
	<b>PROJECT ENGINEERING MANAGEMENT</b>	<b>GENERAL CONDITIONS OF CONTRACT (GCC)</b> Revision No. 05	<b>INSTRUCTIONS TO BIDDERS</b> Issued on 01-09-2012
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## INSTRUCTIONS TO BIDDERS

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## 1.0 **GENERAL INSTRUCTIONS**

- 1.1 Tenderers are advised to study all the tender documents carefully. Any submission of tender by the tenderer shall be deemed to have been done after careful study and examination of the tender documents and with full understanding of the implications thereof. The specifications and terms & conditions shall be deemed to have been accepted unless otherwise specifically commented upon in 'Deviation' sheets by the tenderer in his offer. Non-compliance with any of the requirements and instructions in the Tender Enquiry may result in rejection of the tender.

Integrity Pact (IP) will be applicable for all tenders/ contracts valuing more than a specific value or if specified in NIT/ RFQ. Integrity Pact document shall be issued as part of tender and shall be returned by bidders along with their techno-commercial bids, duly signed by authorized signatories. Only those vendors/ bidders who enter into Integrity Pact with BHEL would be qualified to participate in the bidding process.

- 1.2 All commercial terms and conditions, except prices, should be submitted as part of techno-commercial offer (Part-I) which may be opened first. The price part (Part-II) is to be submitted in a separate sealed cover along with techno-commercial offer. Purchaser reserves the right to open both the Parts at the same time.
- 1.3 A declaration as per Annexure-III must be sent before opening of Price Bids.

## 2.0 **PROCEDURE FOR SUBMISSION & OPENING OF TENDERS**

- 2.1 Tenders shall be submitted in **Two Parts** as described below, on or before the Due Date and time indicated in the NIT/ RFQ.

### **PART – I : Techno-Commercial Bid**

comprising of Technical Offer, Annexure-I & II, Commercial Terms & Conditions, Unpriced copy of Price Bid, PQR documents (if applicable) in five (5) sets.


### **PART – II : Price Bid**

containing Prices, to be submitted in Two sets (original + one copy) strictly as per Price Schedule of BHEL for complete scope of Tender Enquiry.

NOTE: Offers are liable to be rejected for changes made by vendors in the Price Schedule, except those specified in the unpriced bid and accepted by Purchaser.

- 2.1.1 PART-I (Techno-Commercial bid) may be opened on Due Date and time specified in the NIT/ RFQ, or extension thereof, in presence of tenderers who may like to attend. Incomplete offers are liable to be rejected. Purchaser reserves the right to open both Part-I and Part-II together.



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2.1.2 PART-II containing prices shall be submitted along with Part-I but in a separate sealed cover. Corrections/ amendments shall be properly authenticated, else the offer is liable to be rejected.

2.1.3 In case it becomes necessary for the tenderer to make changes to the original price bid (Part-II) on account of technical/ commercial confirmations/ clarifications, against queries raised by Purchaser, to bring the offer in line with requirement of the specifications, the impact of such changes on the prices shall be submitted. Revised price bid, only if requested by the Purchaser, shall be submitted, in a separate sealed cover. Price Impact/ discount/ revised price bid shall be duly superscribed as:

“Price Impact / Discount / Revised Price Bid (Part-II) (delete whichever is not applicable), Revision No. \_\_\_\_ against Tender Enquiry No. \_\_\_\_\_ dated \_\_\_\_”

2.1.4 No price change (increase/ decrease) is acceptable within validity of the offer, except on account of technical/ commercial changes necessitated during evaluation by BHEL.

2.2 After technical & commercial examination of the offers received and clarifications obtained (if required), Part-II (Revised Price Bid/ Original Price Bid along with Price Impact and Discount, if any) shall be opened, for which the date and time shall be intimated to technically and commercially acceptable bidders in case of public opening. BHEL may opt to finalise the prices through Reverse Auction amongst technically and commercially acceptable bidders. BHEL reserves the right to open the earlier price bids, if any, submitted by the bidder(s), if required.

