

MISHRA DHATU NIGAM LIMITED

A Govt of India Enterprise

P. O Kanchanbagh, Hyderabad – 500058, Telangana, India.

Corporate Identity Number : U14292AP1973GOI001660

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e Mail ID: rakesh@midhani-india.in, website: www.midhani.com

Invites

REQUEST FOR QUOTATION

**FOR SELECTION OF PARTNER FOR OPERATING, MANUFACTURING &
MAINTAINING**

SPRING MANUFACTURING UNIT

AND MARKETING OF HOT COILED HELICAL COMPRESSION SPRINGS

Ref: MDN/PUR/RFQ/2019-20/1

Receipt of Quotations or before	25/10/2019 at 10:30 Hr
Opening of Quotations	25/10/2019 at 10:35 Hr

Note:

- Detailed Specifications for submitting Quotations are attached herewith.
- All Bidders need to submit the Documents as listed in a Sealed Cover with Title as “Quotation for Operating & Maintaining Spring Manufacturing Unit, Due on_25/10/2019” on or before 25/10/2019 at 10:30 Hrs to :
AGM (I/C PURCHASE)
MISHRA DHATU NIGAM LIMITED
PO: KANCHANBAGH
HYDERABAD – 500 058
TELANGANA
- Any Corrigendum to the Tender shall be published in MIDHANI website only.
SPRING MANUFACTURING UNIT

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1. INTRODUCTION

Mishra Dhatu Nigam Limited (MIDHANI) is a Public Sector Enterprise under Ministry of Defence and is located in Hyderabad, Telangana, India. It has wide facilities for manufacturing armoured steel, low alloy steels, high alloy steels, special steels, stainless steels, super alloys, titanium & titanium alloys in various forms and sizes. MIDHANI is catering to the requirements of various sectors for the above indigenously developed material. For more information, it can be looked on www.midhani.com.

MIDHANI has set up a new Spring Manufacturing Unit inside its premises at Hyderabad. This unit is equipped with most modern Hot Coiling machine, End Heating Furnace, Walking Beam Furnace and the Tempering Furnace. The unit has the capacity to produce about 60,000 Nos of Springs per year to meet the growing demands of Indian Railways, the upcoming Metro Trains at various cities. Apart from these, the other industry which can be tapped is the earth moving machinery.

2. SCOPE OF PARTNERSHIP

MIDHANI desires to identify suitable Business Partner for MANUFACTURE AND MARKET HELICAL, HOT COILED COMPRESSION SPRINGS. The potential partner need to have adequate experience / exposure to undertake the responsibilities of procuring the raw material, manufacture and supply the springs and also identify the customers to expand the business.

- a. The business partner shall have experience in manufacture of the helical compression springs OR shall be a manufacturer of the hot rolled bars (supplied in annealed, peeled and straightened condition), for manufacturing these springs and shall also be an approved vendor of the Indian Railways.
- b. Work with MIDHANI to explore the market and interact with the customers for manufacture and supply of springs and also maintain good customer relations.
- c. Work with MIDHANI to develop new materials for the manufacture of Springs

The Spring manufacturing facilities set up by MIDHANI are mainly aimed to meet the requirements of Indian Railways. The facilities set up enable manufacture of Springs suitable right from CASNUB bogies of railway wagons upto springs for FIAT bogies of LHB coaches. Apart from these, the production facilities would be capable of manufacturing springs to various other customers manufacturing suspension systems for Road and Rail bound vehicles. The scope of market can extend to international markets also.

Hence quotations are invited through this Tender from reputed parties who are interested in working with MIDHANI.

3. DETAILS OF THE PRODUCT

3.1 Input Details:

Grade	Condition	Diameter	Length
60 Si7	Hot Rolled & Straightened	15 mm to	1500 mm to
52 Cr4 Mo2V		70 mm	9000 mm

3.2 Product Mix:

Helical Compression springs in various Coil diameters and free height to suit to the requirements of Customers, mainly the Railway Wagon and Coach manufacturers. The Free height can vary from 150 mm to 750 mm.

