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 An ISO Company	BHARAT HEAVY ELECTRICALS LIMITED (A Government of India Undertaking) பாரதமிகுமின் நிறுவனம் BOILER AUXILIARIES PLANT, Indira Gandhi Industrial Complex, RANIPET- 632 406 (Tamil Nadu)	Ph: 04172-284030, 284158,284323, 241170 Email: rvr@bhelrpt.co.in mkmoorthy@bhelrpt.co.in
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SECTION I

NOTICE INVITING TENDER (NIT)

(This is only a request for an offer and not a Contract)

Sealed Tenders are hereby invited from experienced Firms located within 450 km by Road from BHEL, Ranipet for Final Precision Machining of Impeller Hub ,Support Body, Machining of Bearing Housing and Complete Drilling & Tapping of Bearing Housing in accordance with the Technical Specification and Scope as per Annexure-H / BHEL Engineering Drawings/Quality Documents. Fabricated/Rough Machined Components will be supplied by BHEL/ Ranipet as free issue.

Enquiry No. & Date	664117E - Date 17-July-2015
Due Date & Time for Submission Of Offer	21-08-2015 Prior to 10.00 AM
Date & Time for Tender Opening (Other than Price Bid)	21-08.2015 by 10.15 AM
Place Of Submission Of Offer	At Tender Box located in Outsourcing department, Third Floor, Administrative Building, BAP/BHEL/Ranipet-632406.
Place Of Tender Opening	Outsourcing Department at Third Floor, Administrative Building, BAP/BHEL/Ranipet

Tender specifies a set of prequalification criteria defining the eligibility for the vendors to quote against a particular item of this tender. The Bidders are advised to go through all the enclosed Tender documents terms & conditions detailed under **Sections I to V, Annexures- A to K**, carefully before submitting their Offer.

All the **Annexures A to Annexure-K** should be filled, wherever applicable by the bidders without fail for evaluation of their offer and **all necessary supporting documents** as required are to be attached.

The bid shall be submitted in Two parts namely (1) Techno Commercial Bid and (2) Price Bid.

Kindly refer to the **Section-IV** – General Terms and Conditions of the tender for detailed procedure for submission of offers.

Kindly refer to **Annexure-B and Annexure-H** for the detailed eligibility criteria and scope. If vendor is not meeting the eligibility criteria as per Annexure-B, they are not eligible to quote and need not quote for this tender. Sealed Tenders are hereby invited from experienced firms for the above scope.

Contact details / address for any clarification and for Offer submission.

Sr. Manager-(Contracts-LDPP)
Outsourcing Department, Boiler Auxiliaries Plant
Bharat Heavy Electricals Limited, ,Ranipet-632406
Phone : 04172-284030, 284158, 241170, 284323
E-Mail : mkmoorthy@bhelrpt.co.in, rvr@bhelrpt.co.in

Sr. Manager(Contracts-LDPP)/OS

 AN ISO 9000 COMPANY	Bharat Heavy Electricals Limited (A Government of India Undertaking) Boiler Auxiliaries Plant, Ranipet – 632 406		☎: 04172-284030, 284158, 284323 241170
	OUTSOURCING DEPARTMENT		E-Mail : rvr@bhelrpt.co.in , mkmoorthy@bhelrpt.co.in
Enquiry No	664117E	Due Date & Time for submission of offers	Prior to 10.00Hrs On 21-August-2015
Enq-Dated	17-July-2015	Date & Time of Tender opening	By 10.15Hrs On 21-August-2015
SECTION II Techno Commercial Terms & Conditions			

Sealed Tenders are hereby invited from experienced Firms located **within 450 km** by Road from BHEL, Ranipet for Final Precision Machining of Machining of Impeller Hub ,Support Body, Machining of Bearing Housing and Complete Drilling & Tapping of Bearing Housing in accordance with With the Technical Specification and Scope as per **Annexure-H** / BHEL Engineering Drawings/Quality Documents. Fabricated/Rough Machined Components will be supplied by BHEL/ Ranipet as free issue.

1.0 Eligibility of Vendor : Vendor must meet the Eligibility Criteria given as **Annexure-B** else their offer will not be considered. Vendor must have the facilities specified in the **Annexure-B**.

1.1 For study and quoting of rates for the items given in the tender, Drawings, QWI against are kept at BHEL office for vendor study on all working days from Monday to Saturday from 09.00 Hrs to 16.00 Hrs.(up to 3 days prior to the due date for submission of tender).

1.2 Vendors are requested to have a perusal of these drawings, QWI, etc., before submitting their offer. **The offer has to be submitted Only in Technical Bid format** duly signed therein by the authorized person of the Firm with rubber stamp in the space provided in the format. No deviation or change from the Tender conditions will be entertained and BHEL reserves the right to reject such offers.

1.3 Based on the Rate finalized, the Firms shall accept and undertake all jobs awarded to them and execute to the satisfaction of BHEL. Failure to comply with this requirement will be viewed seriously.

1.4 BHEL will conclude that the offer has been submitted by the firm, fully understanding all the requirements both explicit and implied and other conditions and accepting the same. After tender opening, vendors do not have any right to change / alter any of the conditions either partly or fully. Offers of any such firms doing so, will be rejected.

2.0 FIRM RATES :

2.1 Please quote **FIRM** rates per Number as called for in **Price Bid format**.

- Vendor has to quote rates for **Ex-Works** basis only.
- The rate shall be **exclusive** of the Transport Charges. Delivery of semi finished components to vendor works and Dispatch of finished goods to Shipping/Stores at BHEL, Ranipet is to BHEL scope.
- The rate shall include for protecting machined/threaded areas to avoid physical damages while handling, transportation and storage.

- (d) The rate shall include offering the jobs for inspection to BHEL /Customer of BHEL or their authorized inspection agencies.
- 2.2 The rates shall be FIRM and not subject to any variation/escalation on any account during the validity period.
- 2.3 It may be noted that timely delivery of components is the essence of the Contract.
- 2.4 In case if the quantum of load is beyond the capacity of vendors in the opinion of BHEL or for shorter delivery requirements, BHEL reserves the right to extend/award the contract for manufacture of items covered herein to other probable new or alternative sources, without prior intimation to the vendors and BHEL's decision is final in this regard.
- 2.5 The Vendors are responsible till the Finished/Semi-finished components are safely deposited to BHEL, Ranipet. They should carefully pack, load, stack by providing wooden reapers, etc. for avoiding damage during transit and lash the consignment properly at the time of despatch so that the consignment reach the destination safely.

3.0 Raw Material Issues and Accounting :

- 3.1 The weight indicated in GMS/DRG/ and or as per Scope indicated in the PO addendum will be the basis for accounting of raw materials issued. For billing conversion charges if any the weight indicated in GMS/Drawing only will be considered.
- 3.2 Any act of Vendor resulting in dishonest misappropriation or conversion of the materials so issued for his own use shall constitute the offence of Criminal Breach of Trust under Indian Penal Code and /or such other offences under any other provisions of law and the Contractee shall have every right to proceed against the Vendor under Criminal Law in order to ensure proper punishment to such perpetrator/s for the said offence/s. In such cases, BHEL shall take all necessary steps to recover the material available with those firms.
- 3.3 Movement of BHEL materials from Vendor's premises to any other Firm(s), if necessary, for the purpose of production related work shall be documented properly, signed by the sender & receiver and the same to be authenticated by the concerned OS official, otherwise such materials will be treated as shortage by BHEL Accounts.
- 3.4 Protecting the material issued by BHEL under safe custody until completing the delivery as required is vendor's responsibility.

4.0 Recovery for Turning and Boring Scrap:

- 4.1 Normally the difference between the issued-weight and the net-weight is considered as off-cut/scrap. Wherever machining operation (including Drilling) is involved the difference between individual-piece-weight (ie. Blank weight) and the finished-weight will be considered for T-and-B calculation.
- 4.2 For this tender T&B scrap is negligible and recovery may not be applicable.
- 4.3 The materials rejected due to reasons attributable to vendors like (a). Faulty workmanship, (b). Improper storage of raw material issued by BHEL (c) improper handling (d) improper packing etc. will entail recovery at prime material's cost.
- 4.4 The materials rejected due to BHEL reasons shall be returned to BHEL,Ranipet Stores failing which recovery will be made.
- 4.5 The material supplied by BHEL, Ranipet. shall properly be utilized as per the Scope in Contract/drawings/QWIs in job work order to meet the design and quality requirements of the product.

- 4.6 Failure to return the materials will entail recovery of the value of the materials plus departmental/administrative charges fixed from time to time. Currently the departmental/administrative charges are 25% for indigenous material and 50% for Imported materials on the material value. In addition, statutory taxes, duties & levies as applicable will also be recovered and no claim for refund will be admitted by BHEL, Ranipet. The rate of departmental and administrative charges as applicable from time to time irrespective of the date of failure will be applicable. Besides penal interest will be levied on the material value, for the period starting from date of issue of material.
- (a) Once the IP is closed as mentioned above no re-opening of IP except recovery from running bills will be entertained.
- (b) For this item vendor need not submit Vendor/Firm MAS (Where (a) The Unit of Issue is in "Numbers" (b) the Material type is semi-finished-components/Castings/Forgings (c) The PO Qty, Issue Qty and DC-Qty are same and (d) Not involving addition of material through MIV for the same RS-NO.
- (c) The vendor shall be bound by the accounts, statements acknowledgement of materials, BHEL material issue documents, receipts etc., wherever signed by their representative.
- 4.7 The raw material/semi finished components issued to the Vendor as free issue shall remain the property of BHEL, Ranipet. The Vendor shall use the above material only for the execution of BHEL'S contract/addenda and for no other purpose whatsoever. The Vendor shall be responsible for the full value thereof to be assessed by BHEL, Ranipet whose decision shall be binding on the Vendor. The Vendor shall be liable for the loss or damage to such property while such property is in the possession or under the control of the Vendor, their employees, workmen, representatives or agents or any other person connected with the Vendor. The Vendor should execute an agreement in **Rs. 100/-** non- judicial stamp paper and maintain the secrecy of the design, know how of BHEL products.
- 4.8 All the materials of BHEL, Ranipet shall under no circumstance be hypothecated/leased/liened /encumbered to any bank or to any lending Institution or to any party whomsoever. It should not also be shown as the Vendor's assets in any of the statements of the Vendor to any party.
- 4.9 The Vendor shall, whenever required, produce the materials supplied as free issue by BHEL, Ranipet in the form of raw material, semi finished or fully completed boiler components to BHEL officials visiting the Vendor's unit for verification purposes. If the Vendor fails to produce or properly account the material so issued, BHEL, Ranipet will have the right to take further action as deemed fit including recovery of the value of materials along with the respective administrative charges and statutory levies from the running bills of the Vendor (with BHEL,Ranipet and with other Units of BHEL) and also any or all of the actions such as, Suspension of business dealing, temporary suspension of loading, termination of Contract, holding the payment due etc., Similarly for the claim made by any units of BHEL (on account of such vendor) to the BHEL,Ranipet, the Bank Guarantee submitted to BHEL,Ranipet will be encashed.
- 4.10 As and when required/applicable, BHEL, Ranipet will transfer(or advice for returning u/RSV) the balance material available from one Vendor to the other vendor/other IP of the same vendor. For this, necessary credit will be given in material accounting, the material transfer emanating from Outsourcing, BHEL, Ranipet is to be honored by the Vendor within 15days or otherwise recovery will be made at the prime material cost., Any difficulty for effecting such transfer shall be brought to the knowledge of OS/ BHEL, Ranipet officials immediately.
- 4.11 Raw materials will be loaded by BHEL, Ranipet either in lorries/trailers/ bullock carts and can be overseen by Vendor's representative at BHEL Stores / Shop. Shortage or variation in quantity, size and weight shall not be accepted once the material leaves BHEL, Ranipet Stores. Raw materials will be issued by BHEL, Ranipet, only after the receipt of necessary Bank Guarantee.■