2.3 No correspondence shall be entertained from the tenderers after opening of Part-II (Price bid), except clarifications (if any) asked by BHEL in writing.

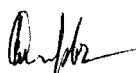
2.4 Not more than two representatives of a bidder will be permitted to be present for tender opening. The representatives to be present for tender opening should have proper authentication/ identification certificate which needs to be produced on demand by BHEL.


2.5 Purchaser may negotiate the tender with L1 bidder after RA/ price bid opening, if the quoted rates/ terms are found to be unreasonable or unacceptable.

## 2.6 MARKING ON ENVELOPES

2.6.1 Following shall be superscribed on the envelopes which shall be addressed by name and designation to the official inviting tender:

- PART-I :
1. TENDER ENQUIRY NO. AND ITEM DESCRIPTION
  2. DUE DATE FOR OPENING
  3. "TECHNO-COMMERCIAL BID".



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- PART-II :
1. TENDER ENQUIRY NO AND ITEM DESCRIPTION
  2. DUE DATE FOR OPENING
  3. "PRICE BID".

2.6.1a Price Impact/ Discount through e-mail or letter without proper superscription on the envelope is not acceptable.

2.6.2 Both Parts - I & II shall be submitted in separate sealed covers duly superscribed as indicated above and shall be enclosed further in a main cover duly sealed and superscribed as:

"TENDER FOR \_\_\_\_\_ AGAINST TENDER ENQUIRY NO. \_\_\_\_\_  
DUE ON \_\_\_\_\_ CONTAINING PART-I & PART-II BIDS"

2.6.3 Envelope not marked with tender enquiry number is liable to be ignored and may not be opened.

## 2.7 BID SUBMISSION

2.7.1 Tenders shall be addressed to BHEL officials by name & designation and sent to the following address:

Bharat Heavy Electricals Ltd.  
Project Engineering Management  
PPEI Building, HRD & ESI Complex,  
Plot No. 25, Sector – 16A,  
NOIDA – 201 301 (U.P.)

Attention: 1) Mr.

2) Mr.

2.7.2 Tenders can either be delivered in person or sent by Courier/ Registered or Speed Post to the officials inviting the tender at the above mentioned address. It shall be bidders' responsibility to ensure that tenders are delivered in time to the concerned BHEL officials.


2.8 Tenders received after the Due Date and Time of submission shall be rejected.

2.9 Unsolicited tenders will not be entertained.

## 3.0 PART-I (TECHNO-COMMERCIAL BID) – CONTENTS & CHECKLIST

3.1 Tender shall be submitted in specified number of copies in separate sections for main equipment, recommended spares etc. as per scope defined.



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**3.2 Technical offer shall contain:**


- a) Technical specifications/ write-up.
- b) Scope of supply and bill of material.
- c) Catalogue, literature, drawings/ datasheets and P&ID with terminals marked up.
- d) Schedule of commissioning spares and mandatory spares (to be given separately) giving description of each item & quantity, as per given format (if any).
- e) Optional items as per BHEL price schedule.
- f) Recommended list of spare parts for three years operation, as applicable.
- g) Schedule of supervision for erection & commissioning services, if required.
- h) Schedule of maintenance/ erection tools and tackles covered in the scope of supply as per BHEL price schedule.
- i) Guarantee offered for the capacity of the system/ equipment, auxiliary power consumption and consumables like chemicals etc., as applicable.
- j) List of technical deviations (if any).
- k) List of exceptions & assumptions.
- l) Services and materials to be provided by Purchaser.
- m) Names and addresses of main sub-vendors/ contractors.
- n) Quality Plan.
- o) Other details/ documents as listed in tender documents.