Annual Production 60,000 Nos of springs
Average Coiling 30 Springs per hour.

3.3 Specifications of a few Compression Springs

Spring Rod Diameters (in mm)	26	34	38	40	50	56
O D of Spring (in mm)	164	280	257	259	418	429
Free Height of the Coil (in mm)	325	663	325	337	707	708

4.0 FACILITIES AVAILABLE:

4.1 End Heating Furnace Working Temp. 960 deg C
Inner Dimensions 4200 (L) x 750 (H) x 1500 (W)
Charge Load 10 to 70 mm dia, 1.5 to 10 mtr length

4.2 Taper Rolling Machine

4.3 Walking Beam Furnace Working Temp. 960 deg C
Capacity 6 Tons (Ref: 60 rods of 40 mm dia)

4.4 Hot Coiling Machine Capacity 10 to 70 mm dia rod
Coil free length 150 to 750 mm

4.5 Quenching Unit

4.6 Tempering Furnace Working Temp. 400 to 500 deg C
Capacity 24 Nos per batch (500 OD x 750 L)
Charge Load 4 tons

4.7 Scragging Machine

4.8 End Grinding Machine

4.9 Testing Machine

4.10 EOT cranes (3T and 5T)

4.11 Any other facility / equipment considered necessary by the partner shall be arranged by the partner at his cost and shall be free to take back the facility / equipment at the end of Contract period.

COMMON FACILITIES:

1. Shot Blasting machine is available in Hot Rolling Mills area, which can be used for Springs on chargeable basis.
2. Fuel (LPG) pipelines shall be provided and shall be at actual basis.
3. Electrical system including substation & Power distribution network and illumination.
4. Water Supply
5. Compressed air

5 SCOPE OF WORK FOR THE PARTNER

1. MIDHANI intends to provide the facilities "Spring Manufacturing Unit" for a period of 5 years. The scope of the work of the partner shall include the complete operation and maintenance of the facilities, manufacture and marketing of the compression springs..
2. The partner shall be required to operate and maintain the Facilities in accordance with Standard Operating Practices, within the Specifications and Battery Limits, as per the Quality Assurance Plan.
3. The partner shall engage its own personnel / employees for operating and maintaining the Facilities. The personnel / employees or workers engaged by the partner for operating and maintaining the Facilities shall in no way be construed as an employee of MIDHANI.
4. If any plant or equipment of the Facilities is damaged or rendered unserviceable due to the reasons directly attributable to the partner, the total cost incurred on repair/ restoration of the same shall be borne by the Partner. All the equipments of the Spring Manufacturing Unit will be handed over to the partner in good condition which shall be handed over back to MIDHANI in good running condition at the end of the agreement period
5. Comprehensive insurance of the facilities to cover all risk & losses will be done by the partner with beneficiary being MIDHANI.
6. The premises can be used only for the production of Hot Coiled Compression springs.
7. The partner has to operate the plant within the technical and environmental parameters and Standard Operating Procedures.
8. The partner will be responsible for procurement of input material i.e. Hot Rolled Bars in Straightened and Peeled condition, Quenching Oil, consumables, Cartons for Packing, Tools and Tackles and spare parts etc. required for the smooth operation of the plant and the cost of the same will be borne by the partner.
9. The partner shall carry out necessary maintenance jobs including preventive Maintenance to ensure maximum availability of the equipment. The cost of the spares incurred during maintenance of the equipment shall be borne by the partner.
10. The partner will be responsible for the sale of all finished products along with the process scrap generated from the facilities. The prices shall be decided on mutual agreement.
11. Partner is not allowed to sublet the facilities to any other firm / organization.

6 **MIDHANI and PARTNER shall**

1. Jointly participate in submitting quotations against the Tenders.
2. Conduct market survey for requirement of Hot coiled springs to increase the market share
3. Raw material shall be procured by the partner in consultation with MIDHANI. The procurement costs shall be borne by the partner. For all the supplies to be made to Indian Railways, the input material shall be procured from RDSO approved sources only.
4. In the event that MIDHANI will bag orders for manufacture and supply of compression springs, the modalities of pricing the raw materials (input hot rolled and straightened bars) and price of finished material shall be worked out on mutually agreeable basis. The final issue of Test Certificates, Delivery Challan and invoicing shall be done by MIDHANI.

