

CHECK-LIST

	Clause	Supplier	BHEL
TECHNICAL BID ENVELOPE			
1	All pages of technical specifications Signed and enclosed		
2	All pages of the “CHECK LIST CUM GENERAL TERMS AND CONDITIONS” signed and enclosed		
3	Integrity Pact Signed, Stamped and enclosed		
4**	Previous three years Balance Sheet including Profit and Loss account certified by Chartered Accountant submitted		
5	Third party no patent claim declaration enclosed		
6**	List of Manufacturing facility as per 2.2.2 & 5.3.1 of Technical Spec submitted		
7**	Manufacturing capacity as per clause 15 of “CHECK LIST CUM GENERAL TERMS AND CONDITIONS” submitted.		
8**	List of Outsourced Processes and control mechanism submitted		
9**	Process Flow Chart and controls submitted (2.2.2 of Technical Spec and clause 13 of “CHECK LIST CUM GENERAL TERMS AND CONDITIONS”)		
10**	Details of manpower, technical qualification and experience (with reference to clause 13 of CHECK LIST CUM GENERAL TERMS AND CONDITIONS) submitted		
11**	Present annual capacity with details submitted.		
12**	Vendor registration format (For supplier not in the corresponding Product Material Directory of BHEL) submitted		
13	Proven performance data as per 2.1 of BA35015 submitted.		
14	Quality Plan as per 5.3.3 of spec BA35015 submitted		
15	Proof of supply of grinding rolls as per the Technical Specification: <ul style="list-style-type: none"> • Purchase Order, • Material receipt/acceptance by customer document and • The life achieved certified by the end user. 		
PRICE BID ENVELOPE			
1	Price list with break-ups as in Annexure I to Annexure III (with all parts of the Annexures).		
REVERSE AUCTION (IF APPLICABLE)			
1	Quotation with the per unit price as per Annexure III Multiplication factor for the Reverse Auction will be provided by BHEL before the reverse auction to include all the taxes and duties.		

- Bidders can visit the site (BHEL Works) and understand fully the requirements of the tender and the product where their offered components are to be used before submitting their offer. The offers once submitted would be treated as final.
- Any clarifications on the clauses and the product must be obtained before the offer is submitted.
- The Clauses marked as ** need not be submitted for the bidders that had been qualified for the Open tender K5B1L85377 or K5B1L48854 (BHEL NIT Nos NIT_11799 and NIT_11800). However the responses are to be entered in the respective columns.
- **Supplier should not make any changes in the Column depicting the required terms and conditions, of this document. Any comments/ deviations should be brought out in the remarks column (separate sheet with linked reference may be added if necessary). Any change, if made, would not only be treated as null but might also attract penal action.**

Sl. No	BHEL Standard Terms & Conditions	Supplier confirmation	Comments / Remarks
1.	<p>a) Offer must be submitted in two bid system for the items as per Enquiry in separate two sealed covers :</p> <ol style="list-style-type: none"> 1) 1st cover Technical cum Commercial Bid, The techno-commercial bid includes two parts <ol style="list-style-type: none"> i. Technical bid as per BA35015 ii. Commercial bid and acceptance of terms and conditions as per the current document. 2) 2nd cover, Price bid. The price bid should only include the prices as per the given format (Annexure I to III). No technical or commercial aspects should be quoted in the price bid. In case any techno-commercial conditions are put in the price bid, the offer will be rejected. <p>b) Each of the envelope should be clearly super-scribed with</p> <ol style="list-style-type: none"> 1) Enquiry/Collective no & 2) Due date <p>c) “Un-priced offer with technical bid” is required to be furnished by the vendor. The difference between “Un-priced offer” and “priced offer” should be only the prices wherever applicable. All the taxes, duties etc must be mentioned in the un-priced offer as % of basic price.</p> <p>d) The Technical information enclosed with the tech. bid should not be enclosed in the price bid. Any technical aspect mentioned in the price-bid would be treated as null and void.</p> <p>e) If the combined offers are received in one cover or the price offered are mentioned in the technical bid, the offer would be rejected.</p> <p>f) Offers might be sent by email to the secured address tenderbox@bhelhyd.co.in</p> <p>g) The offers (especially price bid) sent at any other e-mail recipient address, including the tenderer address will call for summary disqualification.</p> <p>h) Techno-commercial bid will be opened first and after freezing technical & commercial conditions only, the price bid will be opened.</p>		
2	<p><u>PRICES:</u></p> <ol style="list-style-type: none"> (i) The prices quoted in the price bid/ Finalised in the Reverse Auction are to be firm till the execution of Order. (ii) No revised Price bids would be accepted after tender due date. (iii) In case more than one offer is submitted (before the tender due date) the latest offer would be the final. <p><u>A. Indigenous (Optional for Foreign Vendors):</u></p> <p>The prices are to be quoted on FOR, Destination basis. The break-up of price shall be as under:-</p> <ol style="list-style-type: none"> a) FOR Price. The packing & forwarding charges to be included in the FOR price. b) Excise duty: Extra as applicable on the date of quotation, to be quoted as percentage in the price bid.. c) Sales Tax: CST Extra as applicable (against C-form) on the date of quotation, to be quoted as percentage in the price bid. d) Freight & Insurance: To be quoted up to destination and included in the price bid. <p><u>B. Foreign Vendors:</u></p> <ol style="list-style-type: none"> a) The prices are to be quoted CIF basis as per Incoterms 2010. b) The Currency of offer must be US\$ or Euro. c) For bid evaluation purpose, these prices would be converted to FOR prices based on <ul style="list-style-type: none"> • Prevailing exchange rate as on the Technical Bid opening date. • Import duties as applicable on date of bid opening. 		

