

Annexure – B For Supply of “Conencting Screw” (For Indigenious sources)

(Ref:BAP/PUR/OT/Connecting Screw/4230870E dt:23.09.2013 Due on 18.10.2013)

STANDARD COMMERCIAL TERMS & CONDITIONS

[FORMAT TO BE FILLED-UP BY THE SUPPLIER AND TO BE SUBMITTED ALONGWITH OFFER]

SI No	DESCRIPTION	BHEL'S REQUIREMENT	SUPPLIER'S CONFIRMATION
01	PRICE	Firm till completion of order. (offer with Price Variation Clause is not acceptable)	
02	DELIVERY TERMS	F.O.R. DESTINATION (Destination : BHEL Ranipet Stores)	
03	PACKING & FORWARDING	To be included. (if extra indicate in %)	
04	FREIGHT & INSURANCE	Included	
05	EXCISE DUTY in %	To be indicated by supplier. (CENVAT copy to be provided along with supply)	
06	SALES TAX in %	To be indicated by supplier.(Concessional form C / XVII will be given)	
07	OCTROI	If any, to supplier's account only.	No Deviation
08	PAYMENT	A) IN CASE OF NON-MSE VENDORS, 100% PAYMENT WITHIN 90 DAYS OF RECEIPT AND ACCEPTANCE OF MATERIALS AT OUR STORES B) IN CASE OF REGISTERED MSE VENDORS, 100% PAYMENT WITHIN 45 DAYS OF RECEIPT AND ACCEPTANCE OF MATERIALS AT OUR STORES .	No Deviation
09	DELIVERY PERIOD	To be indicated by vendor.	
10	LD Confirmation: [penalty for delayed delivery] @ 0.5% per week subject to a maximum of 15% for the delayed delivery.		
11	OFFER VALIDITY	Minumum 90 days from the date of price bid opening	
12	INSPECTION BEFORE DESPATCH	Will be done at vendor's Works before Dispatch by BHEL / BHEL's Authorized Inspection Agency AIA / BHEL's customer	
13	TEST CERTIFICATE	Required	
14	Risk Purchase clause : Your confirmation to our standard risk purchase clause that alternatively the Purchaser at his option 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 time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute therefor. The supplier shall be liable for any loss which the purchaser may sustain by reason of such risk purchases in addition to penalty at the rate mentioned in clause 10 above.		
15	BHEL Standard Guarantee Clause: Your confirmation to our standard Guarantee clause that the materials are to be guaranteed for satisfactory performance for a period of twelve months from the date of commissioning / putting into use (or) eighteen months from the dispatch which ever is earlier and if any defect is noticed during the above period, the same shall be rectified/replaced free of cost on Ranipet/ Destination basis within a reasonable time. To this effect a Guarantee certificate should be sent along with the dispatch documents in the event an order		
16	Place of Manufacturing: Mention the palce of manufacturing		
17	Vendor status like Micro / Small / Medium To be indicated by vendor [latest copy of supporting document shall be furnished along with offer applicable to Indian vendor]		

NOTE : 1) Offer will be evaluated on the basis of Total landed cost to BHEL at the Final destination.

2) The above format shall completely be filled and deviation if any shall be clearly spelt out. The columns which are not applicable shall be mentioned as "Not Applicable". No column should be left blank. If any column is unfilled, it will be taken as you are agreeing to BHEL's Requirement. Offer will be evaluated on the basis of Total landed cost to BHEL at the Final destination.

The above Commercial Terms and Conditions are confirmed by us for this tender. In case there is a difference between the conditions confirmed above and the main offer, we certify that the Commercial Terms and Conditions given here is applicable. Such Commercial Terms and Conditions in the main offer may be considered null and void by the Purchaser and this is accepted by us.