7 **MIDHANI's OBLIGATION**

- 7.1 After commissioning of the Facilities, MIDHANI shall hand over the Site along with the Facilities to the partner for its operation and maintenance.
- 7.2 The weighing system for weightment of input and output materials is provided within the plant premises.
- 7.3 Power, LPG, cooling water and compressed air for operation of the Facilities shall be provided by MIDHANI on chargeable basis.
- 7.4 Charges on account of Power shall be determined on the basis of meters installed at the Site.
- 7.5 A set of engineering drawings necessary for operation and maintenance of the Facilities shall be maintained by MIDHANI at its Site office which shall be referred to by the partner during operation & maintenance as & when required.
- 7.6 MIDHANI may keep its staff as necessary at Site for co-ordination and shall have un-hindered right to visit / inspect the premises.
- 7.7 The partner shall inform MIDHANI about production plan so as to provide the utilities.
- 7.8 **Minimum period of the contract / agreement will be for 5 years subject to satisfactory performance of the partner.**

8.0 **PARTNER's OBLIGATION**

- 8.1 Partner shall comply, at his own cost and expense, with all the existing laws or laws hereafter enacted, including but not limited to all environmental laws and ordinances; with all rules and requirements pertaining to health, fire and safety; operation and cleanliness of the Premises provided. Partner shall not use the Premises for any purpose that is unlawful or that tends to injure or depreciate the Premises. Partner shall not allow any nuisance to exist on the Premises, and will abate any nuisance promptly without expense to MIDHANI
- 8.2 Quality Control checks and issue of relevant test certificates shall be under the scope of partner for all orders booked and executed by the partner (except for cases as in Point 6.4, where in MIDHANI shall issue Test certificates, Delivery Challan & Invoice).

8.3 Maintenance and upkeep of Midhani's facilities as listed in section 4.0 needs to be maintained by the partner.

8.4 Any damage of the machine will be recovered from the partner to the extent of damage

8.5 To evaluate the upkeep of equipment, experts from MIDHANI and partner will carry out periodic audit of the facility and submit their report.

9.0 ELIGIBILITY CRITERIA:

Only those organizations that meet the following criteria are eligible to participate:-

Sl. No	Criteria	Documents required for confirmation
01	<p>Bidder Should have been established and operating as Helical Spring Manufacturer.</p> <p>OR</p> <p>Should be in operation and supply of Hot Rolled bars used for manufacture of Springs.</p>	<p>(i) Certificate of Incorporation issued by the Registrars of Companies "OR" Certificate of Registration by Registrar of Firms "OR" GST Registration in case of proprietary firms (ii) Copies of Purchase Orders received and Proof of execution for manufacture of Helical Springs/Hot Rolled Bars of Spring Steels (iii) Parties have to give the details of previous supplies and contact person full details for reference. (iv) Copy of approval letter from Indian Railways/RDSO/Other production units of Indian Railways, if available, may be submitted.</p>
02	The Bidder should not be a Trading Company	Self certified document should be submitted
03	<p>Bidder Should have an average annual turnover of INR 50 Crores or equivalent in foreign currency for the last three financial years (i.e. 2016-17, 2017-18, 2018-19)</p>	Copies of audited annual accounts to be submitted
04	<p>Bidder Should have positive net worth in each of the previous three financial years (i.e. 2016-17, 2017-18, 2018-19) "OR" Should submit solvency certificate for INR 10 Crores issued not earlier than 6 months from the date of Tender.</p>	<p>Should submit copy of audited annual accounts "OR" a) In case of Indian parties it should be issued by nationalized or scheduled bank from INDIA. b) In case of foreign parties it should be issued by Nationalized or schedule bank from India having a branch in the foreign land or countersigned by Nationalized or schedule bank of India.</p>
05	<p>Bidder Should be a Registered Indian Company and should have PAN/ TAN/TIN/GST registration</p>	Copy of registration certificates.

