

 BHEL GOINDWAL	TERMS AND CONDITIONS FOR (Tender Enquiry No.1213-003 Dated: 06.04.2012 Due Date: 16.04.2012)
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1. INVITING TENDERS:

Two-part sealed quotations are invited for radiographic quality castings of valve components of WCB material grades as per relevant TDC/Matl Stands/Drgs as per enquiry list at following terms and conditions. Submission of two parts shall be as follows:

Bid	Bid description	Superscribing on envelope	*** Should contain ***
Part I	Techno-Commercial Offer	Part-I (Techno-Commercial) bid against tender enquiry no: 1213-003 dated 06.04.2012 due for opening 16.04.2012	1. Acceptance of all terms and conditions of tender enquiry. (Preferred is submitting signed copy of terms and conditions; 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). 2. Un-priced bid as per format attached. All details, i.e. whether quoted for item, duties and taxes etc. should be filled.
Part II	Price Bid	Part-II (Price) bid against tender enquiry no: 1213-003 dated 06.04.2012	Price bid in the format attached.

Both the sealed envelopes should be put in outer sealed envelope super scribing all details.

Quotations shall reach by 1500 Hrs and Part-I shall be opened at 1530 Hrs on due date **16.04.2012**. Late offers are liable to be rejected, so please ensure to send the quotation well within due date.

Based on evaluation of techno-commercial offers, Price bids of bidders who qualify from techno-commercial evaluation shall be opened. BHEL may decide to open the Price bid same day at 1700 hrs, if all the bidders have accepted all tender terms and conditions. If not opened on the same day, all qualifying bidders shall be notified for date of opening of Price bids.

2. PRICE QUOTATION

Price quotation format shall be as under:

Sl. No	Material Specification	Item Description	Rate/Kg FOR BHEL, Goindwal	
			In fig.	In words *
01.	ASTM A 216 Gr. WCB	Sl. No. 1 of tender enquiry for size $\geq 3"$ for C150/300		
02.	Present CST/VAT (%)			
03.	Present ED (%)			
04.	Present cess on ED (%)			

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* In case of disputes/errors/difficulty in interpretation of rates mentioned in figures, rates mentioned in words shall be taken as final.

- 2a. CST, VAT & Excise duty + any cess on ED at the rates applicable shall be payable extra against ED Gate Pass valid for CENVAT benefit.
- 2b. Rates shall be on **FOR Goindwal basis**.
- 2c. Unloading of material at Main Stores of BHEL shall be arranged by BHEL.
- 2d. **Order of enquiry item sl. No. shall be maintained in the quotation.**
- 2e. **The rates quoted shall be firm and fixed. No price variation is proposed and allowed.**

3. **VALIDITY OF OFFERS:**

The offers shall valid for 60 days from the date of opening of the techno-commercial (Part-1) of the tender. In case of extension of tender opening date, the validity shall be deemed to be suitably revised.

4. **SCOPE OF SUPPLY:**

Material shall be supplied as per the applicable latest Technical Delivery Conditions (TDC)/ Material Standard requirements/Drawing and other requirement as given in the Purchase Order. As drawings for components are available with vendors, the same are not sent along with enquiry. Payment shall be based on established weights mentioned and rate per kg finalized.

5. **DELIVERY SCHEDULE:**

Supplies shall be affected and completed as per schedule mentioned in the POs. **Delivery required is within 45 days for first 50 Nos. and for balance of items it is within next one month.** Further, BHEL may release delivery schedule from time to time based upon our requirement. Vendor shall be required to complete the order as per the PO/schedule requested.

6. **PROCEDURE FOR CASTING WEIGHT ESTABLISHMENT**

Weights already established are attached along with tender documents. Weights of same patterns for different material grade castings shall be same. These established weights shall be applicable to all vendors. Weights shall be established again only on revision of dimensions of component. Weight shall be established as per clause no. 08 of TDC: 0:412: Rev 17 (or latest applicable). Rate of any item shall be derived by multiplying established weight with rate per kg for the period when PO is being released. When a vendor is taking any item as a new development, if his weight is less than already established weight, this weight will be considered as new established weight and binding on all vendors. If his weight is more than already established weight, it shall be binding on the vendor. For any new item, not established till date, the first verified weight by BHEL shall be taken as established weight. Payments shall be made on established weights only. Additional claim of any vendor due to his extra weight over and above the established weight shall not be entertained.