Date :

SIGNATURE WITH SEAL

Annexure – B For Supply of “Connecting Screw” (For Indigenous sources)

REQUIREMENT OF TECHNICAL DETAILS /CONFIRMATION

(Ref:BAP/PUR/OT/Connecting Screw/4230870E dt:23.09.2013 Due on 18.10.2013)

(To be filled in full and to be submitted along with offer)

S.NO	DESCRIPTION	BHEL'S REQUIREMENT	SUPPLIER'S COMMENTS
01	SPECIFICATION DRAWING 1-79-006-00068/07 AND SPECIFICATION TEP:529:CS:G: 01	Clause wise / Point wise confirmation to be given in TOTO for all specifications& to be submitted along with offer. (i.e Xerox copy of specn duly filled with your acceptance / comments duly signed & sealed).	
02	DATA SHEET / DRGS	Filled Data Sheet and your Drgs are to be submitted along with offer.(if applicable).	
03	QUALITY PLAN	To confirm applicable QP will be followed. (or) Your quality plan to be submitted for our review & approval along with offer.	
04	SPECIFICATION DEVIATION DISPOSITION REPORT (SDDR)	Attached SDDR to be filled & submit along with offer. (Even NO deviation is taken, NIL report to be submitted).	

SPECIFICATION DEVIATION DISPOSITION REPORT

Specn			Item		
Enq.No &Date					
Vendor Name					
SPECN					
Page	Clause	Details Of Deviation With Reason		Disposition By Bhel	
Signature Of Vendor			Reviewed By		
" AGREED DEVIATION "			APPROVED BY		
if any to be incorporated in the PO in the event of order.					

Date

VENDOR'S SIGNATURE WITH SEAL

MSME STATUS (APPLICABLE ONLY FOR INDIAN SOURCES)

As per the Public Procurement Policy notified by the Central Government, Micro and Small Enterprises quoting within the price band of L1+15% shall be allowed to supply the requirement up to 20% of the tender value subject to condition that such Enterprises bring down their price to L1 price where L1 price is from other than a Micro and Small Enterprise. If L1 offer is from a Micro / Small Enterprise, this provision will not be applicable. In case more than one Micro and Small Enterprise is there within this span, the supply shall be shared proportionate to the tender quantity. (70:30 or 50:30:20 of the eligible quantity).

Note: Special provision for Micro and small enterprises owned by SC or ST: -

Sub target of 20% (i.e. 4% out of 20%) would be earmarked for procurement from Micro and Small Enterprises owned by the Scheduled Caste or Scheduled Tribe Entrepreneurs provided that in event of failure of such Micro and Small Enterprises to participate in the tender process or meet the tender requirements and the L1 price, the 4% sub-target for procurement ear-marked MSE owned by Scheduled Caste or Scheduled Tribe Entrepreneurs shall be met from other MSE Enterprises/s. Such of those Suppliers who are already registered with BHEL, Ranipet as an MSE and whose knowledge of BHEL, Ranipet that the change in the status has not been intimated by the Bidder and the order is obtained under the premise of an MSE then BHEL would cancel the pending order against this tender and take necessary steps for suspension of the business dealing with the Bidder as per the procurement policy of BHEL. In case after the bid opening it is seen that no MSE has become L1, then depending on the nature of the item, if it is not possible to split the tendered items / quantities on account of reasons like customer contract requirements of supplying one make for a given project or technical reasons like the tendered item being a system etc. then BHEL would not counter offer the L1 prices even though there may be MSE bidders within the +15% band of L1

Payment Mechanism at BHEL, Ranipet

(Effective for all tenders issued by BHEL Ranipet from 01 July 2011 onwards unless otherwise notified of change/s in writing given by an authorized official of BHEL, Ranipet) BHEL, Ranipet's payment mechanism will be as follows: (All Bidders are requested to read this carefully and take note of it before submitting their offer) All bills of Suppliers processed for payment by BHEL, Ranipet shall pass through the following mile stones:

(1) Receipt of materials at BHEL, Ranipet Stores (evidenced by the Day-Book Number and Date generated at BHEL Stores, Ranipet) or Receipt of materials at Project Site / Destination specified in the Purchase Order (as evidenced by the acknowledgement given by the Consignee).

(2) Acceptance of the supplied materials at BHEL Stores, Ranipet. (Proof of evidence: Stores Receipt voucher - Short form "SRV", raised by BHEL Stores, Ranipet referenced by the SRV Number and Date)

(3) Receipt and Registration of the Bills / Invoices of the Supplier at BHEL, Ranipet Accounts Department. (evidenced by the ABS Number and Date)

(4) Receipt of clarifications, if any that may be required by BHEL, Ranipet Accounts or Purchase Department, from the Supplier. (As evidenced by the IOM Inward Date)

(5) Bill processing and passing.

(6) Payment release.