- 4.12 Where an entity (whether a proprietorship, partnership, company, Hindus Undivided Family or otherwise) commits a default or breaches the Contract and the proprietor/ partner/ director/ member of such entity is also a proprietor/ partner/ director/ member of another entity that is registered with BHEL (in Ranipet or any other unit of BHEL), BHEL shall have the right to recover losses due to the default or breach, whether direct, indirect or consequential, either from the defaulting/ breaching entity or the other said entity or both. Such right shall also include the right to encash any security (in any form such as but not limited to bank guarantee, demand draft, FDR, etc.) furnished by either or both entities. Without limiting the applicability of the foregoing, it shall not be a defence to the other said entity for enforcement of such a right that:
- (a) Both entities are legally distinct/ separate entities, or
 - (b) The management of the entity/ partners/ directors/ members of such other entity were not aware that the proprietor/ partner/ director/ member of the defaulting/ breaching entity was also a proprietor/ partner/ director/ member of the other said entity.
- 4.13 The Vendor shall be bound by the accounts, statements acknowledgement of materials, receipts etc., wherever signed by their representatives.
- 5.0 TRANSPORT CHARGES :** Tender calls for the offers on Ex-Works basis (ie. Freight charges are in BHEL scope and shall not include in the quoted price), hence No Transport Charges payable extra for the Raw Materials / Components collected from BHEL and return of finished items vice-versa.
- 5.1 Incase of transfer of raw material/semi-finished items from one vendor to another vendor, through IUWTV, the responsibility for collection of materials including the cost of transportation and handling etc.. shall wrest with Second Vendor.
- 5.2 No extra charges towards transport will be allowed for collection & deliveries by the vendor , since the tender is alled for Ex Works basis.
- 5.3 **Additional Transport Charges:** Transport Charges incurred by the vendor for any special intermittent operations other than specified in the Tender scope or any additional movement requested by BHEL officials in writing, the transport charges payable extra as per the Extra Rate Schedules available in Main OS contract.
- 5.4 For return of PDO materials thro RSV (PDO due to BHEL reasons like issue of faulty materials, non suitable materials, any drawing revision etc), transport charges are to BHEL account.
- 6.0 PACKING:** The Vendor shall do at his cost the necessary packing for easy & safe handling and transportation as per BHEL drawing wherever specific packing arrangements are applicable and normal packing for the other items required for transit by rail/road transport wherever necessary.
- 7.0 TERMS OF DELIVERY:** The price should be on "EX-WORKS" basis only (Inclusive of packing charges). The finished machining / fabrications on acceptance by BHEL, Ranipet inspector or by their authorized inspection agency shall be delivered (transport arrangement by BHEL) to BHEL, Ranipet Stores / Shipping immediately.
- 8.0 TECHNICAL REQUIREMENTS :**
- 8.1 The machining / fabrications shall strictly confirm to the dimensions and tolerances indicated in the drawings/QWI. Care must be taken to adhere strictly to the NOTES given in the drawings/Contract. It should be ensured that actual dimensions, and deviations if any, are recorded properly in the D.R. books and preserved at least for 5 years. The same shall be made available to BHEL Officials or their authorized agencies.
- 8.2 Any other work carried out outside the requirements of drawings/QWIs shall have the prior approval of the competent authority of Outsourcing / BHEL, Ranipet.

- 8.3 Adequate facilities like handling facilities, measuring instruments as called for, must be available duly calibrated and kept with the Vendor for the manufacture of boiler components. All the above basic machining / fabrication facilities/equipments must be under working condition and the same be made available for verification by the BHEL officials or their authorized agencies whenever they are called for.

The instrument/gauges are to be calibrated periodically

Calibration status shall be displayed at the Vendors works in a conspicuous location. Calibration can be performed either at BHEL or at any Govt. approved labs traceable to National Standards.

9.0 **INSPECTION:**

- 9.1 Inspection of fabrications/Machinings (conversion work) shall be by BHEL Quality control department and/or by the customers and/or by an agency or persons authorized by BHEL, Ranipet at the Vendor's works including Self Inspection firms. Selected firms shall be approved by competent authority authorizing self inspection. The concerned Engineer/supervisor/Authorized Official of the firm authorized by the firm to carry out all Inspection activities and their authority/activities shall be on par with any other Inspection agency approved by BHEL. All facilities and equipments, calibrated instruments like tapes, thread checking gauges upto M20, and bore dial gauges and bits up to 100 mm. and standard gauges required for inspection shall be provided by the Vendor free of cost.
- 9.2 BHEL representatives/authorized agencies will have free access to the Vendor's works at any time during the execution of job work orders as well as for verification of requisite documents/materials. (The requirement of Customer approved quality plan will be indicated in the PO/Addenda).
- 9.3 The semi-finished components are deemed to have been accepted as ready for delivery only after IR is released by the Inspecting Agency.
- 9.4 Statutory inspection requirements such as IBR/External Inspection agency requirements if any, are to be met by the Vendor.

10.0 **PAYMENTS :**

- 10.1 Payment will be made for IP wise 100% for the supplies made against submission of Vendor invoices in duplicate to Finance section furnishing the job work order Sl. No., W.O., IR & DC No. along with IR, giving details of work carried out as per Extra Rate Schedule applicable, if any supported by
- (a) Stores Receipt Voucher in case of Stock Work Order items.
 - (b) Delivery challan acknowledged by BHEL Stores.
 - (c) Inspection Report (IR)
 - (d) If the claim is made for more than one job work order Sl. No., only one invoice have to be submitted with annexure giving the above details.
 - (e) Wherever finished goods are dispatched directly to site (DTS) from fabricators works as per BHEL instructions, necessary formalities to be followed as per BHEL conditions stipulated from time to time . Also in such DTS cases, the documents like copy of DC, Lorry Way Bill etc shall be submitted along with their invoices for payment purposes.
- 10.2 The amount due to BHEL, Ranipet, if any, will also be recovered from the Vendor's running bills. No request for the refund of penalty/recovery will be entertained after final material accounting is done. Payment will make only through 'Electronic Fund transfer/RTGS Transfer'. Acceptance for the same may be submitted in the prescribed format if not done already.
- 10.3 Payment will be restricted to two bills per Work Order or Job Work Order Sl. No. only However, one more bill per month against any one of the pending Work Orders will also be permitted as a special case and this should have the prior approval by competent authority.

- 10.4 The payment shall be subject to the deduction of any amount for which the firm is liable indirectly under this contract or any other contract of the firm or any other firm's contract where the proprietor / any of the partners / directors of the present firm is / are proprietor/director/s/partner/s, in respect of which BHEL / Ranipet is a contractee.
- 10.5 Request for delivery extension is to be made if there is a valid reason, in the format for that particular job work order Sl. No., failing which liquidated damages will automatically be levied. No request for extension/refund of penalty will be entertained there after.
- 10.6 Payment will be made in about 45 days after receipt of valid invoices raised and supported by full set of necessary documents at Accounts Department. No interest shall be payable by BHEL on any money due to the Vendor by BHEL.

11.0 PROGRESS REPORT:

The Vendor shall submit progress report from time to time and also discuss with our officials concerning the progress of the work and commitment as may be required by BHEL, Ranipet. The submission, receipt and acceptance of such reports shall not prejudice the rights of BHEL, Ranipet under the Contract nor shall operate as an estoppel against BHEL, Ranipet merely by reason of the fact that they have not taken notice of/or objected to any information contained in such reports. Action as deemed fit will be taken if the progress of the work is not satisfactory.

12.0 BANK GUARANTEE :

- 12.1 The Vendor shall execute a Bank Guarantee for the value of **Rs.5 Lakh** from any one of the Scheduled or Nationalized banks on behalf of the Vendor for the safe custody of the materials supplied by the BHEL, Ranipet as free issue and for the satisfactory performance of the Contracts. The guarantee shall be executed on a non-judicial stamp paper or value Rs. 100/- as per our standard Bank Guarantee clauses and shall be kept valid for One year & Claim period of additional THREE MONTHS over one year and extensible till final settlement of supply and payment **and BG to be submitted directly by Bankers to BHEL in a Standard format. BG format will be given by BHEL and it has to be filled in that format only. Sample form, Bankers list and Instructions for filling BG is given in Section V.**
- 12.2 In place of Bank guarantee, Fixed Deposit Receipt (FDR) drawn in favour of BHEL, Ranipet can also be furnished. **In any case BG/FDR shall be available at the time of loading the item.**
- 12.3 The Bank Guarantee should cover the recoveries to be made by BHEL towards Safe custody of Material Supplied , Scrap / Faulty workmanship, etc. also for which proper material accounting is not made within the stipulated time and shall cover all Contracts past, present and future placed / to be placed by the BHEL, Ranipet. If the recovery amount is more than the pending bills, the difference amount to be settled immediately submitting Demand Draft in favour of BHEL/ Ranipet.
- 12.4 Loading on the vendor shall be restricted in such a way that the value of the materials to be issued and the stock of BHEL materials already available with the vendor.