06	Bidder Unconditional acceptance of all commercial terms and conditions.	Self certificated document to be submitted
07	It is preferable that the Bidder is an approved vendor of Indian Railways for supply of helical springs OR for supply of hot rolled bars used for manufacture of helical springs.	A copy of approval letter from Indian Railways / RDSO / other production units of Indian Railways should be enclosed with the bid.

10. APPLICATION FORM

(To be filled by the Party and submitted along with EOI)

Sl No.	Description	Response from Party
a	Name of the firm	
b	Address of the firm with website	
c	Details of contact person (a) Name : (b) Email : (c) Tel : (d) Mob: (e) FAX :	
d	Please enclose a brief about the history of your company, capabilities & facilities, collaborators, manpower, marketing distributors, financial standing etc. Attach literatures/documents to support your statements wherever necessary	
e	Please enclose the catalogue / technical literatures / brochure	
f	Is your company registered under the statutory requirements applicable locally? Please enclose a copy of the relevant documents, namely VAT registration, Excise Registration, Service Tax, etc.	
g	Nature of the company : PSU / Limited / Listed Company / Partnership Co. / Private Enterprise / Proprietorship Concern	
h	Please provide the sales turnover and PBT of your company for the last five years :	
i	Please respond to attached Questionnaire and details (Annexure 1 & Annexure 2)	
j	Any other points, that you may wish to add	

11. INSTRUCTIONS TO APPLICANTS:

The applicant should submit the following information / documents:-

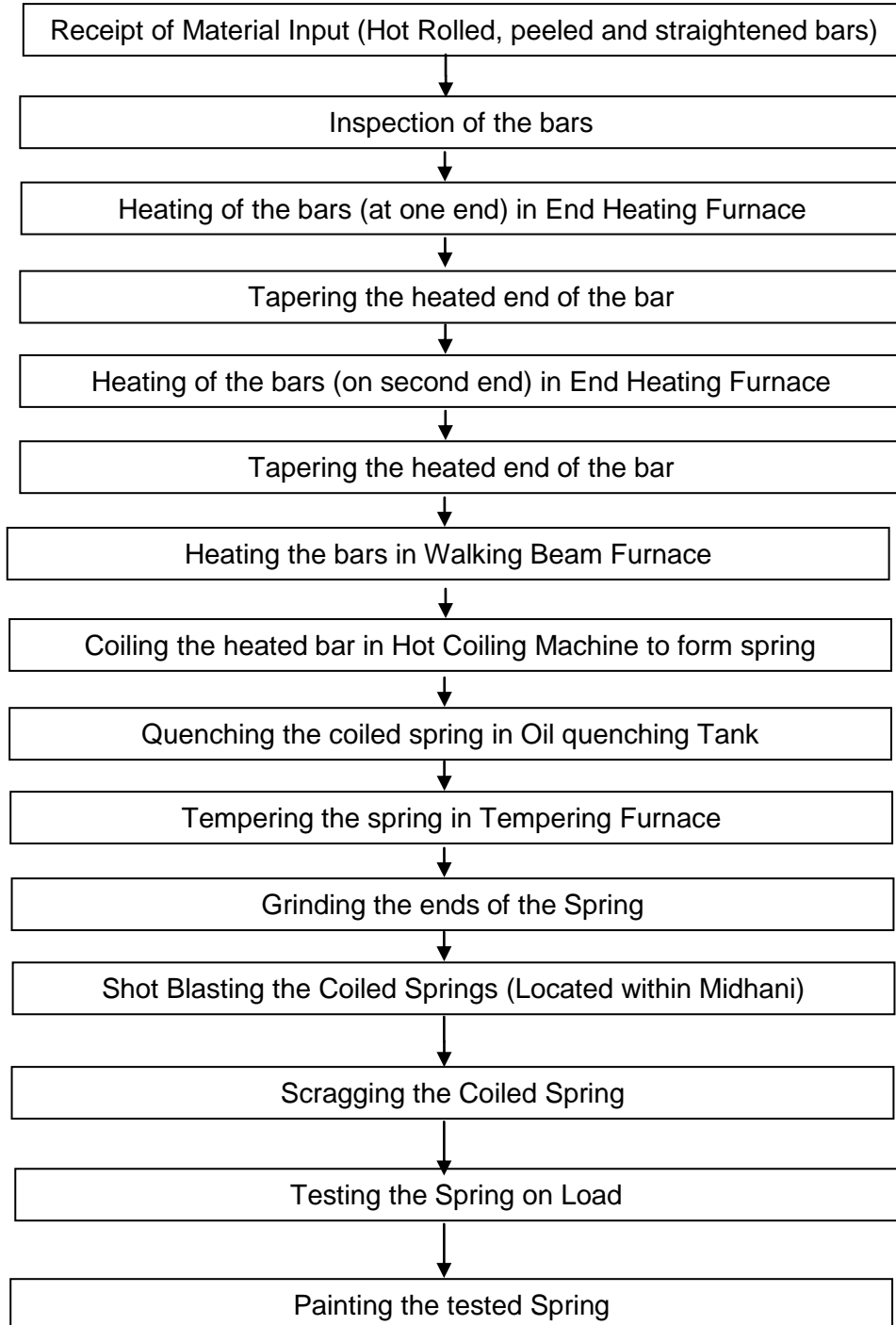
- a. Tender documents in original / downloaded form, duly signed and stamped at each page as token of acceptance of all terms and conditions with e-mail, phone and fax nos.
- b. Following additional documents:
 - o Company Brochure
 - o Accreditation Certificates
 - o Registration Certificate with various tax authorities or Government Departments, etc.