All these events are transparently available in the SCM web-site of BHEL, Ranipet, {<http://bapscm.bhelrpt.co.in/purc>} which can be viewed by all registered supplier with a password.

Allowed Time frames:

A] From DB to SRV: 10 Days

B] From SRV to ABS: 15 Days

C] From ABS to Bill Pass: 07 Days (if Stage 4 above is not applicable)

OR

From IOM to Bill Pass: 07 Days (if Stage 4 above is applicable)

D] From Bill Pass to Payment Release: As per payment terms of the Purchase order.

All Suppliers payment/s would be released based on seniority of receipt of the processed bills at the payment section of BHEL, Ranipet Accounts Department.

The seniority would be based on the sequence of milestone events listed above.

In the sequence of the bill processing the preceding mile-stone seniority will be void, if the subsequent event occurs beyond the permitted time frame between two successive events.

Thus for example:

Start seniority would be with the DB date.

If the SRV date is greater than 10 days of the DB date, then the seniority of the DB date would be replaced by the SRV date.

If the ABS date is greater than 15 days of the SRV date, then the seniority would be reckoned by the ABS date.

If the Bill pass date is greater than 07 days of the ABS date then the seniority would be the date of inward receipt of the IOM.

The logics of these sequence is that SRV, ABS, IOM inward entry are dependent entirely on submission of correct documentation by Suppliers, as called for in the Purchase Order. If the documents are correctly submitted each of the milestone listed above will occur within BHEL, Ranipet within the timelines specified above.

Hence, in their own interest all Suppliers are requested to take note of this process and comply with the same.

Caution: Suppliers' payments would get delayed / affected if they fail to adhere to the submission of the documents specified in the Purchase Order / Contract, since the listed milestone events occurrence are contingent upon the availability of the requisite documents.

ANNEXURE-B

Ref:BAP/PUR/OT/Connecting Screw/4230870E dt:23.09.2013 Due on 18.10.2013

GENERAL TERMS AND CONDITIONS OF REVERSE AUCTION

1. For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
2. BHEL will engage the services of a service provider who will provide all necessary training and assistance before commencement of on line bidding on Internet.
3. BHEL will inform the vendor in writing, in case of reverse auction, the details of service provider to enable them to contact and get trained.
4. Business rules like event date, time, start price, bid decrement, extensions, etc. also will be communicated through service provider for compliance.
5. Vendors have to fax the compliance form in the prescribed format (provided by service provider) before start of Reverse auction. Without this the vendor will not be eligible to participate in the event.
6. BHEL will provide the rate schedule (e.g. EXCEL sheet) for the vendor to enable them to fill-in the price and keep it ready for keying in during the auction. In the event of discrepancy in rate and amount against any item of work, the least of the two will be taken for bid price. In case of discrepancy between the total price indicated in price bid and the arithmetic sum arrived based on rate quoted, then also the least of the two will be taken for the bid price. The bids are compared on the total price quoted and NOT on individual ITEM of works.
7. Reverse auction will be conducted on scheduled date & time.
8. At the end of reverse auction event, the lowest bidder value will be known on the network.
9. The lowest bidder has to fax the duly signed filled-in prescribed format as provided on case-to-case basis to BHEL through Service provider within 24 hours of auction without fail.
10. Opening bid in reverse Auction: The opening bid (in the reverse Auction) of the bidders shall be same as that quoted in their final sealed price submitted to BHEL (along with Technical offer). The bidder shall confirm in writing to BHEL that their opening bid (in reverse auction) shall be same as that quoted in their final sealed price bids submitted to BHEL against this NIT along with Technical Bid (Part-1). **If any bidder offered a unsolicited discount or rebate, in separate cover etc. in any place other than the sealed price bid, then the opening price bid in reverse auction, by such a bidder in Reverse Auction, shall be the price offered in final sealed price bid submitted (against this NIT) minus discount offered in any place other than the sealed price bid.**