13.0 BANK GUARANTEE NORMS ;

- 13.1 Necessary Bank Guarantee(BG) / Fixed Deposit Receipt(FDR) should be furnished. The BG shall be kept **valid through one year PLUS 3 Months as claim period** and must be renewed in-time. It is also to be noted that the BG for the value indicated for each Firm shall be made available with BHEL at the time of loading, failing which Firm will not be considered.
- The required Bank Guarantee shall be submitted with in 7 Days of finalization of the order, else the non submission of BG will be treated as "*not honoring his own offer or any of the condition*" stated/agreed in the tender and declared fit for taking penal action by BHEL as per "*Suspension of Business dealings*".
- 13.2 The release of orders by BHEL, Ranipet shall be on the strength of Bank Guarantee for the safe custody of raw materials issued by BHEL, Ranipet as free issue.

- 13.3 BHEL reserves the right to increase the value of BG/FDR depending on the material availability with the vendor from time to time. For placement of PO/addendum, if available BG is short of the required BG value, the same will be intimated to the vendor to submit additional BG. The vendor shall arrange for the required BG within 15 days from the date of receiving such intimation from BHEL. If the vendor does not submit the required BG within 15 days, then the loading quantity may be reduced / diverted to other firms. After completion of that particular order, the vendors can request for return of BG (other than base BG) and the same shall be considered by BHEL.

- 13.4 The base BG shall be returned by BHEL after 90 days from the date of final bill submission or ARC validity period whichever is later.

14.0 GUARANTEE OF FABRICATION / MACHINING:

The Vendor shall warrant that the conversion work comply fully with the drawings and other technical conditions. If the jobs are found defective owing to reasons attributable to the vendors like faulty workmanship / incomplete work within a period of eighteen months from the date of handing over to BHEL, the Vendor shall make good of it / replace the same free of cost. Alternatively, the rework / replacement charges will be recovered from the Vendor.

15.0 LIQUIDATED DAMAGES and RISK PURCHASE:

- 15.1 The semi-finished jobs/fabrications/Machining on acceptance by BHEL, Ranipet inspector or by their authorized inspection agency, shall have to be delivered to BHEL, Ranipet Stores / Finishing Bay immediately on or before the delivery date stipulated in the addendum. Where the Vendor supplied the finished machining / fabrications beyond the delivery date stipulated in the addendum, liquidated damages at the rate of **½%** of the value (Conversion Cost) of the assemblies delayed for each week or part thereof will be levied subject to a maximum of **10%** value of the particular Work Order in the addendum to the Contract without prejudice to any other relief or compensation to the BHEL, Ranipet under any other conditions of the Purchase Contract.
- 15.2 Further, BHEL, Ranipet will get these items fabricated elsewhere, without notice to the Vendor on the account and at the cost and risk of the Vendor, the jobs not so delivered without canceling the Contract in respect of installments of machining / fabrications not yet due for delivery or cancel the Contract or a portion thereof and, if so desired, fabricate elsewhere at the cost and risk and account of the Vendor. Any additional expenditure incurred by BHEL on this account shall be recovered from the Vendor.
- 15.3 Delivery shall be fixed by BHEL for each JWO on project requirement and product lead time.
- 15.4 Where delivery extension is sought with waiver of penalty, the same should be applied to OS with justification and approval to be obtained before submission of bills and two copies of such letters (One for Accounts & One for OS Department) are to be enclosed along with all the bills. Failure to comply with this requirement will result in recovery of penalty while processing the bills for payment from the same bill and no claims for refund of liquidated damages will be entertained there after.
- 15.5 Reasons like power cut, Labour Issue, Machine Break-down etc., which are controllable by the vendors shall not be accepted as reasons for delay for delivery extension purposes. No compensation shall be given to the Vendors, in case of cancellation/diversion of POS beyond the delivery Due Date, even if the Jobs have been processed partly.

16.0 ACTION AND COMPENSATION IN CASE OF BAD WORKMANSHIP:

If any work has been executed with unsound, imperfect or bad workmanship or with materials of inferior quality, the Vendor shall on demand in writing from BHEL specifying the work, material/articles complained of, notwithstanding that the same may have been passed, certified and paid for, forthwith, rectify the work so specified in whole or in part as the case may require, at their own cost and in the event of his failure to do so within reasonable period. BHEL will rectify or remove and re-execute the work at the risk and expense of the Vendor.

17.0 COMPENSATION AGAINST DAMAGE OF MACHINERY/TOOLS AND GAUGES SUPPLIED:

- 17.1 BHEL reserves the right to claim adequate compensation from the Vendor on account of any damage caused to the machinery / equipment / tools and gauges supplied to them for execution of work, due to careless or faulty handling or negligence on the part of the Vendor. The total cost of recovery will be decided by BHEL.
- 17.2 BHEL shall have general supervision and direction over the work, BHEL has the authority to stop the work, whenever such stoppage may be necessary to ensure the proper execution of the Contract. BHEL shall also have the authority to reject all the works which do not confirm to the specification, to direct the application of forces to any portion of the work as, in their judgment is required, and order the force increase or decrease and to decide on the issues which arise in the execution of the work.
- 17.3 BHEL reserves the right to suspend the work or part thereof put a hold on further loading to the Vendor at any time for any reason at its discretion and no claim whatsoever on this account will be entertained.

18.0 SUBLETTING :

- 18.1 The Vendor shall not sublet or assign this Contract or any part thereof without the written permission of BHEL, RANIPET. Subletting or assigning this Contract or any part thereof without such permission BHEL, Ranipet shall be entitled to cancel the Contract and to execute the conversion work elsewhere at the risk and cost of the Vendor and the Vendor shall be liable for any loss or damage which BHEL, Ranipet may sustain in consequence of or arising out of such machining / fabrication elsewhere and also cancellation of registration/temporary suspension of further loading.
- 18.2 "Movement of BHEL materials from our Vendor's premises to any other Firm(s), if necessary, for the purpose of production related work shall be documented properly, signed by the sender & receiver and the same to be authenticated by the concerned OS official, otherwise such materials will be treated as shortage by Accounts".
- 18.3 These intermediate operations are to be carried out only at the approved sources and addition/deletion to this list will be indicated to the vendors then and there.

19.0 TAXES AND DUTIES:

- 19.1 Works Contract VAT exemption certificate as per Form 'S' under section 13 (1)(C) of TN VAT Act as amended from time to time is to be obtained from Commercial Tax Officer by Vendors and submitted to BHEL, failing which appropriate Work Contract VAT will be recovered from the running bills of the Vendor.
- 19.2 In respect of fabrication contracts, as the Vendor is fabricating the material issued by BHEL and the fabricated component is painted by the subvendor, works contract TDS will be recovered on the value of the works contract @ 5% or as applicable under TN VAT act. Fabricator has to provide TIN number to enable BHEL to deduct and remit the applicable Works contract TDS. BHEL will issue form "T"(Works contract TDS certificate) periodically. Alternatively Vendor can submit Form "S" received from assessing officer, Commercial Taxes, of the respective circle for non-deduction of Works contract TDS by BHEL.
- 19.3 Taxes applicable if any will be reimbursed at actual on submission of necessary tax invoice mentioning the TIN/ registration number and proof of payment to the statutory authorities.
- 19.4 BHEL will recover applicable Excise Duty and VAT along with cost of prime material, off cut, scrap including Turning & Boring (T and B) at the time of finalizing MAS wherever the property in the goods passed on to the Vendor. An Invoice will be issued under relevant rules of Excise and VAT.

- 19.5 BHEL will reimburse applicable VAT @ 5%/14.50% (or as applicable under TNVAT Act) for painting schedule against ORIGINAL TAX INVOICE as per TN VAT Rules and a Certificate of Payment as given below:-

"We certify that TN VAT of Rs. _ _ _ _ _ charged in our Invoice No _____ dt _____ has been paid to the Credit of Commercial Tax Officer _____ Circle , Govt. of Tamilnadu on _____:-"

- 19.6 Fabrication of components of ESP, APH, Fans, Gates and Dampers etc. amount to manufacturing activity and hence service tax is not applicable under Negative list (Section 66D (f)). If Fabrication along with Sand Blasting and Painting are carried out by a single fabricator, it will amount to manufacturing activity and no service tax is applicable under Negative list (Section 66D (f)).

19.7 Where the process carried out by the Vendor does not amount to manufacture as per Central Excise Act, 1944, service tax is applicable as given below:-

- 19.7.1 In respect of the processes where there is no transfer of Property in goods for eg: Sand Blasting, Heat treatment, Nitriding etc. carried out separately by a Vendor, the entire service tax has to be paid by Vendor.
- 19.7.2 In respect of the processes where there is transfer of Property in goods for eg. Painting, galvanizing, chrome plating, etc. carried out separately by a Vendor, it is treated as Works contract service and Vendor is charging VAT on 70% of contract price, service tax is applicable for the balance portion of 30% of contract price which is to be paid by fabricator @ 50% and balance 50% will be paid by BHEL as receiver of service, if the subvendor is individual, HUF, Partnership Firm, Association of persons. In case of Limited Companies (Public or Private) 100% service tax is to be paid by Vendor.
- 19.7.3 Provided where the Paint is issued by BHEL 100% of service tax is to be paid by Fabricator on painting charges.
- 19.7.4 In respect of projects where excise duty paid by BHEL, Vendor is exempt from payment of service tax for these projects under Notification 25/2012 ST dt 20.6.2012 sl No 30 (c)
- 19.7.5 In case of Small service providers where the annual total service value is up to Rs 10 lakh, service tax is exempted under Notification 33/2012 ST dt 20.06.2012 as amended from time to time.
- 19.7.6 Wherever service tax is claimed by Vendor as above BHEL shall reimburse the applicable service tax @ 12.36% presently (including 3% Cess) against submission of the following documents:-
- i. Service Tax Registration Certificate (Self attested copy)
 - ii. Original Service Tax Invoice (as per Service Tax Rules)
 - iii. Certificate for payment of Service Tax
 - iv. Service Tax challan (Self attested Copy)
- 19.8 For Transport Charges under extra rate schedule number **E17 SERIES**, the entry tax if any will be to Vendors account as the same is available as Input Tax Credit. This rate is inclusive of service tax on transportation.
- 19.9 Income Tax deduction and surcharge on IT at source at such percentage as prescribed in the Income Tax Act from time to time will be made on the value of the invoices in the absence of Income Tax Exemption Certificate from the concerned Income Tax Officer received and submitted by the Vendor. Vendor has to submit photocopy of PAN Card along with original for verification.
- 19.10 All statutory documents required for execution of contract to be finalized against this enquiry and required from time to time by State/central Govt. Authorities shall be submitted to BHEL, failing which appropriate recovery/actions as deemed fit will be levied from the running bills of the vendor.

