



An ISO 9001  
Company

## Bharat Heavy Electricals Limited

(High Pressure Boiler Plant)

Tiruchirappalli – 620014, TAMIL NADU, INDIA

**MATERIALS MANAGEMENT**

<b>TITLE</b> <b>CORRIGENDUM for NIT_23567</b>	Phone: +91 431 2577994/2574087 Fax : +91 431 252 0719 Email : <a href="mailto:joydevsardar@bheltry.co.in">joydevsardar@bheltry.co.in</a>
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	<b>Reference Number:</b> Enquiry 1801500799	<b>Enquiry Date:</b> 23.07.15	<b>Due date for submission of quotation:</b> 25.09.2015
You are requested to quote the Enquiry number date and due date in all your correspondences. This is only a request for quotation and not an order			

### CORRIGENDUM

<b>Details of Corrigendum</b>
<i>Please change the Remarks in “Annexure III - GENERAL TERMS Revised” for the Open Tender for “Furnace Maintenance Platform”. Kindly host both in BHEL and NIC (Ref: NIT-23567)</i>
<b>All other terms and conditions as published in the NIT 23567 remain unaltered.</b>

BHEL commercial terms & conditions with Price Bid formats and all annexure can be downloaded from BHEL web site <a href="http://www.bhel.com">http://www.bhel.com</a> or from the Government tender website <a href="http://tenders.gov.in">http://tenders.gov.in</a> (public sector units) Bharat Heavy Electricals Limited) under enquiry reference “1801500799 ”	
Tenders should reach us before 14:00 hours on the due date Technical bid will be opened at 14:30 hours on the due date Tenders would be opened in presence of the tenderers who have submitted their offers and who may like to be present.	Yours faithfully, <b>For Bharat Heavy Electricals Limited</b>



## **Annexure III - GENERAL TERMS**

### **I. Enquiry / Request for Quotation (RFQ):**

- (a) Any Purchase Order resulting from this enquiry shall be governed by **these general terms and conditions listed below and special terms and conditions, if any, along with this enquiry** of Bharat Heavy Electricals Limited, BHEL HPBP, Trichy-620014 (**hereinafter referred to as BHEL Trichy**).
- (b) Any of the terms and conditions not acceptable to supplier, shall be explicitly mentioned in the quotation. Otherwise, it will be treated as that all terms and conditions of this enquiry are acceptable.
- (c) If counter terms and conditions are offered by supplier, BHEL Trichy shall not be governed by such terms and conditions, unless it is agreed and incorporated in the Purchase Order of BHEL Trichy.
- (d) Any deviation to the terms and conditions not mentioned in the quotation by supplier in response to this enquiry will not be considered, if put forth subsequently or after issue of order, unless clarification is sought for by BHEL TRICHY and agreed upon in the Purchase Order of BHEL TRICHY.
- (e) BHEL TRICHY reserves the right to adopt Reverse Auction for the enquiry sent, at its discretion.
- (f) BHEL TRICHY shall be at liberty to cancel the tender at any time, before ordering, without assigning any reason.
- (g) The correspondence exchanged against the tender from both tenderer and BHEL through email are considered as valid document legally though it is not signed. It is treated as valid confirmations made on behalf of the respective company and very much comes under the legal ambit of the business transaction and hence it is binding on both the parties to the business.
- (h) Bidders participating in the tender should declare in their technical bid that whether they have been black-listed / kept on hold for a specified period / given Business holiday for a specified period by any Public sector undertaking or Government departments. The reasons for such action with details and the current status of such hold shall be clearly furnished to BHEL. If no such details are mentioned in the offer then it will be construed that the subject bidder is not under any such hold. But at a later date if it comes to the notice of BHEL about any such hold under enforcement on the subject bidder, BHEL will have every right to reject the offer of such vendors at any point of time and also under any stage of the finalization of the subject tender irrespective of the status of the subject bidder in that tender. Such bidders will not be permitted to participate in the further tender proceedings and will be communicated suitably. They will not be also considered for any ongoing tenders even if participated till the hold is officially lifted and confirmed in writing.



