

**BHARAT HEAVY ELECTRICALS LIMITED
CFFP, HARIDWAR
MM-SUBCONTRACTING**

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TENDER NOTICE

NIT No. : FF/SC/P15031/201505401,

DT. 04/03/2016

Sealed open tenders on two parts (Techno-commercial & Price Bid) are invited for Rough Machining of Forgings (containing Ni<1.5%) having dimensions upto forged dia. 3000mm, forged length upto 10,000 mm and forge weight upto 40,000kg through sub-contracting for machining operations with machines like Lathe & Vertical Turning Lathe (VTL) etc.

Tender documents containing **Techno-Commercial Details as per Annexure-‘A’, ‘B’ & ‘C’ and Price Bid Format as per Annexure ‘D’** can be downloaded from BHEL web site www.bhel.com & www.bhelhwr.co.in.

The tenders will be received up to **1:45 pm** on **05.04.2016** in the Tender box of tender room at the CFFP, BHEL, Haridwar. Techno-commercial bids will be opened on the same day at **2:00PM**. After opening of **Techno commercial bid**, the capability and suitability of the bidders shall be evaluated and **Price bid** of the qualified bidders shall be opened in the presence of the available bidders. The date of opening of Price bid will be informed to the qualified bidders.

Please quote your rates against this enquiry strictly in the following lines:-

- i. Rate to be quoted on **per Kg. of chip removal** and F.O.R CFFP basis.
- ii. Scrap to be retained by Party.
- iii. Excise Duty on scrap value to be paid by the party.
- iv. Sales Tax & other Govt. duties to be paid by the party.
- v. BHEL reserves the right to go for reverse auction.
- vi. Quotation not in accordance with our enquiry are liable to be rejected.

All subsequent amendments / changes shall only be notified on BHEL website www.bhel.com & www.bhelhwr.co.in .

For & On behalf of CFFP/BHEL, Haridwar

TERMS AND CONDITION FOR RATE CONTRACT OF ROUGH MACHINING OF FORGINGS

1. SCOPE OF WORK:

Rough machining of Forgings for all type of machining operations on Lathe & Vertical Turning Lathe (VTL) with forged Dia upto 3000 mm, forged Length upto 10000 mm and forged weight upto 40 MT. (Ni<1.5%)

2. VALIDITY:

The contract shall remain valid for a **period of two years** from the date of award of contract with the option to extend the contract by 3 months at the discretion of BHEL. In the events of 3 months extension, no subsequent acceptance from sub-contractor shall be obtained. BHEL reserves the right for short closing the contract, performance monitoring and quality surveillance at sub-contractor's end. BHEL reserves the right to terminate the contract, at any time, without assigning any reason by giving notice of 15 days to this effect. The contract can be awarded, simultaneously, in full or in part, to more than one sub-contractor or for shorter period.

3. YEARLY LOAD:

The total estimated yearly weight of chip removal will be approximately **2545 MT** $\pm 20\%$. Quantity can vary on either side. No minimum guarantee can be given. Quantity allotted will be at the sole discretion of CFFP, BHEL. CFFP, BHEL will enter contract with multiple sub-contractors & quantity will be distributed among successful sub-contractors.

4. TRANSPORTATION:

The material shall be handed over to & received from sub-contractor at F.O.R CFFP basis. Sub-contractor has to arrange their own arrangement for to & fro transportation. Loading & Unloading of material will be done free of cost at CFFP for the Sub-contractor. Incase material is dispatched by CFFP or transported by CFFP from Sub-contractors works back to CFFP, actual cost incurred will be charged from Sub-contractor. The actual cost incurred shall be decided by CFFP, BHEL which shall be final and binding upon the Sub-contractor and shall not be called in question.

4.1 Movement of tractor, trolley & vehicles within factory premises is to be regulated as per rules & avoided during peak traffic hours.

5. Sub-contractor will be fully responsible for transportation of material to & from CFFP and also for the period material is lying with them for any theft or damage to the material or for damage to third party.

6. RATES AND VARIANCE CLAUSE:

6.1 Rates are to be quoted for rough machining charge on per kg chips removal basis as per formulae given at clause 6.2.

6.2 Scrap rate will be calculated as below :

- a) Rate of scrap shall be based on monthly average of JPC rates. {JPC rates are issued on fortnightly basis. First fortnight (1st to 14th) hereby called “a” and second fortnight (15th onward) hereby called “b” }
- b) Monthly average of previous month shall be applicable for succeeding month. Month will start from 1st day i.e calendar month.
- c) In case JPC rates of one fortnight is not available, then rate of remaining fortnight of that month shall be considered i.e if rates of “a” are not available then rates of “b” shall be applicable and if rates of “b” are not available then rates of “a” shall be applicable.
- d) In case JPC rates of both the fortnights i.e “a” as well as of “b” are not available, then last available rates of previous month(rates of “b” and in case rate of “b” are not available then of “a”) shall be applicable.
- e) Scrap rate shall be revised every calendar month.

