

BHARAT HEAVY ELECTRICALS LIMITED, Jhansi.
(MM Department)

Instructions to Bidders and Techno-Commercial Terms & Conditions of enquiry No. E-1170001.

Sealed tenders are invited in Two-Part Bid system for purchase of Silicone oil as per BHEL Specifications and Terms & Conditions mentioned in the Annexures -"I to III" from the manufacturers i.e. principals and their authorized agents. In exceptional cases only, if due to any constraint the principals are unable to submit the quotation themselves, they should give an undertaking that the quotation shall be submitted by their authorized agent (specifying the name & address) and the commitments made by such agent shall be honored by them.

The supplies against this rate contract enquiry shall be subject to our general Terms and Conditions of enquiry and PO. In addition, the terms and conditions given under this annexure shall specifically apply to this enquiry. Should there be any difference between the general Terms and Conditions of enquiry and PO and the conditions included in this annexure, the latter shall prevail.

1. **General** :- Lot wise quantity and delivery schedule indicated in the enquiry sheet is tentative. Actual procurement will be carried out progressively as per requirement of BHEL Jhansi.

2. **Procedure for Bid submission**:- Offer shall be submitted by the bidders in two parts:-

- Part - I Technical cum Commercial bid
- Part - II Price bid

Both Part -I & Part -II of the offer shall be kept in two separate sealed envelopes duly super scribed as **Part - I 'Technical cum Commercial bid'** and **Part - II 'Price bid'**. These two sealed envelopes may be kept in a third envelope and must reach in tender room on or before 1.00 pm (IST) of due date. Late tenders will not be considered. **Enquiry number and due date must be marked on all the three envelopes.**

a) BID PART - I : Techno- Commercial bid (In one separate envelope)

Part-I of the bid shall contain complete details of the product offered, filled in copy of 'INTEGRITY PACT', duly signed by the authorized signatory of the vendor who signs the bid, acceptance to the specification(s), all techno commercial terms & conditions and acceptance to the following:-

- Silicone oil Specification JS27197rev04/05.
- Instructions to Bidders and Techno-Commercial Terms & Conditions applicable to this enquiry- **Annexure - I & I "A"**.
- Price formats - **Annexure II**.
- General 'Terms and conditions of indigenous enquiry' and 'BHEL PO Terms and Conditions' OR General 'Terms and Conditions of Foreign Enquiry' and 'BHEL PO Terms & Conditions (Overseas)' as applicable.

In case, it becomes necessary to deviate in any of the above, the deviations must be clearly brought out in bid Part-I of the offer. Copy of un-priced bid part-II with status "**quoted (Q) & unquoted (NQ)**" must accompany bid part-I. Any deviation to 'INTEGRITY PACT' is not acceptable

b) BID PART - II : Price Bid (In another separate envelope)

Price bid should be submitted in Annexure "III". No other enclosure should be placed in this envelope nor should any condition be introduced. Price bid of only techno-commercial acceptable bidder(s) shall be opened at a later date, which shall be informed to techno-commercially acceptable bidders only. The price bid part-II submitted along with bid part-I should have validity of 90 days from the date of its opening.

Alternatively: BHEL reserves the right to go for Reverse Auction (RA) (as per Guidelines available on www.bhel.com) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. Bidders to give their acceptance with the offer for participation in RA. Non-acceptance to participate in RA may result in non consideration of their bids, in case BHEL decides to go for RA. Those bidders who have given their acceptance to

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participate in Reverse Auction will have to necessarily submit 'Process compliance form' (to the designated service provider) as well as 'Online sealed bid' in the Reverse Auction. Non-submission of 'Process compliance form' or 'Online sealed bid' by the agreed bidder(s) will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/ contractors (as available on www.bhel.com).

The bidders have to necessarily submit online sealed bid less than or equal to their envelope sealed price bid already submitted to BHEL along with the offer. The envelope sealed price bid of successful L1 bidder in RA, if conducted, shall also be opened after RA and the order will be processed on lower of the two bids (RA closing price & envelope sealed price) thus obtained. The bidder having submitted this offer specifically agrees to this condition and undertakes to execute the contract on thus awarded rates.

If it is found that L1 bidder has quoted higher in online sealed bid in comparison to envelope sealed bid for any item(s), the bidder will be issued a warning letter to this effect. However, if the same bidder again defaults on this count in any subsequent tender in the unit, it will be considered as fraud and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/ contractors (as available on www.bhel.com).

3. Technical / Purchase Specification:-

Material under enquiry shall conform to material specification JS 27197 Rev 04/05. Bidders are requested to submit a sample Test Certificates for any of the lot recently produced for our evaluation along with the offer in bid part -I.

4. Inspection of material :-

Inspection of material shall be done at BHEL Jhansi..

5. Replacement of rejected Goods :-

Final inspection for acceptance of quality shall be at BHEL's works after receipt of material and results shall be binding on the suppliers. In case of rejection due to non-compliance to agreed specification and for the reasons attributable to the vendor, the materials shall be replaced by vendor free of cost on "F.O.R. BHEL works basis"; including inter-alia cost elements such as total transportation, insurance, all duties & taxes, port clearance etc. as applicable. The rejected goods shall be subsequently returned to the vendor at their cost.

6. Terms of delivery :-

- (i) **For Indigenous Bidders:-** F.O.R. destination basis, including P & F, Insurance and freight upto BHEL Jhansi within India.
- (ii) **For Foreign Bidders:-** CIF ICD Mandideep basis with minimum 14 days detention free period at the discharge port.

7. Delivery Period :-

Materials are generally required from the ready stock and the bidders shall accordingly indicate the best possible delivery period. Date of dispatch of material at seller's dispatch ex-works/ex-godown/ICD Mandideep (LR / BL date shall taken as proof of delivery) will be reckoned as committed delivery for all contractual purposes.

