



ANNEXURE-A

Open Tender for Procurement of **Upper rotor post pin+washer as per our Specification APSQ 063/Rev05**  
**Due on 03.07.2013**

NOTICE INVITING TENDER

Sealed Tenders are invited for the supply of Flow Switch as per the Specification, Standards and Quantities as listed below.

SCOPE : SUPPLY OF FLOW SWITCH TO SPECIFICATION: APSQ-067/Rev04.

Sl No	Material code	Description	Model No	Material Specification	Unit	Qty	Delivery Schedule
01	961620510000	Upper Rotor post pin+washer, D53.900 +/- 0.075	-	APSQ 063 Rev 05	No	250	<24.08.13
02	961620510001	Upper Rotor post pin+washer, D76.425 +/- 0.075	-	APSQ 063 Rev 05	No	100	<24.08.13

The supplier shall follow the Quality Plan RQP no: 0000-999-QVM-P-216 alongwith our Specn:APSQ 063/05

Destination : BHEL Stores, Ranipet 632406, Tamil Nadu

**This Tender – price bid will be opened thro’ conventional sealed price bid opening method only**

**New supplier/vendor (other than the BHEL-PMD list vendors) shall submit SRF (filled-in and signed - supplier Regn Form) alongwith their offer.**

**Qualifying criteria for the new vendors (for other than our PMD vendors), Pre-qualification criteria**

- (1) The supply shall be as per our **Specification APSQ 063 rev 05 only**. Deviation if any, the “deviation summary “ shall be submitted for our technical evaluation.
- (2) Only those vendors (OEM) who have supplied the same or similar item should quote. The following information should be submitted by the vendor about the companies / firms where the same/similar items had been supplied. This is required from all the vendors for qualification of their offer.
  - (a) Name of the Customer / Company / firm where the referred materials were supplied
  - (b) Complete postal address of the customer, contact name with phone no., FAX no.&email address
- (3) **Performance certificate** from the customers regarding satisfactory performance of the above item supplied to them.
- (4) BHEL reserves the right to verify the information provided by vendor. In case the information provided by vendor is found to be false / incorrect, the offer shall be rejected.
- (5) The supplier shall fill all the details as called in the Supplier’s Registration Form (SRF – available in the annexure) and submit along with their offer for our evaluation such as Past Experience & performance, Financial soundness, Technical competence, Organizational capability etc.,



**Bharat Heavy Electricals Limited**  
(A Government of India Undertaking)  
**BOILER AUXILIARIES PLANT**  
INDIRA GANDHI INDUSTRIAL COMPLEX,  
RANIPET – 632 406

Phone:04172 –254319/242012

FAX NO:04172- 241131 (Purchase)

E-mail: [asrajan@bhelrpt.co.in](mailto:asrajan@bhelrpt.co.in)

TAMIL NADU, INDIA

[mkannan@bhelrpt.co.in](mailto:mkannan@bhelrpt.co.in)

Annexure – B

Standard Terms and Conditions  
Enquiry Ref: BAP/PUR/APH/ dt.  
(FOR GUIDANCE TO THE SUPPLIERS)

**A. Submission of Offer:**

**Sealed tenders**(in duplicate) super-scribed with correct Tender Number, Tender Due Date, Item Name & Supplier's Name and Validity of the Offer, shall be addressed to Manager / Purchase (APH), Bharat Heavy Electricals Limited, Boiler Auxiliaries Plant, Indira Gandhi Industrial Complex, Ranipet, Vellore District-632406, Tamilnadu, INDIA, so as to reach him on or before the due date and time specified in the tender.

Tender shall be submitted in two parts. Part-1 shall consist of Technical and all commercial terms without price . Part-2 shall consist only price bid. Both the part 1 and part -2 covers shall be put in a separate sealed Envelope super-scribing Tender number, item name, Tender Due date & supplier's Name and Technical Bid / Price Bid.

This enquiry shall be subject to jurisdiction of the courts at Ranipet , Vellore District , Tamilnadu.

Any revised offer (s) sent by vendors on their own , after the tender opening will be treated as "Unsolicited Offer". Such offers will not be considered and necessary action as deemed fit will be taken by BHEL on those vendors. Hence , competitive offer to be given in the original offer itself.

Point wise confirmation required for **Technical Specification + Annexure-A.**

Filled in & signed and stamped Commercial terms and conditions **annexure-C** is to be submitted along with technical offer.

**Sealed cover - Part – 1 = Techno-Commercial and Un-priced Bid - Qualifying Requirements and Techno-commercial bid and Unpriced Bid**", with Tender Number, Item Name, Tender Due Date & Supplier's Name, shall contain the following:

- a) Complete technical Offer with details, Specification conformance , drg/catalogues, if any as applicable.
- b) Un-priced bid (i.e. Bid without the Price),
- c) BHEL registered Vendors: Vendors registered with any unit of BHEL, shall give details of their registration along with the category registered for.
- d) BHEL Order Reference: If same or similar material has been supplied to any other Unit of BHEL, the Purchase Order details (reference number and date) shall be enclosed.
- e) Deviation summary shall be submitted along with Technical Bid in two parts – giving the summary of technical deviations separately and the commercial deviations separately, if any.