7. **REPLACEMENT OF REJECTION:**

If the material is rejected due to defective workmanship during inspection or at the time of actual use, the rejected material shall be replaced by the supplier. Corresponding quantity shall be

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treated as unsupplied against respective purchase order till replacement is received at BHEL. If the material is found defective and rejected during use for which payment has already been released the rejected quantity shall be supplied free of cost by the vendor within a month of intimation of the rejection by BHEL.

8. ACCESS TO MANUFACTURING PREMISES:

While Purchase 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 (which shall be intimated in advance), if our contractual requirements with our customers call for the same.

9. TERMS OF PAYMENT:

- a. 100% payment against supplies received shall be made **within 30 –45 days** of receipt & acceptance of material at IVP Goindwal and receipt of following dispatch documents.
 - i. Commercial invoice (in duplicate)
 - ii. Excise invoice (in duplicate) valid for claiming CENVAT credit
 - iii. Original VAT invoice valid for claiming input tax credit, if applicable
 - iv. Material Test Certificates (MTC) and
 - v. Compliance Certificate.
 - vi. Radiographic films and reports, if required.
- b. Above documents should include your Registration numbers such as ECC no, PAN no, CST no, TIN/ VAT nos. etc.
- c. It is mandatory to mention proper material codes in the invoices and separate invoices to be raised for different POs/radio graphed components.
- d. ***BHEL releases payment through EFT mode ONLY. Vendors, on whom, finally POs are released will have to provide the necessary details by obtaining format before release of payment while supplying the material, if already not submitted.***
- e. Payment shall be made on established/actual weights whichever is lower and rate per kg finalized.

10. INSPECTION:

Casting shall meet all requirement (Physical properties, Chemical properties, Heat Treatment, NDE, Visual, Surface finish etc.) of relevant standards mentioned in TDC/MatI Standards/Drgs as applicable. Integral test bars, as required, shall be made avl free of cost. All testing charges shall be inclusive and no extra charges shall be paid except for RT. Inspection of development casting shall be carried out by BHEL. Inspection of bulk supply shall be carried out by BHEL/TPI at suppliers' works. Inspection shall be arranged by BHEL but necessary facilities & testing shall be provided/ carried out by supplier. Required test certificates shall be submitted in prescribed format along with packing note & compliance certificate.

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Castings shall also be subjected to impact tests as called for in TDC and the testing charges shall be borne by the vendor. BHEL may arrange third party/ BHEL inspection at Foundry itself as and when necessary with prior intimation to the vendor.

Sample castings are to be identified by vendor in the delivery challan as "Sample" and the dimensional reports and RT reports are to be provided to BHEL along with supply.

Vendor will give inspection call sufficiently in advance considering the delivery period stipulated in the purchase order.

11. RADIOGRAPHY:

Consistent radiography quality is to be ensured and to be maintained uniformly in bulk supply with adequate process and method controls. Since the castings required are of radiographic quality, BHEL reserves the right to conduct radiographic testing of sample pieces at its own arrangement and derive conclusion of soundness of casting supplied against the said lot/heat based on the results of such testing.

Radiography procedure shall be as per BHEL's TDC/BHE: NDT: VV: RT: 06 Rev 07 and specific instructions from BHEL. All the radiography films shall be dispatched to BHEL without delay either before the castings are being dispatched or along with the castings. Vendor shall undertake radiography on new development as per TDC 412 Rev.17.

- Standard requirement of radiography of castings shall be 10%
- Any additional requirement shall be specifically called for in PO.
- Yoke & wedge for Gate valves and flap & arms for Flap valves are not required to be radio graphed as per this ratio. These components shall be radio graphed only when asked for in order specifically.
- BHEL intends to get delivery of castings along with radio graphed sets as ordered. The claim of vendor for payment of supplies against any PO can be put on hold if the requisite no. of radio graphed sets has not been delivered by then. BHEL shall reserve the right to select any sample from a lot offered and get it radio graphed at vendor's works.

As per requirement of BHEL, vendor will be required to submit radiographic test reports as specified in the purchase orders released under the purview of the contract. BHEL will review and evaluate radiography films and RT reports and reserves the discretion to do so at the premises of the vendor.