20.0 EXCISE DUTY:

VENDORS WHO USE BHEL MATERIAL FREE OF COST AND FINISHED COMPONENTS RETURNED TO BHEL STORES OR DESPATCHED DIRECTLY TO CUSTOMER SITE:

- (i) Vendors are exempted from payment of excise duty as they are job workers under Government of India Notification No.214/86 CE dt.25.3.86 as amended from time to time for the purpose of free issue of raw materials/semi finished goods to them for carrying out necessary operation and return the finished components without payment of duty to the BHEL RANIPET's factory for further processing. They are bound to comply with the requirements of the said notification. This is subject to subsequent statutory modifications and amendments in force from time to time. Vendors shall comply with the requirements of the said Notification. This is subject to subsequent statutory modifications and amendments in force from time to time. Besides, Taxes, duties, levies and any other govt. special levies as applicable from time to time, through notifications/amendments to original notification/orders, during the tenure of the rate contract, shall be extra as applicable against valid documentary evidence. Any increase or decrease in this regard will be effected accordingly against valid documentary evidence.
- (ii) The required raw materials will be issued under the cover of Cenvat Credit Rule (CCR) 4 (5)(a) and / or Notification 214/86 Challans. The Vendor receiving the materials under CCR 4 (5)(a) and / or Notification 214/86 Excise Challan have to complete the work order and return the finished components and scrap within 3 months from the date of first issue of materials unless otherwise extended by BHEL and all materials shall be fully accounted for in FMAS. For this purpose Duplicate (Green) copy of all the Excise Challan shall be returned back to BHEL after duly signing in PART II with seal with FMAS and DC copy. If the materials are not returned/ fully accounted for within three months or such extended period as may be allowed by BHEL, any Loss of CENVAT credit to BHEL will be recovered from the Vendor's bills.
- (iii) In case of failure of non submission of challan due to reasons not attributable to Vendor, (like non matching of materials, hold informed by BHEL, delay due to cycle time etc.,) is to be intimated to BHEL every month by the Vendor.
- (iv) In case of direct dispatch to customer site after approval by Asst Commissioner of Central Excise, necessary Excise formalities have to be complied with by Vendor. Necessary records as per Central Excise rules have to be maintained by the Vendor.
- (v) FMAS is to be prepared immediately on dispatch in all cases based on which applicable Duty/VAT on scrap/Off cut will be recovered from Vendor and paid to Excise Dept.

21.0 GENERAL :

- (a) BHEL reserves the right to recover the dues if any, from the Vendor from any one of the running bills of this contract or any other contract with the vendor or from any other division of BHEL. Vendors disqualify themselves to be an approved vendor of BHEL, in the event , it is found that they carryout activities / business which are in direct competition to BHEL business and accordingly they will be delisted. Vendors / Firms indulging in business practices detrimental to BHEL, will be severely dealt with by the due process of law. In addition to the above conditions the following specific conditions also bound under this contract.
- (b) The Vendor is liable for all statutory obligations, including but not limited to taxes and duties, ESI, PF, ED/ST, Labour Acts, Factories Acts, Workmen Compensation Act, etc., for their workers. BHEL, RANIPET will have no liability in respect thereof. Notwithstanding the above, if any demand notice is served by the concerned Statutory authorities for recovery of any of their dues on BHEL, BHEL shall have the right to pay the same without notice to the Vendor and recover the same plus administrative charges of 15% of such amount from the Vendor either from the pending/future bills of the Vendor or otherwise. Such act of repeated default is liable for suspension/stoppage of further business till such time the default/violations get vacated. Notwithstanding anything to the contrary, BHEL shall not be liable for any penalty or interest imposed by any statutory authority due to the action of the Vendor or his employees, workers, agents, etc. .

- (c) The Vendor has to devise suitable scheme whereby the employment of child labour should be regulated in line with the child Labour Act (prohibition and Employment Act 1986).
- (d) All the safety precautions and use of safety equipments are to be followed while carrying out the fabrication and despatch of the same. The Vendor must have proper tools and handling equipments. There should always be a responsible person available at the Vendor's works to oversee the operation and compliance of safety regulations. If any non-compliance with respect to proper safety conditions/requirements, BHEL may withhold visit/inspection, instruct stoppage of work till such time the desired safety requirements/conditions are met with.
- (e) All the documents (Inclusive of Drawings, GMS and Standards) of BHEL made available to the Vendor should be kept in a strict confidence and under no circumstance be made available to others or allow others to make use of them for any other commercial purpose whatsoever. This secrecy clause is binding on the employees of the Vendors also. Any contravention will be subjected to legal action besides suspending business with BHEL. Such documents should be returned to the BHEL, RANIPET destroyed with the prior approval of Outsourcing, BHEL, RANIPET.
- (f) Unauthorized act of engagement of any individual who is a full time employee of BHEL for part time/full time work by the Vendor will be viewed very seriously and such act is liable for suspension/total stoppage of further business dealings with the Vendor by BHEL, RANIPET.
- (g) Should a Vendor has a relation or relations in the case of a firm or a company of the Vendor, one or more of its shareholders or relation or relations of the shareholders employed in BHEL or any ex employee who has retired/resigned within a period of two years as on date of the Contract or at any subsequent date after award of this contract, BHEL shall be informed of the fact at the time of signing the contract and thereafter as applicable and obtain the permission of BHEL for such engagement, failing which BHEL may in its own discretion rescind the contract.
- (h) The Vendor shall not attempt any unethical acts and if they are found indulging in such acts, they are liable to be blacklisted apart from other actions. Vendor indulging in any business practices detrimental to BHEL either directly or Indirectly, will be dealt with severely by the due process of law.
- (i) In case of any internal dispute of the Vendor, such as but not limited to disputes between partners of the Vendor, dispute between Vendor and its employees, the same shall be intimated to BHEL within One Month from the date of dispute. Notwithstanding anything to the contrary, BHEL shall not be made a party any suit or legal proceeding in respect of such internal dispute. In case BHEL is made a party to the same, the Vendor and other party(ies) to the dispute, if signatories to this Agreement, shall indemnify BHEL for (a) all direct and indirect costs expended towards such legal proceedings immediately on the issue of a claim notice to that effect from BHEL and (b) any liability that may be imposed in such legal proceedings against BHEL.
- (j) Payment for all the invoices shall be effected by a crossed A/C payee cheque /EFT/RTGS in favor of the Banker which should be indicated in all invoices of the Vendor.
- (k) In order to ensure safe custody of our materials, leasee of those firms under lease shall ensure that their lease period is valid for minimum of 3 years.
- (l) In addition to the above, our standard General Conditions enclosed shall also apply.
- (m) The entire terms and Conditions contained in this tender shall be deemed to form an integral part of the Contract to be entered.

22.0 BHEL reserves the right to :

- (a) Negotiate with the Vendor who has submitted the Lowest offer.
- (b) Distribute the requirements on more than one vendor at the Lowest acceptable rate.

23.0 Vendors are requested to indicate their own email-Id as "Primary e-Mail-ID", which will only be used for all correspondences.

24.0 **Arbitration and Jurisdiction:**

- (a) Any dispute between BHEL and the Vendor arising out of or in connection with this Contract, other than those for which BHEL decision is final, shall be referred to arbitration by a sole arbitrator.
- (b) The parties hereto agree that the Sole Arbitrator shall be the Unit Head of BHEL, BAP, Ranipet or his nominee. The venue of Arbitration shall be Ranipet, Tamil Nadu. The arbitrator may hold meetings for convenience at such places as per his discretion.
- (c) The award of the Arbitrator shall be final, conclusive and binding on both parties to the Contract.
- (d) Subject to the above, the courts at Ranipet alone have the jurisdiction to decide any dispute arising out of or in respect of the Contract.

Vendors are requested to quote only for the items applicable to their firm as per the Technical Bid and Price Bid format enclosed.

The offers should be submitted as detailed in **Section I to Section IV and Annexures A to K**

BHEL, Ranipet is not responsible for any type of delay in receipt of tender.

BHEL, Ranipet reserves the right to reject any or all the tenders either in full or part thereof at their discretion without assigning any reason thereof.

Thanking you,

Yours truly,

For and on behalf of

BHARAT HEAVY ELECTRICALS LIMITED,

Sr. MANAGER (CONTRACTS) / OS

	Bharat Heavy Electricals Limited (A Government of India Undertaking)		☎: 04172-284030, 284158, 284323, 241170
	Boiler Auxiliaries Plant, Ranipet – 632 406		
AN ISO 9000 COMPANY	OUTSOURCING DEPARTMENT		E-Mail : rvr@bhelrpt.co.in , mkmoorthy@bhelrpt.co.in
Enquiry No	664117E	Due Date & Time for submission of offers	Prior to 10.00Hrs On 21-August-2015
Enq-Dated	17-July-2015	Date & Time of Tender opening	By 10.15Hrs On 21-August-2015
SECTION III Technical Information			

Sealed Tenders are hereby invited from experienced Firms located **within 450 km** by Road from BHEL, Ranipet for Final Precision Machining of Machining of Impeller Hub ,Support Body, Machining of Bearing Housing and Complete Drilling & Tapping of Bearing Housing in accordance with the Technical Specification and Scope as per **Annexure-H** / BHEL Engineering Drawings/Quality Documents. Fabricated/Rough Machined Components will be supplied by BHEL/ Ranipet as free issue.

1. **Tender Items** : The tender requirement is for Precision Machining of **Impeller Hub, Support Body and Bearing Housing** . The descriptions of the Items are given in the following table. The scope of operations required is given under **Annexure-H**. Technical Bid and Price Bid formats are given in **Annexure-C** and **Annexure-D** separately for submission of tender.