Sub-contractor has to quote rate for per Kg chips removal i.e value of A in the relationship given below. Quoted price for machining charge will have following relation & payable rate shall be calculated as per formulae:

$$X = A (1 + B) - C$$

A – Quoted price by Sub-contractor for per Kg of chips removal. This will remain constant through out the contract period.

B – $(L1-L0)/L0$ i.e. Fractional change in Labour price based on skilled labour rates issued by HR Department, BHEL Hardwar. Present rate (L0) is Rs 355.69/- per day as per circular no. HR/CLX-1(B)/DA dt 29.02.2016 This will be base price and any increase/decrease will be calculated on this. This is issued on six monthly basis in February & August. Rate issued in August will be applicable to Oct to March & that in February will be applicable in April to Sept. L1 will be rates issued on half yearly basis. In case of non availability of indices for L1 in time i.e indices for Aug before 1st Oct and indices for Feb before 1st April, last available indices shall be considered.

$$C = C1 + \text{Excise Duty} + \text{VAT} + \text{Any other duty on retained chips}$$

C1 – Scrap rate for MSTB as per calculation based on JPC rates as detailed in clause 13.3.

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X – Will be the amount either to be paid by CFFP or will be paid by Sub-contractor to CFFP for per kg of chips removal. Payment to sub-contractor or recovery will depend on the monthly rates of Mild Steel Turning & Boring (MSTB).

Billing by sub-contractor will be on X.

6.3 The chips retained by the Sub-contractor shall be treated as sale of MSTB chips by CFFP, BHEL. Sale invoice will be provided to Sub-contractor from CFFP, Finance as per cl 6.2.

6.4 Rate comparison will be on the basis of total cost to CFFP.

7. DELIVERY SCHEDULE & PENALTY CLAUSE:

7.1 Delivery schedule shall be as follows:-

S.No.	Number of pieces to be returned after Machining (excluding stock)	Delivery from the date of lifting (Week)
1	Up to 4	4
2	5 to 7	5
3	8 to 11	6
4	12 to 16	7
5	Above 16 nos.	8

Delivery after machining in shortest period is very important. Preference in allotment of jobs will be given to Sub-contractors having faster delivery.

7.2 Failing to delivery schedules, standard LD/Penalty clause will be applicable (@ 0.5% per week subject to max. 10% of total machining charges. The exit & entry date mentioned by CISF on challan at BHEL material Gate will be taken as material issue & receipt date. To complete the delivery, all material including stock as per S C Order, to be returned for completion of order.

7.3 In case of delays or non fulfillment of any other terms & condition given in Sub-Contracting Order, CFFP, BHEL may cancel the order in full or part thereof and get the job executed through some other agency or CFFP may execute the job itself. The difference on cost incurred by BHEL will be recovered from Sub-contractor. Repetition may lead to cancellation of contract with the Sub-contractor.

7.4 As per existing rule of Excise duty, all material sent for machining shall be returned back before 180 days. In case CFFP, BHEL has to incur any additional cost by way of (a) Payment of Excise duty on full value of job (b) interest on Excise duty due to failure on Sub-contractor account, it will be recovered from them. Any change in this rule by Govt. of India from time to time will be applicable.

7.5 Sub-contractor should lift the material within next two working days of the issue of subcontracting order. Failing to lift the material within specified period without valid reason may result in cancellation of the subcontracting order.

7.6 After inspection of job at Sub-contractors works, material must be delivered back to CFFP within next 2 working days.

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8. INSPECTION:

- 8.1 Inspection will be done at Sub-contractor's works before delivery of item. Sub-contractor will give inspection call with dimensional report & other relevant details like S C Order no, Forge / Sl no of item for inspection etc to CFFP QC. Accordingly QC will depute inspector for inspection at Sub-contractors works.
- 8.2 All facilities, equipment, calibrated instruments and standard gauges required for inspection shall be provided by the Sub-contractor during inspection.
- 8.3 Identification marks shall be punched on each item by sub-contractor i.e. Forge No / Sl no in a yellow painted box.
- 8.4 If job not found ready for inspection on deputation of inspector, this will adversely affect the performance index of sub-contractor & shall affect further allotment of jobs.