11. BHEL reserves the right to cancel Reverse Auction (RA) without assigning any reasons and resort to considering the sealed bids submitted by vendor for processing and finalizing the tender.
12. In case the process of reverse auction is found unsuccessful by BHEL, then BHEL at its discretion may decide to call the L1 bidder of reverse auction for further negotiation.
13. Any variation between the on-line bid value and signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct business with BHEL as per prevailing procedure.
14. In case BHEL decides not to go for Reverse auction procedure for this tender enquiry, the Price Bids and price impacts, if any already submitted and available with BHEL shall be opened as per BHEL's standard practice.
15. Only those vendors, who participate in the Online Initial Opening Bid, will be eligible to participate in the subsequent Online English Reverse Auction.
16. Price bids offered by the bidders during reverse auction process is considered as an offer to execute the work. Bids once made by a bidder cannot be cancelled/withdrawn and bidders shall be bound to execute the work at the final bid price. BHEL shall take appropriate action if the bidder fails to do so.
17. Cancellation of RA: Even where BHEL has specified Reverse Auction as the mode of competitive bidding in the tender enquiry, BHEL reserves the right to cancel the RA and go in for competitive sealed price bidding. In that event, BHEL would intimate the acceptable offerors of the same in writing. The decision of BHEL to replace RA with competitive sealed bidding would be final and would be binding on all the technically qualified bidders. Such decision would be communicated to the technically successful bidders and BHEL is under no obligation to assign any reason for changing the mode of bidding from RA to sealed cover competitive bidding.
It shall be presumed that all bidders participating in this tender have read this condition and have accepted this, in submitting their offer. Bidders would then given an opportunity to submit their reduction impact price bid if any, in sealed cover, which would be considered together with the price bids submitted along with the original/technical offer and other impact price bids if any arising out of changes in the technical scope. In case tenderers choose not to offer any reduction impact, then they would have to submit a statement to that effect, also in a sealed cover for opening along with price bid/s.

MANAGER/PURCHASE

Quantity Split terms and Conditions

TO ENQUIRY No: Ref:BAP/PUR/OT/Connecting Screw/4230870E dt:23.09.2013 Due on 18.10.2013

Special Terms and Conditions

- 01) BHEL reserves the right to increase or decrease the tender quantity.
- 02) Lowest prices received against BHEL tenders need not be the technically acceptable L1 Price and BHEL reserves the right not to consider the same.
- 03) BHEL reserves the right to negotiate or re-float the tender opened if L1 price is not the lowest acceptable price to inter- alia other reasons.
- 04) BHEL reserves the right to negotiate the L1 rates.

Quantity Split:

5 a) BHEL reserves the right to split the tendered quantity as follows: 70:30 (70% for the original L1 and the remaining for the next higher bidder in the order of their ranking who accepts to supply the goods and quantity at the same rates, commercial terms and conditions as that of the L1)

5 b) The quantity split is considered on the grounds of:

- (1) Higher quantity
- (2) Higher tender value
- (3) Capacity limitation of the suppliers.
- (4) Delivery requirement of BHEL
- (5) One or a combination of above or all of the above.

5 c) In no case the highest quoted bidder (H1) would be given the opportunity of the quantity split. Similarly, if there are only two bidders, quantity split will not be generally considered. However in exceptional circumstances, BHEL may still resort to quantity split between the two bidders, to meet their requirements.

5 d) It is understood that Bidders participating in this tender have agreed to this condition.

Mere stipulation of the quantity split condition in the tender does not guarantee that BHEL will split the order. BHEL reserves the right to place orders on respective L1 only without resorting to the quantity split, even if the quantity split provision is made available in the tender.

5 e) The quantity split ratio is only indicative and BHEL has the right to modify the same depending on the quantities requirement of their customer projects. Such modifications would be within the range of $\pm 10\%$ of the indicated split ratio.

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5 f) The L1 prices and their agreed commercial terms and conditions would be counter-offered to the next higher bidders in the order of their ranking and the quantity split would be given to the bidders who accept it in –toto on the basis of their ranking in the price bid.

5 g) If none of the other bidders accept the counter-offer viz the Price, Quantity, commercial terms and conditions, then the entire quantity of the tender would be ordered with the original L1 only without any further recourse by BHEL.

5 i) The decision that the quantity split would not be operated would generally be intimated to the technically successful bidders before the price bid opening. However in exceptional circumstances, BHEL may resort to ordering only on the respective L1, without the quantity split, even after the price bid is opened. The decision of BHEL in this would be final and would be binding on all the bidders.

Note:

In the event of non-operation of Quantity split , Suppliers are expected to pass on the volume / quantity discounts, as applicable to BHEL.

Counter offer: Will be made matching the lowest landed cost to BHEL(L1)

Manager / Purchase