Note:

- (i) The materials offered shall confirm to our specification **APSQ 063 Rev 05**.
- (ii) In case the offered materials are not conforming to the Enquiry material Specification or such that the offered materials do not match the enquiry, such offers will not be considered for evaluation and will be rejected. Where equivalent specifications and materials are offered, such offers will be at the sole discretion of BHEL for consideration. **Wherever alternative standards / specifications are offered by Bidder, the Bidder shall provide sufficient documentary evidence to ensure equivalence to the designated standards / specifications, failing which the offer will be considered as technically not acceptable and hence shall stand rejected.**
- (iii) All taxes and duties payable as extra on the quoted price shall be specifically stated in both technical bid and price bid offer. Offer shall be submitted along with CST & TIN No. / Excise Tariff No. etc, failing which the purchaser will not be liable for payment of such taxes and duties. Our TIN No. 33243560005, CST No. 239383/11.06.91, BHEL ECC No. AAACB4146PXM008.
- (iv) If you indicate in your offer that Excise Duty, Cess on ED / CVD, Spladdl duty etc., included/excluded in the basic price, relevant documents should be submitted to BHEL, RPT along-with the consignment to get reimbursement from the Excise authorities, by BHEL, RPT. **In the case of CENVAT applicable, the supplier must indicate the CENVAT, either in amount or in % in their offer itself.**
- (v) The un-priced bid is to be used to indicate relevant commercial implications without indicating price.
- (vi) Commercial terms are to be indicated clearly, point-wise in the offer..
- (vii) No changes shall be entertained once the bid is opened unless otherwise specifically agreed to in writing by BHEL.
- (viii) Money values (except applicable Taxes, Duties, freight and insurance) shall not be indicated anywhere in the un-priced bid.
- (ix) Time required for inspection (at Supplier's works), shall be clearly given in terms of numbers of working days
- (x) It is advised that all the pages and annexure to the Techno-Commercial bid shall be serially numbered, indicating the total number of pages also. All the pages/sheets shall be signed & sealed.
- (xi) Bidders who are not already registered with BHEL Ranipet are requested to submit the filled in Supplier Registration Forms (SRF) available in BHEL website-www.bhel.com and the other required documents called for in the SRF (including D&B reports for import vendors, the facilities available at the mill / factory – starting material to finished product, manufacturing quality plan, inspection & test plan to meet the requirements) along with the technical bid.

In addition, vendors may submit an experience certificate detailing the quantity supplied, spec-wise, year-wise along with the un-priced PO copies and proof of supply along with the offer for all the tendered specifications. Technical acceptance of offer by BHEL, shall be based on the evaluation of offer and the submitted documents.

- (xii) Offers from manufacturers will only be considered. In case if manufacturer is not willing to quote, they can authorize their distributor / dealer located closest to Ranipet to quote on their behalf. Only one dealer/distributor shall be nominated. Such offers will be considered, **only if** detailed authorization issued by the OEM suppliers along with the offer. The authorization must clearly specify the period for which the dealer/distributor is authorized to have business relationship with BHEL. Necessary certificate of dealership/distributorship (where available) shall also be sent along with the authorization letter.

(xiii) If indicated in the NIT that "QTY SPLIT WILL BE APPLICABLE", then, only techno-commercially qualified bidders will be considered for further processing in this regard. 70% of the tender quantity is reserved for ordering on the L1 vendor. For the balance 30% of the tender quantity, the L1 landed cost will be counter offered to L2. If not accepted by L2, it will be counter offered to next higher bidders, leaving out H1 bidder (H1 bidder will not be entertained for counter offering).

However, BHEL reserves the right to decide whether going to split the enq qty or not

And, if there are only two bidders, quantity split will not be generally considered. However in exceptional circumstances, BHEL reserve the right to quantity split between the two bidders, to meet their requirements.

Orders placed to the new suppliers (those who are not in PMD list), against this tender will be treated as "trial orders only".

(xiv) BHEL reserves the right to increase or decrease the tender quantity.

(xv) Lowest price/s received against BHEL tenders need not be the technically acceptable L1 Price, and BHEL reserves the right not to consider the same.

(xvi) BHEL reserves the right to negotiate the L1 rate or re-float the tender opened if L1 price is not the lowest acceptable price to inter- alia other reasons.

(xvii) Authorization Letter : Tenderers who wish to participate in "tender opening" should attach an authorization letter which shall be duly signed and stamped in original , identifying the representative to be deputed for tender opening.

#### **Quantity Split :**

- Please refer note XIII for quantity split details.

- The quantity split is considered on the grounds of:

Higher quantity

Higher tender value

Capacity limitation of the suppliers.

Delivery requirement of BHEL

To expand vendor base

One or a combination of above or all of the above.

- 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.

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

- If none of the other bidders accept the counter-offer of L1 landed cost viz the Price, Quantity, commercial terms and conditions, then the entire quantity of the tender will be ordered on the original L1 only without any further recourse by BHEL.

The decision that the quantity split will not be operated and generally intimated to the technically successful bidders before to 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 will be binding on all the bidders.

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

**Sealed cover - Part – 2 = Price bid**, with Tender Number, Item Name, Tender Due Date & Name of the Supplier and Validity, containing:

Price Bid (i.e. Un-priced bid but with Price duly filled-in) in conformance with the commercial terms as per Cover- I.

The Price shall be indicated in both figures and words, clearly specifying the currency used. Differential foreign currencies may not be used in a given offer. Price should be firm till completion of supply.

Wherever there is a discrepancy between the figures and the words, the value as indicated by words shall be taken as the "Price" by the Purchaser. Similarly, if there is a discrepancy between the Unit Price and the Value on account of arithmetical error in the computation of the Value (Price x Quantity), only the Unit Price would be taken by the Purchaser for consideration. No corrections will be permitted after the submission of the bids. Error statements shall completely be erased / struck out and fresh values given in the offer, and, should be initialled and attested by the tender submitting authority. Offers without the above are liable for rejection.

#### Note

(i) The price break-up shall be in line with technical specification / scope of the tender. (Cost of material, packing charges, forwarding charges, freight, and insurance charges shall be shown appropriately, as applicable).

(ii) No Price Variation Clause & No advance payment is entertained by BHEL.

(iii) In case, there is a discrepancy in the term quoted in techno-commercial bid and price bid, the term as per the techno-commercial bid (Cover I) shall only hold good and the commercial term quoted in the Price Bid (Cover II) shall not be considered.

(iv) In their own interest, all Tenderers are advised to double check their prices, applicable duties and taxes. If Octroi is applicable, the same shall be on vendors account only. Since destination has been given in the tender, vendor has to ascertain the applicability of octroi.

(v) The quotation shall be valid at least for a period of 90 days from the tender opening date of the price bid.

(vi) Offers shall be submitted in two sets, one original and one copy.

(vii) The offers shall invariably contain the Signature (ink-signed) & Office Stamp of the Supplier, and, if there is any corrections / erasures, the same shall be initialled and stamped.