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- (i) Risk purchase: - If the supplier fails to deliver the goods within the delivery specified in the Purchase Order, BHEL will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or dispatch within the delivery period mentioned in the Purchase Order.
- (j) All disputes or differences arises shall be subject to the exclusive jurisdiction of court within the limit of Trichy, TN.
- (k) Cartel Formation: - All the firms should desist from forming cartel as the practice is prohibited under Section 3(3) (a) & (d) of the competition Act 2002. If any such instance is observed during this tender will attract disciplinary action as per BHEL policies.

## **II. General Terms and conditions:**

1. **TWO PARTS BID:** Quotation shall be submitted in two parts bid i.e.

### **(a) Techno-commercial i.e., Un-priced Bid:**

Techno-commercial bid shall be submitted with complete description of the material, specification compliances to the enquired specification and all the commercial terms & conditions indicated in the **COMMERCIAL TERMS** attached to this tender. Any other enclosure, which the supplier wishes to submit like product catalogue, technical literature etc., may also be submitted in a sealed envelope super scribed clearly as "**TECHNOCOMMERCIAL BID**" with **RFQ No. and DUE DATE**. Un-priced copy of price bid (without price) shall also be enclosed with the techno-commercial bid.

Confirmation to BHEL specifications shall be indicated by the vendor in the respective columns provided in the purchase specification wherever applicable. Deviations to the specification / item description, if any shall be brought out clearly indicating "DEVIATION TO BHEL SPECIFICATION" without fail as a part of technical offer.

**Suppliers who are not registered with BHEL Trichy must fill up online supplier registration form (SRF) and submit the copy of the filled SRF along with all the supporting documents. The SRF must be enclosed with techno-commercial bid. Offers without SRF may not be evaluated by us. Refer Annexure VI**

Compliance to Pre-qualification criteria (if applicable) shall also be enclosed with the Techno commercial bid.

Manufacturer's name, their trade mark and brand, part number, alternate material to the one asked in enquiry, if any, should be mentioned in quotation and illustrative leaflets giving technical particulars etc. are to be attached to facilitate consideration and technical evaluation of the quotation.

BHEL TRICHY material code number (as in enquiry) shall be indicated for each item quoted.



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## (b) Price Bid:

Price bid should contain basic unit prices, discount if any, applicable taxes & duties, packing & forwarding charges (if applicable), Freight & insurances (if applicable) FOB charge (if applicable) etc., in a sealed envelope super scribed clearly as “**PRICE BID**” with **RFQ No. and DUE DATE**.

It is preferred to indicate the rates in both figures and words. In such case, if there is difference / discrepancy between the rates in figures and words, the **least of the two** rates will be considered.

2. Tender (quotation) shall be submitted in a sealed envelope super scribed with **RFQ NUMBER** and **DUE DATE** on it and the same must reach our office on or before the due date by **14:00 hrs.** Quotations are to be dropped in the tender box available at Tender Opening Cell/MM, Room No.26, Ground Floor, 24 Building, BHEL Trichy. Quotations also can be dispatched by Couriers / Registered post / FAX / e mail to the Purchase Executive indicated in the RFQ.

Quotation through fax / email when addressed to the specific fax number and email address given in the enquiry, to be sent well in advance to enable BHEL TRICHY purchase personnel to drop in the tender box before the scheduled opening date and time. **Supplier is fully responsible for lack of secrecy on information of such quotations.**

BHEL TRICHY is not responsible for any delay in receipt of quotation sent by supplier through post / fax / email.

Late Tenders i.e., Tenders received after due date will be rejected.

3. The rates quoted against each item shall be in the same units stated in the enquiry. If the quotations are submitted in any other unit than specified, relationship between two sets of units must be furnished in the offer.
4. As far as possible, the quotations shall be free from corrections / overwriting. Corrections if any should be initialled with your seal and signature. Any typographical errors, totalling mistakes, currency mistakes, multiplication mistakes, summary mistakes observed in your priced bids, BHEL may consider whichever is beneficial to BHEL for evaluation.
5. Quotations are to be duly signed. Unsigned bids / offers are liable for rejection.
6. Tenders will be opened at **14:30 hrs.** & the venue is Tender Opening Cell/MM, Room No.26, Ground Floor, 24 Building, BHEL Trichy. All the bidders or their authorized representatives (with authorization letter from their principals) can witness opening of tenders on the due date.
7. All the bids will be scrutinized for technical & commercial conformity.