Sl.No	Item Description & Drawing Number	Qty (Nos.)	Weight in Kgs per No
1	Machining of Impeller Hub Drawing No. 0-55-214-00867	4	260.030
2	Machining of Impeller Hub Drawing No. 0-55-334-00921	8	413.980
3	Machining of Impeller Hub to Drg.No 0-55-334-01287 as per Scope indicated in the Annexure-H	28	399.186
4	Machining of Impeller Hub to Drg.No 0-55-335-01192 as per Scope indicated in the Annexure-H	14	560.246
5	Machining of Supporting Body to Drg.No 1-55-335-00890 as per Scope indicated in the Annexure-H	25	605.000
6	Machining of Bearing Housing W130 to Drg.No 0-55-335-01269 as per scope indicated in the Annexure -H	10	300.000
7	Machining of Bearing Housing to Drg.No 0-55-335-01259 as per scope indicated in the Annexure -H	4	800.000
8	Machining of Bearing Housing to Drg.No 0-55-335-01297 as per scope indicated in the Annexure -H	6	1800.000

9	Complete Drilling and tapping of Bearing Housing W130 to Drg.No 0-55-335-01269 as per scope indicated in the Annexure -H	10	222.600
10	Complete Drilling and tapping of Bearing Housing to Drg.No 0-55-335-01259 as per scope indicated in the Annexure -H	5	720.000
11	Complete Drilling and tapping of Bearing Housing to Drg.No 0-55-335-01297 as per scope indicated in the Annexure -H	8	1770.800

2. **Scope of the Operation:** Scope of operation required on the job is deliberated in **Annexure-H**. Vendor has to confirm the Scope of Operations and submit the signed scope sheet along with Techno Commercial Bid in cover-I else their offer is liable for rejection.
3. **Facilities Required :** To carry out the operations required on the job, the manufacturing Facilities required like Drilling Machines, VTL, Horizontal Boring Machines, Jigs and Fixtures, Measuring Instruments etc. are mentioned in the Eligibility Criteria as **Annexure-B** and the same has to submitted along with Technical Bid in Cover-I.
4. **Eligibility of Vendors :** The vendors who are all having the Facilities required mentioned in the Eligibility Criteria Sheet as **Annexure- B** and sufficient experience in the manufacturing field can quote for this tender.
5. **Distance Eligibility Criteria- Vendors Location :** Firms located within 450 KM by road are only eligible to quote for this tender.
6. **Quantity and Splitting the Order Quantity:** Quantity requirement is mentioned against each item. The total quantity will be split among maximum up to 5 Vendors for Impeller Hub & Support Body (Eng Sl.No 01 to 05) and 3 Vendors for Bearing Housing Machining drilling (Eng Sl.No 06 to 11).
7. **Method of Splitting the Order Quantity:** After Price Bid opening, lowest offers for each item will be finalized by comparing BHEL's estimate straightaway or through negotiation. Then for ordering quantity the following procedure will be followed.
 - a. Initially 4 No's will be ordered for L1 ranked vendors for Impeller Hub & Support Body (Eng Sl.No 01 to 05) and 2 No's will be loaded for Bearing Housing Machining drilling (Eng Sl.No 06 to 11)
 - b. Counter offering the L1 rates to the next higher ranked vendors except H1 will be made. Maximum up to 5 vendors for Impeller Hub & Support Body (Eng Sl.No 01 to 05) and 3 Vendors for Bearing Housing Machining drilling (Eng Sl.No 06 to 11) will be finalized through counter offering. Counter offering will be made according to the individual item rank.
 - c. Further loading will be made by way of issuing addendum on existing P.O based on the vendor performance i.e completion of the initial order

- d. For ordering purpose, combination of items can be made to meet minimum ordering quantity.
- e. If counter offer is not acceptable by other vendors for any of the item, then ordering on L1 vendor will be made for their full capacity.

8. **Method of Arriving L1 Vendor:** Offers called for this tender is on Ex-Works basis. Freight will be arranged by BHEL on both ways. To arrive L1 offer on landed cost basis, the following freight amount will be added to the Ex-Works offer. Two numbers will be transported per trip, accordingly the freight charges will be arrived per number.

SL NO	WORK	Distance in KMs (UP & DOWN)	Rate per Trip(with load one way) Rs.
01	BHEL, Ranipet to various places in and around Bangalore & vice versa (within a radius of 40 KMs)	219+219	6365.00
02	BHEL, Ranipet to various places in and around Chennai & vice versa (within a radius of 40 KMs)	120+120	3135.00
03	BHEL, Ranipet to various places in and around Coimbatore & vice versa (within a radius of 40 KMs)	409+409	8265.00
04	BHEL, Ranipet to various places in and around Tiruchy & vice versa (within a radius of 40 KMs)	302+302	6650.00
05	BHEL, Ranipet to various places in and around Hosur & vice versa (within a radius of 40 KMs)	190+190	4940.00
06	BHEL, Ranipet to various places in and around Ranipet & vice versa (within a radius of 30 KMs)	60	760.00
07	From any place to any place Within Tamil Nadu (KM Rate)	0 - 500 Kms	Rs.12.58/Km
08	From any place to any place Within Tamil Nadu (KM Rate)	>500 Kms	Rs.12.44/Km

9. **Technical Bid :** Technical Bid is given as **Annexure – C**. Vendors can download the format and fill the details as requested.

Existing Vendors who have executed similar type of jobs has to mention completed PO/IP number released on them. If no PO/IP is not mentioned in the Technical Bid, then the vendor will be evaluated for the facilities required.

10. **Price Bid:** Price Bid is given as **Annexure-D**. Simultaneously Vendor has to download the Price Bid Format along with Technical Bid Document to quote and fill the same.

Note: Unit rate only to be mentioned in the price bid. Any Rates indicated other than in Price Bid Cover III shall not be considered.

11. **Drawings:** The drawings are not hosted in the Web-Site. However the drawings referred in the tender will be displayed at BHEL for the Vendors who are willing to quote for the tender.

Drawings available for study purpose to the Vendors at BHEL Outsourcing Department, conference hall from 09.00 Hrs to 16.00 Hrs on all working days from Monday to Saturday till 3 days before the tender opening due date. No soft copy of the drawings will be given. Vendors can get the drawings by giving written request to study and estimate the cost of operations for submitting offer.

12. **Quality Documents:** Quality documents mentioned in the tender will be given along with drawings.

Care: Offers received other than the format hosted in the web site will be summarily rejected.



Enquiry Number: 664117E

Dt.17.07.2015

SECTION IV
GENERAL TERMS & CONDITIONS OF THE TENDER

Before preparing the offer, vendors are requested to go through the following details carefully

A] Eligibility of Vendors

i) New Firm (So far not Registered with BHEL, Ranipet as Outsourcing Vendor)

Sealed Tenders are hereby invited from experienced Firms located within 450 km by Road from BHEL, Ranipet for Final Precision Machining of Impeller Hub ,Support Body, Machining of Bearing Housing and Complete Drilling & Tapping of Bearing Housing in accordance with the Technical Specification and Scope as per Annexure-H / BHEL Engineering Drawings/Quality Documents. Fabricated/Rough Machined Components will be supplied by BHEL/ Ranipet as free issue.

Filled-in Vendor Registration form as in Annexure-K is mandatory for all new firms. For tender documents in online through internet access the relevant website ,

BHEL registered Vendors (Other BHEL units) : Vendors registered with any unit of BHEL for the similar jobs , shall give details of their registration along with the category registered for. Such Vendors also treated as new vendors for evaluation purpose.

ii) Existing Firm (Registered with BHEL, Ranipet as Outsourcing Vendor having Vendor Code)

Firms already registered with Outsourcing (OS) BHEL/BAP/Ranipet and having facilities to machine this item shall also be evaluated if required. At least one PO / IP number for any one of the item shall be indicated in the Technical Bid as proof for the items already executed by them.

If an existing vendor is quoted newly for this tender, fresh assessment shall be done by BHEL to check the eligibility criteria with respect to Machines, experience available with them.

B] Vendors Not Eligible to Quote

Vendors declared / notified as defaulters / poor performers on quality / delivery grounds are not eligible to quote. The vendors with whom the material shortages were found during stock verification and not settled at the time of price bid opening will not be considered. Offers if any received such vendors shall not be considered.

Vendors under Hold/Delisted/Banned by BHEL are not eligible to quote.

C] Eligibility of Vendors Regarding Facilities (Mandatory) : The vendors must have the facilities given in the Annexure-B to quote for this tender else their offer will be rejected. And also they must have sufficient experience in the manufacturing field to quote for this tender.

D] Distance Criteria for the New Firms

Firms located within 450 KM by road are only eligible to quote, the firms located beyond this distance will not be considered.

E] Experience: Documentary proof for having experience shall be enclosed with the tender. Vendor should submit the 2 recent Job-Work-Order copies executed by them within three years of tender due date along with performance certificate / end user certificate as a proof. All credentials will be verified by BHEL.



F] Validity of Offer

Price validity shall be One Year from the date of release of Purchase order; however the validity date of the offer is 180 days from the date of tender opening for ordering. (Note: If Supplier does not honour his own offer or any of its conditions within the validity period, penal action deemed fit as per Cl.P of Section IV - Suspension of Business Dealings with vendors).

G] MSME Documents

As per the Public Procurement Policy notified by the Central Government, Micro and Small Enterprises quoting within the price band of L1+15% shall be allowed to supply the requirement up to 20% of the tender value subject to condition that such Enterprises bring down their price to L1 price where L1 price is from other than a Micro and Small Enterprise. If L1 offer is from a Micro / Small Enterprise, this provision will not be applicable. In case more than one Micro and Small Enterprise is there within this span, the supply shall be shared proportionate to the tender quantity. (70:30 or 50:30:20 of the eligible quantity). To apply this condition MSME vendor has to submit the following document along with offer in cover I.

- i. Self Attested Copies of either EM II (Entrepreneur Memorandum Part II) having deemed validity Five years from the date of issue of acknowledgement in EM II from the date of acknowledgement of the EM II certificate **(or)**
- ii. Valid NSIC Certificate **(or)**
- iii. EM II Certificate along with attested copy of a CA Certificate (Format enclosed as **Annexure-G** where deemed validity of EM II certificate of five years has expired) applicable for the relevant financial year (latest audited).

Date to be reckoned for determining the deemed validity will be the date of Bid opening. Non submission of such documents will lead to consideration of their bids at par with other bidders and MSE status of such suppliers shall be shifted to Non MSE supplier till the supplier submits these documents.

H] Submission of Offer

TENDERS

The Bids shall be submitted in two parts namely (i) Techno Commercial Bid Cover and (ii) Price bid cover. All these two covers should be sealed individually and to be put in a single envelope.

Sealed tenders super-scribed with Tender Number with date, Supplier's Name, Vendor Code/Reference Code shall be addressed to Manager / Contracts, Outsourcing Department, Bharat Heavy Electricals Limited, Ranipet – 632 406, Tamilnadu, INDIA, so as to reach him on or before the date and time specified in the tender.

