

HEXATECH ENGINEERING SDN. BHD.	CONTRACTS DEPARTMENT	Issue No.: 1	Document Effective Date: 01 Oct 2024	Page 1 of 7
	Tender & Contracts Procedure	Revision No.: 1		Document Ref: CD-PRO-01

Purpose:	To outline the procedure by which tender, quotation, estimating and preliminary contract activities are undertaken towards ensuring competitive and accurate bids, and proper contractual kick off project implementation.
Scope:	This procedure shall apply to the tendering of Mechanical & Electrical projects.
ISO Reference:	MS ISO 9001:2015 Clause No. 8.2

Revision History			
Revision No.	Revision Date	Originator	Description of Changes
1	01 Oct 2024	ISO Manager	Update the procedure to meet current practice.

Step	Activity	Responsibility	Reference
1	<p><u>Responsibilities:</u></p> <p>Contracts Manager (CM) is responsible for all tender submissions, review of awarded contracts and budgetary costing of all project activities of the Company.</p> <p>Contracts Executive (CE) is responsible to assist CM in conducting of feasibility study of potential customer, preparation of tender estimation and bids, and contract and project budgetary costing documentation and filing.</p>	<p>CM</p> <p>CE</p>	
2	<p><u>Potential Tender Feasibility Study</u></p> <p>CM is to conduct the following:</p> <p>a. Review newspapers advertisements, invitations from customers/consultants, peer recommendations, etc. for tender opportunities identification.</p> <p>b. Obtain decision of Executive Director (ED) to participate and conduct selected tender feasibility study.</p> <p>c. Use the Tender Feasibility Study Checklist to conduct detailed analysis that considers all of the critical aspects of the selected tender in order to determine the likelihood of it succeeding.</p>	<p>CM</p> <p>ED</p>	Tender Feasibility Study Checklist

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Step	Activity	Responsibility	Reference
	<p>c. To study and review the tender documents and drawing design to ensure meet the tender requirement.</p> <p>d. If the tender is 'Design and Build', refer to the next paragraph 4 for further action.</p> <p>e. Carry out tender review. Ensure the following criteria are satisfied :</p> <p>(1) Tender requirements are clearly defined.</p> <p>(2) Discrepancy between the tender drawings and documents are resolved.</p> <p>(3) Technical data and tender information required are clearly filled in.</p> <p>(4) Company profile, catalogues and relevant documents required are in order and attached together in the tender submission.</p> <p>(5) Other relevant criteria.</p> <p>f. Is the tender design meet the tender Bill Of Quantities (BOQ) requirement? If not, inform our Engineering Department to verify the design and propose design changes with the customer/ consultant accordingly.</p> <p>g. Engineering Department to assign a competent Design Engineer (DE) to be in charge for the tender design. The DE is to prepare any design change proposal should it deviate from the tender design criteria and specification.</p> <p>h. Where required, study the possibility of re-engineering and propose to customer / customer's representative (If necessary).</p> <p>i. To work with DE and study the tender drawing design requirement for quotation purposes. Determine the Bill of Quantity (BOQ) for the tender required. To prepare the quotation accordingly with consideration to design criteria and specification.</p>	<p>CM</p> <p>DE</p> <p>CM</p> <p>DE</p>	<p>Customer Tender BOQ</p> <p>Company Tender BOQ</p>

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	j. Undertake preparation and sourcing of materials. Carry out tender pricing and estimation on our Tender BOQ.	CM	
	k. Tabulate all costing and determine the amount to tender and obtain approval from ED. Upon approval, get the tender quotation number from Quotation Log and send out Tender Quotation Letter together with our Tender BOQ to customer.	ED	Tender Quotation Letter, Company Tender BOQ
	l. Prepare the Project Cash Flow Projection for the tender, if required by the customer.	CM	Project Cash Flow Projection
	m. The signatory for the Tender Quotation Letter shall be as per the Approval Limit Table. Make a copy of the Tender Quotation Letter together with its tender documents and drawings and file as per Company Filing Index (CFI) (assisted by CE).	CM/CE	Approval Limit Table, Company Filing Index (CFI)
	n. Submit the Tender Quotation Letter with Tender BOQ to customer or customer representative (consultant). Record tender submission on the Tenders Log (assisted by CE).	CM/CE	Tender Log
	o. Attend to all tender interviews and clarifications from customer and submit tender re-price accordingly.	CM	
	p. If the tender is successful, carry out post-tender activity to obtain the Letter of Award (LA) or Contract or Purchase Order (PO) from the customer. Refer to the below paragraph 5 for Contract Process.		
	q. If the tender is unsuccessful, carry out post-mortem and Business Loss Analysis for future reference (if necessary).		Business Loss Analysis
	r. For purposes of performance evaluation review, the Tender Analysis Table shall be updated as 'Successful', 'Pending' or 'Unsuccessful' to determine the status of each tender.		Tender Analysis Table
	s. To update the Customer Focus Contact Directory List whenever there is a new customer to be added (assisted by CE).	CM/CE	Customer Focus Contact Directory List

