



BHEL GOINDWAL

**Annexure A TERMS AND CONDITIONS FOR ENQUIRY NO. BHE:IVP:SC:FLV-1415 DATED:
17.03.2015 OPENING DUE DATE: 24.03.2015.**

(SUB-CONTRACTING DEPARTMENT)

PART - A

1. Sealed tenders in two parts; Part-I: Techno-commercial bids and Part-II: Price bids are invited for tender enquiry no. BHE:IVP:SC:FLV-1415 dated 17.03.2015 for development of machining of flap valves casting and other components on job work basis per attached Techno Commercial Bid Format.

For Unregistered Vendors

Vendors having Suitable Machinery for the machining of the above mentioned job may only quote in this Tender. Vendor (Unregistered vendor with sub-contracting BHEL IVP Goindwal) needs to provide self-certified machinery detailed list enclosed in Techno Commercial Bid.

The vendor's Techno Commercial bid shall be duly evaluated and after Tender committee's recommendation, the bidder will be qualified for Price Bid Opening. BHEL reserves the right to assess type of machinery by visiting vendor's works. Technical Qualification of the bidder will be at sole discretion of BHEL.

Further, since this development tender is for evolving of Sub contracting PMD, the unregistered vendors needs to apply for supplier registration at BHEL IVP Goindwal, as per procedure mentioned in clause No. 27.

For Registered vendor with sub-contracting BHEL IVP Goindwal

The firm already registered with subcontracting BHEL IVP Goindwal, shall be directly qualified for techno-commercial bid, subject to acceptance of all tender terms and conditions.

BHEL will not provide any fixture development cost or Tooling cost for machining of items. The vendor has to quote inclusive rates keeping in mind anticipated tenders for same items from BHEL after successful completion of the Order.

The two bids should be submitted in separate inner envelopes duly mentioning the detail as follows:

Bid	Description	Superscription on envelope	Min documents to be submitted
Part-I	Techno-Commercial bid in response to tender enquiry no. BHE:IVP:SC:FLV-1415 Dated 17.03.2015.	PART-I "Techno-Commercial Bid" Tender Enquiry no. BHE:IVP:SC:FLV-1415 Dated 17.03.2015. Due date of opening: 24.03.2015 Sender:	Acceptance of all terms and conditions. Taxes applicable, if any, are to be mentioned in this part bid.
Part-II	Price bid in response to tender enquiry no. BHE:IVP:SC:FLV-1415 Dated 17.03.2015.	PART-II "Price Bid" Tender Enquiry no. BHE:IVP:SC:FLV-1415 Dated 17.03.2015.	Price bid duly filled prices in numbers and words as mentioned in unpriced bid.

Part-I: Techno-Commercial bid should contain

- Acceptance of Techno-Commercial terms and conditions should be attached next. This can be attached either by signing each page of terms and conditions or a confirmation statement. If nothing is mentioned for any term, it shall be summarily concluded that the same is acceptable and no representation whatsoever shall be entertained later on.
- Unprice bid, filling all other details except **unit price**.



Both the sealed envelopes should be put in an outer envelope clearly mentioning Tender Enquiry No. and due date of opening & sender's address on it. Quotations shall reach us by 1100 Hrs. on or before 24.03.2015. Sealed tender can be dropped in tender box marked as "TENDER BOX". This tender box is located at entrance of administrative building of IVP Goindwal.

Techno-Commercial bid shall be opened at 1130 Hrs. on same day at Conference Hall IVP Goindwal. For finalizing prices, BHEL will open the sealed price bids (Part-II).

Based on evaluation of techno-commercial offer, Price bid of the bidder who qualifies from techno-commercial evaluation shall be opened. The price bid may be opened on same day i.e. 24.03.2015 at 1530 Hrs. In case of any change in Schedule of price bid opening, the same will be informed to bidders before scheduled price bid opening time.

Please submit all the documents/confirmations as per terms and conditions. This will facilitate quick evaluation and early finalization of tender.

2. PRICE QUOTATION SHALL BE AS PER UNDER:

- a. The items are to be machined as per drawing number as mentioned in Sub Contract Purchase Order and minimum rates are to be quoted by the Vendor (hereinafter referred as Sub-Contractor) on per piece basis and on FOR Goindwal Basis.
- b. Rates shall be inclusive of all statutory levies applicable.
- c. Excise duty and other taxes, if any, applicable on scrap retained by sub-contractor shall be borne by the sub-contractor.
- d. Contractor should quote rates for each item with retention of cutting/turning/boring/Notching/Piercing of ferrous scrap.
- e. Excise duty/ VAT for materials lying at their works for a period more than 180/90 days resp., whatsoever may be the reason for retention of the material, if any, shall be borne by the Sub-contractor.
- f. For Tender Enquiry Item Group A (Sr. No. 4& 5); Group B (11, 12 & 13) and Group C (19, 20 & 21), the vendor quoting minimum total rates for each group size, will be L1 vendor. In case a vendor does not quotes for every item of the group, his bid for that item won't be considered.