9. PAYMENT TERMS:

- 9.1 100% within 30 days after receipt and acceptance of job through e-mode with accountal of material & chips.
- 9.2 No packing & forwarding & transportation charge will be paid to Sub-contractor.
- 9.3 In case of rejection the cost decided by CFFP will be final & binding to sub-contractor.
- 9.4 Payment will be made once in a month for jobs completed & bill submitted before 7th of every month.
- 9.5 Sub-contractor will have to deposit **in advance**, all the charges recoverable from them before lifting of material for machining.
- 9.6 Payable amount shall be calculated on the basis of chips to be removed (machined off). Weight given by CFFP shall be final in this regard. However incase of any dispute on weight of forging & machined item weight, it will be weighed at CFFP weigh-bridge & that will be treated as final.
- 9.7 Any penalty imposed will be deducted from the bills or deposit of the sub-contractor.

10. MACHINING AND MATERIAL RETURN INSTRUCTIONS:

- 10.1 Sub-contractor must inspect the job allotted for machining before lifting for size, cracks etc. Incase the job could not be loaded on machine due to black spot or variation of size etc, no machining & transportation charges will be paid to Sub-contractor.
- 10.2 In case of cracks / black spots are noticed, while machining, the same should be brought to the notice of CFFP, BHEL and further machining should be stopped immediately till a decision, in writing, is given by CFFP, BHEL.
- 10.3 In case of partial machining (i.e machined partially) either due to cracks or ultrasonic failure, proportionate machining charges (i.e. for the chips removed) will be paid. Decision given by CFFP, BHEL will be final and binding on Sub-contractor.
- 10.4 Sub-contractor will have to follow all the instruction given on order & on drawing attached with the order. In case of any doubt, same shall got to be clarified by the Sub-contractor at all stages of machining.

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10.5 Sub-contractor to return the material after inspection to Machine shop / Forge shop as required. Stock, if any, as per S C order must be returned by the Sub-contractor with the job.

10.6 No gas cutting or welding is permissible on the forging under any circumstances. If found, action as deemed fit will be taken against the Sub-contractor.

11. BANK GUARANTEE / INDEMNITY BOND:

The Sub-contractor has to submit a suitable Bank-Guarantee or FDR of scheduled Bank of BHEL and Indemnity Bond as required by CFFP, BHEL. Amount and validity of Bank Guarantee & Indemnity Bond will be informed separately. All Bank Guarantee/Indemnity Bond shall be in favor of CFFP, BHEL, Hardwar. BHEL reserve the right to ask for the Bank Guarantee / Indemnity Bond for increased amount depending upon the material availability with the Sub-contractor from time to time. Bank Guarantee & Indemnity Bond shall be valid for the contract period till the return of last job allotted for machining. In case of lapses, CFFP, BHEL reserve right to take appropriate step to recover job with the sub-contractor.

12. LOADING CRITERIA OF SUB-CONTRACTOR:

Generally the job allotment shall be based on following:-

- i) Type of machine tool required for a job and availability of relevant machine tools with sub-contractor at the time of allotment. Sub-contractor shall submit a weekly machine loading chart of all machine tools reserved for CFFP. Feedback of BHEL representative after visit to subcontractor works for job monitoring shall also be taken into account.
- ii) Total no. of jobs (including castings of CFFP) pending with sub-contractor (existing load from CFFP on subcontractor) and jobs delayed by sub-contractor at the time of allotment.
- iii) Total No. of machine tools (verified by CFFP against the list provided by the subcontractor at the time of tender and also those machines added during the contract period as informed by subcontractor and verified by CFFP, BHEL) in working condition (Lathe above swing over bed dia. 800 mm & VTL) and other facilities like crane, Generator etc. installed at subcontractor works.
- iv) No. of machine tools available at the time of allotment based on point no. (i),(ii) & (iii).
- v) Delivery requirement and ultimate delivery commitment to our customer/ urgency.
- vi) Delivery performance of sub-contractor in the past based on actual delivery vis a vis contractual delivery. Subcontractors with faster delivery shall be given preference along with supplier performance rating (SPR).
- vii) Performance with regard to machining of tooling type of items like low scrap items/ drilling items/ parting items/ profile items etc.
- viii) Performance in machining of castings on available machining capacity and Sub-contractors having heavy machines & handling facilities.
- ix) Total capacity vs machining capacity made available to CFFP. Subcontractors giving priority to CFFP jobs will be preferred.