(viii) Indian bidders should submit the prices in Indian Rupees only.

(ix) Foreign bidders may submit their bid in their home currency. The currency should be clearly indicated in the un-priced commercial bid as well as in the price bid. The exchange rate as on Tender open date will be considered for further processing.

(x) Indian Suppliers shall quote on FOR Destination basis only. Destination is BHEL, Ranipet Stores. Foreign Suppliers shall quote on FOB Delivery. Delivery shall be on FOB Sea-Port basis and with the add-on freight charges to the FOB Price, to arrive at the C&F price/s. No other delivery terms shall be acceptable. The Port of delivery shall be a popular and commonly used international sea port. Freight charges for carriage from port of dispatch to Chennai Sea port shall be separately indicated in the price bid. (C&F Charges). All home port charges like Quay Dues, Bill of Lading issue charges, ISPS, Loading permit charges, Handling Charges and any other charges shall be borne by the Seller only.

In case the order/s are released on FOB basis, ocean transit will be arranged by the freight forwarder nominated by BHEL, details of whom will be included in the Purchase Contract or will be intimated separately. In the event of ordering, on C&F basis, shipment shall be arranged by the Seller.

As per the guidelines issued by the Government of India, BHEL Ranipet being a Government of India Undertaking, the Bill of Lading shall be made with the Shipper as "Government of India". This shall be specifically confirmed by the Bidder.

(xi) Where the cargo is to be containerized, at the works of the supplier, Container stuffing charges will be to the account of the supplier's only. In case of of FOB contract/s, containers would be arranged by the freight forwarder of BHEL.

(xii) Port to Port carriage would be arranged through shipping agent nominated by Government of India / BHEL in the case of Sea Shipments and

(xiii) List of shipping agents would be a part of the Purchase Contract.

### **BI Opening of Offers**

i) Tenders shall be received on or before the tender due date by 14.00 hrs and will be opened on the same day at 14.30 Hours. Tenders received after 14.00 hours of due date will not be opened. The time indicated are Indian Standard Time (IST). Tenders received after 14:00 Hrs will be designated as "Late Offer" and will be returned back to the Bidder unopened.

ii) Supplier shall submit **two covers (Cover-I techno-commercial bid & Cover-II price bid) in one envelope** only and, if not, the bid is liable for rejection. The decision to accept such bids shall be the sole discretion of BHEL, which may be done by BHEL after segregating the bids so received.

iii) Those Tenderers who wish to participate in the Tender Opening shall bring the authorisation letter duly attested by the authorized signatory. The representatives will be allowed to participate in the Tender opening only on submission of a signed and stamped authorization letter issued by the authorized signatory of the Supplier. Representatives without the Authorization Letter will not be allowed to participate in the Tender Opening. Representatives who turn up after the Tender opening time / start of the Tender opening will not be allowed to participate. After tender opening, the details will not be given to such suppliers who choose to be absent at the time of Tender opening.

iv) Details such as the Technical Specification, Delivery Terms, Delivery Period and the Price details in the event of the sealed price bid opening, alone will be read out by the Tender Opening Officer. No other data will be read out.

v) In exceptional cases, at the discretion of BHEL, in the event of the named representative (named in the Tender Document) is unable to attend the tender opening due to unavoidable circumstances, another representative will be allowed, if they produce a revised original authorization certificate. Suppliers are advised to avoid such situations on both sides. Mere furnishing of Visiting card or any other identification documents will not be entertained.

vi) If so required, BHEL reserves the right to open the Price-Bids, 'in-camera'. Under intimation to the Supplier by BHEL, before opening the Price-Bids.

vii) **BHEL reserves the right that the Price Bid opening will be done through conventional sealed bid opening mode (OR) Reverse Auction method (English method), All tenderers shall have to specifically give their acceptance for this in their bid/s.**

## Note

(i) Tender documents including all enclosures and supporting documents like catalogues, drawings, pamphlets, etc., shall be provided in ENGLISH language only.

(ii) At its option, BHEL may consider extending the due date/s for the tender openings. Sufficient notice will be given for such extensions.

(iii) Specifications / drg are the basic essence of the "Item". All deviations shall be summarized and provided in a "Deviation Statement", by listing the points and the deviation against each point, and

(iv) At its option BHEL may choose to resort opening of Price-Bids in conventional sealed bid opening mode (OR) conducting the Reverse Auction (RA) which will be informed in advance.

(v) BHEL reserves the right to increase or decrease the tendered quantity and will order on more than one vendor at the lowest acceptable price. In ordering on more than one source, the ratio of quantity split will be normally 70:30. BHEL reserves the right to split the quantity of the enquiry. 70% qty will be ordered on the original lowest bidder (L1) and balance 30% on the next higher bidder excluding H1, who accepts the L1 landed cost. However, final decision to split the order rest with BHEL only. In case BHEL decides not to split the qty/order, bidders will be asked to give the "Negative impact" price arising out of BHEL's decision to move away from splitting the order. In such cases, both the original price bid and the negative impact price bid will be opened to arrive at the final prices, in the event BHEL decides the mode of price bid opening as "Sealed Bid Opening". In case, the other suppliers as per original offer ranking ( H1 bidder will not be entertained) do not accept for matching the L1 landed cost, then the balance 30% will be reverted back to the original L1 vendor who is bound to accept the balance 30% of the enquiry quantity kept reserved for order splitting. This decision will be given by BHEL within 60 days of the price bid opening.

(vi) The decision of the type of price bid open and quantity split will be notified to all successful bidders (techno-commercially accepted tenderers) before the Price Bid opening stage, giving reasonable time for the Bidders to submit the "Negative Impact" price Bid.

(vii) Offers for part quantities on item level basis are not acceptable to BHEL. While tenderers can quote for some or all the tendered items, no supplier shall quote for partial quantity of any given enquiry item. Such partial offer will not be considered in the enquiry for that item.

