



**BHARAT HEAVY ELECTRICALS LIMITED**  
**HEEP HARIDWAR INDIA-PIN 249403**  
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**Enq. No.: BHEL-HEEP/OPEN-TENDER (C&F)/2009**

**Date of issue : 25.11.2009**

**M/S.....**

**Sub: BHEL-HEEP/OPEN-TENDER (C&F)/2009**

Dear Sir,

The Heavy Electricals Equipment Plant (HEEP) located in Haridwar, India is one of the major manufacturing plants of Bharat Heavy Electricals Ltd. The core business of HEEP includes design and manufacture of large steam and gas turbines, turbo generators, hydro turbines and generators and so on. Government of India has a plan to add 70,000 MW in Five Year Plan (2007-2012) and more than 1,20,000 MW in next five year plan (2012-2017)

Sealed tender with the Tender No. and opening date clearly super scribed on the cover are invited from the manufacturers (registered as well as unregistered) for the supply of the following item:-

Sl. No.	Tender No.	Description of Equipment	Qty	Last Date To Get Documents	Opening Date
1.	T/T212/2009/6182/N	Finish Machined LP Shaft 600MW with fir-tree grooves.	4 nos	05.01.2010	11.01.2010

The details with required delivery are given in **Annexure-1**

The tender documents can be down loaded from our web site [www.bhel.com](http://www.bhel.com) or [www.bhelhwr.co.in](http://www.bhelhwr.co.in) or [www.tenders.gov.in](http://www.tenders.gov.in) submitted with requisite EMD and tender fee.

This notification shall be published in Indian as well as International News paper. The last date for taking tender documents is 05.01.2010 & opening of tender is 11.01.2010. Tenders will be received up to 1.45 P.M. on opening date and opened on the same day at 2.00 P.M. in the Tender Room.

Intending vendors must remit the tender fee of Rs. 2,000/- for indigenous vendors (equivalent foreign currency \$ 50 / € 40 from foreign vendors) against tender along with the requisite EMD Rs 100000/- (Rupees One Hundred Thousand) in the form of bank draft while submitting the tender documents as detailed in "Instruction to Bidders", after down loading from this web site.

Specifications & Drawing of the above items are available on our above website with links provided for all Specifications, Drawings & Annexure (At the end of this document). Other cross referred documents can either be physically collected from BHEL, Haridwar or can be obtained by email from [bansalr@bhelhwr.co.in](mailto:bansalr@bhelhwr.co.in) against proof of draft of the tender fee in favour of BHEL, Haridwar. This draft is to be submitted along with offer. Amendments/Corrigendum, if any, will be hosted on our web site only.

BHEL will not be responsible for any type of postal delay / incomplete information from vendor. Other terms and conditions will be as per tender documents.

Please submit your Techno-Commercial offer only for the above requirement subject to our terms and conditions. Your offer should reach us on or before the opening date by 1.45 PM.

**BIDS SHALL BE OPENED OF THOSE VENDORS ONLY WHO SHALL SUBMIT EMD AND TENDER FEE. [PLEASE SUBMIT SEPARATE DRAFTS FOR EMD AND TENDER FEE DRAWN IN FAVOUR OF BHEL, HARIDWAR IN ANOTHER ENVELOPE SUPERSCRIBED WITH BOLD LETTERS "EMD & TENDER FEE"] at 2 PM on the due date in the presence of authorized representative of the bidders who may like to be present. The authorized representative should bring authority letter from their parent company (Manufacturer) for attending the bid opening.**

**KINDLY READ "INSTRUCTIONS TO BIDDERS." QUOTATION NOT IN ACCORDANCE WITH THE INSTRUCTIONS ARE LIABLE TO BE DISQUALIFIED AND IGNORED.**

## **INSTRUCTIONS TO BIDDERS FOR OPEN TENDER**

### **1.0 DEFINITION**

**Registered Vendors** - Are those who are registered with BHEL, Haridwar for Megawatt rating/ Size/ Weight of tendered forgings in respective steel grade or machining of such forgings.

**Un-registered Vendors** - Are those who are not registered with BHEL, Haridwar for Megawatt rating/ Size/ Weight of tendered forgings in respective steel grade or machining of such forgings.