Fixed RT charges @ Ir₁₉₂ : ` 0.99 & Co₆₀ : ` 1.50 per sq. cm (In case CST is not applicable) shall be paid on actual verified film area and it is @ Ir₁₉₂ : ` 0.97 & Co₆₀ : ` 1.47 per sq. cm in case of CST applicable

12. REPAIR OF CASTINGS:

- a. All castings shall be supplied free of defects like shrinkage, hot tears and process variable defects like sand inclusion, slag inclusion, gas entrapment etc. If any casting

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is found defective, the same shall be upgraded at foundry itself before dispatch to BHEL with necessary documentation, enabling BHEL to make use of such castings immediately for production.

- b. Castings, during radiography and other NDT tests, either at BHEL or at our sub-contractor's works at different stages of manufacturing are found to be defective shall be repaired at the defective area and the repaired area shall be re-radio graphed & LPT etc. at vendors cost for further acceptance. BHEL shall decide about the areas to be repaired in all such cases.
- c. Repair of castings that are found defective after receipt/acceptance at BHEL will be carried out by BHEL and repair charges @ Rs. 13.0 per cc for WCB shall be deducted from any of the running bills of the vendor.

In case of rejection of casting after machining/ assembly/testing etc. then the entire cost incurred shall be deducted from any of the running bills of the vendor.

13. LIFTING REJECTED CASTINGS:

- a. The castings that are not acceptable during receipt inspection at BHEL shall be intimated through Rejection Memo or similar communication from BHEL. Similarly, castings that are found defective during machining/assembly/ hydraulic testing shall be accepted or rejected depending upon severity of defects. Rejected castings, shall have to be lifted within 60 days of informing, beyond which, BHEL will not be responsible for any loss/demurrage. BHEL reserves the discretion to levy storage charges for material not lifted within the reasonable period.
- b. Necessary deductions on account of such rejections shall be made from vendor's bills.

14. GUARANTEE:

Vendor shall give a guarantee of 18 months from the date of dispatch or 12 months from the date of put to use whichever is earlier against any manufacturing defects.

15. RISK PURCHASE:

BHEL shall be entitled to terminate the contract/pending POs at any stage and to purchase elsewhere at the risk and cost of the vendor, either the whole of the goods or any part thereof which the supplier has failed to deliver or dispatch within the time stipulated as aforesaid. Vendor shall be liable for the losses, which BHEL may sustain by way of such risk purchase in addition to aforesaid penalty for delayed delivery.

16. SUB-CONTRACT:

The purchase order or any part thereof shall not be sub-contracted, assigned or otherwise transferred without previously obtaining the BHEL's consent in writing.

17. 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,

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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.

18. DISPUTES:

In the event of any dispute and/or difference arising between the Vendor 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.

19. JURISDICTION:

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

20. MSME Certification:

If the bidder is registered as any of Micro/Small/Medium enterprise as defined in Micro Small and Medium Enterprises Development Act, 2006; a copy of registration certificate to be attached.

21. Penalty for delay in delivery of material:

'Time is the essence of the contract'. As such, delivery of goods specified in the Purchase Orders released under the scope of this contract shall be made within the time limit prescribed therein. Penalty clause will be applicable for delayed supplies @ 0.5% per week or part thereof subject to a maximum of 5.0 %.

22. 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

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23. WELL KNOWN FOUNDRY:

It is the responsibility of successful vendor to ensure that all the castings are supplied with BR TC [Valid IBR Well known Foundry status clearly mentioned on the TC] or under witness pouring.

24. GENERAL:

- a) BHEL will not be bound by any power of attorney granted by the vendors or by changes in the composition of the firm made subsequent to the execution of the contract. They may, however, recognize such power of attorney and changes after obtaining proper legal advice, the cost of which will be chargeable to the vendor concerned.
- b) BHEL reserves the right to extend the due date of opening, which shall be informed. Validity of offer shall be deemed to be revised accordingly.
- c) BHEL reserves the right to accept or reject any part or whole of the tender by assigning a valid reason thereof. BHEL reserves the right to cancel the tender without assigning any reason thereof and without any obligation before any commitment.
- d) Please submit acceptance of all techno-commercial terms along with quotation. If nothing is mentioned for any term, it shall be concluded that the same is acceptable.

Authorized Signatory
BHEL, IVP, Goindwal