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8. The quantities in each item to be purchased may vary from quantities enquired according to the actual requirement at the time of placing the purchase order. Quantity discount if any should be mentioned in your offer.
9. BIDDERS (for indigenous purchase) shall indicate clearly Excise duty, Education cess, Sales Tax/VAT, Octroi, Exit/Entry tax, Service Tax as applicable for the quoted items. In the absence of clarity of these, any claim at a later date will not be entertained. Any changes in Taxes and duties after award of the contract will not be considered except such are those, which are imposed by Govt., notification within the contractual delivery. Seeking price amendments for change in Excise duty due to crossing of turnover limits will not be considered under any circumstances.

## **10. Payment of Agency Commission to Indian Agent (for foreign purchase):**

i. BHEL shall deal directly with foreign vendors, wherever required, for procurement of goods. However, if the foreign principal desires to avail of the services of an Indian agent, then the foreign principal should ensure compliance to regulatory guidelines - which require mandatory submission of an Agency Agreement.

ii. It shall be incumbent on the Indian agent and the foreign principal to adhere to the relevant Guidelines of Government of India, issued from time to time.

iii. The Agency Agreement should specify the precise relationship between the foreign OEM / foreign principal and their Indian agent and their mutual interest in the business. All services to be rendered by agent/ associate, whether of general nature or in relation to the particular contract, must be clearly stated by the foreign supplier/ Indian agent. Any payment, which the agent or associate receives in India or abroad from the OEM, whether as commission or as a general retainer fee should be brought on record in the Agreement and be made explicit in order to ensure compliance to laws of the country.

iv. Any agency commission to be paid by BHEL to the Indian agent shall be in Indian currency only.

v. Tax deduction at source is applicable to the agency commission paid to the Indian agent as per the prevailing rules.

vi. In the absence of any agency agreement, BHEL shall not deal with any Indian agent (authorized representatives / associate / consultant, or by whatever name called) and shall deal directly with the foreign principal only for all correspondence and business purposes.

vii. The supply and execution of the Purchase Order (including indigenous supplies/ service) shall be in the scope of the OEM/ foreign principal. The OEM/ foreign principal should submit their offer inclusive of all indigenous supplies/ services and evaluation will be based on 'total cost to BHEL'. In case OEM/ foreign principal recommends placement of order(s) towards indigenous portion of supplies/ services on Indian supplier(s)/ agent on their behalf, the credentials/ capacity/ capability of the Indian supplier(s)/ agent to make the supplies/ services shall be checked by BHEL as per the extant guidelines of Supplier Evaluation, Approval & Review Procedure (SEARP), before opening of price bids. It will be the responsibility of the OEM/ foreign principal to get acquainted



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with the evaluation requirements of Indian supplier/ agent as per SEARP available on [www.bhel.com](http://www.bhel.com) OR <http://vis.bheltry.co.in/olsa/>.

The responsibility for successful execution of the contract (including indigenous supplies/ services) lies with the OEM/ foreign principal. All bank guarantees to this effect shall be in the scope of the OEM/ foreign principal.

**11. TOTAL COST TO BHEL:** Purchase order will be placed on the lowest bidder (L1) only among the technically & commercially accepted offers. Lowest Bid (L1) is determined on the basis of the total cost to BHEL.

**(a) FOR FOREIGN PURCHASE:**

Total cost to BHEL = Total basic value in foreign currency + FOB charges (if any) + Packing & Forwarding charges (if any) + Cost Insurance Freight (CIF) + Basic Custom Duty (BCD) + Counter Veiling Duty (CVD) + Educational Cess + Special Additional Duty (SAD) + Entry TAX + Service TAX (if applicable) + Loading factors for deviations to commercial terms & conditions.