**Un-registered vendors/ sub-vendors shall be considered, if and only if, they meet the minimum qualification requirement as given below.**

### **2.0 MINIMUM QUALIFICATION REQUIREMENT** **(APPLICABLE FOR VENDORS/ SUB-VENDORS NOT REGISTERED AT BHEL, HARIDWAR)**

#### **2.1 GENERAL QUALIFICATION**

1. Forging Vender/ Sub-vender shall furnish supplier registration form as per Annexure-5 or 6 as applicable. The vendor should have minimum 3 years experience of manufacturing steam turbine rotor shaft of same or equivalent steel grade and same or higher weight range **OR** have manufactured & supplied at least three number of forgings of same or equivalent steel grade and same or higher weight range till tender opening date. In support of above, the vendor shall furnish the following:
  - Experience list of shaft forgings as detailed above. Enclosed format – Annexure-2 to be submitted.
  - Furnish actual test certificates of last five shafts supplied (minimum one for each steel grade).
2. Machining Vender/ Sub-vender shall furnish supplier registration form as per Annexure-5 or 6 as applicable. The vendor shall provide information regarding machining facilities which they plan to use for finish machining of the LP shaft as per drawing and TDC requirements:
  - Machine Make
  - Machine Model
  - Brief Specifications
  - Machine Accuracies

Those vendors who had already furnished details in past tenders need not submit the details again. However, they shall give relevant reference of earlier tender and their offer.

#### **2.2 TECHNICAL QUALIFICATION**

- Enclosed format – Annexure-2 to be submitted. It is the mandatory requirement. Offer of Vendors not meeting these requirements will not be considered.

### **3.0 ESSENTIAL INSTRUCTIONS**

1. **Only those bids will be opened which have been submitted with requisite EMD & tender fee.**
2. **The Quotation should be from the Principal / Original Manufacturer, failing which the quotation is likely to be ignored.**
3. **Compliance of technical/ commercial terms and conditions as per Annexure-3 is must.**
4. **Forging and Machining shall be inspected as per Quality Plan (QP) as per Annexure-4. Compliance to QP is must for considering offer of vender as valid.**
5. **All un-registered vendors/ sub-vendors shall be approved by BHEL on the basis of data furnished by them in Supplier Registration Form (SRF) either Annexure-5 for Foreign Vendors or Annexure- 6 for Indigenous Vendors.**

### **4.0 GENERAL INSTRUCTIONS**

1. The tenders shall be submitted in three parts
  - i. Part I - Techno -Commercial Bid,
  - ii. Part II - Price Bid &
  - iii. Part III - Vendor Registration Formas described below on or before the due date. Vendor Registration Form shall be submitted by unregistered vendors only.
2. Any corrections / amendments shall be properly & fully authenticated with signature. No overwriting is acceptable.
3. In case of ordering, manufacturing plan should be submitted for BHEL approval.

**PART-I (TECHNO-COMMERCIAL BID) shall comprise of following documents:**

- a. Annexure-2 for minimum qualification requirement for un-registered vendor & sub-vendor both.
- b. Annexure-3 for compliance of technical/ commercial terms and conditions.
- c. Annexure-4 for compliance of Forging and Machining QP.
- d. Annexure-5 or 6 for un-registered vendors and sub-vendors both.
- e. Complete technical offer as per specification, drawings, technical requirement along with un-priced bid indicating FOB, C&F rate, separate Lloyds inspection charges and delivery schedule.
- f. Validity of offer to be indicated.
- g. **Deviation with reference to specification/drawing, if any, should be clearly indicated on a separate sheet.**
- h. Any additional documents.