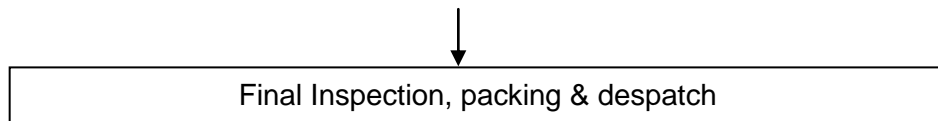
12. SELECTION CRITERION

RFQ to identify and select **H1 bidder**.

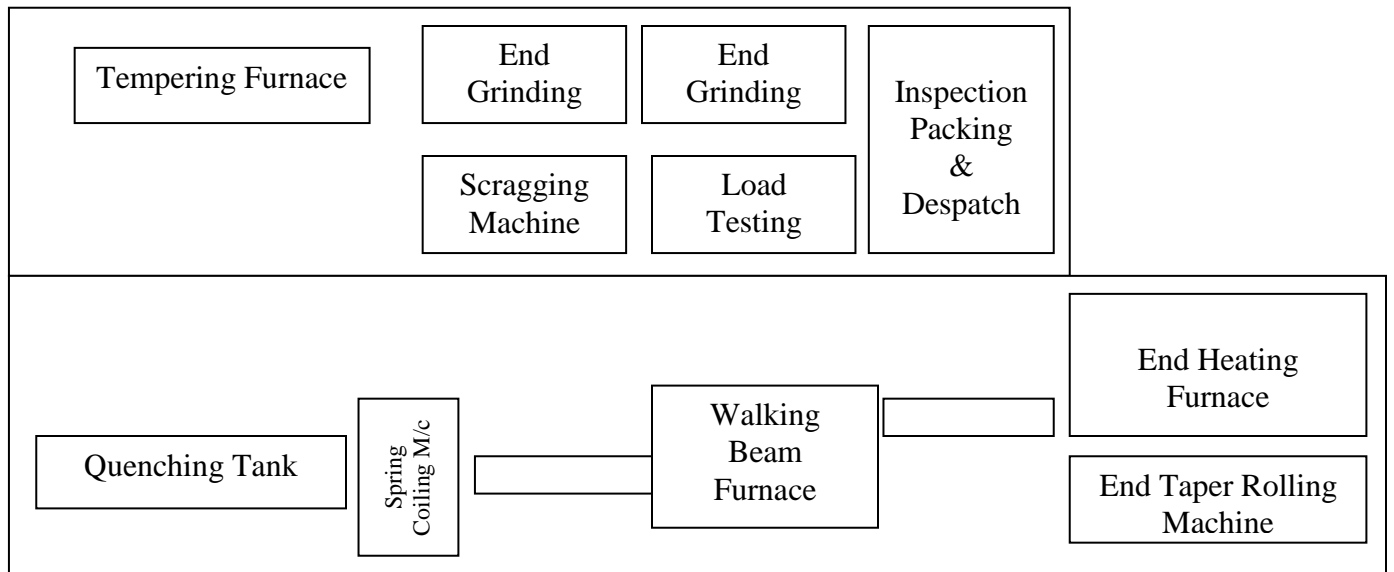
The Partner shall pay Rs 3 Cr per annum or a percentage of share of revenue earned whichever is higher as rental for use of facilities. Percentage share of revenue shall be specified by the Partner.