**Note:** Exchange rate ruling on the date of Tender opening (Techno-commercial / un-priced Bid) will be considered for converting foreign currency to Indian currency. Exchange rates published in Economic Times (TT selling) will be considered.

**(b) FOR INDIGENOUS PURCHASE:**

Total cost to BHEL = Total basic value + Packing & forwarding charges + Excise duty Education cess + sales Tax/VAT + Octroi + Exit/Entry tax + Freight & Insurance + Service Tax (if applicable) + Loading factors for deviations to commercial terms & conditions.

**12. FIRM PRICE:** Rates quoted should be firm and no enhancement in the rates and changes in the techno-commercial terms will be allowed once the quotation is accepted and order is placed.

**13. TERMS OF PAYMENT:**

**(a) FOR FOREIGN PURCHASE:**

BHEL Payment term is 100% payment on CAD basis after 45 days from the date of receipt of documents, specified in PO, at BHEL bank. Respective bank charges to respective account. Any deviation in the above payment term will attract loading as mentioned below.

“Base rate of SBI (as applicable on the date of bid opening. Techno-commercial bid opening in case of two part bids) + 6% shall be considered for loading for the period of relaxation sought by bidders.

- In the case of Usance LCs the loading will be considered @ 1.5% on the offered Value.
- For LC at sight the loading will be considered @ 3.5% on the offered Value.



- Normally CAD at sight and Confirmed LCs are liable for rejection.

**(b) FOR INDIGENOUS PURCHASE:**

100% after 45 days from the date of receipt and acceptance of materials at site/stores as the case may be.

**14. ADVANCE PAYMENT:** Quotations with payment terms of “**Advance**” or “**Inland Letter of Credit**” will not be considered and such offers are liable for rejection commercially.

**15. PENALTY:**

- a Liquidated damages shall be 0.5% of the total order value per week or part thereof subject to a maximum of 10% of the total order value.
- b ~~For staggered delivery schedule, LD shall be 0.5% of the undelivered portion per week of the delay or part thereof subject to a maximum of 10% of the total order value.~~
- c Any deviation from the above LD clause, loading will be applied to the extent to which it is not agreed by the bidder (at offered value).

**16. PBG:** Applicable. 10% of the PO value to cover the Guarantee period.

**17. WARRANTY/GUARANTEE:** Guarantees shall be given for Eighteen months from the date of receipt of the material at Trichy Stores.

**18. TERMS OF DELIVERY:**

**(a) FOR IMPORTED PURCHASE:**

Price offered shall be for goods packed and delivered **C.I.F.** (CHENNAI SEAPORT) including packing, forwarding, Handling, Ancillary charges like negotiation of bank documents, Export declaration, Certificate of origin etc.

Packing shall be Sea worthy, best suitable for transshipment and to take care of transit damages.

Vendors shall indicate the name of Seaport from when the cargo will get shipped.

**(b) FOR INDIGENOUS PURCHASE:**

Material shall be delivered on FOR TRICHY/Stores basis, inclusive of packing & forwarding charges.

Packing shall be Road / Rail / Air / Sea worthy, best suitable for transshipment and to take care of transit damages.



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Transit insurance shall be arranged by BHEL. Vendor shall intimate the dispatch details to BHEL immediately after effecting shipment, to arrange transit insurance accordingly.