## CJ Evaluation of Offers

i) The price bids of the technically acceptable offers alone, contained in Cover II shall be opened in case of conventional sealed price bid opening mode.

ii) All bidders shall submit their offers by filling-in the format of the BHEL tender documents. Offers received in any other format are liable to be rejected. Offers shall be submitted in BHEL's format only for the purpose of standardisation - to help in the offer evaluation.

iii) Offer with any pre-conditions (like conditional discounts) for price are liable to be not considered / rejected. For evaluation, such conditions will be removed and only the base offer will be considered for evaluation and comparison.

iv) In the event of any change in scope / quantity arising out of the discussions, offerers will be given a chance to submit their revised offer. The revised offer shall contain only the price addition / deletion for such change in the scope / quantities, over and above the original scope and price quoted. The original price quoted shall not be changed on account of the technical discussions.

v) Offer will be evaluated on final landed cost to BHEL at the destination basis

vi) BHEL reserves the right to reject without assigning any reason / load any offer with factors other than already specified for such offers having deviations to BHEL Specifications, Standard Terms & Conditions at its discretion. The decision of BHEL in this regard shall be final.

vii) BHEL reserves the right to reject an offer either on the unsatisfactory performance in the past, during tender finalisation / execution of a contract at any of BHEL projects / units or any unsatisfactory performance report is received from the party/s referred by the supplier at any time during tender finalisation.

viii) BHEL reserves the right to operate Purchase / Price preference to Government of India Undertakings, which shall be given as per the guide lines of Government of India issued from time to time and / or relax the Terms and Conditions of the tender.

ix) For the purpose of comparing prices, tender prices shall be converted to Indian rupees and the conversion shall be made by using the TT Selling rate of State Bank of India (SBI) prevailing on the date of opening of Techno-Commercial/Unpriced bids. This exchange rate will be followed till placement of order.

x) BHEL reserves the right to conduct negotiations on the "Price" and "Other Commercial Terms and Conditions" with the lowest ranked offerer at any time after the bid opening but before release of Purchase Order and

xi) If so required, Supplier may have to share their cost data / costing sheet with BHEL.

xii) In case, the supplier has been put on 'Hold' or 'Banned' by any other units of BHEL, then the offer received from such supplier will not be considered in this tender. It is also notified that during the tenure of execution of the contract, if the supplier is 'Banned' for business dealings by any other BHEL units, then the order with the pending quantity will be cancelled by BHEL, Ranipet.

### **DJ Execution of the Order**

i) BHEL will have the option to pre-inspect the materials at Supplier's works by BHEL's own inspector or by third party agency appointed by BHEL or BHEL's end customer/s but this does not absolve the Supplier from giving the specifications as agreed upon.

ii) Inspection call for carrying out the inspection shall be given 10 days before the scheduled contract delivery date. BHEL requires clear 7 days notice to arrange for inspection. The Inspection date/s given by the Supplier shall be on firm basis.

iii) In the case of overseas suppliers, Inspection call for carrying out the inspection shall be given 60 days before the scheduled contract delivery date. BHEL requires clear 30 days notice to arrange for inspection. BHEL will inform whether the inspection will be at supplier's works or at our BHEL/stores. The Inspection date/s given by the Supplier shall be on firm basis. For local / indigenous Suppliers, the Notice period of Inspection shall be 10 working days.

iv) Deviations, if any pointed out by the visiting Inspection team of BHEL shall be corrected / rectified by the vendor and the items as per specification shall be dispatched on or before the contract delivery date.

v) The final inspection for acceptance will, however, be carried out at BHEL's works at Ranipet.

vi) The contract delivery date is the date of ex-works dispatch of the item for suppliers in India and the date of dispatch clearance given by BHEL is for overseas suppliers.

vii) Travel & other local stay cost for the Inspectors sent by BHEL will be to BHEL account, but other Inspection Charges, if any shall be to the account of the Seller only.

viii) The supplier shall arrange for packing suitably in all respects for normal transport by sea / rail / road. Materials shall be suitably protected against effect of tropical salt laden atmosphere in the event of shipment being delayed at ports / store yards.

ix) Indian suppliers shall dispatch on free delivery (door-delivery) at destination basis. Unloading the materials at the final destination will be to the account of BHEL only.

x) In the event of any short supply, the responsibility lies on the supplier to deliver such short supplied / missing items on Free-of-Cost basis at destination.

xi) In the event of any short supply, the responsibility of the supplier to deliver such short supplied/ missing items on Free-of-Cost basis at BHEL stores, including customs clearances at Indian Ports in the case of foreign suppliers

xii) Foreign suppliers shall dispatch on FOB or C&F agreed Sea-Port basis, according to the contract conditions. Indian suppliers shall dispatch on free delivery (door-delivery) at BHEL stores basis only. Unloading the materials at BHEL Stores would be to the account of BHEL only.

xiii) Materials shall be dispatched only after getting the dispatch clearance of BHEL (Dispatch clearance will either be faxed / e-mailed as a scanned document / couriered)

xiv) Payment terms: The standard acceptable mode is "100% direct with in 60 days after receipt and acceptance of materials at BHEL for Indigenous Suppliers" and through "100% at Sight L/C", payable within 7 days after receipt of the documents at the opening bank", for foreign suppliers. Payment to Indian suppliers will be through Electronic Fund Transfer (EFT). The EFT form which is a part of the tender document has to be filled in and submitted by the Indian bidder along with the techno-commercial offer in Cover-I. No other payment terms are acceptable.

xv) Even though 100% at Sight LC is the standard payment term for all foreign Suppliers by BHEL, BHEL reserves the right to load on the price of foreign suppliers in order to bring them on common platform with the Indigenous Suppliers on account of differential payment terms to Indigenous Suppliers.

xvi) Any incidence of tax like Income tax, Service Tax and any other similar tax / duties /levies imposed by Government of India, or the State Government, where the BHEL Unit is located, deductible at Source, during the tenure of the Order shall be deducted by BHEL and necessary certification of the deduction (Tax deduction at Source) will be given. Wherever applicable, necessary Tax Deduction at Source (TDS) will be issued.

xvii) The Guarantee period shall start from the "Date of receipt and acceptance of the materials at BHEL Stores."

