

ANNEXURE - 1

Commercial terms and conditions for Civil and Structural Works

Name of the Bidder :

Enquiry No. & Date : **88/10/6048/AK dt. 26.02.11**

Project : CHP & AHP Package –Stage -III of 1 X 700 MW Super Critical BELLARY TPS.

Scope of Work : Civil and Structural works for CHP and AHP as per BHEL enquiry .

SL No	Clause	BHEL Requirement	Suppliers Acceptance / Remarks
1.0	Price basis	Firm till completion of the project, WCT to be included in price. Service tax along with cess to be indicated separately and will be reimbursed as per actual. TDS shall be made for IT and WCT as per the rules. Statutory variation during contract period on the specified taxes and Duties considered in the price. or imposition of new taxes / levies shall be reimbursed against documentary evidence.	
2.0	Price Format	Contractors to quote as per enclosed Price Format only. In case of unit rate portion of scope, (viz. AHP and part CHP package, quantities mentioned in the BOQ are indicative/ approximate. Unit rates shall be valid for item wise variation in quantity to any extent and also for the total variation in value of work (+ /-) 30%.	
3.0 (a)	Terms of Payment for Civil Works of lumpsum portion	<ol style="list-style-type: none">1. 2.5% of the Total Civil works Price for lumpsum portion to be released against approval of civil drawings on pro-rata basis as per approved billing schedule.2. 87.5% of the Total Civil works Price for lumpsum portion as progressive Payment as per approved billing schedule against submission of RAB along with proof of wages paid, ESI, EPF etc duly certified by BHEL Engineer.3. 5% of the Civil works price for lumpsum portion on completion of reliability operation of the plant.4. 5% of the Civil works price for lumpsum portion against Performance Guarantee test and taking over entire plant by customer.	
3.0 (b)	Terms of Payment for Civil Works of unit rate	<ol style="list-style-type: none">1. 90% of the Total Civil works Price for unit rate portion as progressive Payment as per approved billing schedule against submission of RAB along with proof of wages paid, ESI, EPF etc duly certified by BHEL Engineer.	

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	portion	2. 5% of the Civil works price for unit rate portion on completion of reliability operation of the plant. 3. 5% of the Civil works price for unit rate portion against Performance Guarantee test and taking over entire plant by customer.	
4.0 (a)	Terms of Payment for Structural Works of lumpsum portion	1. 100% Value of the Structural and RI steel supplied by the Contractor beyond free supply quantity by BHEL shall be paid against receipt of Material at site and physical verification and certification by BHEL engineer. 2. 2.5% of the Total Structural works Price for lumpsum portion to be released against approval of Structural and fabrication drawings on pro-rata basis as per approved billing schedule. 3. 37.5% Structural works price for lumpsum portion as progressive Payment against fabrication of Structural steel and on certification by BHEL Engineer. 4. 40% Structural works price for lumpsum portion as progressive Payment against Erection of Structural steel and on certification by BHEL Engineer. 5. 10% of the Structural works price for lumpsum portion on pro-rata basis on final alignment, bolting or welding etc including primer coats of painting on certification by BHEL Engineer. 6. 5% of the Structural works price for lumpsum portion on completion of reliability operation of the plant. 7. 5% of the Structural works price for lumpsum portion against Performance Guarantee test and taking over entire plant by customer.	
4.0 (b)	Terms of Payment for Structural Works of unit rate portion	1. 40% Structural works price for unit rate portion as progressive Payment against fabrication of Structural steel and on certification by BHEL Engineer. 2. 40% Structural works price for unit rate portion as progressive Payment against Erection of Structural steel and on certification by BHEL Engineer. 3. 10% of the Structural works price for unit rate portion on pro-rata basis on final alignment, bolting or welding etc including primer coats of painting on certification by BHEL Engineer. 4. 5% of the Structural works price for unit rate portion on completion of reliability operation of the plant. 5. 5% of the Structural works price for unit rate portion against Performance Guarantee test and taking over entire plant by customer.	