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- x) L-1 sub-contractor in a particular category will be given preferential allotment in that category on yearly basis commensurate with their machining facilities. All efforts shall be made to ensure that these machines of L1 sub-contractor are loaded subject to fulfillment of above conditions at (i) to (ix). However CFFP reserves its right of allotment to other Sub-contractors to meet its delivery requirement.
- xi) It may not be possible to load all machines of all Sub-contractors all the time. The quantum of available jobs vary throughout the year. Allotment of available jobs shall be made to eligible sub-contractors under relevant job categories.
- xii) Wherever the numbers of qualified responses (N) are three or more, the rate contract shall be entered into with (N-1) techno- commercially suitable subcontractors subject to acceptance of L1 rates by excluding Sub-contractors quoting highest rates. CFFP, BHEL reserve its right to enter into rate contract with limited number of subcontractors & add/ delete subcontractor at any time.

Allotment of job to any Sub-contractor is the sole prerogative of CFFP, BHEL & no representation in this regard shall be entertained.

13. SCRAP:

13.1 Rate of Scrap for valuation purpose of scrap retained by sub-contractor will be as applicable on date of lifting of job. However, the date of sale will be considered as date on which material is received back against a particular sub-contracting order. Hence, applicable rate of excise duty and VAT on value of scrap will be as on date on which material is received back against a particular sub-contracting order. Payment of taxes & duties, billing and recovery of same from sub-contracting bills will be done accordingly. Chips retained by Sub-contractor will be treated as sold to them by CFFP. Accordingly all duties & levies (like ED, ST, Trade Tax, Service Tax, etc which ever applicable) shall be paid by CFFP.

13.2 The difference in issued weight and returned weight of finished item with stock will be treated as chips generated & retained by the sub-contractor. (See point 6.3)

13.3 The scrap rate will be calculated based on the monthly average market scrap price posted on JPC web site under category of scrap HMS II, applicable for Delhi region. MSTB chips rate are 0.875 times of JPC-HMS2 rates based on inference drawn from relation between MSTC rates & JPC HMS2 rates of Delhi region. The date of issue of material will be considered for calculating the chips value at the applicable average monthly price of previous month.

For this purpose, the months for calculation and their applicable month will be like as given below for clarity:-

Average price of JPC Bulletin for the month:

- a) December - Applicable for the material issued in the month January.
- b) January - Applicable for the material issued in the month February

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- c) February - Applicable for the material issued in the quarter March.
- d) March - Applicable for the material issued in the quarter April
- so on.

The calculated average monthly price, rates will be rounded off upto two decimal points.

14. RECTIFICATION:

Any defect (noticed at shop) arising out of the wrong machining done by Sub-contractor shall have to be rectified within 15 days by the Sub-contractor at their own cost. However, in case the sub-contractor fails to rectify the defects or if that are beyond rectification, action as deemed fit, on case to case basis, shall be taken.

15. GENERAL:

- 15.1 Total work i.e. transportation, handling, machining etc is to be carried out by sub-contractor at his own risk, finance, tools, machinery, human resources & supervision.
- 15.2 The material, tools, measuring instruments, templates etc issued to sub-contractor as free issue for machining operations shall remain the property of CFFP, BHEL, Hardwar. The sub-contractor shall use these only for CFFP, BHEL contract and for no other purpose whatsoever. The sub-contractor shall be liable for loss or damage to these from whatsoever cause. All the materials of CFFP, BHEL Hardwar shall under no circumstances be hypothecated to any Bank or any lending agency or to any party whatsoever. It should not also be shown as the sub-contractor's assets in any of the statements of sub-contractor to any party.
- 15.3 No further sub-contracting to third party or sister concern by the sub-contractor is allowed without prior permission of CFFP, BHEL.
- 15.4 The rate contract is also subject to CFFP, BHEL, Hardwar's general terms & conditions (of enquiry terms & conditions and sub-contract order terms & conditions issued to sub-contractor).
- 15.5 CFFP, BHEL reserves the right to suspend / cancel the rate contract unilaterally without any financial repercussions, if sub-contractor's performance is not found satisfactory.
- 15.6 CFFP, BHEL will have the right to go for risk purchase clause i.e. CFFP, BHEL may get the machining done of such items from elsewhere / alternative source at the risk and cost of sub-contractor.
- 15.7 CFFP, BHEL reserve the right to revise the drawing after placement of S C Order. Any impact on the quantum of chips to be removed will be accounted for.
- 15.8 CFFP reserve its right to call back chips (turning & boring) as & when required. In this case, the rate of scrap as detailed at clause 13 will be paid to sub-contractor.
- 15.9 Sub-contractor will submit a total list of machines & instruments with capacities & handling facilities available with them with the offer. CFFP, BHEL reserve the right to verify the list submitted by sub-contractor.