The details of contents of the offer covers are as under:-

Sealed Single Envelope super-scribed, with Tender Number & Date, Vendor's Name & Vendor Code / Reference Code containing:

Cover I: Techno-Commercial Bid

Sealed Cover super-scribed "Cover I – Techno-Commercial Bid" with Tender Number & Date, Vendor's Name & Vendor Code / Reference Code containing:

- a) **Basic Details as per Annexure-A**
- b) **Eligibility Criteria confirmation Format as per Annexure-B**



- c) **Signed in Technical Bid** (without Price) as per **Annexure-C.**
- d) **Signed in Standard Commercial Terms & Conditions format** given as **Annexure-E.**,
- e) **Manufacturing Facilities Available with Firm** as per format given in **Annexure-F .**
- f) **MSME Document** as per **Annexure-G**
- g) **Signed in scope of operations for confirmation in Annexure-H**
- h) **Affidavit** in Stamp Paper value Rs.100 as per **Annexure-I**
- i) **Vendor Registration Form** given as **Annexure-K** along with all necessary documents **(For New Firm)**
- j) **Experience** - Documentary proof for having experience.

Note:

(i) All new firms submitting the offer shall be subjected to assessment of vendor registration forms **(Annexure-K)** along with supporting documents & spot evaluation (if applicable) for considering their offer. Price bids of firms failing to meet the Technical Qualification / Eligibility Criteria of the quoted Rate Schedules shall not be considered for further processing in the tender.

(ii) Offers shall be submitted along with PAN No., CST & TIN No. / Tariff No. etc, failing which BHEL will not be liable for payment. Our TIN No. 33243560005, CST No. 239383/11.06.91, BHEL ECC No. AAACB4146PXM008.

(iii) Money values shall not be indicated anywhere in the Technical Bid.

(iv) All Annexure to the Techno-Commercial bid should be serially numbered.

(v) Tenders not submitted in the prescribed formats given in the Annexure like *Standard Commercial Terms & Conditions, Technical Bid* etc. and *incomplete offers* are liable for rejection.

vi) Documents shall be annexed in the order specified above (clause a to J)

Cover-II : Price Bid

Sealed Cover super-scribed "Cover II – Price Bid" with Tender Number & Date, Vendor's Name & Vendor Code / Reference Code containing:

Price Bid - Price duly filled-in the Price Bid format provided in the tender document in conformance with the commercial terms as per Cover-I.

The Prices shall be indicated in both figures and words. Unit rate only to be mentioned in the price bid.

Any Rates indicated other than in Price Bid cover II shall not be considered.

Put both Cover I and Cover II in a Single envelope.

Note:

i) The price should be on "Ex-Works" basis Inclusive of packing only, No other delivery terms shall be acceptable.

ii) While quoting their rates, the Bidders are advised to take into account the likely expenditure, escalations, statutory requirements & levies, labour laws, safety requirements, taxes etc. No price escalation/variations shall be entertained after opening of price bid.

iii) Tenderer shall bear all cost incidental to preparation, submission and negotiations of the tender.



- iii) If BHEL withdraws the Tender before or after the receipt of offers, whether the offer is accepted or not, tenderer shall not be entitled to claim any costs, charges, expenses incidental or incurred by him through or in connection with the submission of the offer.
- iv) 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.
- v) In their own interest, all Tenderers are advised to double check their prices before submitting the offer.
- vi) The quotation should be valid at least for a period of 180 days from the tender opening date.
- vii) Offers should be submitted One Set in original only.
- viii) The offers should invariably contain Signature (ink-signed) & Office Stamp of the Supplier. Any corrections / erasures in the offers should be initialled and stamped.
- ix) Bidders should submit the prices in Indian Rupees only.
- x) Offers in Hard-copy are only expected. As an exceptional case, the offers may be submitted to tenderoutsourcing@bhelrpt.co.in. BHEL is not responsible for non-receipt of offer by email in-time at our mail-box due to any kind of system delay/problem.

I] Persons Authorized for Signing the Offers:

The Tender documents shall be signed by the Authorized Signatory Only.

J] Opening of Offers

a) Tenders shall be received up to 10.00 Hours (A.M) on the said due date and be opened on the same day at 10.15 Hours (A.M). Tenders received after 10.00 Hours (A.M) would not be opened. The times indicated are Indian Standard Time (IST).

- b) It is bidder's responsibility to ensure that the Tenders are submitted before the specified date and time. BHEL shall not be responsible for any postal delay.
- c) If a Supplier submits only one envelope / cover containing 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.
- d) First Cover I containing Techno Commercial bid will be opened.
- e) Price bids – Cover II of Technically qualified bidders alone shall be opened on a later date. The date / time of Price Bid opening will be communicated to the technically qualified Bidders separately.

K) Witnessing the Tender opening

- i) 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.
- ii) 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 Tender opening.
- iii) Authorizations received by fax / e-mail would not be acceptable.



iv) Details of the vendors participated alone would be read out during Technical Bid opening and details of Price alone would be read out during Price Bid opening by the Tender Opening Officer.

Note

(i) Offers sent by e-mail / fax or any other mode other than the three cover system specified above shall be avoided. On an exceptional case offers may be e-mailed to tenderoutsourcing@bhelrpt.co.in.

(iii) 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.

L] Evaluation of Techno Commercial Offers

a) For New Firm: The Techno commercial bids and Registration forms submitted by the firm will be scrutinized and if the firm is meeting the pre-qualification & mandatory requirements, then the firm will be visited by BHEL team for spot assessment of their works. Based on the assessment, BHEL assessors will communicate the technical suitability of the vendor and the same will be informed to the firm. Subsequently vendor code will be generated for the qualified Vendor and will be considered for Price Bid opening.

b) For Existing Firm: The Techno commercial bids submitted by the firm will be scrutinized and evaluation if required will be carried out to check the eligibility of the vendor to proceed further for price bid opening.

c) The eligibility of the firms will be verified based on the pre-qualification criteria of the tender and compliance / confirmation to the tender requirements for the items quoted. Only those firms complying with the pre-qualification criteria shall be considered for participation in the tender. Once the vendor is found to be technically suitable meeting all the technical and commercial requirements of BHEL, price bid of those qualified vendors will be considered for further processing.

d) Offers of vendors not technically qualified will be rejected and the same will be communicated to those vendors with reasons.

e) No deviation or change from the Tender conditions will be allowed and BHEL reserves the right to reject such offers.

M] Evaluation of Price Bid

i) The rates quoted shall be evaluated on Item wise landed cost to BHEL basis only.

ii) If the rates of Two vendors are equal resulting in same ranking, among the equal ranked vendors, the sub-ranking will be done to decide the L1-vendor eligible for negotiation.

The sub-ranking will be done in-the-order by providing lower ranking for vendors

- (1) Not having listed as defaulter,
- (2) Become Sole-L1 for more number of Rate Schedules,
- (3) More the BG value for OS-LDPP,
- (4) Less count of Pending IPs for more than 30 days,
- (5) Nearer to BHEL by location
- (6) Earlier date of commencement of activity as in MSME certificate and/or
- (7) Draw of lots as a final measure (in presence of such vendors, who may like to be present).

iii) Tenderer contacted in this tender does not automatically qualify for consideration just because they are found to be the lowest in Tender. BHEL reserves the right to reject any offers without assigning any reasons. BHEL also reserves the right to negotiate or counter offer the rates to any of the parties at their discretion.



iv) If the L1 rate against any item is found not acceptable to BHEL, then the L1 firms may be called for negotiation before finalizing the rate.

v) BHEL has the right to refloat or short-close the Tender if L1 price is not the lowest acceptable price, or for other reasons.

vi) *Higher ranked (H1) vendors for each item will not be considered under any circumstances for ordering.*

vii) The rates shall be quoted only in the Price Bid format both in words and figures. Wherever there is a difference between the words and figures, the following guidelines will be followed.

a) If there is a difference between 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 BHEL there is an obvious misplacement of decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.

b) 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.

c) If there is a discrepancy between word 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 to (a) and (b) above.

d) If there is such discrepancy in an offer, the same will 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 BHEL, the bid is liable to be ignored.

viii) 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.

ix) Offer with any pre-conditions (like conditional discounts) for price are liable for rejection.

x) BHEL reserves the right to reject without assigning any reasons 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.

xi) In case of any discrepancy between the description of the Item, quantities, specifications, drawings and for other tender documents, the decision of BHEL in writing is final, binding and conclusive for the purpose of this tender.

xii) 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.

xiii) BHEL reserves the right to conduct negotiations on the "Price" and "Other Commercial Terms and Conditions" with the lowest ranked offeror and

xiv) If so required by BHEL, Supplier may have to share their cost data / costing sheet with BHEL.

N] Abnormally Low Offers

If the prices offered by L1 Bidders are found to be unrealistic, unworkable with respect to BHEL's estimate or prevailing market rates, BHEL will ask for justification also demand the break up cost element for such rates from the vendors with appropriate documentary evidence and if not submitted it will be construed that the vendor has offered the rates with an intention to sabotage BHEL Tender process/ tamper Tendering procedure, affecting the ARC process. In such cases, BHEL will have the discretion to reject the offer in line with BHEL procedures. Hence the bidders are advised to exercise abundant care in submitting a correct genuine offer.



O] Counter offer

- i) Once the L1 rate for each item is finalised, then the L1 rate shall be counter offered to the other technically qualified vendors for the quoted items for their acceptance.
- ii) Based on the acceptance of vendors PO will be issued for the concerned item.
- iii) Counter offering will not be extended to top higher ranked vendor.
- vi) If none of the vendors are accepting for the counter offer given by BHEL, then BHEL will place orders on the L1 ranked vendor for the quantity mentioned in the tender subject to the capacity availability indicated by the vendor.

P] Placement of Orders and Loading

Purchase orders will be issued after finalizing rates against each item on L1 vendors and further to the other vendors those who are accepting counter offered rates. Discrepancy in the PO's if any, has to be settled immediately then and there within 10 days from the date of release of PO.

