

**BHARAT HEAVY ELECTRICALS LTD.
(TRANSMISSION BUSINESS GROUP)**

TERMS AND CONDITIONS FOR INDIGENOUS TENDER ENQUIRY

This Format is to be submitted in original duly signed by bidder. Deviation, if any, is to be brought out clearly in Schedule of Commercial Deviation giving clause-wise deviation. Any condition / clarification / deviation mentioned elsewhere may not be accepted.

Sr. No.	<p>Standard Terms & Conditions for Rate Contract for All BHEL TBG Projects for Supply of GI PIPE & BEND TENDER ENQUIRY NO. 424R155 DATED: 30.10.14 DUE DATE: 28/11/14</p>
1.	<p>INSTRUCTION TO BIDDERS:</p> <p>a) Sealed quotations are invited for the items mentioned in the enquiry. Quotations should be typed and free from over writing and erasures. Corrections or additions must be clearly written both in words and figures and attested, otherwise offer shall be liable for rejection.</p> <p>b) Bidder must ensure that their quotation is received / dropped in the tender box on or before 14:00 Hrs of the due date of opening.</p> <p><u>Location of Tender Box:</u></p> <p>Bharat Heavy Electricals Limited, Transmission Business Group, Advant Navis Business park, Tower A 5 th Floor, 7 , Sector- 142, Greater Noida Expressway, UP -201305</p> <p>c) The same shall be opened at 14.30 Hrs. on the same day. Tenders received late may be rejected. Bidders sending tenders by courier or post, to ensure that it is delivered one day before as same day delivery may not reach above office by due time.</p> <p>d) Bids are to be submitted in Two parts:</p> <p>i) Techno-commercial bid (Part-I): To be submitted in duplicate. A copy of price bid (Part-II) "without prices" is also to be enclosed in Part-I bid.</p> <p>ii) Bidder to strictly ensure submitting the price bids in BHEL format of Rate Contract or as per project requirement.</p> <p>iii) Price bid (Part-II): To be submitted only in one copy in a separate sealed envelope. This should not contain any Technical or Commercial Terms. The rates should be quoted both in figures and words. In case of any difference between figures and words, the quoted rate in words shall prevail over figure. Further in case of difference between unit rate & total price, unit rate in words shall prevail over total price.</p> <p>Both Parts-I and Part-II bids are to be sealed in separate envelope and both envelopes to be kept in another common envelope. Each envelope should be sealed and superscribed with enquiry no., item / package name, project name (if any) and due date of opening.</p> <p>e) "BHEL reserves the right to go for Reverse Auction instead of Opening the submitted sealed bid, which will be decided after technical evaluation".</p>

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	<p>f) For any technical clarification please contact :</p> <p>Shri Pramod Raj, Manager (TBEM), TBG, BHEL, Advant Navis Business park, Tower A 5th Floor, Sector- 142, Greater Noida Expressway, UP -201305 Email: pramodraj@bhel.in Tel No 0120-6748525</p> <p>For any commercial clarification please contact official below :</p> <p>Shri S.C.Shivhare, Sr. Manager (TBMM), TBG, BHEL, Advant Navis Business park, Tower A 5 th Floor, 7 , Sector- 142, Greater Noida Expressway, UP -201305 Email: scshivhare@bhel.in Tel No 0120- 6748471, 469</p> <p>g) Price bid should contain only rates / prices, otherwise bid shall be liable for rejection.</p> <p>h) Price bid submitted along with the bid shall remain valid up to validity of offer. Unsolicited Supplementary / Revised price bid submitted during validity period of offer, unless asked by BHEL, shall not be considered. Withdrawal of quotation by the bidder, at any stage after its opening, may entail blacklisting of vendor.</p> <p>i) Enquiry condition for where the scope against this tender includes Installation and Commissioning of the equipment / material: NOT APPLICABLE</p>
2.	<p>PRICES:</p> <p>A. Prices shall be Firm.</p> <p>B. The prices shall be quoted by the vendors considering Sl. No. B1 and B2 below:</p> <p>B1. On Domestic Basis.</p> <p>B2. For Deemed Export, Physical Export & Mega Power Projects (BHEL shall provide necessary Documents for availing ED exemption & duty drawback benefits for Deemed Export, Physical Export & Mega Power Projects)</p> <p>C. The prices are to be quoted on Ex-works basis. The break-up of prices shall be as under : -</p> <p>a) Ex-works Price: Ex-Works price including packing & forwarding Charges.</p> <p>b) Excise Duty: ED as applicable is to be quoted extra as percentage in both un-priced and price bid. (In the event bidder is exempted from ED, the same to be maintain throughout the Rate Contract period)</p> <p>c) Sales Tax: ST / VAT / CST (against C form) as applicable to be quoted extra as percentage in un-priced and price bid. In case of inter-state sale-in-transit supplier/vendor will have to provide E1/E2 form.</p> <p>d) Entry tax / Octroi Charges: Any Entry tax / Octroi applicable at destination / destination state shall be paid extra on proof of such payment.</p>