**3.3 Commercial offer shall contain:**

- a) Agreed terms & conditions (Annexure-II).
- b) List of commercial deviations (if any) w.r.t. GCC & SCC.
- c) Unpriced copy of Price Bid (Part-II), indicating BOQ as per Tech. Specifications.
- d) Delivery schedule
- e) Validity of offer

**4.0 PART-II (PRICE BID) – CONTENTS & CHECKLIST**

- 4.1 Best offer with Firm prices (or with PVC as specified in NIT) in the given Price Schedule Format shall be submitted in specified number of copies in separate sections for Main equipment, Commissioning Spares, Mandatory Spares, O&M Spares and supervision of erection & commissioning, as per scope defined.
- 4.2 If bidder insists for price variation clause (PVC) where NIT specifies Firm price, the offer should contain:-

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- a) PVC Formula
- b) Ceiling for PVC
- c) Base date and applicable indices for the base date.

Open ended PVC formula is not acceptable. Indices shall be based on Government of India/ RBI publications/ IEEMA/ LME etc. However, BHEL reserves the right to accept/ reject the offer with PVC.

- 4.3 Price Bid for Main Equipment shall cover basic equipment price including packing, excise duty, sales tax/ VAT, freight etc.
- 4.4 Price Bid for Spares shall cover Item-wise Ex-works price including packing and total value, excise duty, sales tax/ VAT, freight, etc.
- 4.5 Offer for E&C / supervision of erection & commissioning shall cover the following:
  - a) Scope of work.
  - b) Schedule of tools & plants, civil work, consumables, control & instrumentation, manpower requirement (to be provided by Purchaser in case of supervision offer).
  - c) Supervision charges on per man-day basis and total period in man-months of supervision required, services and facilities to be provided by the tenderer.

OR


Erection and commissioning lump sum charges/ unit-wise charges for elements of Main equipment as applicable.

- 4.6 Total erection & commissioning charges should be minimum 10% of the total quoted price of the package, failing which the break-up of prices shall be adjusted accordingly for ordering.
- 4.7 **Authority of the person signing the tender on behalf of the tenderer:**

A person signing the tender or any other document in respect of Order/ Contract on behalf of the tenderer, without disclosing his authority to do so shall be deemed to warrant that he has the authority to bind the tenderer. If it is discovered at any time that the person so signing had no authority to do so, the Purchaser may, without prejudice to any other right or remedy, cancel the Order/ Contract and make or authorise the purchase of the stores at the risk and cost of such tenderer and hold such tenderer liable to Purchaser for all costs and damages arising from cancellation of the Order/ Contract including any loss which Purchaser may sustain on account of such purchase.

**Notes:**

- a) Bids of Indian origin shall be in Indian Rupee only.

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b) Bids of foreign suppliers shall preferably be in currency of the country of origin and on FOB basis.

c) An authorized representative/ agent can represent only one bidder for the given package.

## **5.0 CLARIFICATIONS REQUIRED BY BIDDERS**

Technical and commercial clarifications required before submission of the tender should be addressed to the official(s) inviting the tender.

## **6.0 DEVIATIONS - LISTING**

6.1 Tenders shall be submitted strictly in accordance with the requirements of tender documents. Deviations (Technical and Commercial), if any, shall be listed out separately. Technical deviations and Commercial deviations shall be furnished in separate sheets under headings "TECHNICAL DEVIATIONS" and "COMMERCIAL DEVIATIONS" respectively, along with reasons for taking such deviations. Deviations mentioned elsewhere but not included in the Schedule of Deviations as above shall not be accepted.

6.2 Deviations from specifications will not ordinarily be allowed. In case the tenderer offers an alternative/ nearest equivalent equipment/ specifications, the alternate offer shall be submitted by the tenderer in a separate sealed cover. The tenderer shall guarantee and ensure performance of the store(s) for the same conditions as specified in technical specifications.


## **7.0 ASSUMPTIONS - LISTING**

Assumptions made by tenderer while making the technical offer shall be listed separately under the heading "ASSUMPTIONS".