M] Execution of the Order

- a) Once the order is released, vendor can view the orders in B2B portal of BHEL, Ranipet. However vendor has to collect hard copies of the Purchase order, IP (issue position), Engineering Drawings and relevant documents from BHEL through their authorised representative.
- b) Vendor has to collect Raw materials / Components from BHEL stores / Shop to their works on clearance. BHEL will arrange vehicle for transportation to the vendor works.
- c) Vendor has to study the Drawings, Standard Quality Plan (SQP), any Customer Hold Points (CHP), any stage inspection requirement etc. carefully before start of manufacture.
- d) During manufacturing, wherever stage inspection is required, vendor has to offer for inspection to BHEL QC / BHEL approved Inspection Agencies for clearance to proceed further.
- e) All measuring Instruments to be calibrated as per standards at BHEL Metrology / any approved Labs on chargeable basis and manufacturing / inspection will be carried out with calibrated instruments only.
- f) On completion of Job, final inspection is to be offered to BHEL QC / BHEL approved Inspection Agencies with relevant Dimensional Report (DR). After clearance from the above agencies, Inspection Report (IR) has to be obtained for the same.
- g) Despatch the items to BHEL, Stores / Shipping along with Delivery Chelan (DC), Inspection Report (IR), and Dimensional Report (DR) each 6 copies and shall get Inward Entry on Delivery Chelan (DC) from the Gate In charge. BHEL will arrange vehicle for collection of finished components from vendor works.
- h) On delivery, authorised representative of vendor shall follow Stores /Shipping to control the DC's/Stores Receipt Voucher(SRV).
- i) Intimation of controlled DC's/SRV will be mailed by Finance to vendors for submitting the Invoices.
- j) Vendors have to submit the invoice and relevant documents to finance in stipulated time for the release of payments.
- k) In case of new vendors, The Inspection report on **First-of-trial** of First-addendum-PO shall be submitted. Further loading of jobs will only be considered after the successful completion of the First-addendum-PO.
- l) The Vendors are responsible till the finished components are safely deposited with BHEL / Ranipet. They should carefully pack, Load, and stack as per QWIs, for avoiding damages during transit and lash the consignment properly at the time of dispatch so that the consignment reach the destination safely.



O] Termination of Inquiry / Orders:

- a) BHEL reserves the right to cancel any inquiry before opening of the tender, without assigning any reason.
- b) BHEL reserves the right to cancel any tender and refloat a fresh tender, at any time after opening of the tender, in case it finds the response to its tender as not meeting its requirement. This shall be at the sole discretion of BHEL.
- c) 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.
- d) In the event of the non-performance of the contract, by the Supplier, the rights of BHEL include, in addition to cancelling the order, to take alternate action at the cost and risk of the supplier. The additional expenditure to be incurred by BHEL in such alternate action would be to the account of the supplier.
- e) BHEL reserves the right to cancel the order for delay in supply beyond penalty period without any monetary or legal obligations and at the risk and cost of the Supplier. and
- f) 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%. Delivery for purpose of L.D, will be reckoned as the date of clearance of the equipment for dispatch by BHEL.

P) Suspension of Business Dealings with vendors

1) A Supplier may be put on hold for a period of ONE YEAR for future enquiries for specific material categories items/ works for Ranipet unit on the basis of one or more of the following reasons:

- a) Supplier does not honour his own offer or any of its conditions within the validity period.
- b) Rejection of three consecutive supplies of a specific material category , average Quality Rating (Quality rating as at the end of the previous calender month falls below 80% of the quality weightage. This is irrespective supplies against PO(s) having single/multiple delivery schedules) due to reasons attributed to supplier (Once a lot is rejected, is repaired and accepted, it still constitute rejection).
- c) Two consecutive delays, for reasons of delay attributed to the supplier in execution of the contracts, where delay occurred is such that
 - (i) Prescribed Maximum LD time limit of the contracts is reached/exceeded.
 - (ii) Delay period as equaled / exceeded the original delivery period specified in the contracts, which ever among the above is earlier.
- d) Supplier performance rating in line with SEARP falls below 60% of the specific material category
- e) Supplier fails to respond against three consecutive tenders. The Regret letter from supplier with a valid reason will be considered as a response
- f) Supplier fails to settle any outstanding on account of material (including short returned) / Scrap OR on any other account
- g) Supplier works are under strike/ lockout for SIX months or more

2) A Supplier may be de-listed ie. Removed from the list of registered suppliers of our Unit for all category of the material for a period of TWO YEARS on the basis of one or more of the following reasons:-



- a) Supplier tampers with tendering procedure affecting ordering process
- b) Supplier has misused BHEL documents/ Drawings OR has breached the confidentiality agreements with BHEL and
- c) After placement of order, supplier fails to execute a contract.

3) A Supplier can be banned for a period of THREE YEARS from doing any business with all Units of BHEL on the basis of receipt of authentic evidence of one or more of the following reasons:

- a) Supplier is found to be responsible for submitting fake/ false/ forged documents, certificates, or information or has resorted to unethical, illegal means in getting the contract.
- b) In spite of warnings, the Supplier persistently violates or circumvents the provisions of labour laws/ regulations/ rules and other statutory Requirements.
- c) Supplier is found to be involved in cartel formation or in any act so as to influence the bidding process OR influence the price.
- d) The supplier has indulged in malpractices or misconduct such as bribery, corruption and fraud, pilferage etc.
- e) The Supplier is found guilty by any court of law for criminal activity/offences involving moral turpitude in relation to business dealings.
- f) The Supplier is declared bankrupt, insolvent, has wound up or been dissolved; i.e ceases to exist for all practical purposes.
- g) Supplier is found to have obtained any internal information / documentation of BHEL by unauthorised means
- h) Communication is received from the administrative Ministry of BHEL to ban the Supplier from business dealings.
- i) The foreign principles along with the representing agent shall be banned together if information submitted by them about their precise relationship, commission/ remuneration etc., payable/ receivable and other particulars as asked by BHEL, as per the extant guidelines regarding dealing with agents of foreign suppliers is found false/incorrect
- j) Supplier has substituted, damaged, failed to return, short returned or unauthorized disposed off materials/ documents/ drawings/ tools etc of BHEL.

4) The decision of suspension will be intimated to the vendors citing the reasons. The respective vendors shall attach importance to the issue and immediately acknowledge receipt of the communication and reply for the aspects raised.

Q] Force Majeure

- i) 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.

ii) If as a result of difficulty in procurement of raw materials or due to force majeure reasons or any other reasons what-so-ever the contractor is unable to keep the delivery schedule of the contractee, extension of time may be granted by the contractee at their discretion as may be necessary to the extent considered necessary should there be delay in supply beyond the extended date of delivery, it shall be open to the contractee to terminate the contract in part or full and make other arrangements for executing fabrication elsewhere at the cost and risk of the contractor.

R] Others

a) The Firms are advised to study and understand the scope of work and the entire process of Contract execution involved before quoting. Any technical clarifications required can be sought in person or by e-mail three days before the due date of Tender opening.

b) In case of any contradiction in the terms and conditions given here and elsewhere in the other documents of the tender or any omissions in the Tender documents or for any clarifications in the tender conditions, it shall be the responsibility of the tenderer to get it clarified from BHEL. The officer authorized to provide such clarifications is the Manager / Contracts, Outsourcing Department, Phone: 04172 – 284030, e-mail mkmoothy@bhelrpt.co.in, rwr@bhelrpt.co.in, ssvasan@bhelrpt.co.in

c) 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 BHEL web-page.

d) BHEL will conclude that the offer has been submitted by the firm fully understanding all the requirements both explicit and implied and other conditions and accepting the same. After tender opening, the bidders are not allowed to change / alter any of the conditions either partly or fully. Offers of any such firms doing so, will be rejected.

e) Conditional and late Tenders, Tenders which are incomplete or otherwise considered defective with respect to Tender conditions and Tenders not in accordance with the Tender conditions herein contained and the Tenders not in original shall be rejected out rightly, at any point of time during the Tender processing.

f) Should the tenderer or the vendor have a relation or relations in the case of a firm or company of Vendors, one or more of its shareholders or relations or relations of the share holders employed in BHEL or any ex-employee who has retired / resigned within a period of two years as on date of quotations or at any subsequent date after the award of the contract, the authority inviting the Tender shall be informed of the fact at the time of submission of the tender and there after as applicable and obtain the clearance of BHEL for such engagement failing which, BHEL may in its own discretion reject the tender or rescind the contract.

g) If a Bidder is found to have given false information / documents as a part of their offer, such offers shall be rejected / the contract shall be terminated and the firm shall be banned from getting business from all BHEL units.

h) If any Supplier attempts to bribe, or pay commission, gift or any advantage or bring in undue influence either by himself or on his behalf any one including a stranger to the tender, in addition to instituting legal proceedings as per the extant laws prevailing, will disqualify the supplier from this tender and all future tenders of BHEL. Decision of the Purchaser would be final in this matter.

i) The laws governing this transaction shall be the laws in India.

j) The tenderer shall acquaint himself with the conditions/limitations and official regulations under which or conforming to which the jobs are to be performed and shall examine carefully at the information as may be furnished to them in writing from time to time.



k) The tenderer shall acquaint himself with applicable Acts.

l) As a policy BHEL is not registering any power of attorney issued by Vendors/Vendors in favour of their bank for the collection of Invoice amounts on behalf of Vendors/Vendors and merely because BHEL had acted upon any such request by the party or their bankers does not constitute any legal right or binding on BHEL for any acts of omissions and commissions or failure to act upon it or for any payment made directly to the party. If any banker includes BHEL also as a party to any such dispute between the banker and the party, all legal and incidental expenses thereof will be recovered from the concerned parties only.

m) In the event of an order, Supplier shall agree to settlement of disputes or differences, if any, by way of arbitration, in accordance with the "Rule of Arbitration" of the Indian Council of Arbitration.

n) The offer/s of such of those bidders who do not accept for levy of liquidated damages (LD) for delay in delivery and who do not accept for submission of the BG for the value and period specified herein above is likely to be summarily rejected. No correspondence would be entertained by BHEL in this regard, on this subject. BHEL specifically draws the need of this mandatory requirement to the notice of all Bidders. The Price Bid of such of those offerers failing to meet this requirement, would not be considered for the Price-Bid Opening.

o) The language in the tender 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 specifications 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 not be allowed to participate in future tenders of BHEL.

S] General :

1.0 Definitions : Throughout these conditions and in the specifications the terms :

(a) **"The Contractee"** means the Bharat Heavy Electricals Limited, acting through the Additional General Manager, Outsourcing Department ,Boiler Auxiliaries Plant, Ranipet – 632 406 unless the context otherwise provides.

(b) **"The Contractor"** means the person, firm or company with whom the order for machining / fabrication is placed and shall be deemed to include the Contractor's successor (approved by the Contractee), representatives, heirs, executors and administrators, as the case may be, unless excluded by the terms of the Contract.

(c) **"The Drawings"** means the drawings exhibited or provided for the guidance of the Contractor.

