

NOTICE INVITING TENDER

NAME OF MATERIAL: CALCINED ALUMINA POWDER

SPECIFICATION: SPEC SEC.51.0 (Enclosed)

QUANTITY REQUIRED: 1394 METRIC TON - BHEL EPD BANGALORE

ENQUIRY REF No.: BHEL/EPD/MM/AL/51.0/OCT/2014

TENDER FLOATING DATE: 27.10.2014

TENDER OPENING DATE: 18.11.2014 AT 14.30 HOURS.

Enclosures:

- 1) **Specification SEC: 51.0**
- 2) **General Terms and conditions.**
- 3) **Tender Documents:**
 - Guideline for Indian Agents-Annexure - A
 - Extant guidelines of SEARP- Annexure - B
 - Response Sheet - Annexure - C
 - Unpriced Price Bid format - Annexure -D
 - NEFT Mandate Form (For Indian Vendors) - FORM NO. E - 5 Appendix -VIII

GENERAL TERMS AND CONDITIONS OF TENDER

The offer should be submitted in a sealed cover super-scribing tender no. & due date and addressed to

Sr. DGM / MM
Bharat Heavy Electricals Limited
Electroporcelains Division
P.B.No. 1245, Science Institute Post,
Malleswaram,
BANGALORE 560 012.

Your offer should reach BHEL-EPD tender box on or before 2.00 PM on the due date. The offers will be opened on the due date at 2.30 PM in the presence of tenderers who may like to be present. Late offers are liable to be rejected.

LOCATION OF TENDER BOX: Tender box named as BHEL-EPD, IS LOCATED AT RECEPTION ROOM near front Gate.

The offer shall be in two parts-

Part-I-TECHNO-COMMERCIAL

Part-II-PRICE.

Each part shall be put in a separate sealed cover and the cover should have the corresponding part name, Subject of tender and Due Date written on it. Only the techno-commercial part will be opened on the due date. The tenders meeting our techno-commercial requirements will be considered for price bid opening at a later date for which eligible vendors will be intimated in due course. Vendors will be given due opportunity to comply with BHEL requirements in a time frame in case there is any non-compliance in the original quote

1. The terms & conditions of tender should be thoroughly understood & confirmed in the quotations.
2. The quantity mentioned is indicative & may vary at the time of ordering by 10%
3. The rates should be quoted on per MT basis as per purchase specifications.
4. **Delivery Terms:** Indian vendors should quote the price exclusive of taxes & duties on both ex-works basis and FOR destination BHEL-EPD Stores Bangalore (inclusive of freight and insurance). The actual rates of excise duty & sales tax prevailing as on date to be mentioned in your offer.
5. **Bid Opening:**
Part-1 (Techno-Commercial Bids) only will be opened at 14:30 hrs on due date in the presence of bidders who may like to be present or their representatives. Date & Time for opening of Part-2: Price Bid will be intimated separately to the technically & commercially qualified bidder.

6. Price bid of Technically unsuccessful vendors and in the event of reverse auction conducted, will be returned either by post or by courier
7. Packing, forwarding, insurance charge (transit risks), taxes & duties (V.A.T./C.S.T./Excise duty) etc. if extra applicable are to be stated clearly. If included in the price, it must be stated clearly. In such a case, ED components must be mentioned, wherever applicable, in order to avail CENVAT or VAT credit will be reimbursed only if the relevant valid documents are furnished.
8. Foreign vendor shall quote both on FOB basis and on CIF basis Chennai sea port as the requirement is for both BHEL EPD Bangalore India. On working landed cost to BHEL EPD the lowest will be considered for further processing for placing order.
9. The rates quoted should be **firm and Valid** for the full validity period of the contract and PVC clause shall not be acceptable. The suppliers may offer **off-take discount**, which will be taken into account for price comparison.
10. **New Vendors who are not Registered/PMD Vendors for this material in BHEL shall submit their bids in two parts i.e. part I: Technocommercial & Part two: Price Bid like regular BHEL PMD vendors.** In case they are found techno commercially qualified, then the L1 Price of BHEL PMD vendor's or the L1 price of the new vendors whichever is lesser will be considered for placing the order. This is exclusively applicable only for **10% of the total quantity reserved for developing New Vendors.**
11. All new Vendors alongwith **their techno-commercial bids (Part 1 price bid and Part 2 Techno-commercial Bid)** have to **submit sample of not less than 25 kgs.(Free Sample)** for laboratory evaluation purposes & upon qualifying lab evaluation a trial order quantity of 16 to 20 Metric Ton shall be supplied by such qualified vendor at L1 Price of PMD Vendor or L1 Price of New Vendor, whichever is lesser (as mentioned at Sl.No.10).

