

Item: Argon, DA & Oxygen Gas

PRE-QUALIFICATION TERMS

- P1 Bidders should primarily be engaged in supply of gases. BHEL may carry out evaluation of bidder's capability. BHEL reserves the right to accept/reject any offer based on evaluation of bidder's capability. For verification of data presented for pre-qualification bid, BHEL may decide to visit the bidder(s) works.

Any fact found deviating from bids during evaluation shall make the bidder liable to be disqualified.

- P2 **Bidders, who are not currently on registered list of BHEL IVP Goindwal Sahib, need to submit duly filled format for "Vendor Registration form". This duly filled form can be submitted separately/immediately without waiting for the tender opening. If submitted separately, in the tender documents pl. mention that form has already been submitted with reference no. This will enable BHEL to evaluate the form and help in finalising the tender at the earliest.** The form can be downloaded from our website www.bhel.com or can be requested at ab@ivp.bhel.co.in or vishal@ivp.bhel.co.in.

Registered vendors with BHEL IVP GWL have to mention their vendor code.

Registered vendors with any other unit of BHEL are also required mention the vendor code given by respective BHEL unit along with photocopy of latest POs from BHEL unit. Duly filled form can be submitted along with/separately, which is required for evaluation/records if the vendor gets order through this tender.

- P3 A copy of pre-qualification details can be submitted even before due date of opening for evaluation planning by BHEL.

P4

P4(i) Bidders not registered with any unit of BHEL are required to deposit an **amount of Rs. 10,000/- as Earnest Money (EMD)** by way of DD in favour of BHARAT HEAVY ELECTRICALS LIMITED, INDUSTRIAL VALVES PLANT, GOINDWAL SAHIB payable at Goindwal Sahib only. Central/State PSUs/State owned Corporations are exempted from EMD, for which relevant documentary proof has to be submitted in the envelope of EMD.

P4(iii) EMD shall be forfeited if after opening the tender, the bidder revokes his tender within the validity period or increases his earlier quoted prices.

P4(iv) EMD shall be forfeited if the bidder does not commence the work within the period as per LOI/PO.

P4(v) EMD submitted by all bidders shall be refunded normally within 20 days of finalisation of Rate Contract with interested bidders.

P4(vi) EMD shall not carry any interest.



TERMS AND CONDITIONS FOR
(Tender Enquiry No.101-035 Dated:03.07.2010 Due date for
opening of Part-I & II: 03.08.2010)

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- P5 IF THE OFFER IS NOT ACCOMPANIED WITH ACCEPTANCE OF TERMS AND CONDITIONS, IT SHALL BE CONCLUDED THAT ALL THE TERMS AND CONDITIONS ARE ACCEPTABLE AND NO CLAIM WHATSOEVER SHALL BE ENTERTAINED LATERON.

Handwritten signature

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COMMERCIAL TERMS

C1 Inviting Quotations:

Tenders in three part bids are invited. Tender is for entering into Annual Rate Contract for supply of Argon, Dissolved Acetylene and Oxygen gases in your own filled cylinders as per BHEL specifications. Regular Purchase Orders shall be placed thereafter based on our requirement from time to time.

Sealed tenders in three parts; Part-I: EMD, Part II: Techno-commercial bid and Part-III: Price bid are hereby invited as per applicable standard specifications. The relevant documents are attached with the Enquiry.

The three bids should be submitted in **separate sealed inner envelopes** duly mentioning the detail as follows:

Bid	Description	Superscription on envelope	Min documents to be submitted
Part-I	EMD envelop	EMD for tender enquiry no.101-035 dated: 03.07.10	Draft payable at Goindwal Sahib/Proof of claiming exemption.
Part-II	Pre-qualification & Techno-Commercial bid in response to tender enquiry no. Dated	PART-I "Techno-Commercial Bid" Tender Enquiry no.101-035 Dated: 03.07.2010 Due date of opening: 03.08.2010 Sender:	<ol style="list-style-type: none"> 1. Registration details/filled registration format 2. Acceptance of all terms and conditions. 3. Un-priced (Prices not filled) format showing taxes and duties structure etc. 4. Capacity to supply per month in CM for each of Argon, DA & Oxygen Gases.
Part-III	Price bid in response to tender enquiry no. Dated.	PART-II "Price Bid" Tender Enquiry no.101-035 Dated: 03.07.2010 Due date of opening: 03.08.2010 Sender:	<p>Price bid duly filled prices in words also along with same taxes and duties as mentioned in unpriced bid.</p> <p>Gas prices in Rs. per CM for each of Argon, DA & Oxygen. And Rental Charges in Rs. per day per cylinder. No price in any other unit like Rs. per cylinder.</p>

PLEASE SEE AND FOLLOW THE CHECKLIST PROVIDED AT THE END



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All the sealed envelopes should be put in an outer envelope clearly mentioning Tender Enquiry No., item description as "Rate Contract for supply of Argon, DA & Oxygen Gases" and due date of opening as time 1530 Hrs. on it.

