



ANNEXURE – C to OPEN TENDER ENQ NO.8861135 DT 02.12.16

FOR Reconditioning & Retrofit of Innse Lathe

DUE ON 23.12.2016

**STANDARD TERMS & CONDITIONS
(FOR GUIDANCE TO THE SUPPLIERS)**

A] Submission of Offer

Sealed tenders super-scribed with Tender Number, Due Date, Item Name & Supplier's Name and Validity of the Offer shall be addressed to **DGM / Purchase (Utility), Bharat Heavy Electricals Limited, Ranipet – 632406, Tamilnadu, INDIA,** so as to reach him on or before the date and time specified in the tender. It shall contain two sealed covers in one envelope.

Sealed envelope super-scribed, with Tender Number, Item Name, Tender Due Date & Supplier's Name, Validity of the offer/s containing:

Cover I: Techno-Commercial and Unpriced Bid

Sealed Cover super-scribed "Cover I – Techno-Commercial and Unpriced Bid" containing:

- a) **Complete technical Offer** with details, catalogues, as applicable.
- b) **Un-priced bid** (i.e. Bid without the Price),
- c) **Filled-in BHEL's Standard Terms & Conditions** as per Annexure C- enclosed with the Tender Document,
- d) **All relevant enclosures** of above documents / formats, if any.
- e) **Deviation summary** submitted in two parts – giving the summary of technical deviations separately and the commercial deviations separately, if any and
- f) **Supporting documents** to substantiate equivalent material specifications, where quoted for.
- g) **Clientele list** with their full address including detail of contact person with phone no., fax no. & e-mail ID (if any) to whom the same / similar items are supplied in the past two years. The date of supply may also be indicated, against each client.
- h) **Bidders who are not already registered with BHEL Ranipet** are requested to submit the filled in Supplier Registration Forms (SRF) available in the BHEL website-www.bhel.com and the other required documents called for in the SRF along with the technical bid. In addition, vendors may submit an experience certificate detailing the quantity supplied specification wise year wise along with the unpriced PO copies and proof of supply along with the offer for all the tendered specifications. Technical acceptance of offer by BHEL shall be based on the evaluation of offer and the submitted documents.
- i) **Authorization Letter:** Such of those tenderers who wish to participate in the Tender Opening, should attach an authorization letter which shall be duly signed and stamped in original, identifying the representative to be deputed for tender opening.
- j) **Offers by E-mail:** Ordinarily, offer/s shall be sent duly placed in sealed envelopes, as specified in the tender. Offers sent by e-mail would be accepted, subject to the condition that such offers are mailed to the following id only: rptpurity@bhelrpt.co.in quoting the tender reference in the subject line and are complete with reference to the tender requirements. Under no circumstances, offers shall be sent to the individual mail id of the dealing personnel. If mail offers are sent to individual mail id of the dealing personnel such mail offer/s run the risk of being ignored in the tender. The mail offer/s shall be sent well in time, so as



to drop into the mail box of the specified mail id on or before the bid closing time specified in the tender terms and conditions.

Please note that the above specified mail id is a dedicated one for receiving e-mail offers and therefore shall be used for sending offers only. This mail id shall not be used for any general / day-to-day communication. (Routine) e-mail correspondence related to the procurement shall be made directly with the dealing personnel through their official e-mail id only.