3. SCOPE OF WORK:

The scope of work includes machining of castings and other components as per drawing provided. Raw material for machining, i.e., Casting, Bar stock, Plates after gas cutting, etc. shall be provided as raw material to the vendor by BHEL.

4. VALIDITY OF OFFER:

The rate quoted will be valid for 60 days after tender opening for finalization of the Tender.

5. VALIDITY OF TENDER:

The validity of Tender for placing purchase order will be six months from date of finalization of Tender. Beyond this period if any item/item quantity is not loaded, the same item/ item quantity will be forfeited.

6. LOADING:

Tender will be entered into requisite no. of vendors to ensure that sufficient no of machining sources are developed. For this, BHEL reserves the right to give counter offers to others than L1 vendor.

1. If L1 Bidder is MSE and belongs to SC/ST category, the tender quantity may be divided in the proportion of 50:30:20 (50% for L1, 30% for L2 and 20% for L3).
2. If L1 Bidder is MSE but doesn't belongs to SC/ST category, the tender quantity may be divided in the proportion of 46:25:15 (46% for L1, 25% for L2 and 15% for L3). The remaining 4% of Tender Quantity



may be offered to MSE vendor belonging to SC/ST category vendor, if it's quoted rate falls in the price band of 'L1 + 15%'. In case there are no bidders belonging to SC/ST category in the price band of 'L1 + 15%', the same quantity (4%) may be offered to L1 bidder.

3. If L1 Bidder is non-MSE, the tender quantity may be divided in the proportion of 50:20:10:20 (50% for L1, 20% for L2, 10% for L3 and 20% for MSE's). The division of tender quantity is subject to following conditions:

I. In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 per cent may be offered 20% quantity of tender quantity at L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise. In case of more than one such Micro and Small Enterprise, the supply may be shared equally. If there are more than one MSE in the price band of L1+ 15% to whom the offer has been sent and some of them reject the offer then the remaining quantity may be distributed equally to the MSEs accepting L1 prices.

II. 20% from the 20% quantity (i.e. 4% of the tender quantity) offered to the MSE's may be reserved for MSE's owned by SC/STs. In event of failure of such Micro and Small Enterprises to participate in tender process or meet tender requirements and L1 price, 4 per cent quantity for Micro and Small Enterprises owned by SC/ST entrepreneurs may be met from other Micro and Small Enterprises.

III. In case any MSE vendor does not accept the counter offer, the above mentioned 20% quantity may be loaded to L1 vendor.

IV. If there is no MSE in the Price band of L1+15% then the 20% quantity may be loaded to L1 vendor.

4. In case of non- acceptance of counter offer by any vendor after above applicable provisions, the corresponding quantity would be dropped from the tender.

5. Counter offers will not be issued to Highest Bidder. However, in case of MSE bidders, eligible for a proportion of Tender Quantity, will be given counter offer.

6. In case of single bid, the corresponding tender quantity for L1 will only be loaded.

7. INSPECTION:

- Inspection of the finished components will be done at vendor's premises after receipt of inspection request along with dimension report. No deviation unless authenticated by authorized BHEL Officials will be allowed. The inspection request and the dimensional report shall be in the format prescribed by Quality Department.
- BHEL reserves the right to carry out inspection at its premises as and when required.
- In case of Rework at Sub Contractor's end due to operator fault, the rework shall be carried out by Sub Contractor free of cost.
- In case of rejection at Sub-contractor's end due to operator fault, raw material cost along with any other relevant charges will be recovered.

8. DELIVERY OF FINISHED COMPONENTS:

- Vendor code, component code, IR No., Girder Plate description shall be written on all the finished components with white paint.
- The inspected components shall be delivered at Component Stores along with 4 copies of delivery challan, bearing seal of Main Gate Security and 2 copies of Inspection Report.
- Delivery challan should have the details like PO No., IR NO., and Component Code.
- Finished components shall be unloaded in designated area as directed by the Store-keeper.
- Finished goods shall be delivered at Component Stores at Sub-contractor's own cost.
- The Sub Contractor shall supply the finished components with proper packing arrangement as specified in respective Purchase Order(s).

**9. DELIVERY SCHEDULE:**

Vendor shall be required to complete the order within 30 days after placing firm PO/ LOI (Letter Of Intent).

10. ISSUE OF RAW MATERIAL:

- a. Raw materials shall be issued from Main Stores/component stores and cost of transportation shall be borne by the Sub-contractor.
- b. The raw material shall be provided by BHEL as per BHEL drawing with proper machining allowances.
- c. The vendor is required to lift the material within three days of release of PO.