**E) Reverse auction (RA) / on-line bidding on internet (if indicated in NIT):**

a) BHEL reserves the right to finalize the price bid opening whether through conventional method of sealed\_price bid opening (or) thro' Reverse Auction Procedure i.e. On-line bidding on Internet.

b) In case BHEL decides not to go for Reverse Auction procedure for the tender enquiry, the Price bids and negative price impacts if any, submitted and available with BHEL shall be opened as per BHEL's standard practice.

**The General Terms & Conditions for RA (if indicated in NIT) are as below:**

i) For a proposed reverse auction, technically and commercially accepted bidders alone shall be eligible to participate.

ii) 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.

iii) BHEL will inform the Supplier in writing the details of Service Provider to enable them to contact the Service Provider & get trained.

iv) Business rules like event date, time, start price, bid decrement, extensions etc. also will be communicated through the Service provider for compliance.

v) Suppliers 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.

vi) BHEL will provide the calculation sheet (e.g., MS Excel sheet) which will help to arrive at 'Total landed cost to BHEL, like Packing & Forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services, loading factors (for non-compliance to BHEL Standard Terms & Conditions), etc. for each of the Supplier to enable them to fill-in the price and keep it ready for keying-in during the Auction.

vii) Reverse auction will be conducted on scheduled date & time.

viii) At the end of Reverse Auction event, the lowest bidder value will be known on the network and

ix) 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. Failure to do so or if there is any variation between the on-line bid value and the signed document the same will be considered as sabotaging the tender process and will invite disqualification of Supplier to conduct business with BHEL as per prevailing procedure.

**F] Termination of Inquiry / Orders:**

BHEL reserves the right to cancel the inquiry before opening the tender, without assigning any reason there of..

BHEL reserves the right to cancel the tender and refloat a fresh tender, at any time after opening of the tender, in case it finds the response to its tender is not meeting its requirement. This shall be at the sole discretion of BHEL.

BHEL reserves the right to cancel the order for delay in supply beyond penalty period without any monetary or legal obligations and at the risk and cost of the Supplier

BHEL will levy penalty as Liquidated Damages (LD), for delay in delivery. The damages shall be at the rate of ½% per week or part thereof subject to a maximum of 15% for the undelivered portion. Delivery for the purpose of L.D, will be reckoned as the date of clearance of the Material for dispatch to BHEL.

**G] Liquidated Damages Clause:**

BHEL will levy penalty as Liquidated Damages (LD), for delay in delivery. The penalty shall be at the rate of ½% per week or part thereof subject to a maximum of 15%, for the undelivered portion. Delivery for purpose of L.D, will be reckoned as the date of the ex-works dispatch of the materials by the Supplier. Applicable LD will be deducted from the Supplier's bill iefrom the first payment when raising the claim for the same. The LD would apply for the undelivered portion only. In case of reasons attributable to BHEL for the delay in delivery (for e.g. delay in arranging the pre-inspection) then the delivery time would be reset to the extent of the time delay attributable to BHEL, with waiver of LD, being delivery is the essence of BHEL's contract requirements. In the event that a Supplier does not accept the LD condition as stated above, the offer will be loaded to the extent of the shortfall with respect to upper limit specified above. Offers which do not accept for any LD will normally berejected.

LD will be a mandatory condition in the purchase order. If no specific confirmation or comments are included in the initial offer by the tenderer, in the event of placement of order, the order will be released with the standard LD condition given above. The condition will be included in the order without any further reference to the offerer and no changes will be permissible, post order release.

Example: If the supplier has accepted for maximum 10% penalty clause, then balance 5% will be loaded for evaluating lowest bidder. The offer/s of such of those bidders who do not accept for levy of liquidated damages (LD) for delay in delivery is likely to be summarily rejected. No correspondence will be entertained by BHEL in this regard, on this subject. BHEL specifically draws the need of this mandatory requirement to the notice of all Bidders. The Price Bid of such of those offerers failing to meet this requirement, will not be considered for the Price-Bid Opening.

In case any bidder is not accepting the above penalty for delayed Supply to maximum of 15%, the offer of that bidder shall be loaded to the extent to which it is not agreed by the bidder.

Example : If the Supplier has accepted for maximum 10% penalty clause, then balance 5% will be loaded for evaluating lowest bidder.

## H) Miscellaneous

### i) Role of Agents:

BHEL prefers to deal directly with the Main producers / manufacturers only.

BHEL discourages the engagement of Agents in India by foreign principals, to deal with BHEL, in BHEL's tenders.

BHEL will not enter into any correspondence with an Indian Agent.

The Indian Agent will not be extended the privilege given to the principals, such as that of attending the tender openings, technical discussions / commercial discussions or price negotiations etc.,

In spite of the above, a foreign principal insist on engaging an Indian Agent, It is made clear by BHEL that:

It is the sole responsibility of the foreign principal to ensure the Agent does not represent any other foreign principal in a given tender.

An undertaking to this effect shall be given by the foreign principal that his / her Agent does not represent any other foreign principal in the tender. This document shall form a part of the techno-commercial offer.

If at any stage of the tender, BHEL finds that an Indian Agent has represented more than one foreign principal, all such offers and all the foreign principals will be disqualified summarily in the tender inquiry.

BHEL will only give an intimation of notice to this effect. No further correspondence will be entertained by BHEL. Such decision of BHEL shall be irrevocable, firm and final and shall be binding on the tenderer.

BHEL, due to business reasons, would have banned the Indian agents from dealing with BHEL.

Any foreign principal who engages such a banned agent, or an employee of the banned agency, or any other person connected with the banned agency, at any time during the tender proceedings, would be disqualified from the tender proceedings. The decision of BHEL in this regard shall be final and be binding on the OEM.

Hence in their own interest, prospective tenderers may check with BHEL, the status of their proposed agent vis-à-vis BHEL.

In view of the above requirement, it is strongly suggested that in their own interest, foreign principals may desist engaging any Indian agent and deal with BHEL directly. It is stressed that any Main producer proposing to deal with BHEL by engaging an Indian Agent does so at their own risk.