Note

- (i) The materials offered, shall conform to the specification and scope attached in the tender.
- (ii) In case the offered materials are not conforming to the Enquiry material Specification, such offers would not be considered for evaluation and would be rejected. Where equivalent specifications and sections are offered considering such offers will be at the sole discretion of BHEL. Wherever alternative standards / specifications are offered by Bidder, the Bidder shall provide sufficient documentary evidence to ensure equivalence to the designated standards / specifications, failing which the offer would be considered as not technically acceptable and hence shall stand rejected.
- (iii) All taxes and duties payable as extra to the quoted price should be specifically stated in offers. Offer from within India shall be submitted along with CST & TIN No. / Tariff No. etc, failing which the purchaser will not be liable for payment of such taxes and duties. Our TIN No. 33024364741, CST No. 1141686, BHEL ECC No. AAACB4146PXM008.
- (iv) The un-priced bid is to be used to indicate relevant commercial implications without indicating price.
- (v) Commercial terms are to be indicated clearly in the offer.
- (vi) No changes shall be entertained once the bid is opened unless otherwise specifically agreed to in writing by BHEL.
- (vii) Money values shall not be indicated anywhere in the un-priced bid.
- (viii) Time required for inspection (at Supplier's works), should be clearly given in terms of numbers of working days
- (ix) It is advised that all the pages and annexure to the Techno-Commercial bid should be serially numbered, signed, including indicating the total number of pages.

Sealed envelope super-scribed Cover - II (Price bid), with Tender Number, Item Name, Tender Due Date & Name of the Supplier and Validity, containing:

Sealed Cover super scribed "Cover II –Price Bid" containing:

Price Bid in conformance with the commercial terms as per Cover- I.

a.) The Prices shall be indicated in both figures and words, clearly specifying the currency used. Differential foreign currencies may not be used in a given offer.

b.) 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.

c.) 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



d.) if there is 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 (b) and (c) above.

e.) if there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date up to 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.

Note

(i) The price break-up should be in line with technical specification / scope of the tender. (Cost of material, packing charges, forwarding charges, freight and insurance charges shall be shown appropriately, as applicable).

(ii) No Price Variation Clause will be entertained and No advance payment will be made by BHEL. The ordering price will be FIRM till the entire completion of the Purchase order.

(iii) In case, there is a discrepancy in the term quoted in techno-commercial bid and price bid, the term as per the techno-commercial bid (Cover I) shall hold good and the commercial term quoted in the Price Bid (Cover II) shall not be considered.

(iv) In their own interest, all Tenderers are advised to double check their prices, applicable duties and taxes.

(v) The quotation should be valid at least for a period of 90 days from the tender opening date.

(vi) Offers should be submitted in two sets, one original and one copy.

(vii) The offers should invariably contain Signature (ink-signed) & Office Stamp of the Supplier. Any corrections / erasures in the offers should be initialled and stamped.

(viii) Indian bidders should submit the prices in Indian Rupees only.

(x) Indian Suppliers shall quote on FOR Destination basis only. Destination is BHEL, Ranipet Stores.

B] Opening of Offers

a) **Tenders shall be received up to 1400 Hours on 23.12.2016 (due date) and be opened on the same day at 1430 Hours. Tenders received after 1400 Hours would not be opened. The times indicated are Indian Standard Time (IST). Tenders received after 14:00 Hrs would be designated as "Late Offer" and would be returned back to the Bidder unopened.**

b) Supplier shall submit two covers (Cover-I techno-commercial bid & Cover-II price bid) in one envelope only. If one covers containing all the bids techno-commercial bid & price bid together, the **bid is liable for rejection**. The decision to accept such bids shall be the sole discretion of BHEL, which may be done by BHEL after segregating the bids so received.

c) Such of those Tenderers who wish so, may participate in the Tender Opening by deputing their representatives. The representatives would be allowed to participate in the Tender opening only on submission of a signed and stamped authorization letter issued by the Supplier. Representatives without the Authorization Letter would not be allowed to participate in the Tender Opening. Representatives who turn up after the Tender opening time / start of the Tender opening would not be allowed to participate. After tender opening the details would not be given to such suppliers who choose to be absent at the time of Tender opening.