## **8.0 VALIDITY OF OFFER**

Vendors' offers shall be submitted with the following validity periods:

- i) Original offer shall be valid for six months from Part-I opening.
- ii) If revised price bid/ price impact is asked by BHEL, the validity of the same shall be two months from the date of revised price bid/ price impact or six months from Part-I opening, whichever is later.
- iii) Valid till successful completion of the contract for Recommended Spares, O&M Spares and Mandatory Spares (wherever these are Optional items).
- iv) Unit prices for scope addition/ deletion shall be valid till successful completion of the contract.
- v) Offers with shorter validity are liable to be rejected.

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## 9.0 **DELIVERY / COMPLETION SCHEDULE**

9.1 **Zero Date:** The date of LOI/ Order/ Contract, whichever is earlier, shall be treated as the Zero Date for contractual purpose.

9.2 **Delivery Period:**

9.2.1 Delivery of Plant/ Equipment/ Stores shall be quoted by bidders as per NIT/ RFQ.

9.2.2 For E&C packages, completion of Erection & Commissioning including successful completion of Performance Guarantee (PG) / Demonstration Test(s), if applicable, shall be quoted by bidders as per NIT/ RFQ.

## 10.0 **LANGUAGE & CORRECTIONS**

a) Tenderer shall quote the rates in Hindi/ English language and international numerals only. Rates shall be entered in figures as well as in words. For the purpose of tender, metric system of units shall be used.

b) All entries in the tender shall either be typed or written legibly in ink. Cancellations, insertions, erasement, over-writing (if unavoidable) shall be authenticated with signature and seal by the bidder.

c) Tenderer's offer, remarks and deviations shall be with reference to sections and clause numbers given in the tender documents.

## 11.0 **PRICE DISCREPANCY**

Following shall be considered for evaluation and ordering for non-conformities/ errors/ discrepancies in price bid:

(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.

(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.

(e) Taxes and duties if not specified clearly as extra shall be considered as included in the basic price and, therefore, shall not be reimbursed.



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## **12.0 TENDERER TO INFORM HIMSELF FULLY**

- 12.1 Tenderer shall closely peruse all clauses, specifications & drawings etc. indicated in tender documents before quoting. In case of any doubt about meaning of any portion of tender specifications or discrepancies or omissions in drawings/ tender document or clarifications regarding scope of work etc., tenderer shall contact the official(s) inviting the tender for clarifications, before submitting the offer.
- 12.2 Tenderer shall make independent enquiries as to conditions and circumstances affecting cost estimates, and possibility of executing supplies/ works as described. Tenderer shall be deemed to have inspected and examined the site and its surroundings and to have satisfied himself as to the form and nature of the site, the quantities and materials necessary for completion of the work and means of transport and access to the site, the accommodation required, general labour position at site and to have quoted prices taking into consideration the risks, contingencies and other circumstances which may influence or affect execution of the Order/ Contract.
- 12.3 It is the responsibility of tenderer to keep himself informed about correct rates of customs and other duties & taxes leviable for materials/ services as prevailing at the time of tendering. If the rates assumed by tenderer are less than the tariff rates prevailing at the time of tendering, the tenderer will be himself responsible for such under quotations.

## **13.0 CHANGE OF TERMS & CONDITIONS / PRICE**

- 13.1 Any revision or change in quoted prices and/ or conditions of offer made after tender opening, which will give benefit to the tenderer over others, may result in rejection of the offer.
- 13.2 Under no circumstances, tenderer shall alter the quoted prices/ rates during the validity period after tenders have been opened. Any tenderer doing so, resulting in re-tendering or additional expenditure to Purchaser, shall risk punitive action by Purchaser as deemed fit, who also reserves the right to recover damages resulting therefrom.


## **14.0 INTEGRITY PACT**

Vendors shall have to enter into Integrity Pact with BHEL if specified in NIT/ RFQ, failing which vendor's offer will be rejected (Refer Annexure-IX).

## **15.0 REVERSE AUCTION**

BHEL/ PEM reserves the right to go for Reverse Auction, through BHEL appointed service provider, instead of opening sealed price bids submitted along with Part-I. This would be decided after techno-commercial evaluation.