**PART –II (Price Bid)**

- a. Price bid with prices to be submitted as part-II of the tender.
- b. In case of foreign vendors, prices to be quoted on FOB & C&F Mumbai (India) basis separately. In case of FOB, Loading port must be mentioned. In case of Indigenous vendor, prices must be quoted on FOR-Destination-CPS-HEEP-BHEL basis.
- c. Lloyds inspection charges to be quoted separately.
- d. Prices should remain firm till the execution of the order. However, in case vendor prefers to maintain their own PVC formula, they can do so. Vendors must give upper & lower cap. However, lower cap has to be either equal or more in percentage point than the upper cap from base prices. This is **must** for evaluation purpose. **Upper price limit** will be considered for evaluation purpose.
- e. Insurance – Marine in case of foreign vendor & inland in case of Indigenous vendor shall be taken care by BHEL.
- f. **Prices are to be written in both Figures & Words. In case of any difference between the two, the higher prices shall be considered for evaluation. However, the order shall be placed on lower of the two values. No over writing in this is acceptable.**
- g. **LD Penalty shall be applicable at the rate of ½% (half percent) per week or part thereof subject to a maximum of 10% of the value of delayed portion of the order. In case of any variation in LD penalty acceptance, your prices shall be loaded to the extent LD penalty not accepted by you.**
- h. Payment term shall be “100% payment against dispatch documents, through irrevocable LC (for foreign vendors) and through bank (for indigenous vendors)” and bank charges shall be either side. **BHEL as a rule do not agree to release advance payment. However, if any vendor insists for Advance Payment, BHEL may consider releasing it on the following conditions. However, releasing advance payment shall be on the sole discretion of BHEL Management and mere fulfilling the conditions as laid down can not be binding on BHEL to release advance payment.**
  - The advance payment shall be released against Bank Guarantee (BG) of equal amount.
  - The BG has to be furnished in format provided by BHEL & essentially to be given by the any of one of the consortium banks of BHEL.
  - The BG has to be valid upto one month after the scheduled delivery.
  - Vendor is required to pay interest at the prevailing rate of interest notified by our bank from time to time on the amount advanced. Present rate of interest is 13.75% per annum. Without interest, advance payment can not be released.
  - Difference, if any, in cost in payment terms with respect to BHEL Payment terms (“100% payment against dispatch documents, through irrevocable LC (for foreign vendors) and through bank (for indigenous vendors)” **shall be loaded** in prices of vendor.
- i. Irrevocable LC is opened for one quarter (3 months) & is established 30 days prior to delivery schedule. The charges of establishing the LC are on either side i.e. charges in India to be borne by BHEL and charges outside of India to be borne by vendor. If any vendor insists for LC for more than one quarter, vendor has to essentially bear all charges (Within & Out side India) for the period exceeding one quarter.
- j. **BHEL does not open confirmed LC even if vendor agrees to bear the confirmation charges.**

**Part-III - Vendor Registration Form (SRF)**

**( Annexure-5 for Foreign Vendors & Annexure-6 for Indigenous Vendors)**

- a. The SRF duly filled up will be assessed for manufacturing capability quality systems being followed, organizational soundness and financial worthiness. The same shall be submitted with Part-I (Techno-Commercial Bid) by un-registered vendor only with BHEL, HEEP, Haridwar.
6. Part-I containing techno-Commercial bid and part-III containing Vendor Registration Form will be opened on the date and time specified in the tender notice in the presence of those tenders who wish to attend.
7. Part-II (Price Bids) along with supplementary price bids, if necessary, will be opened at a later date of only those bidders whose techno-commercial bid has been found acceptable. Currency exchange rate will be applicable on the date of opening of Part-II (Price Bid) for evaluation purpose.
8. **Depending upon the delivery suitability, BHEL reserves the right to split order on more than one vendor.**
9. **Evaluation of Bid: - The bid shall be evaluated**
  - a. **Cost to BHEL basis. ( Basic Cost + Insurance + Transportation + Duty )**
  - b. **The loading, if any, on account of LD penalty, payment terms or any other cost determined at later stage, which shall be communicated to the vendor.**
  - c. **Upper cap in case of PVC formula.**
10. **MARKING OF ENVELOPE:**
  - Each envelop is to be super scribed as “TENDER FOR FINISH MACHINED LP SHAFT AGAINST TENDER NO. T/T212/2008/8655/N DUE ON 20.04.2009
  - Drafts for Tender Fee & EMD to be kept in one envelop – Envelop –A. On the Top of the envelope, please write Draft No., Issuing Bank Details & Amount.
  - Techno-Commercial - Part-I to be kept in another envelop – Envelop-B & to be marked as Techno-Commercial Offer.
  - Vendor Registration Form - Part –III to be kept in another envelop – Envelop – C & to be marked as Vendor Registration Form.
  - Price Bid – Part-II to be kept in another envelop – Envelop-D & to be marked as Price Bid.
  - Envelop-A, Envelop-B, Envelop C & Envelop - D are to be kept in one envelop super scribed as above
11. Envelopes not marked as above are liable to be ignored and will not be opened.
12. Tenders when finalized shall be in the name of the bidder only and change of name during tender evaluation (without certificate from registrar of company) and after submission of the tender is liable to make the offer ineligible for participation.
13. **BHEL reserves the right to go for reverse auction. Vendors are requested to give their best price. In case of failure of reverse auction the paper bid shall be processed. Bidder should clearly indicate their acceptance for reverse auctioning in Annexure-7. The bids of those vendors who do not agree for reverse auction may not be considered. The Terms & Condition for Reverse Auctioning is given below.**
14. BHEL will evaluate the technical bids against essential criteria/ requirements. BHEL may seek clarifications, if required, from the qualified bidders only. These clarifications will be communicated to the eligible vendors and they will be asked to attend techno-commercial discussions on specified dates. The bidders will be given 15 days notice to come prepared with the required documents/ clarifications. No extension will be given. **The offers of those bidders, who are unable to respond in this time frame, are likely to be ignored.**
15. **SETTLEMENT OF DISPUTES**
  - Indigenous Vendors: In all cases of dispute the matter shall be referred for arbitration to any arbitrator to be appointed by the Executive Director or any officer who is the administrative head of Bharat Heavy Electricals Ltd., at Haridwar. The venue of arbitration shall invariably be Ranipur Haridwar. The award of the arbitrator shall be final and binding on both the parties. The arbitrator shall have the power to extend, from time to time, the time for making his award with the consent of the parties.
  - Foreign Vendors: In the event of any dispute or difference arising between the parties to this contract regarding execution of same or their respective rights and liabilities there under, the same shall except as otherwise expressly provided therein, be referred to the arbitration of the two arbitrators, one to be appointed by each party; or in the case of the said arbitrators not agreeing