BHEL shall in no way be responsible for any consequences that may arise to the foreign principal on account of the antecedents / actions of their Indian Agent.

**In the event of the foreign principal engaging an Indian Agent:**

- a) The Supplier shall furnish an authenticated copy of the Agency Agreement with his agent detailing the precise relationship between them and their mutual interest in the business along with techno-commercial bid.
- b) The Supplier shall furnish original authorization letter for the Indian Agent. The letter shall contain name, contact person, complete postal address including phone, fax and e-mail ID. It shall also spell out the type of services to be rendered by Indian Agent.
- c) Indian Agent & Agency commission: An Indian Agent can represent only one Foreign Manufacturer against a particular Tender. The FOB price quoted by the foreign bidder shall include the agency commission. However, the agency commission component payable to their Indian Agents shall be shown separately in the Offer, either as a lump-sum or as a percentage of the quoted price. This will be paid by BHEL in Indian Rupees, on satisfactory receipt & acceptance of the materials. For calculation of Rupee equivalent of Agency Commission, exchange rate as prevailing on the date of Purchase Order will be taken and
- d) For all discussions, technical clarification and negotiations etc. only the principal will be authorized for interaction with BHEL. The Agent shall not be a party to the discussions / negotiations and would not be normally allowed to participate.

**ii) Terms & Conditions of Letter of Credit (L/C) for overseas suppliers (indicated for acceptance).**

- a) Unconfirmed irrevocable Letter of Credit only will be opened by BHEL. Confirmation of L/C is not preferred by BHEL.
- b) Bank charges out side India are to the Supplier's account.
- c) In case of L/C extension caused by delays attributable to the Supplier, the L/C extension / commitment charges are to be borne by the Supplier.

**iii) Other terms & conditions for letter of credit: - Documents for negotiation**

- a) Signed Commercial invoice in quadruplicate, for a value not exceeding the draft amount, quoting the import Licence No. and certifying goods evidencing shipment of the merchandise are as per Applicant's Purchase Order. The amount of invoice after deducting Indian Agent's commission, if any, should not exceed the Credit amount. (The Indian agent's commission, if any, is payable in India in Indian rupees only.)
- b) Certificate of Country of Origin, from the country of manufacture, issued by the Chamber of Commerce.
- c) One set of Original and two sets of Non-negotiable copies of 'signed', 'unmarked', 'clean on board' Ocean Bill of Lading, showing Shipper as "Government of India" Account M/s. Bharat Heavy Electrical Ltd, Unit: BHEL, Ranipet as consignee (The opening bank should not be notified as consignee), marked freight payable / prepaid at destination (in the event of shipment).
- d) Packing list in 4 copies in English, indicating Size wise Number of bundles / pieces shipped and weight.

e) Certified copy of the fax / e-mail sent by the beneficiary to the applicant giving the following particulars of shipment, as the insurance is to be arranged by the Applicant in India: (i) Purchase Order Number & date; (ii) Bill of Lading Number & date (iii) Name of vessel; (iv) Port of Loading; (v) Number of bundles / pieces and weight; (vi) Invoice Number, date and value (vii) Purchase Order item sl no.(postl no. of the despatched item with material code). The cable / fax is to be sent within 2 working days of shipment.

f) Beneficiary's certificate showing the relevant airmail / courier reference no. and date wherein the following clauses have been complied with:

i] Beneficiary to forward by Registered Airmail / Courier one complete set of original documents and one set of non-negotiable documents within 3 working days of obtaining shipping documents to Regional Manager (ROD), Bharat Heavy Electricals Ltd, No. 165, ThambuChetty Street, Chennai – 600 001. India. (Phone: +91-44-25341249, 25341240 / Fax - +91-44-25340787; e-mail: raja@rodchn.bhel.co.in)

ii] Beneficiary to courier at his cost 3 copies of complete set of non-negotiable documents to the Officer who released the Purchase Order.

iii] Declaration by the Supplier certifying that the contents in each case are not less than those entered in the invoices / packing list and that the invoicing for the supplies effected is strictly in accordance with agreed rates as stipulated in the Purchase Order.

iv] Declaration to the effect that all other documents as per purchase order has been couriered to the Purchase order releasing authority

v) The carrying steamer should be seaworthy, less than 25 years of age and approved by Lloyds / Classification Societies / General Insurance Corporation of India from time to time and,

vi) Copy of Dispatch Clearance / Instruction issued by BHEL.

***iv) Documents to be sent directly to the Purchaser prior to shipment***

a) Manufacturer's Original Internal Inspection / Dimensional report / Test certificate in triplicate.

b) Manufacturer's Original Guarantee certificate as per Purchase Order for imported items. For the indigenous items, the material shall be guaranteed for satisfactory performance for a period of 12 months from the date of commissioning / putting into use (or) 18 months from the date of dispatch whichever is earlier. The acceptance will be evidenced by the Stores Receipt Voucher (SRV) which will be raised by BHEL..

c) Inspection / Test Certificate issued by BHEL / Inspection agency specified in the Purchase Order shall be submitted to BHEL. In the event that Inspection prior to dispatch is not carried out by the Engineers of BHEL / BHEL authorized inspection agency / Customer to BHEL , the same shall be inspected at our BHEL stores by BHEL QC and acceptance/remarks will be issued / intimated and,

d) Any other documentation as specified in the Purchase Order.