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3.	<u>OFFER VALIDITY</u> The offer would be valid for 120 days from the date of the technical bid opening.		
4.	<u>PAYMENT TERMS:</u> (a) <u>Indigenous Suppliers</u> 100% payment along with taxes, duties, Freight & Insurance will be made within 90 days from the date of LR/ Invoice. However payment would be done only after receipt of original documents, including site acknowledgement on LR (MRC - Material Receipt Certificate at site) / GR Clearance at BHEL stores For Small Scale Industries, this period will be 45 days. The taxes and duties that are reimbursed would be the one applicable as on the scheduled Purchase Order delivery date or the amount actually paid whichever is lesser. (b) <u>FOREIGN VENDORS (Against LC)</u> All banking charges outside India will have to be borne by the supplier. (i) 100% payment (less Indian Agency Commission, if any) shall be paid against irrevocable Letter of Credit and proof of dispatch documents. (ii) LC shall be opened only in the name of vendor on whom purchase order is placed. (iii) LC will be opened one month before the scheduled delivery date or on receipt of confirmation from the vendor regarding availability of material whichever is later. LC shall be valid for a period of 3 months including the bank negotiation period of 21 days from the date of opening.		
5.	<u>INTEREST LIABILITY</u> BHEL will stand by its commitment to pay the vendor within the stipulated time period. However, in case of any delay in payment due to any reason, BHEL shall not pay any interest on delayed payment.		
6.	<u>PERIOD AND VALIDITY OF THE CONTRACT</u> <ul style="list-style-type: none"> The rate contract will be valid for <u>two year</u> from the date of signing of the contract. The terms and conditions, including the prices, would be valid for all Purchase Orders released during the complete period of rate contract. No revision would be accepted unless asked for/or any changes in specification throughout the period, the rate contract is in force. The quoted rates are to be on firm basis on the Purchase Orders released during the complete contract period. It would be in force till the complete execution of all the Purchase Orders covered under this rate contract. These rates would be applicable to all the quantities as and when BHEL indicates the requirement. 		
7.	<u>CONTRACT SIZE (ESTIMATE):</u> The proposed rate contract for two years is estimated to be for 160 Sets of Grinding Elements per year with an estimated value of Rs 25 crores per year. The requirements will be predominantly of 28", 37", 43" and 50" sizes at an expected ratio of approximately 1:1:1:2. A significant portion is also expected from 62". Suppliers to note that this estimate is purely on the previous trends and current order-book position and consequently the actual rate contract size distribution may vary from the above projection.		
8.	<u>GUARANTEE</u> Materials should be guaranteed for a period of 12 months from date of commissioning or 18 months from the date of dispatch whichever is earlier. This guarantee clause is to be read along with the performance guarantee (clause 9)		

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9.	<p><u>Performance guarantee (As per Technical specifications)</u></p> <p>a) The supplier shall give back to back guarantee as applicable for each of BHEL customer for wear life of grinding elements as per terms and conditions of this contract.</p> <p>b) The successful bidder would have to provide free replacement of grinding elements as part of Mill Warranty Shortfall Part Settlement (as per the calculation formulae provided by the BHEL's customer in the contract) if the wear life is not achieved.</p> <p>c) In all the cases where Customer insists upon BHEL to give performance bank guarantee, the same shall be submitted by the supplier on back to back basis.</p> <p>d) Wherever Customer order provides for issue of Corporate Guarantee/ Indemnity bond, the same shall be submitted by the supplier to BHEL on back to back basis.</p> <p>e) All the guarantees are applicable for all the items supplied under the rate contract. It will be in force even after the expiry of the contract.</p>		
10.	<p><u>ADDITIONAL WEAR LIFE GUARANTEE</u></p> <p>There may be cases where, based on the tender conditions, additional wear life, over and above that covered in this contract is required.</p> <p>In such cases BHEL would discuss it with the successful bidder for these additional requirement based on the data made available by its customer to BHEL.</p> <p>If the successful bidder expresses its inability to meet the requirement under the terms and conditions of the contract (including the price), BHEL reserves it's right to place the order on any of the other technically qualified vendors (Identified in BHEL's Product Material Directory / identified through Open Tender route) through a separate enquiry.</p> <p>The successful bidder too would be allowed to quote in this enquiry.</p>		
11.	<p><u>DRAWINGS AND SPECIFICATIONS</u></p> <p>Supply should strictly confirm to BHEL Drawings and Specifications.</p> <p>All tests should be carried out as per BHEL Drawings, Specifications and Quality Plan.</p> <p>The decision of BHEL shall be fixed and binding on the supplier on all the technical aspects/queries which may arise during the contract with respect to material, workmanship etc.</p> <p>All test certificate, guarantee certificate & Inspection report should be furnished along with supplies (3 sets). Clause-wise confirmation of specification is required.</p>		
12.	<p><u>INSPECTION:</u></p> <p>BHEL/customer/third party might inspect equipment / material before Dispatch as per PO and Quality Plan conditions. Stage inspection during manufacturing may also be carried out as per Quality plan.</p> <p>Supplier shall send inspection call on prescribed format (web site) only, with an advance notice of at least 7 days.</p>		
13.	Supplier shall not quote directly to customers for O&M Spares for items it has rate contract with BHEL.		

