

**SCOPE OF WORK**  
**CONVERSION OF SEMI FINISHED MACHINED COMPONENTS TO FINISHED MACHINED**  
**COMPONENTS AS PER DRAWING. NO. SM-1399**

1. Scope of work

- a. Collection of Semi Finished Machine component from OFAJ.
- b. Machining of Semi Finished Machine component to finished machine components as per Drawing SM 1399.
- c. Dispatching of Finished components to OFAJ along with suitable protection from any damage ensuring safe delivery to OFAJ.
- d. The Order Qty may be distributed in 50:30:20 between L-1, L-2 and L-3, subject to acceptance of L-1 rate by L-2 & L-3 firm.

2. Delivery Condition:-

- a. The Semi Finish Machined component will be issued to the firm against security deposit to be submitted by the firm in the form of Bank Guarantee or FDR equivalent to minimum 200 nos. of semi finished component within one week from the date of placement of Supply Order. BG amount per Semi Finish Machined components is Rs. 8,407/-.
- b. The bidder shall collect these Semi Finish Machined components immediately after submission of security deposit.
- c. Material shall be issued in batches of 200-500 numbers.
- d. Before starting the bulk machining, firm has to submit machined samples (as per drawing SM-1399) of minimum 10 nos. to OFAJ reps for inspection within 1 month of placement of supply order. Firm shall start machining of bulk consignment only after acceptance of min. 10 nos of samples and supplies to be maintained from subsequent month @ 2,000 nos. minimum per month (or pro-rata to quantity distribution).
- e. The Bidder shall deliver the machined component as per drawing duly passed as per inspection schedule to OFAJ for final inspection and subsequent acceptance.
- f. The firm has to arrange transport for collection (including loading charges) of Semi Finish Machined component from OFAJ to their Works and return to OFAJ (including unloading charges) after conversion, at their own cost and risk. Necessary labourers shall be provided by the firm for loading and unloading of forged/semi-machined component at OFAJ. OFAJ shall only provide overhead Crane/forklift if required to facilitate loading and unloading of component free of cost.
- g. Failing to meet the monthly supply schedule committed by the firm even after lapse of 02 months from the date of the contract, OFAJ reserves the right to reduce the order Qty to the limit of average monthly supply by bidder in previous months or to cancel the Supply Order.

3. Consignee :- General Manager, Ordnance Factory Ambajhari, Nagpur, Maharashtra, Pin-440021

## 4. Scrap value :

- a. Input weight of components is approx 32 +/- 0.5 kg. Output weight of machined components to be maintained approx 27.50 kg +/- 0.5 Kg
- b. Turning scrap arising out of machining operations shall be retained by the bidder. Scrap rate to be considered as Rs. 42.716 per Kg (including GST). Weight of the scrap per component is considered 4.4 kg including process loss.
- c. Hence, per component Scrap value to be considered as Rs. 187.95 (Rs. 42.716 (x) 4.4 kg) and OFAJ shall raise Tax Invoice on Scrap value with GST (Rs. 187.95 per component) and the amount of Rs. 187.95 per component will be deducted from the firm's bills. The firm shall quote their price in tender accordingly.

## 5. Machining of Semi Finish Machined component:

- a. The bidder has to do machining of Semi Finished Machine component as per Drg. No SM-1399.
- b. Machining operation mainly involved Rough fuse hole boring, external surface finish turning, Base facing & Grooving, Dovetailing, Fuze hole threading in different machining set up.
- c. OFAJ carry out these machining in 4 setups, however firm may decide on number of setups as per availability and capability of machines with them.
- d. The component shall be completely free of machining defect and conforming to the drawing dimensions.
- e. Sharp edges, sharp corners, chattering, tool marks and steps are not acceptable.
- f. Semi Finish Machined component shall be issued by OFAJ marked with cast number and Serial number at the Base portion of the component. Before Base facing operation Cast code & Serial number at the Base portion of the component to be transferred on the body portion as specified in drawing of component with the help of stamping punch.
- g. The allowable rejection percentage is 2.0%max.
- h. No welding or filling up of metal on any portion of the finish component is acceptable.
- i. Repairing / salvaging of finish component having machining defects shall not be allowed by welding, localized heating, arc spot, any surfacing by metal spraying, electrolytic or chemical deposits together with retouching intended to hide a defect. If found any time, supply order will be discontinued and debarred from OFAJ for future participation.
- j. Before submitting the bid bidder may visit OFAJ to understand machining requirements physically.

## 6. Inspection:-

- a. Final Inspection shall be carried out at OFAJ. However OFAJ reps may visit the firm for audit inspection if required. The firm has to provide all necessary arrangements for the same.
- b. The bidder shall carry out inspection of each finish component at their own premises by themselves using proper gauges and measuring tools (having valid calibration certificate by competent authority), generate Internal Inspection Report as per format provided by OFAJ after placement of supply order. One copy of the Internal Inspection Report must be submitted to OFAJ for scrutiny before Final Inspection of finished materials by OFAJ.
- c. On receipt of Finished Component, final inspection and acceptance shall be done at OFAJ premises which shall be binding to both the parties.
- d. The inspecting authority or the purchaser shall have free access to the works of the manufacturer at all reasonable times.

7. Protection and Packing:-

- a. Machined component to be packed and protected suitably to avoid any damage/deterioration during loading, unloading and transportation.
- b. The machined component shall be protected with temporary anti rust coating.
- c. Notwithstanding anything contained in the specification, the responsibility of carrying out proper packing and following good engineering practices to ensure safe and damage free delivery of the finish component shall rest with the bidder.

8. Warranty certificate:- Firm shall submit a warranty certificate for their workmanship / quality of the job up to period of 12 months from the date of delivery.

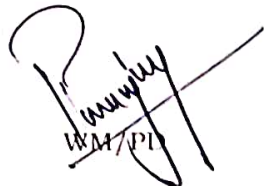
9. Payment:-

- a. Payment shall be made within 30 days from the date of acceptance of the supplied material at OFAJ.
- b. OFAJ shall raise Tax Invoice on Scrap value with GST (Rs. 187.95 per component) and the amount of Rs. 187.95 per component will be deducted from the firm's bills.

10. Rejection Penalty:- For rejection beyond allowable limit of 2.0%, an amount of Rs. 8,407/- shall be recovered from the firm for each rejected piece, either from BG against FIM, PSD or any pending bills at OFAJ and rejected components has to be returned back to OFAJ. No residual value of rejected components shall be paid to the firm.

11. General Conditions:-

- a. The Firm may check the dimensions and surface of the input component before undertaking machining job and point out deviation, if any.
- b. Appropriate inspection facilities to be provided by the firm as and when required by OFAJ authorized inspectors.
- c. Necessary tools fixtures, Gauges, measuring equipments and tackles to be arranged by the firm at its own cost.

  
18/11/17

on leave  
JGM/AK

  
AGM/BVR