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- 15.10 Sub-contractor will submit a copy of this with their offer with signature & seal on every page as proof of acceptance of these terms & condition.
- 15.11 Report & details as required by sub-contracting cell, from time to time, will be submitted by sub-contractor without fail & in timely manner or else action, as deed fit will be taken against the sub-contractor.
- 15.12 Sub-contractor must observe / follow/ adhere to all State / Central Govt. Acts / Rules / Regulation in all aspect of operation of the contract. CFFP, BHEL shall not be liable for any fault by Sub-contractor.
- 15.13 All statutory requirements under Minimum Wages Act 1948, Payment of wages Act 1936, Workmen compensation act 1923, EPF & MP Act 1952, Payment of Gratuity Act 1970, Payment of Bonus Act 1965, Income Tax Act, Service Tax Act and all other applicable Acts shall be complied with by the contractor.
- 15.14 Sub-contractor shall comply with all statutory requirements, rules, regulations, notifications in relation to employment of his employees issued from time to time by concerned authorities.
- 15.15 Sub-contractors must follow all environment laws & shall take all precautions. All operation of sub-contractors shall be environment complaint.
- 15.16 Sub-contractor to submit Name & address along with contact numbers & email address of the owner of the firm.
- 15.17 In case of any change in partnership/ownership/MOU of company same shall be informed to BHEL immediately with documentary proof. BHEL reserves the right to continue or cancel the rate contract with changed partnership/ownership/company.

16. ARBITRATION AND GOVERNING LAW

All disputes or difference of opinion what so ever that may arise between the company and the Sub-contractor upon or in relation to or in connection with the contract, the same shall be referred to sole arbitration of Head of CFFP, BHEL or such other person as nominated by the Head of CFFP. There will be no objection to any such appointment, or award of the Head of CFFP or the arbitrator so appointed. The award shall be final and binding on the company and the sub-contractor. The arbitration proceeding shall be held at Ranipur, Hardwar. Work under contract shall continue during the arbitration proceeding, unless otherwise directed in writing by the company or unless the matter is such that the work can not be possibly continued till the decision of arbitration. Provisions of applicable arbitration and conciliation Act. shall apply.

17. Court at Hardwar shall have sole Jurisdiction in the cases arising out of this contract.

GENERAL TERMS & CONDITION OF THE CONTRACT:

1. The tender documents are not transferable. These documents can be obtained by authorized/approved contractors from the office of incharge Sub-contracting on or before tender opening date. In case of any difficulty, duplicate copy can be obtained.
2. Sealed tender can be submitted in tender room of Material Management, CFFP, BHEL, Hardwar by bonafide contractors. The contractors shall sign each & every page of tender documents before submitting.
3. The tenders duly filled-in will be accepted upto 13.45 Hrs on or before tender opening date in the tender of Material Management department, CFFP, BHEL, Hardwar. These will be opened on the tender opening day at 14.00 in the presence of tenderer or their one authorized representative who wish to be present.
4. Validity of offer should be for 365 days, for acceptance, from tender opening. However, base rates shall remain valid & firm during the contract period.
5. Incomplete tender will be ignored, however BHEL reserves the right to reject or accept any or all tenders without assigning any reason.
6. In case of partnership firm the contractor must furnish copy of partnership deed along with the tender documents. If the tender is being signed by other than the partners the tender should accompany with power of attorney to this effect.
7. Mention permanent account number if allotted by income tax department.
8. The sub-contractor shall follow all the rules & regulation of minimum wages, insurance cover of labour, ESI& PF as per rule. BHEL reserves its right to demand any document at any point of time during the execution of contract.
9. The sub-contractor shall observe all the precautions and safety procedures as required during loading & transportation in factory premises. Also required precaution shall be taken while transportation & operation at their works. Precaution must be taken to ensure that there is no damage or pilferage of the material from CFFP & there is no injury to work man.
10. The sub-contractor shall take adequate steps to prevent any loss or damage to any materials entrusted to him. The sub-contractor shall be liable to pay, to the company, for the damages due to negligence or otherwise in executing the machining work entrusted to him or any other failure or any breach of terms and conditions on the part of the contractor.
11. If the Sub-contractor neglects work or fails to observe and/or follow any of the terms and condition of the agreement, CFFP, BHEL, may without prejudice to their any other rights, terminate this contract by giving 15 days notice in writing with or without forfeiting the Bank Guarantee & Indemnity Bond of the Sub-contractor. The termination of contract by the CFFP, BHEL shall be without prejudice to the CFFP, BHEL's right to recover from the contractor the cost of completing the work by any other agency.
12. The Sub-contractor should have sufficient financial resources to meet all expenses & contractual obligation.