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14.	<p><u>THIRD PARTY CLAIMS</u></p> <p>The bidder will have to declare that no third party has raised any patent claim against the bidder, which has gone against or is still unresolved, with respect to the product up to the date of the agreement.</p> <p>Successful bidder must further declare that in case any claims are raised during the validity of the agreement (which would be in force till complete execution of the contract) it would indemnify BHEL of any responsibility towards the claim and would reimburse BHEL for any loss suffered as a result thereof.</p> <p>It would be the responsibility of the bidder to settle such claims with the third party (claimant). In case it is unable to settle such claims, the bidder shall provide alternate technical solution which it deems reasonable and is acceptable to BHEL pending resolution of any such (alleged) claim.</p> <p>This new solution would be such that it will not violate such patents and also satisfy the terms and condition of the present contract.</p>		
15**	<p><u>FINANCIAL SOUNDNESS</u></p> <p>The Bidder shall have a financial stability and capability to meet the financial obligations pursuant to the works covered under the contract. The bidder should submit last three year's balance sheet including the profit and loss account and net worth duly audited by a Chartered Accountant.</p> <p>The average annual turn-over of the bidder for last three years should be at least twice the value of the annualized rate contract.</p> <p>There should be a consistency in turn-over in the said last three years.</p> <p>All foreign bidders to submit D&B rating.</p>		
16**	<p><u>FACILITIES</u></p> <p>The bidder must have the in house facility to</p> <ul style="list-style-type: none"> • Manufacture • Check and • Control <p>All the process parameters during all the stages of the production of the grinding elements. Documentary evidence in form of the process flow chart with check and control mechanism should be submitted.</p> <p>Any processes outsourced must be informed and necessary approval must be taken from BHEL informing about the source and control mechanism put by the bidder.</p>		
17**	<p><u>INFRASTRUCTURE</u></p> <p>The bidder must have the necessary manpower, infrastructure and technical know-how to,</p> <ul style="list-style-type: none"> - Supervise during the erection and commissioning of the items supplied. - Periodic site visits (if required) for mill tuning for optimization and wear life monitoring. - Assist BHEL to prove the Grinding Roll performance. 		
18**	<p><u>CAPACITY</u></p> <p>The Bidder should indicate the capacity in terms of number of sets of grinding elements per month and the percentage of the capacity that could be reserved for BHEL.</p> <p>One set consists of three numbers Grinding Rolls, One Set of Bull Ring segments, and any other component that the bidder offers as the part of the package as per (11) above.</p> <p>The present annual capacity of the bidder must be at least 10% more than the annual requirement of BHEL.</p>		
19	<p><u>SUBCONTRACTING :</u></p> <p>In case, at a later stage, further subcontracting of BHEL order or part thereof is envisaged, over and above those declared in the bid, the same can be done only after a written permission is obtained from BHEL. However it shall not absolve the supplier of the responsibility of fulfilling BHEL purchase order requirements.</p>		

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20	<p><u>PENALTY</u></p> <p>a) For Delay in Execution: LD of ½ % per week or part there of subject to a maximum of 10% of undelivered portion. However if the undelivered portion are such that the delivered portion, or part thereof, cannot be put into the intended use, then the LD would be on such incomplete sets.</p> <p>b) For Performance Shortfall: Penalty imposed by the customer on BHEL (To be read along with Clauses 9 and 10 of this document),</p> <ul style="list-style-type: none"> • In case of a financial penalty, on pro-rata “back to back” basis would be borne by the supplier. • In case the Penalty is in terms of free replacement, whether in part or full, the same would be borne by the supplier. 		
21	<p><u>TERMS OF DELIVERY:</u></p> <p><u>For Indigenous Bidders</u> “FOR DESTINATION” anywhere in India.</p> <p><u>For Overseas Bidders</u> “CIF” basis as per Incoterms 2010. Bidders to mention the offered Term including the <Named Place/Port>, which should be Getway Port of India.</p>		
22	<p><u>DELIVERY PERIOD</u></p> <ul style="list-style-type: none"> • Supplier to mention the required lead time for delivery, in weeks from the date of P.O. and the maximum sets per month it can deliver thereafter. • Manufacturing Lead time should be less than 90 days from the placement of the order with additional maximum 30 days for transportation. • The Contractual Delivery date will be as per BHEL Purchase order. • Supplies beyond the stipulated delivery date will attract Penalty Clause. • The Delivery date for this purpose will be taken as: <ul style="list-style-type: none"> ○ In case of FOR destination or DDP, Date of C-Note/ MRC (Site Acknowledgment date). ○ For CIF- IGM date etc. • If staggered delivery is mentioned in Purchase Order then same shall be adhered to. 		
23	<p><u>EVALUATION:</u></p> <p>Evaluation of offers shall be done on the basis of delivered cost to BHEL with respect to the finalized technical scope and commercial conditions.</p> <p>In case of Reverse Auction being held to decide on the eventual outcome, the effect of the taxes and duties would be communicated through a Multiplication factor.</p> <p>In case of discrepancy in the prices quoted by the vendor in figures and words, the price quoted in words shall prevail and the same shall be considered for evaluation.</p>		
24	BHEL reserve the right to resort to “Reverse auction” and the vendor should confirm acceptance to reverse auction.		
25	<p><u>ACCEPTANCE / REJECTION OF TENDER:</u></p> <p>BHEL reserves the right to reject in full or part, any or all tender without assigning any reason thereof.</p> <p>BHEL also reserves right to vary the quantities mentioned in the tender.</p>		
26	<p><u>LEGAL SETTLEMENT:</u></p> <p>This agreement is shall be construed and interpreted in accordance with the laws of India and shall have exclusive jurisdiction of Sangareddy/ Hyderabad Courts, Andhra Pradesh.</p>		
27	<p><u>RISK PURCHASE:</u></p> <p>In case the successful bidder fails to supply or fails to comply with the terms & conditions of the purchase order, BHEL reserves the right to source such material/ component / equipment/ system from any other agency at the risk and cost of the successful bidder.</p>		