11. ACCESS TO MANUFACTURING PREMISES:

During the currency of the contract and while Sub-Contracting Orders placed on the vendor are under execution, authorized representatives of BHEL shall be allowed free access to the manufacturing facilities for the purpose of inspection or monitoring the progress of purchase orders. This access will also be extended to representatives of BHEL's customers accompanying the authorized representative/s of BHEL, if our contractual requirements with our customer's call for the same.

12. GUARANTEE:

The components machined as per BHEL drawing should be free of machining/welding/gas cutting/fabrication defects. If the item is found defective after receipt during onward processing at Shop, total cost will be recovered from Sub-contractor as per clause no. 7c & 7d.

13. CONFIDENTIALITY OF BHEL DRAWINGS/DOCUMENTS:

Sub-contractor/s shall ensure confidentiality of BHEL drawings and documents issued to them and shall not pass on the same to any unauthorized agency/person. Violation of the same shall tantamount to cancellation of the contract of the Sub-contractor.

14. BANK GUARANTEE AND SECURITY DEPOSIT:

- a) Sub-contractor will have to execute a Bank Guarantee, in the prescribed format, for a sum of 5% of the value of the maximum materials likely to be in possession of the Sub-contractor at any point of time.
- b) Additionally, Security Deposit shall be recovered at the rate of 5% from running bills of sub-contractors in a calendar year. The Security Deposit shall carry no interest and shall be refundable in next calendar year.

15. INDEMNITY BOND:

Sub-contractor shall have to indemnify BHEL for any loss to BHEL's material in custody of the Sub-contractor against theft or financial liability against funding agency/financial institution or any other loss. The bond is to be executed on non-judicial stamp paper as per the format prescribed by BHEL.

16. TERMS OF PAYMENT:

- a. Due payment against job work done shall be made within 30-45 days from receipt of accepted material at IVP Goindwal and receipt of following documents:
 - i. Two copies of Invoice i.e. Original & Duplicate for Transporter
 - ii. Four Copy of Challan
 - iii. Inspection Report
 - iv. Scrap Accountal statement for retained ferrous scrap duly verified by Sub-Contg. Dept.
- b. The rejected material should also be deposited along with the accepted material through Delivery Challan.

BHEL releases payment through EFT mode ONLY. Necessary details may please be submitted by filling required format before release of payment.

17. FIRM PRICES:



The contract shall be on the basis of firm prices. No variation in price shall be entertained during the currency of the purchase order.

18. PENALTY AND TERMINATION:

- a) If the Sub-contractor fails to deliver the material or any installment thereof within the period fixed for such delivery or at any time repudiates the purchase order before the expiry of such period, BHEL may without prejudice to the right of the Sub-contractor imposed damages for breach of the Sub-contracting order.
- b) Recovery from the Sub-contractor liquidated damages a sum equivalent to 0.5% of the price of any stores which the Sub-contractor has failed to deliver within the period fixed for delivery in the order for each week or part of a week (subject to a maximum of 10% of the price) during which the delivery of such components may be in arrears and where delivery thereof is accepted after expiry of the aforesaid period, or
- c) Withdraw the material and Sub-contract elsewhere without notice to the Sub-contractor, on the account and at the risk of the Sub-contractor, of the components not so delivered. The decision of BHEL in this regard shall be final and binding without canceling the Sub-contracting order in respect of the installments not yet due for delivery, or
- d) Cancel the Sub-contracting order or a portion thereof and if so desired Sub-Contract the materials not so delivered at the risk and cost of the Sub-contractor. If the Sub-contractor has defaulted in the performance of the original order, the BHEL shall have the right to ignore its tender for risk purchase even though the lowest. Where action is taken under this clause, the Sub-contractor shall be liable, for any loss which the BHEL may incur due to the Sub-contractor failure to deliver the component within the period fixed for such delivery.

19. FORCE MAJEURE:

If at any time during the continuance of the contract, the performance in which or in any part by either party of any obligations under the contract are prevented or delayed by reason of any war, hostilities, acts of public enemy, civil commotion, sabotage, fires, explosions, epidemics, quarantine restrictions, or acts of God (hereinafter referred to "an events" then provided the notice of happening of any such event is given by either party to the other within 21 days of the occurrence thereof, neither party shall by reason of such event be entitled to terminate the contract nor shall either party have any claim for damages against the other in respect of such non-performance and delay in performance and delivery under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. If the performance in whole or part of any obligation under the contract is prevented or delayed by reason of any such event, claims of extension of time shall be granted for periods considered reasonable by BHEL subject to prior notification by the Vendor to BHEL of the particulars of the event and supply to BHEL, if required, of any supporting evidence. Any waiver of time in respect of partial installment shall not be deemed a waiver of time in respect of remaining deliveries.