12. In case, more than one new vendor gets technically qualified, then this 10% quantity shall be apportioned equally amongst the respective qualified Vendors.
13. In case of non-acceptance of L1 price of BHEL PMD vendors or the L1 price of New vendors whichever is lesser Price, by the such of those eligible qualified New Vendors, then this 10% Quantity shall be allocated to respective PMD Vendors as per the Load Distribution Ratio as mentioned in this NIT.

14. ACCEPTANCE OF MATERIAL: The routine inspection & acceptance of material shall be done at BHEL-EPD, Bangalore.

15. PAYMENT TERMS:

For Indian Vendors: Our standard payment terms are 100% in 45 days on receipt of material at BHEL stores for accepted quantity.

For Foreign Vendors: Our Payment Terms shall be 90 Days from Bill of Lading Date through sight draft for the accepted quantity. Payment will be made through our Bankers.

BHEL being a government of India undertaking are governed by strict corporate and RBI guidelines and therefore shall not entertain any request for advance payment. The payment shall be through TT/NEFT sight draft

16. VENDOR CAPACITY AND DELIVERY REQUIREMENT: Vendor shall mention clearly, their committed capacities available with them for supplies to BHEL-CBU only (Not the vendor's total capacity). The quantity mentioned in the NIT will have to be uniformly/staggeredly supplied. However, requirements will be intimated periodically. The vendor has to mention their min & max accepted quantity to be supplied per month all grades clubbed together and for each grade as single combination for arriving at the figures of contractual delivery per month. Minimum lead-time required should also be indicated in your offer.

17. Company Profile

Parties should be registered with the concerned excise & sales tax authorities and should quote relevant registration no. The copies of the same must be

enclosed in the offer. Audited financial results of previous 2 financial years should be furnished.

18. **RISK PURCHASE CLAUSE:** In case, supplier fails to meet the delivery commitment resulting in a crisis and BHEL is compelled to purchase the product at a higher cost from an alternate source, the excess expenditure incurred, if any, will be debited to the defaulting supplier's account.

19. BHEL at its option will be entitled to terminate the contract and/or purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the seller fails to deliver within the stipulated time as per NIT conditions. The seller shall be liable for any loss, which BHEL may sustain by such risk purchases. The loss may be recovered from the vendor's outstanding bills.

20. **Price Evaluation:-**

Prices shall be considered on landed cost basis (cost to BHEL). Landed cost shall be worked out on price quoted including freight, excise duty, and sales tax after taking out CENVAT and VAT credit, as applicable. The comparative statement shall be worked out on landed cost basis. The comparative statement of the prices prepared on the reference date shall remain firm throughout the execution period. Any change in duty & tax structure during execution of the contract will not be considered for re-ranking of vendors.

- BHEL reserves the right/option to refloat the tender if L1 price is not the lowest acceptable price to BHEL.

21. Rejections attributable to your manufacturing process and poor packing noticed at the time of use will be treated as valid rejections. The same shall be either replaced free of cost or payment towards same will have to be adjusted from vendors pending bills.

22. The rejected lots should be lifted by vendor on his own cost within 45 days notice. Failing which material shall be dispatched back on freight to pay basis through BHEL approved transporter.

23. **PRICE RANKING & ORDER DISTRIBUTION:**

The offer shall be evaluated on landed cost (cost to BHEL) basis for arriving at L1 status. Landed cost shall be worked out on price quoted including freight, duty, sales taxes, etc., after taking out applicable benefit (total net cost to BHEL). The

price negotiations if considered necessary may be done with L1 Bidder only. In case BHEL conducts reverse auction vendors bidding shall be on landing cost to BHEL for which breakup worksheet has to be submitted.