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28	<p><u>ARBITRATION</u></p> <p>All disputes arising in connection with the contract shall be settled by mutual consultation. If no agreement is reached the dispute shall be settled in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the rules made there under. The dispute shall be referred for arbitration to any arbitrator to be appointed by the Head of the Unit. The award of the arbitrator shall be final and binding on both the Parties. The venue of the Arbitration shall be Hyderabad in India. The Award to be given by the Arbitration shall be a speaking award and in English language. All questions, disputes, differences arising under, out of or in connection with this contract shall be exclusive jurisdiction of Sangareddy/Hyderabad Courts, Andhra Pradesh.</p>		
29	<p><u>FORCE MAJEURE CONDITION :</u></p> <p>The supplier shall not be considered in default if delay occurs due to causes beyond his control such as Acts Of God, Natural Calamities, Fire, Frost, Flood, Civil War, Strike, Civil Commotion, Riot, Government Restrictions, Lockout that are not in control of supplier or Acts Of Unsurpassed Power.</p> <p>Only those causes that have duration of more than seven days shall be considered cause of force/ calendar/majeure. Notification to this effect duly certified by local chamber of commerce/ statutory authorities shall be given by the supplier to BHEL by registered letter.</p> <p>In the event of delay due to such causes the delivery schedule shall be extended for a length of time equal to the period of Force Majeure or at the option of BHEL the order may be cancelled. Such cancellation would be without any liability whatsoever on the part of BHEL.</p> <p>In the event of such cancellation the supplier shall refund any amount advanced or paid to the supplier by BHEL and deliver back any material issued to him by BHEL and release facilities, if any, provided by BHEL.</p>		
30	<p><u>ADJUSTMENT OF RECOVERY :</u></p> <p>Any amount payable by the supplier under any of the condition of this contract shall be liable to be adjusted against any amount payable to the supplier under any other works / contract awarded to him by any BHEL unit. This is without prejudice to any other action as may be deemed fit by BHEL.</p>		
31	<p><u>PACKING & FORWARDING CHARGES (IF ANY):</u></p> <p>Will be borne by the supplier.</p>		
32	<p><u>EXCISE DUTY</u></p> <p>As applicable (Will be reimbursed as on the date of Scheduled delivery)</p>		
33	<p><u>TAXES & DUTIES (CST/VAT)</u></p> <p>in % wherever applicable (Will be reimbursed as on the date of Scheduled delivery)</p>		
34	<p><u>INSURANCE:</u></p> <p>will be borne by supplier.</p>		
35	<p>All the prospective bidders that are not in the approved vendor list of the BHEL Hyderabad, Pulverisers Division would have to fill up the Vendor Registration Format that is available on the BHEL Website (www.bhel.com) and submit to the supplier development cell of BHEL Hyderabad along with all the required attachments along with Dun & Bradstreet Rating.</p> <p>The supplier would be qualified subject to</p> <ol style="list-style-type: none"> Technical Qualification Acceptance of the commercial and other terms and conditions spelt out in this document Evaluation and Acceptance by the Supplier Assessment Committee (MISCC) (if the bidder is not an already qualified supplier) 		

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36	<p><u>TERMINATION OF CONTRACT</u></p> <p>If at any time during the execution of the contract, BHEL comes to conclusion that the tenderer is not discharging his obligations according to the terms of this contract, then BHEL will be at liberty to terminate the contract after giving 15 days' notice. The tenderer shall comply with the requirement of such notice.</p> <p>The bidder will not engage the services of the firms banned by BHEL, the Government of India or other Government Agencies for the execution of this contract. The list of firms banned by BHEL is available on BHEL website, www.bhel.com. Violation of these clause will attract not only the termination of the contract but also other action as defined in BHEL's policies and guidelines which may go to the extent of banning.</p>		
37	<p><u>DEVIATION:</u></p> <p>Normally no deviation in Standard Terms and Conditions would be accepted and BHEL reserves the right to disqualify the bidder from the tender. No deviation shall be entertained after the contract is signed.</p>		

NOTE:

1. Bidders must enter the appropriate phrase in each of the row of the "Supplier Confirmation" column to signify their acceptance of the respective clause.
2. The supporting (back-up) documents for clauses marked (**) need not be submitted by the bidders that had been qualified for the Open tender K5B1L85377 or K5B1L48854 (BHEL NIT Nos NIT_11799 or NIT_11800). However the responses are to be entered in the respective columns.

