



IMPORTANT INFORMATION TO BIDDERS(ITB)

1. This Tender is a **TWO PART BID**. Type and quantum of work is detailed in “SCOPE OF WORK”
2. The quoted price shall be “ FIRM ” till the complete execution of the scope.
3. Last date for submission of offer **16.06.2014 - Time - 14.00 Hours**.
4. Techno-Commercial Bid Opening Date **16.06.2014 - Time - 14.30 Hours**.

SCOPE OF WORK :

BHEL requires the below mentioned quantity of Welded Pipe – Pipes either **Spiral or Longitudinal Seam Weld** conforming to IS 3589 FE 410 with Painting as per given QP, QP No. 7198:QPC:12, Rev 03 and as per TDC-TDG:07:06 and to be delivered to Suratgarh TPS project site. The raw material plate is to be arranged by suppliers themselves.

LIST OF ITEMS-

Enq. Sl.no	Pipe Size in mm - OD x Thickness	Qty. Meter	Delivery	Project Site	Work Order Details
10	2540 mm x 20 mm OG	290	Within 4 Months from the date of PO	SURATGARH	P1/7198 1 80 468 007
20	1626 mm x 16 mm OG	210			P1/7198 1 80 468 005
30	3540 mm x 20 mm UG	1450			P1/7198 1 80 468 001
40	1936 mm x 18 mm OG	220			P1/7198 1 80 468 006

Total Weight-3198 MT

I. TECHNICAL CUM COMMERCIAL

Technical :

1.1	<p>(a) The above Pipes shall be Edge prepared as per Drawing No.4-80-999-93079 Rev. 00.</p> <p>(b) Spider Arrangement shall be applicable as per Drawing No. 4-80-999-93078 Rev. 00.</p> <p>(c) The Length of each Pipe shall be 7 to 12.5 Meters.</p> <p>(d) Total Quantity Tolerance shall be +2/-2 Meters per Size of the PO Quantity. Payment shall be made as per the total actual length dispatched.</p> <p>(e) <u>NDE TESTING AS PER CLAUSE 5.2 OF TDC:TDG:07:06 DT. 04.05.12 SHALL BE DONE BY ANY ONE OF THE FOLLOWING OPTIONS -</u></p> <p>i) 100% Hydrotest along with Radiography Test for 100 mm Weld Length on both the ends of each pipe.</p> <p>ii) 100% Ultrasonic Test + 10% Radiography Test on weld length (including all T-joints and 100 mm Weld length at both the ends) for each pipe.</p> <p>iii) 100% Radiography Test on weld length of each pipe.</p> <p><u>VENDORS SHALL INDICATE THEIR CHOICE IN THE TECHNO-COMMERCIAL CHECKLIST.</u></p>
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1.2	PAINTING SCHEME	Painting shall as per the Painting QP, QP No. 7198:QPC:12 Rev. 03 dt. 11.12.2013
1.3	TECHNICAL DELIVERY CONDITIONS	ALL OTHER TECHNICAL REQUIREMENTS ARE AS PER TECHNICAL DELIVERY CONDITION (TDC), TDC:TDG:07:06 DT. 04.05.2012 OR LATEST REVISION, AS ON DATE. ANY OFFERS DEVIATING FROM THE TDC ARE LIABLE FOR REJECTION.

Vendor Manufacturing QP shall be sent by the L1 vendor. The L1 vendor shall proceed further only after review and approval of the QP by BHEL. The Vendor manufacturing QP shall be as per BHEL specification.

Commercial :