8. Transit Insurance:-

Suitable transit insurance cover from warehouse to warehouse shall be arranged by supplier. The bidder shall also render all necessary assistance needed by BHEL to recover the damages from the insurers, in the event of claim arising under BHEL's policy.

9. **Payment Terms:-**

Bidders to note that deviation to following payment terms shall be loaded @ SBI PLR plus 2% for price comparison purposes on landed price to BHEL (HESG) basis. No overdue interest will be paid.

- a) **For Indigenous Bidders:-** 100% payment after 60 days of receipt (45 days for MSE / NSIC registered suppliers as per relevant act in force), subject to acceptance of material at BHEL, on direct presentation of the documents. In case of despatch of material to site directly, site certification for receipt of materials is required unless otherwise provided for in the PO. Any deviation from the above payment terms, if accepted (by BHEL), shall be loaded @ SBI base rate (as on date of Part I bid opening) + 6%, for the purpose of bid evaluation.

During bid evaluation, **No loading of price with regard to preferential payment within 45 days will be done for the bidders covered under MSEs.**

- b) **For Foreign Bidders :-** 100% against irrevocable, unconfirmed LC, payable within 120 days of the bill of lading (BL) date. In case BHEL considers any deviation in payment terms i.e. early payment based on vendor's request, then bids shall be evaluated with loading of State bank of India Base rate (as on date of Part I bid opening) plus 6%, for the credit period short of 120 days. The LC shall be established 2 month prior to shipment date, valid for period of 120 days, unless agreed otherwise.

Payment terms of CAD payable on 120th day of BL / HAWB date shall be preferred.

10. **Bank Charges:-**

For foreign bidders, all bank charges except charges of LC opening bank, which shall be loaded while bid evaluation, shall be to the bidders account only.

11. **Taxes and Duties :-**

All taxes and duties levy-able within India as on the date of dispatches of the goods shall be paid / reimbursed by BHEL against documentary evidence. Bidders are requested to indicate the taxes & duties applicable on the date of bid submission. All taxes and duties levy-able outside India shall be to the bidder's account and the same will not be borne by BHEL in any circumstances.

12. **Agency Agreement** :- Agency agreement from foreign supplier for their Indian agent is necessary and should come along with the bid part-I. The agreement between foreign supplier and their Indian agent should contain relationship, mutual interest in the business, commission amount or general retainer fee, services to be rendered by Indian agent etc.

14 **Warranty , Corresponding Repairs / Replacement of Goods, and Deductions:-**

Goods shall comply with the specifications for material, workmanship and performance. The warranty shall be for a period of 24 months from the date of receipt at BHEL, Jhansi.

13. **Number of Suppliers:-**

We need 2 suppliers item wise for execution of this contract and distribution of quantities among L1 & L2 would be in the ratio of 80:20. Number of minimum suppliers required to execute this contract may change depending upon committed capacity and also acceptance to counter offer, if any, made by BHEL.

In case number of vendors available for distribution of total quantity is less than the no. of vendors required by BHEL, then BHEL may either redistribute the quantity or reduce the requirement accordingly.

The ordering will further be governed by customers' approval of vendors (wherever applicable), manufacturing capacity, loading of jobs, delivery & quality performance of vendors etc.

for

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15. Validity of the Offer :-

The priced offers shall be valid for a period of 120 days from the date of techno-commercial bid opening. However BHEL intends to finalize the tender quickly.

16. Integrity Pact – Independent external monitors (IEM) :-

IP is a tool to ensure that activities and transactions between the Company and its Bidders / Contractors are handled in a fair, transparent and corruption free manner. A panel of Independent External Monitors (IEMs) have been appointed to oversee implementation of IP in BHEL. The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory who signs in the offer) along with techno-commercial bid. Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification. Details of IEM for this tender is furnished below:

Shri D.R. S.Chaudhary ,I.A.S. (Retd.)

**E-1/164 Arera Colony
Bhopal ,MP ,462016
Ph: +91 755 4050495**

Email id: dilip.chaudhary@icloud.com

(b) Please refer Section-8 of IP for Role and Responsibilities of IEMs. In case of any complaint arising out of the tendering process, the matter may be referred to the IEM mentioned in the tender.

Note:

No routine correspondence shall be addressed to the IEM (phone/ post/ email) regarding the clarifications, time extensions or any other administrative queries, etc on the tender issued. All such clarification/ issues shall be addressed directly to the tender issuing (procurement) department

For all clarifications/ issues related to the tender, please contact:

Name:	S.K.Singh (Dy. Mgr)	A K Verma(DGM)
Deptt:	Material Management	Material Management
Address:	BHEL Jhansi	BHEL Jhansi
Phone: (Landline/ Mobile)	0510-241- 2719/9453001058	0510-241- 2460/9425604688
Email:	sksingh@bheljhs.co.in	arunverma@bheljhs.co.in
Fax:		

We confirm above instructions have been fully understood. We further confirm that price bid has been submitted without addition of any other terms & conditions and if the price bid is found to be conditional (e.g. minimum order quantity, slab rate, discount for quantity, different terms of payment etc. etc.), BHEL has full right not to accept our offer.

17. Enclosure:- Following documents are being enclosed;

- Purchase specification No. **JS27197 rev04/05**.
- Integrity Pact
- Annexure I to III.
- Annexure V(Vendor qualification requirement)
- General Terms and conditions of indigenous enquiry and BHEL PO Terms and Conditions (indigenous) OR General Terms and Conditions of Foreign Enquiry and Overseas purchase order as applicable.

18. Submit Information/documents required as per annexure-II dully filled and signed by authorized signatory along with bid part-I.