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4	<p><u>Design And Build Tender</u> CM shall conduct the below if the tender is categorized as 'Design and Build':</p> <p>a. Study the tender documents and drawings for the Design and Build tender and determine whether to sublet the design to a professional engineer.</p> <p>b. Obtain ED approval to sublet the design and proceed to identify and shortlist Design Consulting Engineer who we intend to work with and ensure check the Engineer on the following: (1) Track record / experience. (2) Capability. (3) Ability to meet the design and build contract requirement. (4) Current workload. (5) Term of payment (6) Other relevant criteria.</p> <p>c. Obtain ED approval to engage the proposed Design Consulting Engineer.</p> <p>d. Upon approval from ED, CM to confirm verbally or by Letter of Appointment with Design Consulting Engineer with agreed terms and conditions as discussed by both parties.</p> <p>e. Work with the Design Consulting Engineer to generate all design drawings to be reviewed by ED before submitting the design to customer/consultant for approval.</p> <p>f. Upon receipt of approval from the customer on the design drawings, CM to conduct the tender process as per paragraph 3 above.</p>	<p>CM / Appointed Design Consulting Engineer</p> <p>CM/ED</p> <p>ED</p> <p>CM</p> <p>Design Consulting Engineer / ED</p> <p>CM</p>	
5	<p><u>Contract Process</u> Upon successfully awarded a Letter of Award (LA) or Contract or Purchase Order (PO) for tender submitted, CM shall conduct the following:</p> <p>a. To analyze the LA or Contract received from the customer using the LA/Contract/PO Review Checklist.</p>	<p>CM</p>	<p>LA or Contract or PO</p> <p>LA/Contract/PO Review Checklist</p>

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	<p>b. Fulfil the information required in the LA/Contract/PO Review Checklist on the various critical items which need to be noted.</p> <p>c. Forward the LA/Contract/PO Review Checklist to ED for further decision.</p> <p>d. Should there be any issues to be raised regarding the LA/Contract/PO from the customer, obtain ED permission to seek further clarification from the customer.</p> <p>e. Upon receiving feedback from customer regarding the LA/Contract/PO, review the feedback with ED and obtain final approval for acceptance of the LA/Contract/PO.</p> <p>f. Obtain the signatory for the LA/Contract/PO as per the Approved Limit Table. Send back the LA/Contract/PO to the customer for final endorsement.</p> <p>g. The final original copy of the LA/Contract/PO shall be kept by CM and to be filed according to CFI (assisted by CE).</p>	<p>CM</p> <p>ED</p> <p>CM</p> <p>CM/CE</p>	
6	<p><u>Post Contract Process</u> Upon obtaining the final endorsed copy of the LA/Contract/PO, CM shall conduct the following:</p> <p>a. Prepare the Project Budgetary Costing Sheet and Project Cash Flow Projections for the project and obtain ED approval.</p> <p>b. Obtain the candidate chosen to be the Project Manager for the project from ED.</p> <p>c. Arrange for a 'contract to project handover' meeting with the appointed Project Manager and his/her team members.</p>	<p>CM</p> <p>ED</p> <p>CM</p>	<p>Project Budgetary Costing Sheet, Project Cash Flow Projections</p>

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	<p>d. Use the Contract to Project Kick Off Checklist to handover all tender and contract documents to the Project Manager.</p> <p>e. Provide the Project Manager with the Project Budgetary Costing and Project Cash Flow Projection for the implementation of the project.</p>	CM	<p>Contract to Project Kick Off Checklist.</p> <p>Project Budgetary Costing Sheet, Project Cash Flow Projections</p>

End