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	<p>e) Freight & Insurance: 1. Freight and Transit Insurance for door delivery up to destination/store is to be quoted on Per Unit / 1000 KM basis.</p> <p>2. Uniform rate of freight will be paid for project situated anywhere in India i.e. irrespective of destination at hilly or non hilly area.</p> <p>3. The distance for the purpose of freight admissibility shall be the shortest route as exhibited in the Motoring Guide of India (latest edition) .Wherever a particular station is not appearing in MGI, the distance calculated up to the nearest station available in MGI will be suitably increased/decreased based on information from other sources like railway website. In cases where distance cannot be increased / decreased using the railway website also then other websites like “mapmyindia” may be resorted to.</p> <p>f) Sea worthy Packing Rates: For export project charges of Export/sea worthy packing as per BHEL specification, is to be quoted on per Meter or No. basis. Sea worthy Export packing will also be considered for evaluation, in cases where corresponding quantity /percentage is specified in BOQ as per Tender Enquiry.</p> <p>Note: The purchase order shall be placed on Ex-works basis.</p>
3.	<p>TERMS OF PAYMENT:</p> <p>100% payment along with taxes, duties, Freight & Insurance within 60 days from the date of receipt of complete invoice in TBG, BHEL with following documents in 3 sets (Original + 2 copies).</p> <ul style="list-style-type: none"> • Receipted LR • Excise invoice (where ED re-imburement is required) • Packing List (Case-wise) • Copy of Contract Performance Bank Guarantee • Transit insurance Certificate from insurance Co or intimation of Transit Insurance duly endorsed by insurance Co. • MICC issued by BHEL • Guarantee Certificate
4.	<p>INTEREST LIABILITY: In case of any delay in payment due to any reason, BHEL shall not pay any interest on delayed payment.</p>
5.	<p>GUARANTEE: The equipment / material shall be guaranteed for 18 months from the date of material receipt at destination or 12 months from the date of commissioning, whichever is earlier. The defective material / component shall be replaced free of cost at site.</p>
6.	<p>BANK GUARANTEE: A Contract Performance Bank Guarantee amounting equal to the value of 5% (Ex-work) of rate contract value shall be taken from the vendors who enter into rate contract against this Enquiry and the Contract Performance Bank Guarantee shall be valid till 1 year from the date of expiry of Rate Contract.</p>

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	The vendors who enter into rate contract will have to furnish Contract Performance Bank Guarantee with in a period of 30 days from the date of award of rate contract.
7.	FINAL ENGINEERING DOCUMENTATION: Not Applicable
8.	INSPECTION: BHEL / customer / third party shall inspect equipment / material before despatch. Stage inspection during manufacturing may also be carried out. Material to be despatched only after getting Despatch Clearance from BHEL. Supplier shall send inspection call on prescribed format or website only, with an advance notice of 15 days. Vendor shall forward all inspection and test reports for issue of MICC by BHEL. Road Permit Form request should also be given along with Inspection call.
9.	DESPATCH DOCUMENTS: Following despatch documents are to be immediately sent to purchaser on despatch: <ul style="list-style-type: none"> • Copy of Invoice and LR • Packing List (Case-wise) • Insurance Certificate
10.	DELIVERY PERIOD: Bidder to specify delivery period in weeks from the date of LOI/PO. Note: LR date or Invoice date whichever is later shall be considered as delivery date.
11.	DELAYED DELIVERY: In case of delay in execution of order beyond the lot wise contractual delivery, an amount of ½ % of total Ex-Works Value per week or part thereof subject to maximum of 10% of total Ex-Works Value of P.O. will be withheld.
12.	VALIDITY: The offer shall be valid for 120 days from the due date of opening.
13.	ACCEPTANCE / REJECTION OF TENDER: BHEL reserves the right to reject in full or part, any or all tenders without assigning any reason thereof. BHEL also reserves right to vary the quantities mentioned in the tender.
14.	EVALUATION: Comparative statement shall be prepared based on overall quantity basis unless otherwise indicated in the enquiry. Evaluation of offers shall be done on the basis of delivered cost to BHEL, Considering Ex-Works Price, Excise Duty, and CST against Form "C", F & I for 1000 Kms Distance and Export/Seaworthy packing charges.