20. DISPUTES/ARBITRATION:

In the event of any dispute and /or difference arising between the Sub-contractor and BHEL as to interpretation and/or execution of the contract and/or the respective rights and liabilities of the parties, such disputes and/or differences shall be referred to the sole arbitrator nominated by BHEL. The provisions of the Indian Arbitration Act and the rules there under shall apply to such arbitration. The award passed by the arbitrator shall be final and conclusively binding on all the parties.

21. JURISDICTION:

The court of the place from where the Sub-contracting order issued during the contractual period shall alone have jurisdiction to decide any dispute arising out of or in connection with the purchase order.

22. SUB-LETTING:

The Sub-contracting order or any part thereof shall not be Sub-contracted, assigned or otherwise transferred without giving the notification to BHEL in writing.

**23. MISCELLANEOUS:**

- a) BHEL reserves the right to accept or reject any part or whole of the tender without assigning any reason thereof.
- b) BHEL reserves the right to discontinue any component/change scope of work/assembly as the need arises from time to time during the currency of tender
- c) In case of any loss that might be caused to BHEL due to lapse on the part of the workers deployed by Sub contractor, such loss shall be compensated by Sub Contractor and in this connection, BHEL has the right to deduct appropriate amount from his bills etc. to make good of such loss to BHEL beside imposition of penalty. In case of any deficiencies /lapses on the part of personnel deployed by Sub contractor, BHEL shall be within its right to terminate the contract forthwith or take any other action without assigning any reasons whatsoever.
- d) The quantity mentioned in tender enquiry is Tentative Quantity. The actual quantity may vary from this and is also subject to availability of raw material with BHEL. The scope of machining items may have minor deviations as mentioned in the attached drawings.
- e) The identification and traceability w.r.t. Make/Melt/Heat & Material type of raw material issued to Sub Contractor shall be maintained by him during processing and onward final submitting the components in BHEL Stores. BHEL reserves the right to verify the compositions/mechanical/chemical properties of parent material at any stage of processing at Sub Contractors end and also of final machined components submitted in BHEL stores.

24. DEALING WITH BANNED SUPPLIERS /CONTRACTORS:

The Offers of the bidders who are on the banned list as also the offer 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.

25. PREFERENCES FOR MSE's:

Preferences as mentioned in "Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012" shall be given to Micro and Small enterprises.

Main points which are mentioned in the above order are as follows:

- 20% Procurement of the tender value shall be made from MSE (Micro, Small Enterprises) firms.
- 4% from the above mentioned 20% procurement quantity shall be procured from MSE's owned by SC /ST's. Failure to participate by any MSE owned by SC/ST's this 4% quantity shall be procured from other MSEs.
- EMD shall be exempted for MSE's. All these benefits are subject to production of all statutory documents
- In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 per cent 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 Micro and Small Enterprise and such Micro and Small Enterprise shall be allowed to supply up to 20 per cent of total tendered value. In case of more than one such Micro and Small Enterprise, the supply shall be shared proportionately (to tendered quantity).

***All these preferences are applicable subject to the submission of applicable certificates (i.e. District Industries Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified by Ministry of Micro, Small and Medium Enterprises)**

MSE suppliers can avail the intended benefits only if they submit along with offer, attested copies of either EM II certificate having deemed validity (Five years from date of issue of acknowledgement in EM II) or valid NSIC certificate or EM II certificate along with CA certificate (Format Enclosed as per



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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 I in case of two part bid). Non submission of such documents will lead to consideration of their bids 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 should be notarized or attested by a gazetted officer.

26. WORDS AND FIGURES:

- a) If, in the price structure quoted for the required goods/ services/ works, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity}, the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.
- b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
- c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject of (a) and (b) above.
- d) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date upto which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored.

Necessary Document to be submitted in Part-I:

- Acceptance of all techno-commercial terms and conditions. **If nothing is mentioned for any terms and condition, it shall be concluded that the same is accepted.**
- Un-priced bid with all taxes and duties (extra/inclusive) and % mentioned.

Document to be submitted in Part-II:

Rates per set (no.) mentioned in figures as well as in words. **No other condition shall be mentioned.**

27. SUPPLIER REGISTRATION:

Bidders, who currently are not on registered List of BHEL IVP Goindwal Sahib may submit duly filled format for "Vendor Registration form". The vendor registration form can be requested by emailing/calling at sb@bhelivp.in (01859-224647)/prikshit@bhelivp.in (01859-224643)/abhishek@bhelivp.in (01859-224645). Registered vendor with BHEL IVP Goindwal has to mention their Vendor Code. Registered vendor with any other unit of BHEL are also required to mention their vendor code given by respective BHEL unit along with photocopy of latest PO from BHEL unit. Techno Commercially qualified bidder may be asked for submission of supplier registration form.

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