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5.0	Mode of Payment	Payment shall be released by EFT from Bangalore office only.	
6.0	Liquidated Damages	0.5% of the total contract value per week of delay or part thereof from the date of completion of civil & structural works (as per Clause no. 9), limited to 15% of the total contract value.	
7.0	Earnest Money Deposit	<p>An amount of Rs 2,00,000/- only as EMD shall be deposited in cash (As permissible under income tax act), Pay order or demand draft (in favour of BHEL) in a separate cover along with the offer. In case of cash deposits, the money shall be deposited with finance department of BHEL and the cash receipt shall be submitted with the technical offer ie Part – 1. <u>In case EMD is not enclosed, the offer will be rejected.</u></p> <p>EMD by the tenderer will be forfeited if :</p> <ul style="list-style-type: none"> - After opening of the tender the tenderer revokes his tender within the validity period or increases his earlier quoted rates. - The tenderer does not commences the work with the period as per the LOA / Contract. <p>EMD given by all successful tenderers shall be refunded normally within 15 days of acceptance of the award of Work Order by the successful tenderer.</p> <p>EMD shall not carry any interest.</p>	
8.0	Security Deposit Cum PBG	<p>Security deposit shall be furnished by the contractor before commencement of the work, in any of the following form :</p> <ol style="list-style-type: none"> 1) Cash (As permissible under the income tax act) 2) Pay Order, Demand Draft in favour of BHEL. 3) Local cheques of local banks, subject to realization. 4) Security available from Post Offices such as National Savings Certificates, Kisan Vikas Patras etc. <p>(Certificate should be held in the name of the Contractor furnishing the security and duly pledged in favour of BHEL and discharged on the back)</p> <ol style="list-style-type: none"> 5) Bank Guarantee from Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format should have the approval of BHEL. This BG shall be strictly as per the prescribed format of BHEL BGs of PSU Banks in addition to consortium banks are only acceptable. In case of BGs issued by non consortium PSU banks, the same are to be enforceable in Bangalore. 6) Fixed Deposit Receipt issued by schedule banks / Public Finance Institutions as defined in the companies Act. The FDA should be in the name of the contractor, A/c BHEL, duly discharged on the back. 7) EMD of successful tenderer shall be converted and 	

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		<p>adjusted against the security deposit.</p> <p>8) The security deposit shall not carry any interest.</p> <p>NOTE : Acceptance of security deposit against SI No. 4 & 6, above will be subject to hypothecation or endorsement on the documents in favour of BHEL. However, BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith. Security deposit will be refunded to the contractor after successful completion of guarantee period.</p> <p>RATE OF SECURITY DEPOSIT :</p> <p>Upto Rs 10.00 lakhs - 10%</p> <p>Above Rs 10.00 lakhs upto Rs 50.00 lakhs – Rs 1.00 lakh + 7.5% the amount exceeding Rs 10.00 lakhs.</p> <p>Above Rs 50.00 lakhs – Rs 4.00 lakhs + 5% of the amount exceeding Rs 50.00 lakhs.</p>	
9.0	Contract schedule	<p>Time Schedule for Completion of Civil and Structural works shall be as follows from the date of LOI/ P.O.</p> <p>9.1 Engineering – Start - Within 1 Month from LOI End – Completion within 12 months from LOI.</p> <p>9.2 Starting site office & Facilities – 2 months from LOI</p> <p>9.3 Starting of civil & structural work – 3 months from LOI</p> <p>9.4 Completion of Civil and Structural works - 21 months from LOI.</p>	
10.0	Guarantee	18 Months from the date of Completion of Facility or 12 Months from the date of Operational Acceptance whichever is earlier.	
11.0	Insurance	<p>a) Transit insurance for the materials supplied by the contractor and insurance for his workers, tools & tackles, workmen compensation insurance by the bidder. Bidder shall also take third party insurance liability @ Rs. 2 Lakhs per occurrence and maximum of Rs.10 Lakhs.</p> <p>b) In case of theft or loss of materials from the stores or from the erected equipments – coordination with local police, authorities, lodging the FIR & obtaining the receipt for the same and coordination with the insurance agencies, are in bidder's scope.</p>	
12.0	Validity of the offer	<p>90 Days from the date of the opening of the tender.</p> <p>In case revised price bids are sought due to revision in</p>	