24. **The total quantity i.e. 90% of NIT quantity (10% for new /developing vendors) will be distributed among Two successful vendors L1 & L2 in the ratio of 70:30 provided L2 accepts the counter offer of the rate of L1(Negotiated L1 price, if negotiation is done).** In case L2 vendor do not accept the counter offer to match L1 cost to BHEL price, then same will be counter offered to next eligible vendor. In case of no one accepting the counter offer, L1 will get the full quantity. However, this sharing will be subject to the vendor's capacity as declared above. If L1 capacity is less than BHEL (CBU) requirement then the balance quantity will be distributed equally amongst eligible vendors.

In case more than one vendor having same ranking, the loaded share corresponding to the ranking and next one will be clubbed together and will be equally distributed among such vendors

25. COUNTER OFFER:-

Finalized L1 rates will be counter offered to the eligible vendor. The vendor will have the option of either to accept or reject. **NO OTHER OFFER OF THE VENDOR WILL BE ENTERTAINED.**

26. **VALIDITY:** The rate contract shall be valid for 1 year from the date of execution of the contract for supply. In case of unsatisfactory performance of quality/delivery BHEL will have right to discontinue the contract in part or full. The rate contract shall have provision for further extension on same terms & condition for mutually agreed period with the mutual consent of both the parties.

27. The supplier shall furnish test reports in line with the specifications covering all parameters as mentioned the specifications for each processing batch or each batch of supply-whichever is smaller in size.

28. **Packing should be environment friendly and appropriate from the transportation, handling and storage point of view. Each bag should have the batch no printed on it. Packing of each bag should STRICTLY not exceed 40Kg.**

29. Vendor has to mention very clearly both in figure and words. In case of any ambiguity in the furnished price, then the price furnished in words will alone be considered for the purposes of evaluation.
30. For the purposes of evaluation of the price, the exchange rates prevailing as on **original tender opening date** (Technical bid) will be considered. Even in case the tender opening date stands extended, the exchange rates that shall be taken will be original tender opening date.

"For evaluation exchange rate (TT selling rate of SBI) as on scheduled date of tender opening (Part-1 Techno commercial bid in case of two part bid) shall be considered.

The tender not meeting above conditions including deviation in packing (Offers received for beyond 40 Kg. Bags packing) shall not be entertained.

31. **Guidelines for Indian agents of foreign suppliers - Pl refer Annexure A**

Arbitration

Settlement of dispute, if any arises, at any time between the BHEL and the vendors upon or in relation to or in connection with the vendor, the same shall be referred to the sole arbitration of the head of BHEL unit or to person appointed by him. The award of the arbitrator shall be final and binding on both BHEL and the vendor

Legal Jurisdiction

In case of any legal proceedings, area of jurisdiction will be Bangalore in case of EPD.

NOTE:

- BHEL reserves the right to go for Online Seal Bid & Reverse Auction.
- **TO ALL INDIAN VENDORS:** Kindly note that if you are registered under MSMED Act 2006, confirm the same in your quotation and submit the latest valid certificate for micro, small & medium enterprises (MSME) and for the SC/ST ownership, if any, for availing benefits as per the act.

BHARAT HEAVY ELECTRICALS LTD.,
ELECTROPORCELAINS DIVISION, I.I.Sc. POST, BANGALORE – 560012
Tel: 080 22182305, 22182460, 22182219

- BHEL wishes to encourage the participation of micro and small scale enterprises (M&SE).
- In case L1 vendor is not a micro & small enterprises, 15% purchase preference will be given to the other M&SE for ordering up to 20% of the tender quantity, provided the MSE matches the L1 price. In case of more than one such M&SES, the share of 20% will be distributed proportionately.
- 4% of our total procurement is earmarked for procurement from micro and small enterprises owned by SC/ST. in the event there is no participation from such micro and small scale enterprises. The same shall be met through other M&SES.

B.R.BARKER
DY. MANAGER / MM
BHEL/EPD/BANGALORE
Tel:080-2218 2305 or 2460