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13. The Sub-contractor shall be responsible for fulfilling all legal/statutory requirement along with environmental laws. Any loss to the property (belonging to the sub-contractor or the company) or injury to the staff/labour of the Sub-contractor caused due to any reason will be the sole responsibility of the Sub-contractor. Accordingly the Sub-contractor is advised to take necessary insurance cover. Any liability of BHEL, arising due to Sub-contractor, his staff/labour, materials being handled by him, will be recoverable from the Sub-contractor. Accordingly the Sub-contractor shall indemnify the company.
14. The Sub-contractor shall ensure valid registration with all the State and Central govt. departments as required by various laws such as ESI, PF etc. & submit copies of the same whenever required.
15. The Sub-contractor shall pay wages to the workmen engaged by him at the rates which shall be not less than the minimum wages applicable under law from time to time. BHEL will not entertain any claim or make any reimbursement for additional burden due to change in wages structure etc. under the law. The Sub-contractor shall also ensure statutory obligations (PF,ESI etc.) & benefits to his workmen as per provisions of law enforced from time to time.
16. Vendors not registered with CFFP, BHEL need to submit duly filled supplier registration form (SRF) along with Technical Bid. SRF can be downloaded from <http://www.bhel.com>.
17. SRF should be sent along with all the necessary documents for evaluation at CFFP, BHEL. Rate contract shall be entered into only with vendors approved in CFFP, BHEL. Vendors failing to meet BHEL's SRF requirement of approved vendor shall be neglected.

Terms & Conditions of Reverse Auction

Against this enquiry for the subject item/system with detailed scope of supply as per enquiry specifications, BHEL may resort to "REVERSE AUCTION PROCEDURE" i.e. ON LINE BIDDING (THROUGH A SERVICE PROVIDER). The philosophy followed for reverse auction shall be English (No ties).

1. For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
2. Those bidders who have given their acceptance for Reverse Auction (quoted against this tender enquiry) will have to necessarily submit online sealed 'bid' in the reverse auction. Non-submission of 'online sealed bid' by the bidder for any of the eligible items for which techno-commercially qualified, will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue.
3. BHEL will engage the services of a service provider who will provide all necessary training and assistance before commencement of online bidding on internet.
4. In case of reverse auction, BHE will inform the bidders the details of Service Provider to enable them to contact & get trained.
5. Business rules like event date, time, bid decrement, extension etc. also will be communicated through service provider for compliance.
6. Bidders have to fax the Compliance form (annexure IV) before start of Reverse Auction. Without this, the bidder will not be eligible to participate in the event.
7. In line with the NIT terms, BHEL will provide the calculation sheet (e.g., EXCEL sheet) which will help to arrive at "Total Cost to BHEL" like Packing & forwarding charges, Taxes & Duties, Freight charges, Insurance, Service Tax for Services and loading factors (for non-compliance to BHEL standard Commercial terms & Conditions) for each of the bidder to enable them to fill-in the price and keep it ready for keying in during the Auction.
8. Reverse auction will be conducted on scheduled date & time.
9. At the end of Reverse Auction event, the lowest bidder value will be known on auction portal.
10. The lowest bidder has to fax/e-mail the duly signed and filled-in prescribed format for price breakup that of line items, if required, (Annexure VII) as provided on case-to-case basis to Service provider within two working days of Auction without fail.
11. In case BHEL decides not to go for Reverse Auction procedure for this tender enquiry, the price bids and price impacts, if any, already submitted and available with BHEL shall be opened as per BHEL's standard practice.
12. Bidders shall be required to read the "Terms & Conditions" section of the auctions site of Service Provider, using the Login IDs and passwords given to them by service provider before reverse auction event. Bidders should acquaint themselves of the 'Business Rules of Reverse', which will be communicated before the Reverse Auction.
13. If the Bidder or any of his representatives are found to be involved in Price manipulation/ cartel formation of any kind, directly or indirectly by communicating with other bidders, action as per extant BHEL guidelines, shall be initiated by BHEL and the results of the RA scrapped/aborted.
14. The Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party.
15. In case BHEL decides to go for reverse auction, the H1 bidder (whose quote is highest in online sealed bid) may not be allowed to participate in further RA process.