DEVIATIONS AND LOADING

1) Technical Qualification & Experience

No deviations accepted. The bid will be rejected.

2) Guarantee Clause

No deviations accepted. The bid will be rejected.

3) Penalty terms

No deviation in penalty clause will be accepted except reduction in the penalty amount.

For bidders accepting a ceiling on the maximum penalty, below the specified maximum, an equal % of amount will be loaded for tender evaluation purpose.

Eg a 7% maximum penalty acceptable by bidder against specified maximum penalty of 10% would load its bid by 3% (10%-7%).

4) Condition of Delivery (INCOTERMS)- for Foreign Bidders

5% Loading on basic price for CIF towards Inland freight charges.

5) Payment Terms

Deviation in payment terms will attract a loading of 18% per annum on the bid for the period of relaxation sought by vendor.

6) Duties and Taxes

- Offers of foreign vendors will be loaded **for evaluation purpose** with prevailing tariff of Customs Duty (as applicable for Merit for the items under consideration), CVD, Addl. CVD and any other import duty imposed by the Government of India that are applicable at the time of Tender opening.
- Any export duty or any other duty imposed at the country of origin (for foreign vendors) would be included in the basic price. **The vendors to note that in case there is any change in these taxes/duties during the execution of contract, the same would not be passed on to (or borne by) BHEL.**
- Offers of indigenous vendors will be loaded **for evaluation purpose** with prevailing tariff of Excise duties, Sales tax (State and Central), VAT and any other duty imposed by the Government of India that are applicable at the time of Tender opening.

CONFIDENTIALITY OF DOCUMENTS

- 1) Drawings, technical documents or other technical information received by either parties shall not be used, without the consent of the other party, for any other purpose than that for which they were provided, either at the tender stage, at contract execution stage or even later. They may not be, without the consent of the submitting party, be used, copied reproduced, transmitted or communicated to any third party or used in any way to harm the interest of the submitting party. All intellectual properties including designs, drawings and information exchanged during the contract shall continue to be the property of the submitting party.
- 2) The bidder shall provide BHEL with information in so far as it could be of importance to BHEL. It shall not reveal confidential information to its own employees not involved with the contract and its execution and delivery to third parties.
- 3) The bidder shall not be entitled to use BHEL's name in advertisement and other commercial publications without prior written consent from BHEL.

INDIAN AGENTS OF FOREIGN BIDDERS:

- 1) BHEL shall deal directly with the Original manufacturer. However if the foreign principal desires to avail the services of an Indian Agent, then the foreign principal should ensure the compliance to regulatory guidelines, which requires mandatory submission of an agency agreement.
- 2) 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.
- 3) 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.
- 4) Any agency commission to be paid by BHEL to the Indian agent shall be in Indian currency only.
- 5) Indian Agency Commission, if any, (payable in Indian Rupees) is to be specified in terms of percentage of PO value. It will be payable at the exchange rates prevailing on the date of technical bid opening.
- 6) Tax deduction at source is applicable to the agency commission paid to the Indian agent as per the prevailing rules.
- 7) 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.
- 8) Registered agents will file an authenticated Photostat copy duly attested by a Notary Public/Original certificate of the Principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission/ remuneration/ salary/ retainership being paid by the principal to the agent before the placement of order by BHEL.
- 9) Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the party (i.e. Principal) before finalizing the order.
- 10) Tenderers of Foreign nationality shall furnish the following details in their offers:
 - a) The name and address of the agents/ representatives in India if any and the extent of authorization and authority given to commit the Principals. In case the agent/ representative be a foreign Company, it shall be confirmed whether it is existing Company and details of the same shall be furnished.
 - b) The amount of commission/ remuneration included in the quoted price(s) for such agents/ representatives in India.
 - c) Confirmation of the Tenderer that the commission/ remuneration, if any, payable to his agents/ representatives in India, may be paid by BHEL in Indian Rupees only.