2.1	PRICE	Firm till completion of order.
2.2	DELIVERY TERMS / DESTINATION *	F.O.R. SURATGARH SITE
2.3	PACKING&FORWARDING	In Vendor scope. TO be included in basic price.
2.4	FREIGHT	In Vendor scope. Prices as quoted by vendor in Price Bid/RA Template. BHEL also has the option of despatching the Pipes through BHEL approved road carriers. List of authorised transporters will be furnished along with Enquiry if this option is exercised by BHEL. Changes if any, in the transporters shall be communicated from time to time.
2.5	SERVICE TAX ON FREIGHT	Service Tax on transportation, if chargeable to BHEL, shall be clearly indicated in percentage. Payment will be made against submission of Proof of Payment of Service Tax.
2.6	TRANSIT INSURANCE	In Vendor Scope. Prices to quoted by vendor in Price Bid/RA Template.
2.7	EXCISE DUTY IN %	ED is exempted for this Project. Sales Tax/VAT shall be as applicable. In the event of VAT supplies, VAT implication for BHEL will be applicable and the same will be loaded in the price calculation template of VAT supplier.
2.8	SALES TAX/VAT IN %	
2.9	OCTROI	If any, to supplier's account only.
2.10	TERMS OF PAYMENT	100% payment within 45 days against despatch documents. Despatch documents to be sent to BHEL directly and not routed thro' bank. Payment shall be processed only after receipt of site acknowledgement.
2.11	LD CLAUSE	"If the supplier fails to deliver the Raw material/Components/Equipments within the period specified in the contract the purchaser shall deduct Liquidated Damages , a sum equivalent to 0.5% of the price for each week of delay or part thereof up to a maximum of 10% of the price of delayed/total purchase order value/ undelivered portion to be reckoned from the contract delivery date to cargo readiness date. (i.e, Date of LR).
2.12	OFFER VALIDITY	Minimum 90 days from the date of Technical Bid Opening
2.13	DELIVERY	Delivery shall be within 4 months from the date of PO. Bidder has to strictly confirm to the delivery terms. Bids not complying with the delivery period are liable for rejection.

		<p>Delivery is the essence of the Contract/ PO. BHEL may accept or reject the price bid if delivery is not as specified, or if offered delivery is not suiting Project Plan/ Production plan as per BHEL.</p> <p>BHEL has the right to order partly or fully considering the various requirements. BHEL may short close/cancel an order or divert to another vendor if the performance of the vendor is poor, or the delivery requirement of the item is very critical and not being met, at any time during the currency of the Contract/PO irrespective of the PO Delivery date, if there is no response for improvement in delivery as per BHEL requirement.</p> <p>BHEL has the right to reject delayed deliveries or accept on a conditional basis.</p>
2.14	RISK PURCHASE CLAUSE	<p>Your confirmation to our standard risk purchase clause that alternatively the Purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or dispatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute there for.</p> <p>The supplier shall be liable for any loss which the purchaser may sustain by reason of such risk purchases in addition to penalty at the rate mentioned in clause 2.11(LD) above.</p>
2.15	BHEL STANDARD GUARANTEE CLAUSE	<p>Your confirmation to our standard Guarantee clause that the materials are to be guaranteed for satisfactory performance for a period of 24 months from the date of dispatch or 18 months from the date of commissioning / putting into use whichever is earlier and if any defect is noticed during the above period, the same shall be rectified/replaced free of cost on FOR / Destination basis within a reasonable time, maximum limited to the agreed delivery period . To this effect a Guarantee certificate should be sent along with the dispatch documents in the event an order is placed on you.</p>
2.16	PRICE EVALUATION	<p>The prices will be decided either by Reverse Auction or Price Bid Opening mode. This shall be decided after technical evaluation. For new rules and regulations pertaining to price evaluation, refer to Annexure – I.</p> <p>Ordering shall be done on individual L-1 basis.</p>
2.17	RESPONSE	<p>If you are not interested / not in a position to participate in the tender, please send regret letter, before due date of the tender.</p> <p>Also, backing out after submitting the offer is not acceptable to BHEL. Appropriate action would be taken as per BHEL procedures in such cases. If not interested, it is advised to inform us via Regret Letter before the due date of tender.</p>

2.18	LOADING CRITERIA	<p>Payment Terms - BHEL operates various payment terms for the tenders floated and bidders should accept the payment terms specified in the tender. Loading of any deviation in the payment terms w.r.t. NIT terms shall be referenced as follows;</p> <p>(a) 'Base rate of SBI (as applicable on the date of bid opening; Techno-commercial bid opening in case of two part bids) + 6%', shall be considered for loading for the period of relaxation sought by bidders.</p> <p>(b) Wherever LC payment terms are not offered in NIT and the same is insisted by bidder(s), all LC related bank charges to be incurred by BHEL shall also be loaded.</p> <p>(c) In case of deviation w.r.t. LC payment terms offered in NIT, the loading shall be done for all LC related bank charges to be incurred by BHEL.</p> <p>Liquidated Damages - Any loading on LD clause shall be to the extent to which it is not agreed to by the bidder (at offered value).</p>
2.19	PURCHASE PREFERENCE TO MSE VENDORS	<p>In case the supplier belongs to MSEs (Micro Small Enterprises), Registration copy in this respect shall be submitted along with the offer. Further if MSEs are owned by the Scheduled Caste or the Scheduled Tribe entrepreneurs the same may be intimated.</p> <p>The following are the benefits for the MSEs :-</p> <ol style="list-style-type: none"> 1. MSEs are given tender documents free of cost and are exempted from payment of earnest money (EMD) , if any insisted in the Tender. 2. In tender, participating MSEs quoting price within price band of L1+15% shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE and such MSE shall be allowed to supply up to 20% of total tendered value. In case of more than one such MSE, the supply shall be shared proportionately." <p>MSE suppliers can avail the intended benefits only if they submit along with the offer, attested copies of either EM II certificate having deemed validity (five years from date of issue of acknowledgement in EM II) or valid NSIOC certificate or EM II certificate alongwith attested copy of a CA certificate (Format enclosed at Annexure – I where deemed validity of EM II certificate of five years has expired) applicable for the relevant financial year (latest audited). Date to be reckoned for determining the deemed validity will be the date of bid opening (part – 1 in case of two part bid. Non submission of such documents will lead to consideration of their bid at par with other bidders. No benefit shall be applicable for this enquiry if any deficiency in the above required documents are not submitted before price bid opening. If the tender is to be submitted through E-procurement portal, then the above required documents are to be uploaded on the portal. Documents are to be notarized or attested by a Gazetted officer.</p>