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15.	DEVIATION: The bids having deviation(s) w.r.t. tender are liable for rejection. However, BHEL, at its discretion, may load the prices for evaluation of offer as per Loading Criteria for identified deviations mentioned in clause No. 22.
16.	ARBITRATION: All cases of disputes emanating from and relating to this contract shall be referred to the sole arbitration of Unit Head / GM, BHEL or any other person (including an employee of BHEL, even though he had to deal with the matter relating to this contract in any manner) nominated by him to act as sole arbitrator. The arbitration shall be under 'The Arbitration and Conciliation Act 1996' and the rules thereunder as amended from time to time. The arbitrator may from time to time with the consent of the parties enlarge the time for making and publishing the award. The arbitrator shall give a reasoned award. The decision of the arbitrator shall be final & binding upon both the parties. The venue of arbitration shall be Delhi.
17.	LEGAL SETTLEMENT: All suits/claims in respect of this contract shall be in the courts having jurisdiction at Delhi.
18.	SUBCONTRACTING : In case further subcontracting of BHEL order or part thereof is envisaged by supplier, the same can be done after written permission is obtained from BHEL. However it shall not absolve the supplier of the responsibility of fulfilling BHEL purchase order requirements.
19.	RISK PURCHASE: 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.
20.	ADJUSTMENT OF RECOVERY: Any amount payable by the supplier / vendor under any of the condition of this contract shall be liable to be adjusted against any amount payable to the supplier / vendor 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.
21.	FORCE MAJEURE CONDITION: If by reason of war, civil commotion, act of god, Government restrictions, strike, lockout which are not in control of supplier the deliveries are delayed, supplier shall not be held responsible.
22.	LOADING CRITERIA FOR DEVIATIONS TAKEN BY BIDDER ON: If a bidder asks for payment within specified no. of days from the date of receipt of invoice with complete documents as per "Terms of Payment" at Sr. No. 3 above, loading to be done as follows: a) Base rate of SBI (as applicable on the date of techno commercial bid opening) + 6 % shall be considered for loading for the period of relaxation sought by the bidder. 60 days - No loading 22.2 : <u>DELAYED DELIVERY / PENALTY DUE TO DELAYED DELIVERY:</u> Loading for not accepting this clause / accepting only on undelivered portion shall be the maximum amount specified in this clause. 22.3 <u>GUARANTEE:</u> Normally BHEL may not accept deviation against this clause and offer may be ignored on this deviation, however If the offered guarantee period is less than the

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	tender guarantee period the ex- works prices shall be loaded for the difference in the period (higher of the difference with respect to guarantee required from date of delivery and date of commissioning) @ 2.5 % per year for number of months(fractional months to be rounded off to next higher)
23.	QUANTITY VARIATION: Quantity may change to the order of +/- 30 % during contract stage as well as completion of execution of individual orders.
24.	TECHNICAL SPECIFICATIONS: TB-XXX-316-040 Rev. 02
25.	RATE CONTRACT VALIDITY /CONDITIONS: a) The Rate Contract shall be Valid for 18 Months from the Date of award of the Rate Contract. All orders placed within the Rate contract Validity period have to be executed. b) Allotment of job to any Vendor shall be based on following Criteria/ Points: i) Capability of vendor in meeting delivery schedule of BHEL. ii) Delivery performance of Vendor. iii) Rate Contract Quantity as available at the time of allotment. iv) Status of pending Orders /Tonnage of TBG, BHEL, waiting completion at Vendor's works. v) L - 1 vendor will be given preference. However, BHEL TBG reserves its right of allotment to any Vendor, with whom Rate Contract is entered, to meet its delivery requirement. c) The Rate Contract is proposed to be entered with Two [02] Nos. of Vendors with the quantity distribution in the ratio of 60:40. 60 % quantity shall be awarded to original L1 vendor. Rates of Original L1 vendor shall be sequentially counter-offered to L2, L3 and L4 in that sequence. The balance 40 % quantity shall be awarded to the L2 or L3 or L4 bidder whoever accepts the rates of the original L1 bidder in that sequence. In case the other bidders do not accept the business at L1 value, then 100 % quantity shall be awarded to the original L1 bidder and in such case the Rate Contract shall be with one Vendor (L1) only.
26.	INTENDED BENEFITS FOR MSE SUPPLIERS: MSE suppliers can avail the intended benefits only if they submit along with offer, attested copies of either EM II certificate having deemed validity (Two years from the date of issue of acknowledgement in EM-II) or valid NSIC certificate or EM II certificate along with CA certificate (Format enclosed as per Annexure I) applicable for the year, certifying quantum of investment in plant & machinery within the permissible limit as per the act for relevant status (Micro or Small) where the deemed validity of EM II is over. Date to be reckoned for determining the deemed validity will be the last date of technical bid submission. Non submission of such documents will lead to consideration of their bids at par with other bidders and MSE status of such suppliers shall be shifted to Non MSE supplier till the supplier submits these documents.
27	Pre Qualifying Requirement : 1.Vendor must have supplied minimum 60 % of rate contract qty of GI Pipe in last two years. 2.Pipe shall carry the BIS certification marking .

Seal of the bidder

Signature of the bidder