11) Tenderers of Indian Nationality shall furnish the following details in their offers:

- a) The name and address of the foreign principals, if any, indicating their nationality as well as their status, i.e. whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents/ representatives.
 - b) The amount of commission/ remuneration included in the price (s) quoted by the Tenderer for himself.
 - c) Confirmation of the foreign principals of the Tenderer that the commission/ remuneration, if any, reserved for the Tenderer in the quoted price(s), may be paid by BHEL in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items.
 - d) In either case, in the event of contract materializing, the terms of payment will provide for payment of the commission/ remuneration, if any payable to the agents/ representatives in India in Indian Rupees on expiry of 90 days after the discharge of the obligations under the contract.
 - e) Failure to furnish correct and detailed information as called for in above clauses will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by BHEL. Besides this there would be a penalty of banning business dealings with BHEL or damage or payment of a named sum.
- 12) 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 with the evaluation requirements of Indian supplier/ agent as per SEARP available on www.bhel.com.
- 13) 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.
- 14) The offers of the bidders that are on the banned list as also the offers of the bidders, who engage the services of the banned firms, shall be rejected. The list of banned firms is available on BHEL website, www.bhel.com.
- 15) In any tender either the Principal/OEM or the Agent can bid but both cannot bid simultaneously in the same tender. Violation of these clause may attract penalty of banning business dealings with BHEL
- 16) If an agent submits bid on behalf of the Principal/OEM, the same agent shall not submit a bid on behalf of another Principal/OEM in the same tender. Violation of these clause may attract penalty of banning business dealings with BHEL

PRICE BID& FINAL QUOTATION

- 1) The prices quoted must be in terms of Currency per unit volume of material (eg ₹/m³, \$/ m³ or € m³)
- 2) The volume of material to be used for calculation purposes will be as given in BA35015.
- 3) The bid must be submitted for
Rate / Unit volume of Grinding Rolls and
Rate / Unit Volume of Bull Ring Segments,
as specified in Annexure III.
- 4) The tender priority will be decided by
Rate Per set = 3 x Rate / Unit volume of Grinding Rolls +Rate / Unit Volume of Bull Ring Segments
- 5) Reverse auction, if held, will be held for the **"Rate Per Set"**
- 6) However bidders to note that BHEL reserves its right to buy items individually instead of as full sets.

- 7) The individual offer prices (Calculated from the per unit prices as in (3)) would be submitted in the price bid Annexure I.
- 8) Bidders to note, that **The final contract signed will be for Item prices** and not for unit prices. These item prices will be derived from the unit prices of the winning bid and the volumes as specified in document specification BA35015.

REVERSE AUCTION:

- 1) BHEL reserves the right to finalise the tender through reverse auction. Non acceptance of the reverse auction may lead to disqualification of the bidder.
- 2) If the reverse auction is conducted, the details would be intimated to all the technically qualified bidders.
- 3) The rules and the guide lines for the reverse auction would be intimated through the service provider and would be binding on all the bidders.
- 4) In Reverse auction, if conducted, the price quoted would include the loading factors (as per above guidelines). The RA would be conducted in terms of “**COST TO BHEL**”
- 5) Before RA starts each of the individual bidders would be informed of their loading factors, in form of Multiplication factors or MF, for their acceptance.
- 6) Bidders must respond in case of any query/non acceptance of these factors, or a part thereof, at least 3 hours before the RA schedule. Non response will be construed as acceptance of the factor and negative response after the deadline will be treated as attempt to sabotage the tendering process.
- 7) In case of Reverse Auction, all the details, in a signed copy with the final bid and the break-ups would be submitted by the successful bidder within 24 hours of the successful completion of the auction to BHEL through the service provider including individual cost break-ups (Annexures I to III of this document) as per the Reverse Auction Guide lines provided through the service provider.

INTEGRITY PACT:

- 1) The Integrity Pact jointly signed by the bidder and authorised official of BHEL at the tendering stage will form part of the final contract.
- 2) The pro-forma of the integrity pact is issued along with the bidding document and shall be returned along with the technical bid duly signed by the same signatory who is signing the bid, and is duly authorised to sign the bid. All the pages of the integrity pact must be signed by the above mentioned signatory. Failure to enclose the duly signed integrity pact along with the bid document is likely to lead to outright rejection of the bid.
- 3) If the bidder is disqualified from the tender process prior to award of the contract according to the provisions under the integrity pact BHEL shall be entitled to demand and recover from bidder the liquidated damages as per the provisions of the Integrity Pact.
- 4) If the contract is terminated according to the provisions of the Integrity Pact or if BHEL is entitled to terminate the contract according to the provisions of the Integrity Pact, BHEL shall be entitled to demand and recover from bidder the liquidated damages as per the provisions of the Integrity Pact from the pending bills/ bank guarantees or security deposits.
- 5) The bidders that had been disqualified due to violation of the Integrity Pact during the tender process or during the operations of the contract will be subject to actions as per the relevant BHEL business rules in force AA/MM/SB/01 “Suspension of business dealings with suppliers/ contractors” which could include termination of whole or part of the contract along with other punitive measures.

DISPATCH DOCUMENTS

INDIGENOUS VENDORS

The dispatch documents must contain following documents in 3 sets (Original + 2 copies).

- Copy of LR / Proof of Receipt at Site
- Commercial and Tax/Excise invoice in duplicate.
- Delivery Challan / Packing list (case-wise)
- Guarantee certificate.
- All Test reports and TPIA inspection reports (wherever applicable).

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FOREIGN VENDORS

The dispatch documents must contain following documents in 3 sets (Original + 2 copies).