Part-I: EMD should contain:

DD of requisite amount payable at Goindwal Sahib only **OR** if exemption is sought, proper documents as required and explained in Pre-qualification para P4.

Part-II: Techno-Commercial bid should contain

- The details/data/information/ supporting documents as per requirement of Pre-Qualification Bid.
- Acceptance of Techno-Commercial terms and conditions should be attached next. This can be attached either by signing each page of terms and conditions or a confirmation statement.

Any deviation proposed by bidder shall be considered by BHEL at its own discretion; and if finally considered, shall carry loading factor at the discretion of BHEL.

- Unpriced price bid, filling all other details except **unit price**.
- Capacity to supply in CM per month for each of Argon, DA & Oxygen Gases.

Sealed quotations shall reach by 1500 Hrs on due date. Part-I shall be opened on due date at 1530 Hrs. Based on evaluation of pre-qualification and/or techno-commercial offers, Price bids of bidders who qualify from pre-bid qualification and techno-commercial evaluation shall be opened. Date of opening of Price bid shall be informed to all successful bidders.

Part III: Price Bids:

Price quotation format shall be as under:

Sl. No.	Item Description [*]	Drawing no.	Rate per piece in Rs. FOR BHEL, Goindwal Sahib	
			In figures	In words **
	Rental Charges			
	Present CST/VAT (%)	Shall be paid extra		
	Present ED (%)			
	Present cess on ED (%)			
Rent Free Period (i.e. a minimum of 10 days)				
* List attached separately.				
** In case of disputes/errors/difficulty in interpretation of rates mentioned in figures, rates mentioned in words shall be taken as final.				



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Present rate of VAT/CST & Excise duty + any cess on ED shall be mentioned in the table as %. All duties shall be paid extra. However, the comparison among bidders shall be done on the basis of quoted rates converted to "Total landed cost to BHEL". Duties shall be payable extra against ED Gate Pass valid for CENVAT benefit.

Price quoted shall be firm and not subject to any escalation during the PO execution. However any variation in statutory levy shall be to our account except variation in excise duty due to increase in turn over limit/exemption etc. from Government.

Rates quoted by you shall be inclusive of unloading of empty cylinders and loading of filled cylinders in your premises.

Price should be quoted on FOR Destination Goindwal Sahib basis. If not mentioned, it shall be concluded that the offer is on FOR Destination Goindwal Sahib basis.

C3 Validity of offers:

Offers shall be valid for 120 days from due date of opening. In case of extension of due date of opening, the offers validity shall be extended accordingly.

C4 Terms of payment:

C4.1 Due payment against supplies received shall be made within 30-45 days of receipt subject to acceptance of material by BHEL and receipt of following dispatch documents

C4.1.1 Commercial invoice (in duplicate).

C4.1.2 Original VAT invoice valid for claiming input tax credit.

C4.1.3 Compliance Certificate & Inspection clearance certificate released at the time of Pre-Despatch inspection at vendor's works, if any.

C4.2 Above documents should include your Registration numbers such as ECC no, PAN no, CST no, TIN/ VAT nos. etc.

C4.3 BHEL will not be responsible for delays in release of payment on account of discrepancies in documentation, so vendor has to ensure compliance to documentation requirement

C4.5 *BHEL releases payment through EFT mode. Vendor can provide the necessary details by obtaining format before release of payment while supplying the material*

C5 Rent:

Vendor must quote free loan period of minimum 10 days and minimum rental charges for supply in your cylinders.



C6 Delivery schedule:

Sequence of delivery shall be indicated by BHEL while placing the orders/through other communications. Vendor shall be required to complete the order as per schedule. Reasonable time shall be given to effect changes according to BHEL priorities.

C7 Access to Manufacturing Premises:

For evaluation & during the currency of execution of PO, 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, if our contractual requirements with our customers call for the same.

C8 Quantity:

1. Quantity mentioned in the annexure is indicative and can vary by 25%- item wise or full tender wise. BHEL may decide to increase or decrease the quantity by 25% or change the mix of items according to our requirement. Quantity variation from vendors' side is not allowed in negative side. Only positive side variation to the extent of 10% of individual item in PO can be considered at the discretion of BHEL. A request has to be made for the same for consideration by BHEL before despatch of any such excess material.
2. The quantity of gas shall be determined by us taking into consideration the weight of the filled cylinder and tare weight of the cylinder as embossed and the weight of the gas so obtained shall then be converted into volume in cubic meter multiplying with the factor of 0.908 cubic meter per Kg. If it is found that the actual Tare Weight is less than that as punched on the cylinder recovery will be made for the excess quantity claimed by the vendor and the Vendor is liable to be black listed.