then an umpire to be appointed by the two arbitrators in writing before entering on that reference and provisions of the Indian Arbitration Act ,1940 or any statutory notification, or re-enactment therefore and rules framed there under from time to time shall apply to such arbitration . If the two arbitrators do not agree on the appointment of umpire, the nomination of the umpire shall be done by the International Chamber of Commerce, Paris(France).The decision of arbitrators, or in case of their not agreeing, that of the said umpire shall be binding both on seller and purchaser. The venue of the arbitration invariably be New Delhi.

**16. JURISDICTION**

All question, dispute or differences arising under, out of or in connection with the purchase order shall be subject to the exclusive jurisdiction of Haridwar courts.

**17. OVER RIDING CLAUSE**

All stipulations made in any correspondence other than those exchanged in regards to “instruction” in our tender documents / enquiry for submission of your offer, if at all shall be void to the extent they are repugnant to the conditions contained herein above and in the purchase order.

**18. FINALITY OF MANAGEMENT DECISION**

At all places in the preceding clauses BHEL Management’s decision shall be final.

**IN CASE YOU ARE NOT MAKING AN OFFER AGAINST THIS ENQUIRY, THEN PLEASE ARRANGE TO SEND A LETTER OF REGRET IF YOU HAVE COLLECTED THE TENDER DOCUMENTS FROM BHEL.**

**TERMS AND CONDITIONS OF REVERSE AUCTIONING**

Against this enquiry for the subject item /system with detailed scope of supply as per enquiry specifications, BHEL may resort to “REVERSE AUCTION PROCEDURE” i.e., ON LINE BIDDING ON INTERNET.

- For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
- BHEL will engage the services of a service provider who will provide all necessary training and assistance before commencement of on line bidding on internet.
- BHEL will inform the vendor in writing in case of reverse auction, the details of Service Provider to enable them to contact & get trained.
- Business rules like event date, time, start price, bid decrement, extensions etc. also will be communicated through service provider for compliance.
- Vendors have to fax the Compliance form in the prescribed format (provided by Service provider) before start of Reverse auction. Without this, the vendor will not be eligible to participate in the event.
- BHEL will provide the calculation sheet (e.g., EXCEL sheet) which will help to arrive at “Total Cost to BHEL” like Packing & forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services and loading factors (for non-compliance to BHEL standard Commercial terms & conditions) for each of the vendor to enable them to fill-in the price and keep it ready for keying in during the Auction.
- Reverse auction will be conducted on scheduled date & time.
- At the end of Reverse Auction event, the lowest bidder value will be known on the network.
- The lowest bidder has to Fax the duly signed Filled-in prescribed format as provided on case-to-case basis to BHEL through Service provider within 24 hours of Auction without fail.
- Any variation between the on-line bid value and the signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct business with BHEL as per prevailing procedure.
- In case BHEL decides not to go for Reverse Auction procedure for this tender enquiry, the Price bids and price impacts, if any, already submitted and available with BHEL shall be opened as per BHEL’s standard practice.