- Proof of Dispatch (Bill of lading)
- Invoice in quadruplicate.
- Packing list (case wise)
- OEM Guarantee certificate.
- All OEM Test reports and TPIA inspection reports (wherever applicable).

INSPECTION AND TESTING

- a) The goods and stores shall be of approved design and each part/ component may be inspected and tested by BHEL/ BHEL Appointed Inspector/ BHEL's customer prior to shipment and shall fully comply with relevant requirements of BHEL.
- b) BHEL has the right to inspect the delivery. In the event of rejection, BHEL shall inform the supplier accordingly and BHEL shall be entitled to replacement or repair at its discretion or may proceed to terminate or annul the agreement. All this does not affect BHEL's right to compensation.
- c) BHEL or his authorized representative shall be entitled at all reasonable times during execution to inspect, examine and test at the supplier's premises the material and workmanship of all stores to be supplied under the Contract, and if the part of the stores are being manufactured at other premises the Seller shall obtain for BHEL or his authorized representative permission to inspect, examine and test as if the said stores are being manufactured at the Seller's premises. Such inspection, examination and testing, if made shall not release the Seller from any obligation under the Contract.
- d) All costs related to inspections and re-inspections shall be borne by the Seller. The cost of inspection staff/ third party specified by the BHEL shall be borne by BHEL, unless otherwise specifically agreed. Whether the Contract provides for tests on the premises of the Seller or any of his Sub-contractor/s, Seller shall be responsible to provide such assistance, labour, materials, electricity, fuels, stores, apparatus, instruments as may be required and as may be reasonably demanded to carry out such tests efficiently.
- e) Cost of any type test or such other special tests shall be borne by the seller unless and otherwise specifically agreed in the contract.
- f) The Seller shall give the authorized representative of the BHEL reasonable notice in writing of the date on and the place at which any stores will be ready for inspection/ testing as provided in the Contract.

SHORT SHIPMENTS

In case of any short shipments during initial supply, subsequently dispatched by the Seller or as any Guarantee/ Warranty replacement shall be dispatched on "DDP – Delivered Duty Paid BHEL Stores" basis for imported items and "FOR – BHEL Stores/ designated destination" basis for indigenous items.

REJECTION/ REPLACEMENT

The Seller shall arrange replacement / repair under its obligation under the contract within one month from the date of intimation or mutually agreed period. The rejected goods shall be taken away by the seller and replaced on DDP/ FOR - BHEL Stores/ designated destination basis within such period. In the event of the Seller's failure to comply, Purchaser may take appropriate action including disposal of rejections, at the cost and risk of the Seller.

In case defects attributable to Seller are detected during processing of the goods at purchaser's / his subcontractor works, the Seller shall be responsible for replacement/ repair of the goods as required by the purchaser at Seller's cost.

EXPORT ADMINISTRATION REGULATIONS

If a delivery includes such technology and or supply that is subject to the export regulations at the seller's country, the responsibility to obtain such permissions, approvals, license etc. lies on the seller.

NON-WAIVER OF DEFAULTS

If any individual provision of the Contract is invalid the other provisions shall not be affected. The failure of BHEL to insist upon performance of the Contract, to enforce any of the terms and conditions of this Contract or

to exercise any right or privilege granted to BHEL under this Contract or under law, shall not be construed as a waiver and the same shall continue in full force and effect.

CUSTOMER APPROVAL

Customer (final user) approval of the technically qualified Bidder is an essential requirement. BHEL will co-ordinate with customers for the same. However, the Bidder has to prove his credentials with the customer and get their approval. The failure to obtain the approval may affect the quantity of the business.

MISCELLANEOUS:

- 1) BHEL reserves the right to reject the offer which is having deviations to BHEL's General Terms & Conditions.
- 2) Prices of items as below as per annexure I to III - to be indicated only in price bid offer in the sealed envelope of price bid.
- 3) In case of any discrepancy between the terms mentioned in check list and offer, the terms mentioned in the check list will prevail.
- 4) Any deviations from or additions to the above "General Conditions" require BHEL's express written consent. The general terms of business or sale of the bidder shall not apply to purchaser (BHEL). Acceptance, receipt of shipments or services or effecting payment shall not mean that the general terms of business or sale of the seller has been accepted.
- 5) Orders, agreements and amendments thereto shall be binding if made to or confirmed by the purchaser in writing. Only the purchasing department of Pulverisers Division of BHEL Hyderabad is authorized to issue the purchase order or any amendment thereof.
- 6) In case of any inconsistency or contradiction between the documents the order of precedence shall be
 - a) Purchase Order
 - b) LOI/LOA,
 - c) Specific agreement,
 - d) Special Condition of Contract,
 - e) General Conditions of the contract for commercial condition,
 - f) Specific agreement on technical conditions,
 - g) Special technical conditions,
 - h) General technical Conditions and
 - i) Tender/ offer.
- 7) BHEL General Terms and Conditions and the Reverse Auction Terms and Conditions and Guidelines are to be read along with these terms & conditions.
- 8) If a customer requires the Vendor Approval (of the bidder), the bidder must extend all the technical assistance towards the approval by the end customer whenever BHEL requires.
- 9) If the project specific quality plan is to be approved by the customer, the bidder must submit its manufacturing quality plan to BHEL, who in turn would forward it to the customer or its nominated agency for approval. The bidder must extend all the technical assistance and attend to queries expeditiously to obtain the approval of the Quality Plan.
- 10) In the cases the Project Specific Quality Plan is approved by customers, the supply should be made accordingly in line with it.