- 19. DELIVERY REQUIREMENT:** Material shall be delivered, as per the delivery schedule indicated in the RFQ. Indicate earliest firm delivery period in **NUMBER OF WEEKS or DAYS** by which materials will be dispatched from the date of receipt of purchase order.
- 20. VALIDITY:** Quotation should remain valid for a period of **90 days** from the date of technical bid opening.
- 21.** BHEL reserves the right to RE-FLOAT/REJECT/CANCEL the TENDER ENQUIRY (RFQ) without assigning any reason or cause thereof. Quotes received against this TENDER ENQUIRY are subject to and governed by all these terms and conditions. BHEL's decision will be final in awarding of the contract and binding on all vendors.
- 22. REVERSE AUCTION:** Not Applicable.
- 23. POST-ORDER REQUISITES:**
- a) Pre-shipment inspection at vendor's works, if required, will be carried out by BHEL/ BHEL TPI agency. Required assistance will have to be provided by the vendor at the time of pre-shipment inspection.
  - b) Test certificates, Calibration certificates and warranty certificates as stipulated at the time of ordering shall be furnished.
  - c) Items shall be dispatched by Air/Road/Rail/Sea worthy packing. Any damage and later rejection, due to poor / improper packing shall be to supplier's account.
  - d) Any damage/rejection should be made good or replaced immediately without any extra cost to BHEL.
  - e) Original invoice (4 sets) to be submitted at BHEL Trichy for arranging payment.
- 24.** Any dispute arising out of this contract shall be referred to the sole arbitration of Head of Materials Management, BHEL, TRICHY, Trichy or any other officer nominated by him and his decision shall be final and binding on the parties. The venue of the arbitration in all cases shall be Trichy.
- 25.** All suits in respect of the above lie in the court of Jurisdiction of Trichy (India) only.
- 26.** Material shall comply with the standard requirements of ISO 9001, 14001 & OHSAS 18001.
- 27. REGRET LETTER:** In case, the supplier is unable / not willing to quote (for BHEL's registered vendors), a letter of regret shall be sent.
- 28. LOADING FACTORS:**

Loading factors as detailed below will be added to the quoted price (basic) to evaluate the lowest quote for non-compliance of BHEL standard commercial terms.



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**A(i). For non compliance of standard Terms of payment (For Foreign Purchase Orders)**

SI. No.	BHEL standard term	If you quote	Loading factor in % for non-compliance
1	BHEL Payment term is 100% payment on CAD basis after 45 days from the date of receipt of documents, specified in PO, at BHEL bank. Respective bank charges to respective account.	(a) 100% Through unconfirmed Letter of Credit (LC)  (b) CAD with reduced time period	(a) For LC at sight the loading will be considered @ 3.5% on the offered Value.  (b) Base rate of SBI (as applicable on the date of bid opening. Techno-commercial bid opening in case of two part bids) + 6% shall be considered for loading for the period of relaxation sought by bidders.

**A(ii). For non-compliance of standard Terms of payment (For Indigenous Purchase Orders)**

SI. No.	BHEL standard term	If you quote	Loading factor in % for non-compliance
1	100% after 45 days from the date of receipt (credit payment)	(a) Payment through bank	Not acceptable
		(b) Payment against proforma invoice	Not acceptable
		(c) 100% after 45 days on receipt & acceptance of material.	Nil
		(d) LC payment terms	Offers will be rejected

**B. For non-compliance of Penalty clause:**

SI. No.	BHEL standard term	If you quote	Loading factor for noncompliance
1	Penalty of 0.5% per week subject to max. of 10% on the basic value of the items not supplied /delayed	Not agreed.	10 %
		5% max., agreed.	5%
		Other than the above.	10% - (minus) agreed max. %



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**C. For Non-conformance to delivery requirement indicated in the RFQ:**

Sl. No.	BHEL standard term	If you quote	Loading factor for noncompliance
1	Delivery requirement as indicated in the RFQ in number of weeks/days from the date of issue of PO.	Not agreed for the stipulated delivery in the enquiry	0.5 % per week up to max. of 10% for the difference in period

**D (i) For Non- agreement on delivery at BHEL-SITE/TRICHY (For Foreign Purchase Orders):**

Sl. No.	BHEL standard term	If you quote	Loading factor for noncompliance
1	CIF (Chennai Airport)	Not agreed for the standard term of delivery	BHEL's cost for arranging material transportation.

**D (ii) For Non- agreement on delivery at BHEL-TRICHY/SITE (For Indigenous Purchase Orders):**

Sl. No.	BHEL standard term	If you quote	Loading factor for noncompliance
1	FOR Trichy Stores	Not agreed for the standard term of delivery	BHEL's cost for arranging transportation.