***v) Delivery Period :*** The contractual delivery period will be reckoned from the date of LOI, which shall be binding on the contract. Suppliers shall quote their best delivery period. Delivery is the essence of all the contracts for BHEL.

vi) Conditions for transportation:

- a) All shipping documents shall show the Purchase Order Number & Date, Import Licence Number & Date, and Letter of Credit Number & Date.
- b) Transshipment is to be avoided.
- c) Loading on deck is not permitted. The transport document must not contain a provision that goods may be carried on deck.
- d) A transport document which is produced or appearing to have been produced by reprographic, automated or computerized systems or as carbon copy will be accepted as an original document provided that it is marked as original and is ink-signed.
- e) The transport document must contain all the conditions of carriage on the original document.
- f) The transport document must not indicate the place of destination as being different from the port of discharge.
- g) The transport document must not contain the indication 'intended' or similar qualification in relation to the vessel or other means of transport or port of loading or port of discharge.
- h) The transport document must be issued by the carrier or his agent and not by any freight forwarder.
- i) Transport documents bearing reference by stamp or otherwise, to costs additional to the freight charges are not acceptable.
- j) The Bills of Exchange must be dated and presentation of documents for negotiation must not be later than 15 days after the date of shipment and in any case not later than the expiry date of the Credit.
- k) Material shall be dispatched through the agency nominated by BHEL.
- l) Indian suppliers shall dispatch the materials, freight prepaid, on door-delivery basis (FOR Destination – Destination: BHEL Stores) preferably through any one of the approved carriers of BHEL only and
- m) In the event there is a delay by the Supplier in negotiating / submitting the document, any demurrage / wharfage arising out of the same shall be to the account of the Supplier only shall be deducted from the final payment. Also, in such cases, the Supplier shall authorize the Steamer / Shipping agent / transporter to freely release the consignment to BHEL by providing a “Surrender Bill of Lading”. Over-seas Suppliers have to give a No-Objection Certificate to BHEL, authorizing BHEL to get the Delivery Order from the Steamer Agent without producing the Original Bill of Lading. This is required to ensure avoidance of incidence of demurrage at Chennai Sea-port that may arise in case of delayed presentation of documents by the Seller.

### IJ Force Majeure

If at any time during the currency of this contract, the performance in whole or in part, by either party of any obligations under this contract shall be prevented or delayed by reason, of any war, hostilities, acts of the public enemy, civil commotion, sabotage, fires, explosions, epidemics, quarantine, restrictions or acts of GOD (hereinafter referred to as events), then provided notice of happening of any such events is given by either party to other within ten days from the date of occurrence thereof, neither party shall reason of such events be entitled to terminate this contract nor shall either party have any such non performance and delay is resumed as soon as practicable after such events has come to an end or ceased to exist. If the performance in whole or part of any obligation under this contract is prevented or delayed by reason or any such event claims for extension of time shall be granted for period considered reasonable by the purchaser subject to prompt notification by the seller to the purchaser of the particulars of the events and supply to the purchaser if required of any supporting evidence. Any waiver of time in respect of partial installment shall not be deemed to be a waiver of time in respect of remaining deliveries.

### JJ Cancellation of Order:

In the event of non-performance of the contract by the Supplier, BHEL reserves the right to cancel the order with issue of a written notice. BHEL would provide a curing period of 30 days, for the Supplier to rectify the situation. If the Supplier fails to rectify the reason/s that led to the issue of cancellation notice by BHEL, then the cancellation order would be issued automatically by BHEL, without further recourse to the Seller. BHEL will not pay any cancellation charges or any other charges / damages to the Supplier, arising out of such cancellation. In the event of the non-performance of the supply contract, by the Supplier, the rights of BHEL include, in addition to cancelling the order, to take alternate purchase action at the cost and risk of the supplier. The additional expenditure to be incurred by BHEL in such alternate purchase would be to the account of the supplier. (Risk Purchase). This remedy would be in addition to the invoking of the CEBG (Contract Execution Bank Guarantee) on grounds of failure of the Supplier in executing the Contract and any other legal remedies."

### KJ Contract Execution Bank Guarantee: (if intimated in the NIT)

To demonstrate the fidelity of the successful bidder, in executing the Contract, on receipt of the Letter of Intent / Purchase Order, the Supplier shall arrange to provide a contract execution bank guarantee (CEBG). The format of the CEBG is a part of this enquiry. The format may be downloaded and necessary stamping may be obtained from the Banker towards submission of the CEBG. The indigenous suppliers have to provide the CEBG from any one of the Nationalized Banks, listed in the annexure to these terms. Overseas suppliers can submit the CEBG from any of the reputed International / National Bankers. However the CEBG is to be confirmed by any of the Bankers listed by us. In the event of failure by the Supplier to execute the contract either fully or partially, BHEL would encash the entire CEBG. The CEBG shall be valid for the period covering the agreed delivery date of the order with a further claim period of 3 months on the last specified delivery date. In the event of the failure of delivery BHEL would proceed with encashing the CEBG without reference to the Supplier. In the event of BHEL granting extension of the delivery dates, then the CEBG validity shall also be get extended by the Supplier to the extent of the extended delivery times together with the claim period as specified elsewhere.

The CEBG shall be for a value of 2% of the Purchase order.

Suppliers who are all already registered with BHEL and having a vendor performance rating of A or A+ grade can be considered for exemption from submission of CEBG.

### L] Others

- i) In case of any contradiction in the terms and conditions given here and elsewhere in the other documents of the tender, it shall be the responsibility of the tenderer to get it clarified from BHEL. The officer authorized to provide such clarifications is Manager / Purchase – APH, email:[asrajan@bhelrpt.co.in](mailto:asrajan@bhelrpt.co.in)
- ii) Alterations to the conditions of the Tender can be done only by the authorized officer, at any time before the date and time of tender opening. Such changes, if any, would be communicated in writing and / or hosted in the web-page.

Any amendment / changes in the Tender / Tender Terms & Conditions would be notified through the web only. No newspaper advertisement will be given. Tenderers are requested to keep track on the web for changes to the tender if any.

**iii) Applicability of Integrity Pact:** Integrity Pact are applicable for all the BHEL enquiries whose estimated value is equal to or more than Rupees 10 Crores. Submission of duly-filled & signed BHEL standard format of Integrity Pact (without any deviation) by Suppliers along with the un-priced (Techno-Commercial) bid is pre-requisite condition for evaluation of the offer. Copy of Integrity Pact with applicable nominated IEM is attached along with the tender documents for ready reference of Suppliers.