ANNEXURE – I
PRICE OF STANDARD WEAR ELEMENTS

Material Code	Material Description		Basic Price = unit rate x volume*
BA9735011018	Grinding rolls 28"	623 XRP	
BA9735011026	Bull ring segment set	623 XRP	
BA9735015196	Grinding rolls 29"	663 XRP	
BA9735011204	Bull ring segment set	663 XRP	
BA9735015161	Grinding rolls 32"	703 XRP	
BA9735011174	Bull ring segment set	703 XRP	
BA9735011328	Grinding rolls 42"	703 HP	
BA9735011140	Bull ring segment set	703 HP	
BA9735011301	Grinding rolls 37"	803 XRP, 803 HHP	
BA9735011050	Bull ring segment set	803 XRP	
BA9735011310	Grinding rolls 46"	803 HP	
BA9735011093	Bull ring segment set	803 HHP, 803 HP	
BA9735011263	Grinding rolls 43"	883 XRP	
BA9735011115	Bull ring segment set	883 XRP	
BA9735011255	Grinding rolls 50"	1003 XRP	
BA9735011239	Bull ring segment set	1003 XRP	
BA9735011352	Grinding rolls 62"	1103 XRP	
BA9735011280	Bull ring segment set	1103 XRP	
BA9735015293	Grinding rolls 62"	HP 1103	
BA9735015307	Grinding rolls 62"(Small Bore)	HP 1103	
BA9735015315	Bull ring segment set	HP 1103	
BA9735015323	Grinding rolls 72"	HP 1203	
BA9735015331	Bull ring segment set	HP 1203	

NOTE: The Price is for

- **Each Grinding Roll** for Grinding Roll whenever the numbers are indicated as 1 No
- **Set of Segments** for Bull Ring Segments.
- The '**volume***' are as specified in technical specification BA35015.
- **Unit of volume will be m³**

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ANNEXURE II (A)
UN-PRICED PRICE BREAK-UP FORMAT
(INDIGENOUS SUPPLIES)
(To be submitted with Technical Bid)

S.No.	Particulars	Amount in Rupees
Price Break up		
1	Basic Price on Ex-works basis. Rs/ Unit Volume	
2	P& F Charges	<Included>
3	Insurance	<Included>
4	Freight from works	<Included>
	Effective basic price Rs/ Unit Volume for bid	<Sum of above>
5	Excise Duty	%
6	Educational Cess on Excise Duty	%
7	Sales Tax against Form-C	%
8	Third Party Inspection Charges (if any)	<BHEL SCOPE>
9	Service Tax (if any)	%
10	Any other charges (Please specify individually in percentages)	
	GRAND TOTAL (on FOR destination basis)	

NOTE:

1. All the statutory levies applicable at the time of tender bid submission are to be entered in the above table.
2. Each different type of levies should be shown in different rows.
3. **Unit of volume will be m³**

ANNEXURE II (B)
UN-PRICED PRICE BREAK-UP FORMAT
(IMPORTED SUPPLIES)
(To be submitted with Technical Bid)

S.No.	Particulars	Amount in Rupees
Price Break up		
1	Basic Price on Ex-works basis. Rs/ Unit Volume	
2	P& F Charges	<Included>
3	Insurance	<Included>
4	Freight from works	<Included>
	Effective basic price Rs/ Unit Volume for bid	<Sum of above>
5	Basic Customs Duty	%
6	Educational Cess on Excise Duty	%
7	Countervailing Duty (CVD)	%
8	Additional Countervailing Duty (ACVD)	%
9	Cess	%
10	Third Party Inspection Charges (if any)	<BHEL SCOPE>
11	Any other charges (Please specify individually in percentages)	
	GRAND TOTAL (on FOR destination basis)	

NOTE:

1. All the statutory levies applicable at the time of tender bid submission are to be entered in the above table.
2. Each different type of levies should be shown in different rows.
3. **Unit of volume will be m³**

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ANNEXURE – III
PRICE BID
STANDARD WEAR ELEMENTS

		Price in Currency () Per Cubic meter
CURRENCY OF OFFER		
PRICE PER UNIT VOLUME – GRINDING ROLLS	G	
PRICE PER UNIT VOLUME – BULL RING SEGMENTS	B	
RATE PER SET	3 x G + B	

NOTE

- 1) The prices will be the basic price, including the P&F Charges, Insurance and Freight (as applicable)
- 2) The tender priority will be decided by the **RATE PER SET**
- 3) The reverse auction (if any) will be conducted on **RATE PER SET**
- 4) In case tender decision through Reverse Auction, the Multiplication factor based on the delivery conditions, Loading (if any) and the levies(Annexure II) will be informed individually to each supplier before the Reverse Auction.
- 5) The Contract will be signed on prices of individual **COMPONENTS**, as calculated in Annexure-I.
- 6) **Unit of volume will be m³**

SIGNATURE AND SEAL