- d) Details such as the Technical Specification, Delivery Terms, and Delivery Period and the Price details in the event of the sealed price bid opening, alone would be read out by the Tender Opening Officer. No other data will be read out.
- e) In exceptional cases, at the discretion of BHEL, in the event of the named representative (named in the Tender Document) is unable to come due to unavoidable circumstances, then an alternative representative would be allowed, where the alternative representative should carry a revised original authorization certificate. Suppliers are advised to avoid such situations to avoid embarrassments on both sides and
- f) If so required, BHEL reserves the right to open the Price-Bids, 'in-camera'. Intimation to this effect would be given to the Supplier by BHEL, before the opening of the Price-Bids.
- g) Price Bid opening will be done through conventional public sealed bid mode

Note

- (i) Bids including all enclosures and supporting documents like catalogues, pamphlets, etc., shall be provided in ENGLISH language only.
- (ii) At its option, BHEL may consider extending the due date/s for the tender openings. Sufficient notice would be given by BHEL for such extensions.
- (iii) Specifications are the basic essence of the "Item". Offers not meeting the BHEL specification will be rejected.
- (iv) Offers for part quantities on item level basis are not acceptable to BHEL. While tenderers can quote for some or all the tendered items, no supplier shall quote for partial quantity of any given enquiry item. Such partial offer would not be considered in the enquiry for that item.

C] Evaluation of Offers

- a) The price bids including the negative impact price of the technically acceptable offers alone, contained in Cover II shall be opened.
- b) All bidders shall submit their offers by filling-in the format of the BHEL tender documents. Offers received in any other format are liable to be rejected. Offers are asked in BHEL's format for purpose of standardisation - to help in the offer evaluation.
- c) Offer with any pre-conditions (like conditional discounts) for price are liable to be not considered / rejected. For evaluation the such conditions would be removed and only the base offer would be considered for evaluation and comparison.
- d) In the event of any change in scope / quantity arising out of the discussions, offerers would be given a chance to submit their revised offer. The revised offer shall contain only the price addition / deletion for such change in the scope / quantities, over and above the original scope and price quoted. The original price quoted shall not be changed on account of the technical discussions.
- e) BHEL reserves the right to reject without assigning any reasons / load any offer with factors other than already specified for such offers having deviations to BHEL Specifications, Standard Terms & Conditions at its discretion. The decision of BHEL in this regard shall be final.
- f) BHEL reserves the right to reject an offer due to unsatisfactory past performance during tender finalisation / execution of a contract at any of BHEL projects / units or if unsatisfactory performance report is received from the party/s referenced by the supplier at any time during tender finalisation.
- g) BHEL reserves the right to operate Purchase / Price preference to Government of India Undertakings, which shall be given as per the guide lines of Government of India given from time to time and / or relax the Terms and Conditions of the tender.



- h) Ordering will be considered for the respective items for which L1 price is quoted, on the respective supplier.
- i) BHEL reserves the right to conduct negotiations on the "Price" and "Other Commercial Terms and Conditions" with the lowest ranked offerer at any time after the bid opening but before the release of the Purchase Order and If so required by BHEL, Supplier may have to share their costing sheet with BHEL.

D] Execution of the Order

- a) BHEL will have the option to pre-inspect the materials at Supplier's works by BHEL's own inspector or by third party agency appointed by BHEL or BHEL's end customer/s but this does not absolve the Supplier from giving the specifications as agreed upon.
- b) BHEL requires clear 10 days notice to arrange for inspection. The Inspection date/s given by the Supplier shall be on firm basis. For local Suppliers the Notice period of Inspection shall be 10 working days.
- c) Deviations, if any pointed out by the visiting Inspection team of BHEL shall be corrected and the items as per specification shall be dispatched on or before the contract delivery date.
- d) The final inspection for acceptance will, however, be carried out at BHEL's works at Ranipet.

e) The contract delivery date is the date of receipt at BHEL Stores for suppliers in India

