



Pre-Bid Queries – Contract LHDA Number 2219

Supply & Delivery of a Hydraulic Actuated TRCM

Customer: Lesotho Highlands Development Authority

Clarifications: Responses to queries raised by the suppliers

S.No.	Clause	Remark/question	Response by LHDA
1	Page 7 of 57 “Three (3) removable stainless-steel screens of 120 Kg each are filed on top of each other in each opening. The screens are equipped with vertical bars at 200mm c-c.”	The suitability of existing screens, for the new TRCM proposed to be installed, is uncertain. It is suggested that the new screens matching the teeth profile of the TRCM skip grab may be considered. Also, the c-c spacing of 200 mm between the vertical bars seem to be too high, as it can let some trash pass through and other big pieces can get stuck in between the vertical bars, thus obstructing the working of the TRCM.	Should the TRCM Contractor deem it necessary to replace the screen panels then the TRCM Contractor shall clearly indicate reasons for why his TRCM would not work with the current screen panels and shall provide a cost for replacement of the screen panels.
2	Page 14 of 57 Clause 5.3 - Inspection and Factory Acceptance Testing “The TRCM Contractor shall make all arrangements and carry all costs for the Engineer and Employer’s representative to attend the inspection and witness tests.”	Does this clause indicate that all expenditure including travel costs from Lesotho to our workshop and back, lodging and boarding, etc. is to be incurred by the TRCM contractor. Kindly indicate the number of persons who would be appointed for inspection, so that the cost can be worked out.	Yes, all the expenses shall be incurred by the TRCM contractor as elaborated in the question. The contractor must include such costs in the price for up to 2 representatives from the Employer and 1 representative from the Engineer
3	Page 15 of 57 Clause 5.6 – Warranty	The warranty of the equipment supplied shall be 18 months from the date of supply. i.e. the date	That should be 18 months from the project completion date. That is after commissioning.



	A warranty of at least 18 months from the date of project handover.	of TRCM reaching Durban Port.	
4	<p>Page 19 of 57 Clause 7.11 – Tax Requirements “The TRCM Contractor will be required to comply with the provisions of the Tax Requirements, which is given in Annexure 4. The TRCM Contractor is not required to register for taxation (Income Tax and VAT) with the Lesotho Revenue Authority (LRA) but the TRCM The contractor shall comply with the relevant and applicable taxation laws of Lesotho.”</p> <p>Page 37 of 57 Invoice Compliance and Tax Declaration “Payments for this Contract will only be made if payment requests are made on invoices/certificates that comply with Lesotho Value Added Tax Act, Schedule III....”</p>	The TRCM shall be billed as an international sale on a CIF basis at Durban Port, therefore in our view, the Local Taxation Laws of Lesotho shall not apply. Since the invoicing will be done by the supplier country, the Invoice will be made as per the laws of the supplier country/International norms.	The finance department agrees that the TRCM shall be billed as an international sale on a CIF basis at Durban Port. However, LHDA will still need to pay all the necessary taxes when the equipment crosses the border.
5	<p>Page 19 of 57 Clause 7.12 – Confirmation of Company registration Details</p>	We understand that the applicable certificates	Relevant company registration certification from Supplier’s country will suffice.



	<p>“The TRCM Contractor will also be required to provide proof of Company registration (Trader’s License) and Tax Compliance (Tax Clearance)”</p>	<p>from the Supplier’s country regarding the Registration and Tax compliance can be provided. Kindly confirm.</p>	
6	<p>Page 24 of 57 Clause C - Preparation of Request for Quotation “The TRCM Contractor shall submit one (1) original of the Proposal plus five (5) copies”</p> <p>Page 25 of 57 Clause D – Submission and Opening of Proposal “TRCM Contractor shall have the option of submitting their proposal electronically”</p>	<p>Both the clauses regarding the proposal submission seem to contradict each other. Kindly confirm if we can submit our proposal in electronic format only? Also, let us know the procedure for electronic submission.</p>	<p>No electronic submission will be allowed. Only the properly sealed hard copies with no external identity of the bidder on the outer envelope will be accepted and registered upon delivery at the designated area in Maseru.</p>
7	<p>Price Bid Format</p>	<p>No price bid format is provided in the bid documents. Kindly provide.</p>	<p>Noted</p>
8	<p>Page 38 of 57 Annexure 5: Reference Design Drawings</p>	<p>We understand that the TRCM shown in the reference drawing is only for reference, and the supplier is free to propose its own design, as the design philosophy of TRCM may vary from manufacturer to manufacturer. Kindly Confirm.</p>	<p>The reference design was developed to meet the Employer’s Requirements and the specifications for the TRCM. Tenderers may offer an alternative configuration as long as the proposed solution complies with the specifications, and scope of work and meets the Employer’s Requirements</p>
9	<p>Page 44 of 57 Clause 7.1</p>	<p>The stages of raising the invoice for various</p>	<p>Other than a normal contract document, LHDA procures suppliers using a Purchase Order (PO)</p>



	<p>“Unless specified in this contract, LHDA’s payment terms are within 30 days of receipt of the invoice”</p>	<p>activities need to be defined. Also, we request to make the payment through the irrevocable Letter of Credit (LC).</p>	<p>which guarantees payment for goods delivered. The stages of payment agreed between the LHDA, and the Supplier are also stated with the agreed payment amounts in the PO. Tenderers must propose a payment schedule and the payment schedule will be agreed upon with the preferred TRCM Contractor. The finance section confirmed that if the TRCM contractor so requires the Letter of Credit (LC), it can be arranged too.</p>
10	<p>Page 47 of 57 Clause 19.3 “LHDA reserves the right to terminate this Agreement for its sole convenience, without reason or cause, by giving seven (7) days notice.”</p>	<p>This clause may please be deleted as a unilateral Cancellation of the agreement without any reason or cause does not seem justified and hence cannot be accepted.</p>	<p>We note the concern with this clause and note that the conditions of the contract will be negotiated and finalised with the preferred tenderer.</p>