2.20	GENERAL	<p>-BHEL reserves right to cancel a tender without assigning any reason what so ever.</p> <p>-Lowest prices received against BHEL tenders does not ensure ordering. BHEL reserves right not to consider the same.</p> <p>-BHEL reserves right to negotiate with the L1 vendor.</p> <p>-Deviation taken after placement of order will not be accepted (Both On technical and commercial grounds)</p> <p>-Supplier to ensure correct & timely submission of all original test certificates. There should not be any discrepancies. This will lead to unnecessary time wastage in clarification and revision.</p> <p>-All offers shall be sent before the due date. Offers shall be dropped into the tender box located at BHEL/PC, Purchase Department.</p> <p>-No recording devices such as camera, voice recorder, mobile phones etc are allowed during tender opening.</p>
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II. PRICE :

The bidder shall provide the price strictly as per the price format annexed herewith.

- a. Base Price shall include Cost of Raw Material plus conversion cost per Meter of bare pipe including Edge Preparation and providing Spider Arrangement and Testing as per BHEL TDC : TDG : 07 : 06 Dt.04.05.12
- b. Painting charges shall be quoted extra, as indicated in the price format.
- c. Ordering shall be on FOR – Suratgarh Project Site basis, on Individual L1 bidder.
- d. Percentage of applicable Taxes, Duties, CESS, Service Tax on Transportation etc shall be clearly indicated.
- e. Service Tax, if included in Freight or extra, shall be clearly indicated. Proof for the Payment of Service Tax shall be produced for the reimbursement of same.
- f. Evaluation will be done based on Net Cash Outflow for BHEL.

Prices quoted shall be “ FIRM ” till complete execution of the scope, and bidder shall give **validity** of this price offer for a period of **minimum 90 days** from the date of opening of Bids.

REVERSE AUCTION PROCEDURES HAVE BEEN MODIFIED AND NEW REGULATIONS HAVE BEEN SENT ALONGWITH THIS ENQUIRY. ALL SUPPLIERS ARE ASKED TO GO THROUGH THE NEW REVERSE AUCTION PROCEDURE GIVEN IN ANNEXURE-1 CAREFULLY AND SUBMIT YOUR OFFER ACCORDINGLY.

III. GENERAL :

One original + two copies of Quality Documents, as listed below shall be sent to Purchase / Piping centre BHEL Chennai immediately after the shipment / despatch of Items.

- 1) BHEL / BHEL authorised Third Party Inspection Agency Report
- 2) Works TC
- 3) Hydro Test Report (as applicable)
- 4) NDE reports (as applicable)
- 5) Dimensional report
- 6) Mechanical, Chemical Analysis and other Lab test reports
- 7) Confirmation report to BHEL Specification.
- 8) Basic raw material (Mill) TC & other requirements as per TDC / Specifications.

All the above documents are to be submitted in soft copy apart from the hard copy, as above.
Year of Code for the standards shall be latest and the specific year is to be mentioned in the Manufacturer's test certificates.

If entire PO Quantity is manufactured in one lot but dispatched in a phased manner, inspection report should be sent along with the first consignment and the same shall be resubmitted for subsequent consignments alongwith a photocopy of the original inspection report.

If the materials are not ready on the date of visit by BHEL INSPECTOR against specific call for inspection by vendor, all the expenses incurred for the visit shall be liable for recovery from the invoices of the vendor. Further, this will also have an adverse bearing on the performance rating of the vendor.

The following despatch documents should be submitted directly to BHEL & not to be routed through bank.