- f) Travel & other local stay cost for the Inspectors sent by BHEL will be to BHEL account, but other Inspection Charges, if any shall be to the account of the Seller only.
- g) The supplier shall arrange for packing suitably in all respects for normal transport. Materials shall be suitably protected.
- h) Indian suppliers shall dispatch on free delivery (door-delivery) at BHEL stores basis only. Unloading the materials at BHEL Stores would be to the account of BHEL only.
- i) In the event of any short supply, it shall be the responsibility of the supplier to deliver such short supplied/ missing items on Free-of-Cost basis at BHEL stores.
- j) Materials shall be dispatched only after getting the dispatch clearance of BHEL (Dispatch clearance would either be faxed / e-mailed as a scanned document / couriered.) and
- k) Terms of payment:

l) Indigenous Suppliers: 100% payment will be made directly thru' EFT within 45 days from the date of receipt and acceptance of materials at BHEL Stores, Ranipet **in case of MSE (micro and Small only) suppliers. MSE suppliers should submit all relevant documents in support of their claim for MSE. If no documents are attached ,they will be treated as non-MSE suppliers only** and payment will be made within 90 days from the date of receipt and acceptance of materials. If any supplier is asking for payment terms other than the above specified, then suitable loading on cost will be considered. Advance payment/LC payment is not acceptable. **Loading of any deviation in the payment terms w.r.t tender terms will be "Base rate of State Bank of India (SBI) (as applicable on the date of bid opening: Techno-commercial bid opening in case of two part bids) + 6%, will be considered for loading for the periods of relaxation sought by bidders.**

- m) Any incidence of tax like Income tax, Service Tax and with holding any other similar tax / duties /levies imposed by the Government of India, or the State Government, where the BHEL Unit is located, deductible



at Source, during the tenure of the Order shall be deducted by BHEL and necessary certification of the deduction (Tax deduction at Source) would be given.

n) The Guarantee period shall start from the "Date of receipt and acceptance of the materials at BHEL Stores."

E] Liquidated Damages Clause:

BHEL will levy penalty as Liquidated Damages (LD), for delay in delivery. The damages shall be at the rate of ½% per week or part thereof subject to a maximum of **10%**. The contract delivery date for purpose of L.D is the date of receipt at BHEL Stores for suppliers in India. Supplier shall deduct the applicable LD from the first payment when raising the claim for the same. The applicable LD if any would be communicated by BHEL along with the dispatch clearance. The LD would apply on the undelivered portion only. In case of reasons attributable to BHEL for the delay in delivery (for e.g. delay in arranging the pre-inspection) then the delivery time would be reset to the extent of the time delay attributable to BHEL, with waiver of the LD. Delivery being the essence of BHEL's contract requirements, In the event that a **Supplier does not accept the LD condition above, the offer would be loaded to the extent of the shortfall with respect to upper limit specified above.**

F) Miscellaneous

i) Role of Agents:

BHEL prefers to deal directly with the Main producers only.

ii) Documents to be sent directly to the Purchaser

- a) Manufacturer's Original Internal Inspection / Test certificate in triplicate.
- b) Manufacturer's Original Guarantee certificate as per Purchase Order. The material shall be guaranteed for a period of 12 months from the date of acceptance of the materials at BHEL stores or 18 months from the date of dispatch whichever is earlier. The acceptance would be evidenced by the Stores Receipt Voucher (SRV) which will be raised by BHEL.
- c) Inspection / Test Certificate issued by BHEL / Inspection agency specified in the Purchase Order. In the event that Inspection prior to dispatch is not carried out by the Engineers of BHEL, the Inspection certificate of the third party so authorized by BHEL and
- d) Any other documentation as specified in the Purchase Order.

iii) Conditions for transportation:

- a) All Despatch documents shall show the Purchase Order Number & Date.
- b) Transshipment is to be avoided.
- c) A transport document which is produced or appearing to have been produced by reprographic, automated or computerized systems or as carbon copy will be accepted as an original document provided that it is marked as original and is ink-signed.
- d) The transport document must contain all the conditions of carriage on the original document.
- e) Indian suppliers shall dispatch the materials on freight prepaid and on door-delivery basis (FOR Destination – Destination: BHEL Stores) and in case the delivery term is Ex-Works (or) FOR-Supplier's works, then the material should be despatched through BHEL Approved transport carriers Only (at the time of ordering, the list of BHEL approved carriers will be enclosed along with the Purchase Order).