TECHO COMMERCIAL BID**SCHEDULE OF RATE OF FORGING**

Sl. No.	Job Description		Whether want to quote for Category (Indicate Yes /No accordingly)
1	Machining of shaft type of forgings:		
	Category 1	Single piece wt upto 10 MT & length upto 5mtr	
	Category 2	Single piece wt upto 10 MT & length more than 5mtr and upto 10mtr	
	Category 3	Single piece wt between 10 MT to 25 MT & length upto 5mtr	
	Category 4(a)	Single piece wt between 10 MT to 25 MT & length above 5mtr and upto 10mtr (in case of outgoing job is one piece and return job is also in one piece)	
	Category 4(b)	Single piece wt between 10 MT to 25 MT & length above 5 mtr and upto 10mtr (in case of outgoing job is one piece and return job shall be in multiple pieces)	
	Category 5(a)	Single pc wt above 25 MT and upto 40MT & length upto 10 mtr(in case of outgoing job is one piece and return job is also in one piece)	
	Category 5(b)	Single pc wt above 25 MT and upto 40MT & length upto 10mtr(in case of outgoing job is one piece and return job shall be in multiple pieces)	
2	Machining of Disc Type forging:		
	Category 6	Single piece wt upto 10 MT & dia upto 1500 mm	
	Category 7	Single piece wt upto 10 MT & dia more than 1500 mm and upto 3000mm	
	Category 8	Single piece wt between 10 MT to 25 MT & dia upto 1500 mm	
	Category 9	Single piece wt between 10 MT to 25 MT & dia more than 1500 mm and upto 3000mm	
	Category 10	Single piece more than 25 MT and upto 40MT & dia upto 3000 mm	
3	Stock / Parting charges for per cut on shaft type jobs		
	1	Between Ø 500 mm to Ø 1000 mm	
	2	More than Ø 1000 mm to <3000 mm	
4	Test Piece (TP) Cutting:		
	1	TP cutting between Ø 500 mm to Ø 1000 mm	
	2	TP cutting more than Ø 1000 mm	
5	Transportation:		
	1	TP Transportation	
	2	Job Transportation in case of TP failure:	
		i) For upto 10 MT	
		ii) More than 10 MT to 25 MT	
		iii) More than 25 MT	

Note: Vendor is required to submit the above details along with techno-commercial bid on their Letter Pad duly signed.

Annexure - C

Pre-Qualification Criteria for Rough Machining of Forgings Rate Contract

Name of Vendor:

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Evaluation shall be done on the basis of delivered cost (i.e.) ""total cost to CFFP/BHEL". Please confirm the following or else your offer is liable to be rejected.

Sl. No.	Description	Vendor Confirmation/ Comment (in case of blank, it shall be deemed to be accepted by vendor)
1.	Only those sub-contractors, which are situated in and adjacent to Haridwar district i.e. Dehradun, Muzaffarnagar, Saharanpur, Bijnor. Factory/ workshop should be physically situated within 80 Km radius from BHEL, Haridwar need to quote.	
2.	Only vendors having adequate facilities (Lathe, VTL & Handling Facilities) for rough machining of forgings of Dia> 800mm or more need to quote (these Facilities must be available at vendor workshop/factory). <i>[Following details of handling facilities and machine tools shall be submitted by the vendors:-</i> LATHE- Swing Over Carriage, Swing Over Bed, Admittance between centers, Loading Capacity, Availability of Taper Turning Attachments, Availability of Steady Rest, Chuck Size, Bed Length, Model & make of the machine. VTL- Max. Job dia., Loading Capacity, Max. height of job that can be accommodated, Model & make of the machine. Handling Facilities- Type & Capacity of handling facilities.]	
3.	The owner / proprietor/ partner of the firm or the company should also be the owner of the land & buildings where the factory/ workshop is situated (Submit valid documentary proof).	
4.	Vendor to submit details of the organization, facilities and similar works carried out along with the offer.	
5.	Rates quoted in price bid should be in per kg of chip removal basis	
6.	Vendor must lift the material within two days from the date of placement of order.	
7.	In case vendor is not registered with CFFP BHEL Haridwar for Rough Machining of Forgings , duly filled up "Supplier Registration Form" must be submitted with techno-commercial bid (form available on website www.bhelhwr.co.in & www.bhel.com). If duly filled SRF & complete set of required documents are not received within 15 days of techno-commercial bid, offer may not be considered for price bid opening. If registered at any other unit of BHEL, vendor code may be furnished.	
8.	Vendor has to submit BG/FDR from consortium bank & indemnity Bond as required by CFFP/BHEL before lifting of Forgings from CFFP, BHEL as per clause 11 of rate contract terms and conditions.	
9.	Transportation of forging to and fro from vendor's works shall be vendor's responsibility. Transportation and Insurance cost shall be borne by vendor.	