- a) Commercial Invoice in triplicate
- b) Delivery Challan in triplicate whichever is applicable
- c) Guarantee certificate.
- d) Lorry Way Bill (Original + Two copies)
- e) Quality documents (as indicated above)
- f) ED gate pass with a confirmation that the duplicate for transporter is sent with the goods.

Soft copy of Invoice and LR should be sent immediately after despatch by e-mail. Hard copy should be sent subsequently at the earliest possible time.

LIST OF DOCUMENTS ENCLOSED ALONGWITH THIS ITB :

1. ENQUIRY NO. 4011400004 DT. 02.06.2014
2. Painting Quality Plan
 - QP Reference for Suratgarh - QP NO:7198:QPC:12 Rev:03 Dt.11.12.2013
3. Drawings
 - Edge Preparation – 4-80-999-93079 rev :00
 - Spider Arrangement - 4-80-999-93078 rev :00
4. BHEL TDC : TDG : 07 : 06 Dt. 04.05.2012
5. Techno-Commercial Checklist – **To be filled and sent in Technical Bid**
6. Price Format (**Unpriced version to be sent with technical bid, and Priced version in Price Bid**)
7. **Integrity Pact (To be filled and submitted with Technical bid without fail. Your bid will be considered only after signing and submitting the Integrity pact. Otherwise your bid is liable to be rejected).**

The above documents form part of this tender document and bidder shall ensure that they have received all these along with tender and confirm.

INDEPENDENT EXTERNAL MONITOR (IEM) - Being appointed; will be advised separately. Pending nomination of new IEM for the specific tender, prospective suppliers/ bidders may address their complaints/ representation as envisaged in the IP to the Head (MM) of the concerned Unit/ Region."

For any clarifications on the Enquiry, kindly contact the following persons –

Mr. S. Lakshminarayanan
Sr. Manager / Purchase
BHEL, Piping Centre
80, G.N.Road, T.Nagar, Chennai –600 017
Phone – 044-28161331

Mr. Abhishek Krishna Iyer
Engineer / Purchase
BHEL, Piping Centre
80, G.N.Road, T.Nagar, Chennai –600 017
Phone – 044-28161375
Mob : 9962116410

KINDLY GET YOUR DOUBTS CLARIFIED, IF ANY.

YOU ARE REQUESTED TO SUBMIT YOUR OFFERS WITHOUT ANY ERRORS, WHICH MAY OTHERWISE LEAD TO REJECTION OF YOUR OFFER.

Sr. Manager/Purchase

ANNEXURE 1 – REVERSE AUCTION(RA) TERMS AND CONDITIONS

- 1.** 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.
- 2.** 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.
- 3.** In case BHEL decides not to conduct RA, the envelope sealed price bids of all techno commercially qualified bidders shall be opened. Hence, it is advised to all vendors to submit the envelope price bids/e-price bids correctly.
- 4.** In case of reverse auction, 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. Business rules like event date, time etc., also will be communicated through service provider for compliance.
- 5.** BHEL will provide the calculation sheet (e.g EXCEL sheet) which will help to arrive at “Total cost to BHEL” like Packing & forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Service and loading Factors with others Commercial terms & conditions for each of the vendor to enable them to fill-in the price and keep it ready for keying in during the Auction.
- 6.** This excel sheet(without any rates) must be acknowledged and sent along with the compliance form to the service provider.
- 7.** In order to have serious bidding in RA, the H1 bidder (whose quote is highest in online sealed bid) will not be allowed to participate in further RA process. Wherever more than one bidder is H1, all H1 bidders will not be allowed to participate in further RA.
- 8.** If the lowest “online sealed bid” is the starting price, then the lowest bidder in online sealed bid shall be shown as current L1 automatically by the system and no acceptance of that price is required.
- 9.** BHEL reserves the right to treat RA as failed in cases, where no bidder accepts the start price. In such cases, envelope price bids/e-price bids shall be opened and processed accordingly. “Online sealed bid” prices will not be considered.
- 10.** Time extension of 15 minutes based on the request from the bidder(maximum one request per bidder) on account of inability to bid can be given, provided such requests come before five minutes of auction closing time.
- 11.** 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 immediately at the end of RA without fail.
- 12.** Any variation between the on-line bid value and the signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct business with BHEL as per prevailing procedure.
- 13.** After emerging as L1, if the vendor backs out from delivering at the entered prices, appropriate action would be taken against the vendor as per BHEL procedures. Hence, it is advised to take utmost care and ensure correct bidding during the Reverse Auction.