C9 Loading:

If L1 vendor is a new vendor, development PO will be released. On successful completion, further loading shall be decided.

BHEL reserves the right to cancel/ refloat the tender, if the prices are abnormally higher than estimates. Further, BHEL reserve the right to negotiate with L1 vendor and split the tender among bidders to meet its requirement. If registered vendor is L1, it shall be given minimum of 60% of quantity indicated or its capacity.

BHEL reserves the right to give counter-offer to any number of vendors. Loading beyond L1's capacity (or BHEL discretion beyond 60%, as the case may be) shall be done on L2, if it accepts counter-offers. If L2 is not able to take balance load (criteria: minimum of 30% and its capacity), L3 shall be contacted. If L2 does not accepts counter-offer, L3 shall be automatically contacted for next loading reserved for L2 and so on. BHEL reserves the right to continue placing orders on any higher bidder who has accepted RC for meeting its



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requirement, if L1 bidder is new vendor and is taking time for executing development order/any other issue.

BHEL reserves the discretion of deciding loading in any proportion depending upon execution of orders by suppliers and our requirement. Maximum loading to L1 shall be ensured provided despatches are made as committed. BHEL reserves the right of not giving counter-offer to highest bidder.

C10 Risk Purchase

BHEL shall be entitled to terminate the contract with any vendor and to purchase elsewhere at the risk and cost of the vendor, either the whole or part thereof which the supplier has failed to deliver 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. Purchases made from any other vendor at its quoted rates shall be made and the difference of rates of defaulter vendor and new vendor shall be deducted from running bills of the vendor who has failed to deliver.

C11 Liquidated Damages

'Time is the essence of the contract'. As such, delivery of goods specified in the Purchase Orders shall be made within the time limit prescribed therein. Liquidated damages clause will be applicable for delayed supplies @ 0.5% per week or part thereof subject to a maximum of 10%. Once the delivery period mentioned has expired, and BHEL may or may not take the delivery of item.

C12 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, 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.

C13 Arbitration:

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



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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 thereunder shall apply to such arbitration. The award passed by the arbitrator shall be final and conclusively binding on all the parties.

C14 **Jurisdiction:**

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



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TECHNICAL TERMS:

T1 Scope of Supply:

Material shall be supplied as per the following specifications:

1. **For Argon Gas:** High Purity Argon Gas-GR:1, satisfying to IS 5760/1998(II-REV) for welding use in supplier own cylinders along with Product Data Sheet (PDS), Material Safety Data Sheet (MSDS) and Test Certificate (TC) by conforming to IS 5760/1998(II-REV) specifications for each cylinder/lot supplies. Maximum permissible level of impurities: Water Vapour = 4ppm, Oxygen = 4ppm.
2. **For Dissolved Acetylene Gas:** Dissolved Acetylene Gas for Industrial use as per IS:308/1988 (With latest revision /amendment) filled in your own cylinders.
3. **For Oxygen Gas:** Oxygen Gas for Industrial use as per standards applicable

All the cylinders shall be supplied with valve protection caps. No extra charges will be paid by BHEL for this since this is a statutory requirement and other special requirement as given in the Purchase Order.

T2 Certificates:

Compliance Certificates are to be provided along with the supplies.

T4 Replacement of damaged cylinders:

If any cylinder is found damaged or its valve is leaking at BHEL works and is not acceptable, it shall be intimated through Rejection Memo or similar communication from BHEL and shall have to be replaced by supplier from BHEL at his own cost. BHEL reserves the discretion to levy storage charges for material not lifted within the reasonable period.

T5 Marking:

Marking/Colouring shall be as per standards applicable for each of the gas. Good stencil and ink/paint shall be used.



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**CHECKLIST AND SEQUENCE OF DOCUMENTS TO BE SUBMITTED IN THREE
PARTS BIDS**