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Opening Due Date: 05/04/2016

Name & Signature of Sub-contractor
With date & Seal

Annexure - C

10.	BHEL reserves the right to go for Reverse auction (RA) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. All bidders to give their acceptance 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. In case BHEL decides to go for Reverse Auction, only those bidders who have given their acceptance to participate in RA will be allowed to participate in Reverse Auction. Those bidders who have given their acceptance to participate in Reverse Auction. Non-submissions of 'online-bid' by the bidder will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue.	
11.	Provide name, mobile no. & email address of the contact person.	
12.	Validity of offer: One year from date of tender opening.	
13.	Delivery schedule: Acceptance as per clause 7 (Annexure-A) of rate contract terms and conditions.	
14.	Actual quantity may increase or decrease vis a vis tender quantity without any implication of rate quoted.	
15.	In case of any differences observed in conditions confirmed above & elsewhere in the offer, terms quoted above shall be treated as final and binding on vendor.	
16.	All other commercial term and condition as per tender enquiry (including rate contract terms and condition) shall be acceptable.	

Tender No.:FF/SC/P15031/201505401
Opening Due Date: 05/04/2016

Name & Signature of Sub-contractor
With date & Seal

PRICE BID

SCHEDULE OF RATE OF FORGING

Sl. No.	Job Description		Offered Rate (Gross machining charges Rs. per Kg of chip removal without considering chips value)
1	Machining of shaft type of forgings:		
	Category 1	Single piece wt upto 10 MT & length upto 5mtr	
	Category 2	Single piece wt upto 10 MT & length more than 5mtr and upto 10mtr	
	Category 3	Single piece wt between 10 MT to 25 MT & length upto 5mtr	
	Category 4(a)	Single piece wt between 10 MT to 25 MT & length above 5mtr and upto 10mtr (in case of outgoing job is one piece and return job is also in one piece)	
	Category 4(b)	Single piece wt between 10 MT to 25 MT & length above 5 mtr and upto 10mtr (in case of outgoing job is one piece and return job shall be in multiple pieces)	
	Category 5(a)	Single pc wt above 25 MT and upto 40MT & length upto 10 mtr(in case of outgoing job is one piece and return job is also in one piece)	
	Category 5(b)	Single pc wt above 25 MT and upto 40MT & length upto 10mtr(in case of outgoing job is one piece and return job shall be in multiple pieces)	
2	Machining of Disc Type forging:		
	Category 6	Single piece wt upto 10 MT & dia upto 1500 mm	
	Category 7	Single piece wt upto 10 MT & dia more than 1500 mm and upto 3000mm	
	Category 8	Single piece wt between 10 MT to 25 MT & dia upto 1500 mm	
	Category 9	Single piece wt between 10 MT to 25 MT & dia more than 1500 mm and upto 3000mm	
	Category 10	Single piece more than 25 MT and upto 40MT & dia upto 3000 mm	
3	Stock / Parting charges for per cut on shaft type jobs *		Rs/Parting
	1	Between Ø 500 mm to Ø 1000 mm	
	2	More than Ø 1000 mm to <3000 mm	
4	Test Piece (TP) Cutting: *		Rs/ TP Cutting
	1	TP cutting between Ø 500 mm to Ø 1000 mm	
	2	TP cutting more than Ø 1000 mm	
5	Transportation:		Rs./ TP
	1	TP Transportation	
	2	Job Transportation in case of TP failure:	Rs/MT
		i) For upto 10 MT	
		ii) More than 10 MT to 25 MT	
		iii) More than 25 MT	

* TP cutting & parting of Dia upto 500mm shall be included in scope of work at category 1 to 10.

Conditions:

- For S.No. 1 & 2, rates will be on per Kg of chip removal.
- For S.No. 3 & 4, rates will be on per parting / T P cutting.
- Only T P transportation charge will be paid to party. All other transportation charges will be borne by party. Return transportation charge only will be paid to party in case of TP failure & return of material without machining, except T P cutting.
- For stock only parting charges will be applicable.
- Parting charges & T P cutting charges will remain fixed throughout the contract period and no deduction for scrap will be made, as that will be included in machining of total job itself.
- For multiple pieces, parting charge will be paid on per cut basis. No separate billing will be done for scrap generated during parting, as that will be included in over all scrap generated in the machining.
- Please put rates in figures & words for each category.
- Vendor is required to submit the above price bid on their Letter Pad duly signed.