



ISG BANGALORE

**PROJECT:**


Vallur TPP-2X500MW+1X500MW, Chennai, Tamilnadu.

**Commercial Terms  
& Conditions**

Annexure -A

**Name of the Bidder** :  
**Enquiry No. & Date** :  
**Project** : Vallur TPP-2X500 MW+1X500 MW  
**Scope of Work** : E&C Package for CHP for Unit III as per BHEL enquiry

SL No	Clause	BHEL Requirement	Bidder's Acceptance / Remarks
1.0	<b>Scope of work</b>	Erection, Commissioning, and Testing of Mechanical works including receipt, unloading, storage, security, transportation from stores to site required for this project and providing skilled manpower assistance, providing tools/assistance for commissioning, Testing and conducting Performance Guarantee Test till handling over of the project to the customer. For detail scope please refer tender documents.	
2.0	<b>Price basis</b>	Firm till completion of job. Service tax along with CESS to be indicated separately in price bid and same will be reimbursed as per Service Tax invoice. TDS shall be made for IT as per the act. Statutory variation during contract period on the Service tax considered in the price or imposition of new taxes/levies shall be reimbursed against documentary evidence.	
3.0	<b>Payment Terms, mode of payment &amp; method of measurement.</b>	<ol style="list-style-type: none"> <li>80% on completion of erection on prorata basis as per approved billing schedule against submission of RAB duly certified by BHEL Engineer.</li> <li>10% against commissioning &amp; trial run of the system duly certified by BHEL Engineer.</li> <li>10% of the contract price will be paid on successful completion of Performance Guarantee test &amp; issuance of operational acceptance certificate by the project manager. In addition, proof of having settled all ESI and EPF payments and other statutory dues to be furnished for release of this payment</li> </ol> <p>Payment will be released by electronic fund transfer only (EFT). The Engineer concerned should duly certify all the RABs. &amp; the Measurement sheet.</p>	
4.0	<b>Type of contract</b>	Lump sum	
5.0	<b>Contract schedule</b>	Start Date – Within one week of LOA	

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		<p>Completion Date –Within three months from the date of LOA.  NOTE: Vendor shall strictly adhere to ‘L2’ schedule. In case of non compliance to agreed schedules / milestones, then it would be presumed that vendor / contractor is not fulfilling contractual obligations. BHEL reserves the right to take suitable action like operating “Risk &amp; cost clause”</p>	
6.0	<b>Liquidated Damages</b>	0.5% per week of delay or part there of beyond the above contract schedule, limited to 5% of the total Contract value.	
7.0	<b>Guarantee for the installation carried by the bidder</b>	12 Months from the date of operational acceptance or 18 months from the date of completion of work as certified by project manager whichever is earlier.	
8.0	<b>Security Deposit</b>	<p>Security deposit shall be furnished by the successful tenderer before the start of the work, in any of the following form :</p> <ul style="list-style-type: none"> <li>i) Cash (as permissible under the Income Tax Act)</li> <li>ii) Pay Order, Demand Draft in favour of BHEL.</li> <li>iii) Local cheques of scheduled banks, subject to realization.</li> <li>iv) Securities available from Post Offices such as National Savings Certificates, Kisan Vikas Patras etc. (Certificates should be held in the name of Contractor furnishing the security and duly pledged in favour of BHEL and discharged on the back).</li> <li>v) Bank Guarantee from Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format should have the approval of BHEL.</li> <li>vi) Fixed Deposit Receipt issued by Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The FDR should be in the name of the contractor, A/C BHEL, duly discharged on the back.</li> <li>vii) EMD of the successful tenderer can be converted and adjusted against the security deposit.</li> <li>viii) Security deposit can also be recovered at the rate of 10% from the running bills.</li> </ul>	



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		<p>However in such cases at least 50% of the security deposit shall be collected before start of the work and the balance 50% may be recovered from the running bills.</p> <p>ix)The security deposit shall not carry any interest.</p> <p><b>NOTE:</b> Acceptance of Security Deposit against Sl. No. (iv) and (vi) above will be subject to hypothecation or endorsement on the documents in favour of BHEL. However, BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith.</p> <p>Security deposit shall be refunded to the contractor after successful completion of guarantee period.</p> <p><b>Rate of security deposit –</b></p> <p>Up to Rs. 10 lakhs – 10%</p> <p>Above Rs 10 lakhs upto Rs 50 lakhs – 1 Lakh + 7.5% of amount exceeding Rs. 10 lakhs.</p> <p>Above Rs 50 lakhs – Rs 4 lakhs + 5% of the amount exceeding Rs 50 lakhs.</p> <p>BG shall be made from the list of BHEL consortium banks and as per BHEL prescribed format only.</p>	
9.0	<b>Insurance</b>	<p>a) By the bidder for his workers, tools &amp; tackles, workmen compensation insurance. Bidder shall also take third party insurance liability @ Rs. 2 Lakhs per occurrence and maximum of Rs.10 Lakhs.</p> <p>b) In case of theft or loss of materials from the stores or from the erected equipments – coordination with local police, authorities, lodging the FIR &amp; obtaining the receipt for the same and coordination with the insurance agencies, are in bidder's scope.</p>	
10.0	<b>Labour Laws</b>	<p>Bidder should follow all the labour laws as applicable at the place of work / Tamilnadu state including payment of minimum wages fixed by the Government of Tamilnadu.</p>	