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## **16.0 REJECTION OF TENDER AND OTHER CONDITIONS**

- 16.1 BHEL/ PEM reserves the right to reject any bidder if the past performance is found to be unsatisfactory.
- 16.2 Acceptance of tender will rest with Purchaser and does not bind him to accept the lowest or any tender and reserves to itself full rights for the following without assigning any reasons whatsoever:
- To reject any or all the tenders.
  - To split the work amongst two or more tenderers (where E&C is not in tenderer's scope).
  - To award the work in part. (where E&C is not in tenderer's scope).
  - To increase or decrease the quantities.
  - To reject any commercial or technical deviation given in offer.
- 16.3 Standard pre-printed conditions of tenderer attached to offer will not be accepted and only those mentioned in the body of offer will be considered.
- 16.4 Purchaser will not be bound by any power of attorney granted by tenderer or by changes in composition of the firm made subsequent to award of Order/ Contract. Purchaser may, however, recognize such power of attorney and changes after obtaining proper legal advice, the cost of which will be chargeable to the Seller/ Contractor concerned.
- 16.5 If tenderer deliberately gives wrong information, Purchaser reserves the right to reject such an offer at any stage or cancel the Order/ Contract, if awarded, and forfeit the security deposit and bank guarantee.

## **17.0 LOADING FOR DEVIATIONS**

- 17.1 Deviations (Commercial as well as Technical) from Tender Specifications are generally not acceptable. However, if any deviation is considered by Purchaser, the same may be loaded for comparison while evaluating the offers.
- 17.2 Loading/ loading criteria in respect of deviation(s) shall be as specified in Annexure–VIII of this GCC. If a bidder unconditionally withdraws any deviation before Price Bid opening, the same shall not be loaded.
- 17.3 Interest Rate for loading will be taken as double the Base Rate of State Bank of India (prevailing on date of Part-I opening) plus 2% for Administrative Charges.
- 17.4 In case of deviations from BHEL/ PEM's General Conditions of Contract (GCC), the tenderer shall separately quote the price for withdrawal of such deviations in Sealed Cover.



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## 18.0 DISCOUNT

Discount offered by any bidder in the original price bid, against the present Tender Enquiry, which is also indicated to be applicable to any other Enquiry, shall be considered against the present Tender Enquiry only. In case only percentage discount is indicated, the same shall be applicable to optional prices also.

Discount offered shall be for full duration of validity. Offers with discount for shorter duration are liable to be rejected.

Any conditional discount shall not be considered for evaluation.

## 19.0 EVALUATION CRITERIA

19.1 Though Foreign bidders are required to quote FOB prices, Price evaluation and comparison will be made on the basis of Free Delivery at the Project site.

19.2 Tenders will be evaluated on the basis of delivered cost, i.e. total cost to the Purchaser, taking into consideration loadings, if any, and all available financial advantages, including those available from Owner, taxation authorities etc.

19.3 For evaluation, exchange rate (TT selling rate of State Bank of India) as on scheduled date of tender opening (Part-I bid in case of two part bid) shall be considered.

19.4 In case of foreign bidders, the quoted FOB price shall be loaded by following factors to arrive at total FOR Site price:

a) Marine freight and insurance – @ 3% of FOB value for despatches from Europe/ Asia/ Australia/ African continent and 5% of FOB value for despatches from USA/ American continent.

b) Custom Duty (including CVD & SAD) as per Special Conditions of Contract – as prevailing on date of price bid opening.

c) Port handling/ clearing charges – @ 1% of CIF value.

d) Inland freight and LC charges – @ 1% of CIF value.

## 20.0 FOREIGN SUPPLIERS & INDIAN AGENTS OF FOREIGN SUPPLIERS

Please refer our website [www.bhelpem.com](http://www.bhelpem.com) for details.

## 21.0 MICRO, SMALL & MEDIUM ENTERPRISES

Extant regulations of Govt. of India will be applicable.