S. No.	Document	Status [pl. check the following for ready ref]
1.	EMD envelope	Sealed envelope marked as Part-I "EMD envelope" DD submitted/ proof of claiming exemption submitted
2A.	<p>Second envelope should contain</p> <p>(1) Pre-qualifying data, i.e. either of</p> <p>(A) Duly filled "Vendor registration form" [Registration form and any help in filling the same can also be asked from ab@ivp.bhel.co.in or vishal@ivp.bhel.co.in] 01859-223346</p> <p>OR</p> <p>(B) If existing vendor of BHEL IVP GWL, undertaking mentioning vendor code</p> <p>OR</p> <p>(C) If vendor of any other unit of BHEL, undertaking mentioning vendor code supported by copies of registration certificate and latest POs from BHEL unit.</p> <p>Alongwith any of above documents, clear undertaking of operations intended to be out-sourced, (refer para P1)</p> <p>(2) Techno-Commercial bid</p> <p>(3) Unpriced bid (item prices not to be mentioned)</p>	<p>Sealed envelope marked as Part-II "Pre-Qualification & Techno-Commercial Bids"</p> <p>Yes</p> <p>1. Filled format attached/ BHEL IVP GWL Vendor code mentioned/BHEL unit registration certificate copy and latest PO copies attached.</p> <p>2. Other details attached.</p> <p>3. Acceptance of techno-commercial terms.</p> <p>4. Unpriced bid attached.</p> <p>5. Capacity in CM per month for each gas to be mentioned.</p> <p>Envelop sealed.</p>
3.	Price Bid sealed in separate envelope superscribing tender enquiry detail, due date of opening, sender address	Sealed envelope marked as Part-III "Price Bid" Yes, sealed
4.	All three sealed envelopes put in an outer envelope mentioning all details like Enquiry no., description, due date	Yes



Annexure to Enquiry No. 101-035 dated 03.07.2010 due date 03.08.2010

S. No.	Material Code	Item Description	Qty, CM	Quoted	Price in Rs. per CM, FOR Goindwal Sahib basis
[A]	[B]	[C]	[D]	[E]	[F]
1		High Purity Argon Gas-GR:1, satisfying to IS 5760/1998(II-REV) for welding use in supplier own cylinders along with Product Data Sheet (PDS), Material Safety Data Sheet (MSDS) and Test Certificate (TC) by conforming to IS 5760/1998(II-REV) specifications for each cylinder/lot supplies. Maximum permissible level of impurities: Water Vapour = 4ppm, Oxygen = 4ppm	770	Yes/No	"Pl. see price bid"
2	GWC670000005	Dissolved Acetylene Gas for Industrial use as per IS:308/1988 (With latest revision /amendment) filled in your own cylinders	6000	Yes/No	"Pl. see price bid"
3	GWC670000004	Oxygen Gas for Industrial use as per standards applicable	6000	Yes/No	"Pl. see price bid"
Rental Charges (After a minimum loan free period of 10 days)					
			Applicable/Not Applicable		
			In Rs. Per cylinder per day if applicable		Pl. clearly mention
Excise Duty rate (mention in % if applicable, mention as NIL if not applicable)			Applicable/Not Applicable		
			Extra/Inclusive		
			% if applicable		Pl. clearly mention in % if applicable
Cess on ED rate (mention in % if applicable)					
CST/VAT %			Extra/Inclusive		
			% if applicable		Pl. clearly mention in % if applicable
Validity of offers (pl. note min validity of 120 days is required)					
Monthly commitment in terms of CM			For Argon Gas		Pl. clearly mention
			For DA Gas		Pl. clearly mention
			For Oxygen Gas		Pl. clearly mention
The above prices are Firm, without any price escalation; are Rs. per CM; and are on FOR Goindwal Sahib basis.					
We accept all terms and conditions of the Tender Enquiry No. 101-035 dated 03.07.2010					
Authorised signatory with seal					

Annexure to Enquiry No. 101-035 dated 03.07.2010 due date 03.08.2010

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[A]	[B]	[C]	[D]	[E]
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2	GWC670000005	Dissolved Acetylene Gas for Industrial use as per IS:308/1988 (With latest revision /amendment) filled in your own cylinders	6000	"To be filled by vendor"
3	GWC670000004	Oxygen Gas for Industrial use as per standards applicable	6000	"To be filled by vendor"

Rental Charges (After a minimum loan free period of 10 days)	Applicable/Not Applicable	
	In Rs. Per cylinder per day if applicable	Pl. clearly mention
Excise Duty rate (mention in % if applicable, mention as NIL if not applicable)	Applicable/Not Applicable	
	Extra/Inclusive	
	% if applicable	Pl. clearly mention in % if applicable
Cess on ED rate (mention in % if applicable)		
CST/VAT %	Extra/Inclusive	
	% if applicable	Pl. clearly mention in % if applicable
Validity of offers (pl. note min validity of 120 days is required)		Pl. clearly mention
Monthly commitment in terms of CM	For Argon Gas	Pl. clearly mention
	For DA Gas	Pl. clearly mention
	For Oxygen Gas	Pl. clearly mention

The above prices are Firm, without any price escalation; are Rs. per CM; and are on FOR Goindwal Sahib basis.

We accept all terms and conditions of the Tender Enquiry No. 101-035 dated 03.07.2010

Authorised signatory with seal