criteria and should use appropriately. It should be clarified that whether the evaluation will be done item wise or as whole package.

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**The Chairman,  
Dzongkhag Tender Committee,  
Pemagatshel.**

4. The deadline for receipt of your quotation(s) by the purchaser at the indicated address is *5<sup>th</sup> August 2019 before 10:00 AM* to Dzongkhag Procurement Section and will be opened same day at *10.30 AM BST on 5<sup>th</sup> August 2019* in DYT hall
5. The bid shall be accompanied by a bid security of Nu. Nu; 25,000. (Twenty five Thousand) only in the form of cash warrant, demand draft or unconditional Bank Guarantee valid till 24<sup>nd</sup>.9. 2019. Any bid not accompanied by bid security shall be treated as non-responsive.
6. Quotation by fax or by electronic means (**are not**) acceptable
7. The quotation should be submitted as per the following instructions and in accordance with the attached Contract. The attached Terms and Conditions of Supply is 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 to the final place of delivery. The final place of delivery is as per the work order.
  - 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 priced quotation by making any correction for any arithmetical errors as follows;
    - (i) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
    - (ii) where there is 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 obviously gross misplacement of the decimal point in the

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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 attached form of contract and terms and conditions of supply.

d) VALIDITY OF THE OFFERS: your quotation(s) shall be valid for a period of **one year from** the deadline for receipt of quotation(s).

8. Further information can be obtained from: ***Dzongkhag Procurement section***
9. The ***Dzongkhag administration*** has a budget allocation for the hiring of vehicle and wishes to apply some of that allocation for the hiring for which this Request for Quotation is issued.
10. Depending on the final requirement, the purchaser may increase or decrease the quantities by fifteen percent (15%) of the purchase order.
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.
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 contract by the Purchaser prior to expiration of the quotation validity period. The terms of the accepted offer shall be incorporated in the work order.

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## **Documents required to be submitted as part of the Quotation**

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

- (a) A duly completed and signed priced quotation as per the Schedule.
- (b) A valid Trade License for Transportation.
- (c) A valid Tax Clearance Certificate;
- (d) The required bid security.

## **Terms and Conditions for the hiring of Machineries.**

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 Supplier shall be required to submit a performance security of Nu; 30,000 (thirty thousand only) form of cash warrant, demand draft or unconditional Bank Guarantee issued by a financial institution located in Bhutan, which shall be furnished upon signing the contract. Performance security shall be valid till the end of warranty period and will be returned after the end of warranty period.
2. The hiring of Machine shall be completed within *said* days from the date of issue of the work Order,
3. Payment of the Invoice shall be arranged by the Purchaser, upon submission of 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 0.01% per day for each day of delay to a maximum of 10% of the quoted price.
6. 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:

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a. if the Supplier fails to perform any other Terms and conditions specified with the Purchase Order or exceeds the maximum amount of liquidated damages.

b. if the Supplier fails to perform any other obligation(s) under the Purchase Order, or

c. if the Supplier 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 Purchase Order; and

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

8. The purchaser may place work order from the open market in case the supplier fails to provide service (Transportation) within the stipulated time and realize the difference amount between the quoted price & market price from the security deposit.

9. The required hiring machine should be deputed as and when required as per the work order.

10. The Procuring Agency shall not entertain halt charge in any means and shall not bear any carrying charges till destination of those excavators, back hoe etc

11. The bidder shall take care of road blocks and strikes besides procuring agency. The bidders will not be paid for halt charges in any cases.

12. The quoted rate of the bidder is applicable for one way only from the station in which items or passenger is need to be lifted and dropped. The dual ways are only applicable if the respective procurement agency

13. The quoted rate shall be inclusive of Loading and unloading charges.

14. The bidder (Transporter) shall be responsible for any losses or misplacement of goods during the time of transit.

15. The bidder should be responsible and insure the any machines given for hire is always in good condition. +

16. The bidder should insure that driver concern should carry all the valid licenses and document at the time of hiring period.



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## 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) *[insert complete name of Purchaser]*, a *[insert description of type of legal entity, for example, an agency of the Ministry of .... of the Government of Bhutan, or corporation incorporated under the laws of Bhutan]* and having its principal place of business at *[insert address of Purchaser]* (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”).

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**NOW THIS AGREEMENT WITNESS 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);
- (e) The Supplier's Bid and original Price Schedules;
- (f) The Purchaser's Notification of Award of Contract;
- (g) The form of Performance Security;
- (h) The form of Bank Guarantee for Advance Payment;
- (i) *[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.

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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: *[insert signature]*

in the capacity of *[insert title or other appropriate designation]*

in the presence of *[insert signature]*

*[insert identification of official witness]*

For and on behalf of the Supplier

Signed: *[insert signature of authorized representative(s) of the Supplier]*

in the capacity of *[insert title or other appropriate designation]*

in the presence of *[insert signature]*

*[insert identification of official witness]*

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## 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)<sup>2</sup> 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.

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<sup>2</sup> *The Bank shall insert the amount(s) specified in the SCC and denominated, as specified in the SCC, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Purchaser.*

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This Guarantee shall expire no later than the *[insert number]* day of *[insert month]* *[insert year]*,<sup>3</sup> 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]*

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<sup>3</sup> *Date established in accordance with Clause 19.4 of the General Conditions of Contract ("GCC"). The Purchaser should note that in the event of an extension of the time to perform the Contract, the Purchaser would need to request an extension of this Guarantee from the Bank. Such request must be in writing and must be made prior to the expiration date established in the Guarantee.*

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## Bank Guarantee for Advance Payment

*[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 number and title of bidding process]*

*[bank's letterhead]*

**Beneficiary:** *[insert legal name and address of Purchaser]*

**ADVANCE PAYMENT GUARANTEE No.:** *[insert Advance Payment Guarantee no.]*

We, *[insert legal name and address of bank]*, have been informed that *[insert complete name and address of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert date of Contract]* with you, for the supply of *[insert types of Goods to be delivered]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment is to be made against an advance payment guarantee.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount(s) in figures and words]* upon receipt by us of your first demand in writing declaring that the Supplier is in breach of its obligation under the Contract because the Supplier used the advance payment for purposes other than toward delivery of the Goods.

It is a condition for any claim and payment under this Guarantee to be made that the advance payment referred to above must have been received by the Supplier in its account *[insert number and domicile of the account]*

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This Guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until *[insert date<sup>4</sup>]*. 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.

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*[signature(s) of authorized representative(s) of the bank]*

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<sup>4</sup> *Insert the Delivery date stipulated in the Contract Delivery Schedule. The Purchaser should note that in the event of an extension of the time to perform the Contract, the Purchaser would need to request an extension of this Guarantee from the bank. Such request must be in writing and must be made prior to the expiration date established in the Guarantee*