13. PROCESS FLOW FOR SPRING MANUFACTURE (Sequence of Operations)





14. LAYOUT OF SPRING MANUFACTURING UNIT



15. NON DISCLOSURE AGREEMENT:

A Non Disclosure Agreement shall be signed with selected partners by MIDHANI.

16. GENERAL TERMS & CONDITIONS:

16.1 MIDHANI reserves the right to accept or reject any Quotation without assigning any reasons what so ever.

16.2 Final selection of suitable partner from the Quotations received, will be done by MIDHANI at its sole discretion and the decision of MIDHANI shall be final.

16.3 The selected applicant shall ensure compliance of all the Government regulations / conventions / policies / guidelines / orders etc. In force related to any or all of the above activities. PARTner shall undertake to abide by the statutory requirements of the Indian Government from time to time.

16.4 Eligible parties to study carefully all documents referred to herein before accepting the same.

17. LAST DATE FOR SUBMISSION OF QUOTATION:

The due date and time for submission of the Quotation is 10:30 Hrs of 25/10/2019.

18. REQUEST FOR STATUS UPDATE ON EVALUATION PROCESS:

MIDHANI will not accept or respond to Proponents requests for information on the status and progress of the Tender evaluation process. Additional information regarding the Tender process may be posted on MIDHANI website www.midhani-india.in

19. OWNERSHIP OF TENDER DOCUMENTS & INFORMATION THEREIN:

All Tender documents will become the property of MIDHANI upon submission. Where the tenderer believes that information provided in response to this Tender is, or should be kept confidential, or disclosure of this information would unreasonable affect applicants business affairs, notice is to be given at the time of delivery of the information or document by clearly marking such information 'confidential'. In so far as is practicable MIDHANI will give effect to the applicant stated wishes, and requested for access to such information will be determined under the RTI Act.

20. NO CONTRACTUAL OBLIGATION:

MIDHANI is not bound contractually or in any other way to any applicant to this Expression of Interest. MIDHANI is not liable for any costs of compensation in relation to the consideration of this Expression of Interest.

21. DISCLAIMER:

The issue of this document does not in any way commit or otherwise obliges MIDHANI to proceed with all or any part of an Tendering process. MIDHANI may, at its absolute discretion, elect to abandon any part or whole of the process without giving prior notice to the prospective suppliers.

22. JURISDICTION

The courts at Hyderabad shall have exclusive jurisdiction over all the matters of this tender.

23. INDEMNITY

The successful bidder shall keep MIDHANI indemnified from any and all third party claims including statutory authorities and make good any damage / loss to MIDHANI facilities.

PRICE BID

RFQ to identify and select **H1 bidder**.

1. The Partner shall pay Rs 3 Cr per annum or a percentage of share of revenue earned whichever is higher as rental for use of facilities. Percentage share of revenue shall be specified by the Partner.
2. Common facilities used by the partner shall be billed at actuals and will be adjusted against partners' bills.
3. The input material brought into MIDHANI for the production activities of Spring manufacture shall be recorded and stacked separately and the scrap to be taken out after completion of production batches shall be done once in a month and properly accounted. In case of issue of input material by MIDHANI, separate records to be maintained.

However, the modalities of accounting input material, finished material and returnable scrap shall be worked out on mutually agreeable basis.