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		BOM / scope during technical evaluation, then the revised price bids shall also be valid for another 90 days from the revised due date.	
13.0	Risk and Cost	As per the risk & cost policy, if bidder fails to render the services, tools and tackles or failed to carry out the job in time specified under their scope, BHEL will get the job done at the risk & cost of the bidder. The actual cost incurred for such jobs along with the departmental charges @ 15% will be recovered from the bidders bills.	
14.0	Arbitration	Subject to Bangalore jurisdiction only based on Indian Arbitration Act 1996.	
15.0	Receipt, Unloading, Storage of all civil & structural Materials including free supply items by BHEL at site, Security of the same round-the-clock & loading / unloading / transportation of materials to different erection locations	By the Bidder, as per price format.	
16.0	All consumables required for Civil & structural Works	By the Bidder	
17.0	All material handling equipments like crane, fork lifter, tripods etc.	By the Bidder	

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18.0	Providing tarpaulins & covering materials as required for protection of materials at temporary storage place.	By the Bidder	
19.0	Risk Purchase	In case of default/ late delivery, purchaser reserves the right to make alternate arrangement/ procurement at supplier's risk and cost.	
20.0	Labour Licence	By the bidder. Bidder should have valid license to work in Karnataka state, if not the same should be produced within one month of award of the contract.	
21.0	Labour Laws	Bidder should follow all the labour laws as applicable at the place of work in Karnataka state including payment of minimum wages fixed by Government of Karnataka.	
22.0	Income Tax Deductions	As per the prevailing rules. BHEL will provide TDS certificate.	
23.0	Any levy, Taxes, as applicable for the project	By the Bidder	
24.0	Round-the-clock security for the temporary stores, at temporary storage place & for the erected equipments till handing over to customer. (From a reputed agency)	By the Bidder	
25.0	Pre-qualification Criteria (Technical&	As per the Tender specification enclosed	

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	Financial)		
26.0	List of tools, tackles, including the erection, alignment, like dumpy level, theodolite etc.	To be furnished by the bidder along with the Techno-commercial Bid	
27.0	Proposed organization chart for the above referred package including Engineers, supervisors, welders, rigger, fitters, skilled & unskilled work force planned for the execution of the job	To be furnished by the bidder along with the Techno-commercial Bid	
28.0	Income tax clearance certificate for the previous 3 years	To be furnished by the bidder along with the Techno-commercial Bid	
29.0	Bankers solvency certificate issued from the bank	To be furnished by the bidder along with the Techno-commercial Bid.	
30.0	Audited balance sheets for 2007-08, 2008-09 & 2009-10	To be furnished by the bidder along with the Techno-commercial Bid.	
31.0	All other Terms and Conditions	As per BHEL Tender enquiry	

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32.0	Integrity pact	Integrity pact format is enclosed. The same is to be duly filled and submitted along with offer without fail.	
33.0	Reverse Auction	BHEL reserves the right to go for Reverse Auction instead of opening submitted sealed bid, which will be decided after technical evaluation. In case the reverse auction fails or a need arises due to any other reason, BHEL reserves the right to open the sealed price bids in public and finalize the placement of order accordingly.	
34.0	Other Terms	<p>Part-1: Technical Bid: Please enclose this BHEL Commercial terms & Conditions accepting all the clauses along with your technical offer in a separate sealed envelop and superscribe as technical bid. Unpriced bid shall also be submitted along with the technical bid.</p> <p>Part-2: PRICE BID: Please mention the price and enclose in a separate sealed envelop. Price bid shall strictly be submitted in " PRICE SCHEDULE FORMAT" enclosed along with specification.</p> <p>a) Last day and time for submission of the tender : 21.03.11, 11.00AM b) Time of collection of tenders from the tender box by MM / Finance Team : 2:30 PM c) Time of tender opening : 3 PM d) Venue of tender opening : Committee room.</p> <p>Please superscribe the cover with the Enquiry Number & date and the due date.</p>	

Note:

1. Deviations will not be accepted by BHEL. Bids with deviations will be rejected.
2. No prices to be filled in this format. All prices are to be filled up in the enclosed price bid Format.
3. Un priced price bid to be enclosed with the Techno - commercial bid.
4. Detailed L2 schedule shall be drawn by the contractor and approved by BHEL. Same shall be binding on contractor for execution of works.

Signature of the bidder with seal & Date