If any Supplier attempts to bribe, or pay commission, gift or any advantage or bring in undue influence either by himself / herself or on his/her behalf any one including a stranger to the tender, in addition to instituting legal proceedings as per the extant laws prevailing, will disqualify the supplier from this tender and all future tenders of BHEL. Decision of the Purchaser will be final in this matter.





iv) The laws governing this transaction shall be the laws in India.

v) Wherever not specified, INCO Terms 2011 or the latest INCO Terms shall be used to interpret the Commercial terms and conditions and

vi) In the event of an order, Supplier shall agree to settlement of disputes or differences, if any, by way of arbitration, in accordance with the “Rule of Arbitration” of the Indian Council of Arbitration.

The language in the tender documents downloaded by the Bidders shall at no point of time be changed, altered or modified in any manner by the Tenderer. If such changes are made by any tenderer, it shall be considered as tampering with BHEL’s terms and the offer shall be summarily rejected, whenever it is noticed by BHEL. Such Bidders would be disqualified from the Bidding Process and their offers would be forfeited / Bank Guarantees invoked. They will also not be allowed to participate in future tenders of BHEL.

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|-------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| <br><b>Ranipet</b> | MANUFACTURER'S NAME AND ADDRESS<br><b>M/S BHEL<br/>         RANIPET 632 406<br/>         TAMIL NADU</b> | ITEM /EQUIPMENT:<br><b>APH<br/>         SUB-SYSTEM:<br/>         UPPER ROTOR<br/>         POST PIN</b> | QP NO<br><b>R107</b>                  | REV/DATE<br><b>05/15 06 11</b>        | SIGN. OF<br><br><b>R. K. KUNACH<br/>         ALAM/QA</b> | QP NO.:<br><b>0000-999-QVM-P-216</b> | REV NO./DATE<br><b>03 DT. 28.06.2011</b> | REVIEWED BY<br><br><b>A. K. GARG</b> | APPROVED BY<br><br><b>A. K. GARG</b> |
|                                                                                                       | PAGE NO<br><b>1 OF 1</b>                                                                                | QUANTUM OF CHECK<br>M C/N                                                                              | REFERENCE DOCUMENT#<br><b>IS 2062</b> | ACCEPTANCE NORMS<br><b>IS 2062GRA</b> | VALID UP TO<br><b>27.06.2014</b>                                                                                                              | FORMAT OF RECORD<br><b>DR</b>        | AGENCY<br><b>M C N</b>                   | REMARKS<br><b>APPROVED</b>                                                                                                |                                                                                                                           |

| Sl. NO | COMPONENT & OPERATIONS    | CHARACTERISTICS            | CLASS | TYPE OF CHECK             | QUANTUM OF CHECK | REFERENCE DOCUMENT#                | ACCEPTANCE NORMS                   | FORMAT OF RECORD | AGENCY | REMARKS                                                    |
|--------|---------------------------|----------------------------|-------|---------------------------|------------------|------------------------------------|------------------------------------|------------------|--------|------------------------------------------------------------|
| 1.0    | <b>Raw Materials</b>      |                            |       |                           |                  |                                    |                                    |                  |        |                                                            |
| 1.1    | Plates to IS 2062         | Chemistry Mech. Properties | Major | Chemical & Mechanical (*) | Each heat        | IS 2062                            | IS 2062GRA                         | TC               | P V    | **When back wall Echo is set to 100 % of FSH in Sound area |
| 1.2    | Rods SAE - 4150/4140      | -Do-                       | Major | -Do- UT for Rod > 50mm    | DO- Each heat    | SAE 4150/4140                      | SAE 4150/4140                      | TC               | P V    | a) Defect echo not to exceed 20 % of FSH during scanning.  |
| 2.0    | <b>In Process Control</b> |                            |       |                           |                  |                                    |                                    |                  |        |                                                            |
| 2.1    | Welding                   | Weld size                  | Major | Measurement               | 100 %            | ASTM A388                          | ASTM A388 **                       | TC               | V P    | b) Back wall echo loss permissible 20 % of FSH.            |
| 3.0    | <b>Final Inspection</b>   |                            |       |                           |                  |                                    |                                    |                  |        |                                                            |
| 3.1    | Dimensional Check         | Overall dimensions         | Major | Measurement               | 100 %            | DRAWING                            | DRAWING                            | DR               | V P    |                                                            |
| 3.2    | Painting and preservation | Painting DFT               | Major | Visual/ Measurement       | 100%             | NTPC Engg approved painting scheme | NTPC Engg approved painting scheme | DR               | P W    |                                                            |

**TC - Test certificate, DR- Dimensional report**

Note: Specification of material referred in QP is indicative only. Actual materials shall be as per GMS.

(\*) Test certificate for Chemical and Yield test shall be submitted.

| Record of Revision | Revision Number | Date       | Basis for change                                                                                                                           |
|--------------------|-----------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| 00                 | 00              | 13 09 2001 | Original issue                                                                                                                             |
| 01                 | 01              | 01 01 2002 | Revised based on NTPC feed back                                                                                                            |
| 02                 | 02              | 01 02 2004 | Revised based on discussion with NTPC minutes dated 11 09 04                                                                               |
| 03                 | 03              | 24 01 2005 | Revised based on NTPC comments (format modified)                                                                                           |
| 04                 | 04              | 17 05 2008 | Revised for Clause 1.1 for clarification on mechanical test of rounds based on acceptance by NTPC on the endorsement (RS11, RS12-SIMHADRI) |
| 05                 | 05              | 15 06 2011 | NO correction. Resubmitted for extension of RQP validity date                                                                              |

**LEGEND:** \* RECORDS, IDENTIFIED WITH "TICK" (✓) SHALL BE ESSENTIALLY INCLUDED BY SUPPLIER IN QA DOCUMENTATION.  
 \*\* M: MANUFACTURER/SUB-SUPPLIER C: MAIN SUPPLIER, N: NTPC P: PERFORM W: WITNESS V: VERIFICATION. AS APPROPRIATE, CHP: NTPC SHALL IDENTIFY IN COLUMN "N" AS "W"

Format No.: **QS-01-QAI-P-10/F1-R1**

Note: # NTPC Inspection Engineer to check, Approval Date/Revision No. of reference documents at the time of inspection

**ENGG, DIV, /QARI**

