

**BHARAT HEAVY ELECTRICALS LIMITED, Jhansi.**  
(MM Department)

**Instructions to Bidders and Techno-Commercial Terms & Conditions of enquiry No. E-1389001.**

Sealed tenders are invited in Two-Part Bid system for purchase of “ **Various sizes of N B Cork sheet** ”, 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, 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:-

- “ **N B Cork sheet to various sizes (1.6TK to 16TKx610x915mm)** ”.
- Instructions to Bidders and Techno-Commercial Terms & Conditions applicable to this enquiry- **Annexure – I**.
- Price bid format - **Annexure III**.
- General Terms and conditions of enquiry

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.

**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.

- c) **Alternatively**: BHEL reserves the right to go for Reverse Auction (RA) (as per Guidelines available on [www.bhel.com](http://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



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](http://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](http://www.bhel.com))

3. **Technical / Purchase Specification:-**  
Material under enquiry shall conform to material specification CPS AA-59802 rev 06. 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 :-** F.O.R destination basis, including P & F, Insurance and freight upto BHEL Jhansi /Bhopal within India.
7. **Delivery Period :-**Materials are generally required from the ready stock and the bidders shall accordingly indicate the best possible delivery period. Delay in delivery may attract penalty.
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, i.e. in case of insurance by BHEL.
9. **Payment Terms:-**100% payment after 60 days of receipt (45 days for MSE / NSIC registered suppliers as per relevant act n 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.
10. **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.
11. **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.



**12. Levy of Penalty for delayed performance :-**

Subject to force majeure conditions, LD shall be 0.5% of the total order value per week of delay or part thereof, subject a maximum of 10% of the total order value. In case of staggered delivery schedule, LD shall be 0.5% of the undelivered portion per week or part thereof subject to a maximum of 10% of the total order value.

For LD calculation, DRS date for vendors shall be considered.

**13. 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.

**14. Enclosure:-** Following documents are being enclosed;

- i. Annexure I to III.
- ii. Annexure-IV (Specs No CPS AA59802rev 06)
- iii. Annexure V (Vendor qualification requirement)
- iv. General Terms and conditions of enquiry

**15. Vendor Qualifying Requirement:-** Please submit all required documents as per Annexure-V ,documents details should be filled in format of Annexure-VA.Both annexure must be submitted with part-I bid of tender.

**16. Manner of Splitting of rate contract quantity :** The rate contract may be finalized with more than one vendor. However, allocation of rate contract quantity will be in decreasing order (max quantity to the lowest bidder L1, then to L2, & L3 considering their capacity & delivery / production requirement of BHEL. The rate contract will be established with n suppliers (n being variable depending on response of counter offer of L1 landed rate but limited to 3 or x-1 vendors whichever is lower, where x is No. of techno-commercially qualified bidders).

The distribution of rate contract quantity shall be as follows :

| No. of vendors | L1   | L2  | L3  | Total |
|----------------|------|-----|-----|-------|
| 1              | 100% |     |     | 100%  |
| 2              | 67%  | 33% |     | 100%  |
| 3              | 50%  | 33% | 17% | 100%  |

L1 and those vendors who accept counter offer have to accept distribution of quantity as above.

The L1 rate will be counter offered in sequence to L2 L3 & L4 etc. (Low to high ).....for acceptance till a total of required vendors are available for finalization of rate contract at L1 rate. Where vendors are specified by customer , BHEL would place purchase orders pertaining to requirement of such contracts on the approved vendors of respective customers only.

The percentage ordering on vendors as per contract may therefore vary depending upon the nature of orders received by BHEL. Percentage loading of N B Cork sheet may vary considering delivery performance during execution of rate contract. Orders will be placed on against this R/c as and when the requirement comes. Quantity of Individual item given in enquiry is indicative only and can vary to any extent. However total variation shall be  $\pm 30\%$ . Execution of RC awarded to a vendor, ordering shall be controlled based on total value awarded to the individual vendor.