G) Force Majeure

If at any time during the currency of this contract, the performance in whole or in part, by either party of any obligations under this contract shall be prevented or delayed by reason, of any war, hostilities, acts of the public enemy, civil commotion, sabotage, fires, explosions, epidemics, quarantine, restrictions or acts of GOD (hereinafter referred to as events), then provided notice of happening of any such events is given by either party to other within ten days from the date of occurrence thereof, neither party shall reason of such events be entitled to terminate this contract nor shall either party have any such non performance and delay is resumed as soon as practicable after such events has come to an end or ceased to exist. If the performance in whole or part of any obligation under this contract is prevented or delayed by reason or any such event claims for extension of time shall be granted for period considered reasonable by the purchaser subject to prompt notification by the seller to the purchaser of the particulars of the events and supply to the purchaser if required of any supporting evidence. Any waiver of time in respect of partial installment shall not be deemed to be a waiver of time in respect of remaining deliveries.

H) Cancellation of Order:

In the event of non-performance of the contract by the Supplier, BHEL reserves the right to cancel the order with issue of a written notice. BHEL would provide a curing period of 30 days, for the Supplier to rectify the situation. If the Supplier fails to rectify the reason/s that led to the issue of cancellation notice by BHEL, then the cancellation order would be issued automatically by BHEL, without further recourse to the Seller. BHEL will not pay any cancellation charges or any other charges / damages to the Supplier, arising out such cancellation. In the event of the non-performance of the supply contract, by the Supplier, the rights of BHEL include, in addition to cancelling the order, to take alternate purchase action at the cost and risk of the supplier. The additional expenditure to be incurred by BHEL in such alternate purchase would be to the account of the supplier. (Risk Purchase). This remedy would be in addition to the invoking of the CEBG on grounds of failure of the Supplier in executing the Contract and any other legal remedies."

I) Others

- a) In case of any contradiction in the terms and conditions given here and elsewhere in the other documents of the tender, it shall be the responsibility of the tenderer to get it clarified from BHEL. The officer authorized to provide such clarifications is **DGM / Purchase** e-mail: mggsekaran@bhelrpt.co.in, Ph: 04172-284637/4334.
- b) Alterations to the conditions of the Tender can be done only by the authorized officer, at any time before the date and time of tender opening. Such changes, if any, would be communicated in writing and / or hosted in the web-page.
- c) The laws governing this transaction shall be the laws in India.
- d) Wherever not specified, Inco terms 2010 shall be used to interpret the Commercial terms and conditions and
- e) All the disputes or differences whatsoever which may arise at any time during execution of the contract to the extent possible shall be settled amicably between BHEL and the Supplier as per provision of the contract. However, In the event of such disputes cannot be settled amicably, such disputes shall be referred to a sole arbitrator as per the provisions of the Arbitration and Conciliation Act 1996 of the Govt of India and its subsequent amendments. The venue for arbitration shall be RANIPET only. The sole arbitrator shall be the unit head of BHEL ,Ranipet or his nominee. However, during the period such disputes are settled either by mutual discussions between the parties or by legal means, supplier shall continue to do work as per the terms and conditions of Contract.
- f) **Court:** The Ranipet court alone shall have the exclusive jurisdiction over this contract.



g) **Withdrawal from the Contract** : In case the bidder withdraws the offer submitted by him/her after it is accepted by BHEL and fails to supply the goods as per the terms and conditions of the contract, or at any time repudiate the contract wholly or in part, BHEL shall be at liberty to cancel the purchase order and to recover from the bidder the extra cost and the other loss incidental to the breach of contract on the part of the bidder.

The language in the tender documents downloaded by the Bidders shall at no point of time be changed, altered or modified in any manner by the Tenderer. If such changes are made by any tenderer, it shall be considered as tampering with BHEL's terms and the offer shall be summarily rejected, whenever it is noticed by BHEL. Such Bidders would be disqualified from the Bidding Process and their offers would be forfeited / Bank Guarantees invoked. They would also not be allowed to participate in future tenders of BHEL.