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11.0	<b>Risk &amp; Cost</b>	As per the risk & cost policy, if bidder fails to render the services, tools and tackles or failed to carry out the job in time specified under their scope, BHEL will get the job done at the risk & cost of the bidder. The actual cost incurred for such jobs along with the <b>departmental charges @ 15% will be recovered from the bidder.</b>	
12.0	<b>Arbitration</b>	Subject to Bangalore jurisdiction only based on Indian Arbitration Act 1996.	
13.0	<b>Validity of offer</b>	90 Days from the date of opening of the tender. In case revised price bids were submitted by vendor then the same also be valid for a further period of 60 days, from the date of revised price bid.	
14.0	<b>Other works in scope of bidder</b>	<p>14.1) Providing of tarpaulins &amp; covering materials as required for protection of materials at temporary storage place.</p> <p>14.2) Security (By a reputed agency) for the temporary stores, at the temporary storage place &amp; for the erection equipments.</p> <p>14.3) Obtaining mechanical inspection / statutory authorities clearance for equipments &amp; jobs at site.</p> <p>14.4) Bidder should have valid labour license to work in Tamilnadu State. If not, the same should be produced within one month of award of contract.</p> <p>14.5) Minor Civil / Structural works as required by the job.</p> <p>14.6) Providing all consumables as required for erection.</p> <p>14.7) Supply of fabrication items as per tender documents.</p> <p>14.8) Any levies, taxes as applicable for the project ( by the bidder ).</p>	
15.0	<b>Documents to be furnished by the bidder along with the offer ( without which the offer would</b>	15.1) Experience list for such jobs carried out for the last 3 years with supporting documents ( copies of order, completion certificate etc ).	

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	<b>be treated as incomplete &amp; liable to be rejected )</b>	15.2) Audited balance sheet for the last three years.  15.3) List of tools, tackles required for erection, alignment & commissioning.	
16.0	<b>Earnest Money Deposit</b>	Contractor shall submit EMD (along with the offer in a separate cover) for Rs. <b>2,00,000</b> /- in the form of Bank DD / Pay Order drawn in favor of M/s BHEL-ISG, payable at par at Bangalore. Bidder to furnish the DD details like DD no., date, issued Bank / Branch etc. here. <b>Please note that, without EMD, offer shall be rejected.</b>	
17.0	<b>Departmental charges</b>	Any material or service issued / rendered by BHEL to the bidder (unless specifically stipulated to be free of cost / cost recoverable basis) during the execution of project on bidder's demand, the same shall be made available along with <b>15% departmental charges</b> over and above the cost. BHEL shall not be responsible for any delay due to this reason and delay shall be to contractors account.	
18.0	<b>Pre-qualification Criteria (Technical &amp; Financial)</b>	<b>As per Annexure - B enclosed</b>	
19.0	<b>Ambiguity Clause</b>	If any arithmetical error/discrepancy is observed in price bid in "individual item-wise total", "Qty" or "grand total" then, actual computed figures based on unit rate quoted shall be considered for further evaluation.	
20.0	<b>Evaluation Criteria</b>	<b>L1 bidder will be evaluated on individual package basis only, i.e., separately for Package A and Package B as per price format and not on overall package basis. L1 bidder in package A will not be considered for package B. Evaluation of L1 status of package B will be done among other bidders.</b>	
21.0	<b>Reverse Auction</b>	BHEL reserves the right to go for Reverse Auction (RA) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. All bidders to give their acceptance for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA.	



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		<p>In case BHEL decides to go for Reverse Auction, only those bidders who have given their acceptance to participate in RA will be allowed to participate in the Reverse Auction. Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit "online sealed bid" in the Reverse Auction. Non-submission of "online sealed bid" by the bidder will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue.</p> <p><b>Information and General Terms and Conditions governing RA shall form part of the RFQ/ Enquiry. (Annexure-C).</b></p> <p><b>Please fill in here details of person who is going to participate in Reverse Auction:</b> <b>Name of the Person:</b> <b>Mobile number:</b> <b>Phone Number:</b> <b>Fax Number:</b> <b>e-mail ID:</b></p>	
22.0	<b>Other Terms</b>	<p>Part-1: Technical Bid: Please enclose this BHEL Commercial terms &amp; Conditions accepting all the clauses along with your technical offer in a separate sealed envelope and superscribe as technical bid. Un price bid, with "Quoted" or "Not quoted" against each item shall also be submitted along with the technical bid. Otherwise your offer will be considered incomplete and will be rejected</p> <p><b>EMD cover:</b> Contractor must submit EMD along with the offer in a separate cover.</p> <p>Part-2: PRICE BID: Please mention the price and enclose in a separate sealed envelope. Price bid shall strictly be submitted in "PRICE SCHEDULE FORMAT" enclosed along with specification.</p> <p>a) Last day and time for submission of the tender : As per enquiry. b) Time of collection of tenders from the</p>	

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		tender box by MM / Finance Team : 2:30 PM c) Time of tender opening: 3 PM d) Venue of tender opening: ISG Tender Committee room. Please super scribe the cover with the Enquiry Number & date and the due date.  <u>Authorization letter is must to attend techno-commercial and price bid opening of the tender.</u>	
23.0	<b>Miscellaneous</b>	i) Finally accepted rates shall be valid for the entire duration of the contract including the extended contract period, if any. ii) Monthly progress report, action plan for completion of balance work, material reconciliation statement and constrain if any to complete the work should be prepared and submitted. iii) Advance material requisition to complete the balance work and short supply of material should be informed immediately.	
24.0	<b>All other terms &amp; conditions</b>	As per our tender enquiry & GCC	

Note: The above column are to be filled up by the Bidder by ‘Yes’ or ‘No’ or “requisite information”. Deviations will not be accepted by BHEL. Bids with deviations will be rejected. Bidders to sign on all the pages of specifications as a token of acceptance. All the columns of the above format should be filled; any column left blank will be treated as accepted/included.

**No prices to be filled in this format. All prices are to be filled up in the enclosed price format only. Unpriced price schedule to be enclosed with the technical bid.**

**Signature of the bidder with seal:**