2.0 Execution :

The whole contract is to be executed in the most approved substantial and workman like manner to the entire satisfaction of the contractee, or the inspecting officer, who shall have power to reject any of the fabrication of which he may disapprove; and his decision thereon and on any question as to the true intent and meaning of the specifications of drawings or of the work necessary for the proper completion of the contract, shall be final and conclusive. The contractee may require alterations if any to be made during the progress of machining /fabrication, and should these alterations be such that either partly to the contract considers an alteration in the changes justified such alteration shall not be carried out until amended cost of machining /fabrication charges have been submitted by contractor and accepted to fabricate without obtaining the consent of the contractee in writing to an amended cost of machining /fabrication charges, the contractor shall be deemed to have agreed to execute fabrication at such charges as may be considered reasonable by the contractee.



3.0 Interpretation :

Any dispute or difference of opinion in respect of the interpretation, effect or application of this particular condition of the contract or of the amount recoverable here under from the contractor shall be decided by the contractee and the decision shall be final and conclusive.

4.0 Book Examination Clause :

(a) The contractor shall, whenever required, produce or cause to be produced for examination by any officer of the contractee authorized in that behalf any cost or other account book or account voucher, receipt letter, memorandum, paper or writing or any copy of extract from any such document and also furnish information and returns verified in such a manner as may be required in any way relating to the execution of this contract or relevant for verifying, ascertaining, the cost of execution of this contract (the decision of such officer of the contractee on this question or relevancy of any document, information or return being final and binding on the parties). The obligation imposed by this clause is without prejudice to the obligation of the contract/Job-Work-Order or under any statutory rules or orders binding the contractor.

(b) The contractor shall, if the authorized officer of the contractee so requires (whether before or after the prices have been finally fixed), afford facilities to the officer of the contractee concerned to visit the contractor's works for the purpose of examining the process of manufacture and estimate of ascertaining the cost of production of the articles. If any portion of the work be carried out by a Contractor or any subsidiary or an allied firm or company, the authorized officer of the contractee shall have power to secure the books of such Contractor or any subsidiary or an allied firm or company shall be open to this inspection.

5.0 Set – Off Clauses :

Payment shall be subject to the deduction of any amount, for which the contractor is liable under this contract, or any contract in respect of which Bharat Heavy Electricals Limited, Ranipet 632 406, Tamilnadu or any other Unit/ Office of BHEL is the **Contractee**.

6.0 Laws Governing the Contract :

(a) The contract shall be governed by the laws of Government of India in force.

(b) Irrespective of the place of execution of the contract, place of delivery, place of payment under the contract, the contract shall be deemed to have been made at Ranipet.

7.0 The Global Compact :

Global compact is a signature initiative of United Nations Security General and four United Nation Agencies

- Office of the High Commissioner for Human rights
- International Labour Organization
- United Nations Environment Programme
- United Nations Development programme

This is a board based initiative and engages:

- Individual Companies
- Business Associations
- International Labour
- Human Rights, Environment and development Organisations
- Academic & Public Policy Instructions and United Nations



The Contractee (BHEL) is a member of this Global Compact. As a participating Company, We have the obligation to

- ** Support and respect Human rights with in our spheres of influence.
- ** Make sure we are not complicit in Human right abuses.
- ** Make sure we are not employing forced or compulsory labour.
- ** Refrain from employing child labour
- ** Eliminate discrimination in our hiring and firing policies
- ** Support a precautionary approach to Health, Safety of employees and society and environmental challenges.
- ** Undertake initiatives to promote greater environmental responsibility
- ** Encourage development and diffusion of environmentally friendly technologies.

Contractor shall also ensure to fall in line with the above principles.

8.0 Occupational Health and Safety Management System (OHSAS 18001) and Environmental Management System (EMS 14001)

BHEL/BAP/RANIPET got accreditation Occupational Health and Safety Management System (OHSAS 18001) and Environmental Management System (EMS 14001). As per this, OS Contractors are requested to meet the requirements of EHS (Environmental Health & Safety) guidelines (mentioned below), while engaging and using Vehicles for incoming/outgoing transportation.

- To have valid Driving licence and RC book for the Transports
- To load the vehicle/bullock cart within the Safe Working Load (S.W.L.) The S.W.L. is to be displayed/painted on the vehicle/bullock cart.
- To load the material in such a way that it should not project outside the dimensions of the Vehicle/bullock cart.
- To stack the material in a manner that the material should not slide/fall during transportation.
- During manual lifting with an Adult, the weight should not exceed 50 kg.
- To attempt to adopt OHSAS 18001 / ISO 14001 requirements in their manufacturing process at Contractor's work place.
- To comply with applicable provisions of the Central Motor Vehicles Rules 1989 (Rule:136 and if any). List of important Phone Nos: (given by OS) should be available with the driver while transporting BHEL materials.
- To train drivers to handle emergency situation during transportation.
- To follow the Various Acts/Rules and Regulations (particularity Factories Act 1948 and Tamil Nadu Factory Rules 1950) applicable to them.
- To maintain valid PUC (Pollution Under Control) certificates and produce while vehicle is in this company premises.

Contractors are requested to meet the requirements of OHSAS 18001 / ISO 14001 as given below:

- ** To adopt OHSAS 18001 / ISO 14001 requirements in their manufacturing process at Contractor's work place.
- ** To comply with applicable provisions of the Central Motor Vehicles Rules 1989 (Rule: 136 and if any).
- ** To follow the applicable Acts/Rules and Regulations (like Factories Act 1948 and Tamil Nadu Factory Rules – 1950) applicable to them.
- ** In addition to this, they should follow the day to day communication of OS on this regard.

 An ISO Company	BHARAT HEAVY ELECTRICALS LIMITED (A Government of India Undertaking) பாரதமிகுமின் நிறுவனம் BOILER AUXILIARIES PLANT, Indira Gandhi Industrial Complex, RANIPET- 632 406 (Tamil Nadu)	Ph: 04172-284030, 284158,284323, 241170 Email: rvr@bhelrpt.co.in mkmoothy@bhelrpt.co.in
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BHEL-BAP-OS-LDPP- Enquiry : 664117E

dt 17.07.2015

SECTION – V**BANK GUARANTEE DETAILS****(Instructions to Fill the Bank Guarantee Format to be issued by BHEL)**

Minimum base BG value of Rs.5 Lakhs should be provided by the vendor before release of Purchase order.

1. Bank Guarantee shall be issued by any one of BHEL's Bankers or any Nationalized Bank. Please refer to List of BHEL's Bankers enclosed.
 - a. If it is not possible, then BG can be issued by a Scheduled Commercial Bank with the prior approval of BHEL.
 - b. BG from Co-operative Banks are not acceptable.
2. Pre-printed BG Form of BHEL only shall be used. Should not retype the format.
 - a. Only the relevant information like Supplier Name, BG Value, Contract No., Validity etc. shall be typed in the pre-printed form and executed by Bank.
 - b. Special adhesive stamp of the required value shall be affixed on the 1st page of the Form.
 - c. If Special Adhesive stamps are not available, then applicable stamp duty shall be paid at the Bank / Agency nominated by the concerned State Government to collect stamp duty, who" will affix their signature, date and seal in the first page of the BG Form clearly marking it as "SPECIALADHESIVE" & "STAMP DUTY".
 - d. Stamp Duty for the BG shall be at the rate as applicable in the State where the BG is executed.
 - e. Bank seal shall be affixed on the special adhesive stamp.
3. The executing officer of the Bank shall indicate his name, designation and power of attorney number/signing power number etc. on the BG.
 - a. Any correction / overwriting on the BG shall be duly authenticated under the Seal and signature of the executing officer of the Bank.
 - b. Each page of the BG shall be duly signed/initialed by the executing officer of the Bank and the last page is to be signed with full particulars under the seal of the Bank.
 - c. Fax number, e-mail Address, contact person, phone number and complete postal address shall be indicated in the covering letter of the BG from Bank.
4. The validity of the BG shall cover a period of 18 months (or such other period as per purchase Order, if otherwise specified) from the last date of dispatch as per Purchase Order or actual date of last dispatch under the Purchase Order, whichever is later.

- a. The BG shall have a claim period of 3 months. If no separate claim period is indicated in the BG, then the validity shall be 18 months (or such other period as per Purchase Order, if otherwise specified) plus 3 months.
 - b. No clause of the BHEL BG Form shall be altered, deleted or new clauses added by the issuing Bank under any circumstances. Bank Guarantees with altered/deleted/added clauses will not be accepted by BHEL under any circumstances.
 - c. If the issuing bank wants to add any additional clauses, it shall be intimated to BHEL well in advance with exact text of clause, which shall be subject to approval by BHEL Law department. Those clauses specifically accepted by BHEL- Law department can be added in the last page of the BG form and executed by Bank.
5. Bank Guarantee shall be forwarded by issuing Bank directly to AGM(OS)/BHEL/BAP/Ranipet-632406.
 - a. If it is not directly forwarded to BHEL due to unavoidable circumstance, then the issuing bank shall send a letter directly to BHEL conforming the issue of the BG enclosing a photocopy of the original BG
 - b. The bank guarantee should not be routed through Bank along with other dispatch documents under any circumstances.
 6. In case of any extension of BG the same shall be executed on non-judicial stamp paper of the required value.
 - a. Only the due date and claim period shall be extended
 - b. The extension should not result in alteration of any material facts of the BG.
 7. Bank Guarantees executed as per the above instruction only shall be accepted at our end. Hence kindly ensure compliance with the above instructions for yearly processing of the bills and to avoid hold up of the bills

List of Bankers from whom Bank Guarantee is to be obtained.

	Nationalised Bank
1	Allahabad bank
2	Andhra bank
3	Bank of Baroda
4	Canara Bank
5	Corporation bank
6	Central bank
7	Indian Bank
8	Indian Oversea Bank
9	Oriental bank of Commerce
10	Punjab National Bank
11	Punjab & Sindh Bank
12	State Bank of India

13	State Bank of Hyderabad
14	Syndicate Bank
15	State Bank of Travancore
16	UCO Bank
17	Union Bank of India
18	United Bank of India
19	Vijaya Bank
Public Sector Banks	
20	IDBI
Foreign bank	
21	CITI Bank N.A
22	Deutsche Bank AG
23	The Hongkong and Shanghai

	Banking Corporation Limited
24	Standard Chartered Bank
25	The Royal Bank of Scotland N.V.
26	J P Morgan
Private bank	
27	Axis Bank
28	The Federal Bank Limited
29	HDFC
30	Kotak Mahindra Bank
31	ICICI
32	Indusind Bank
33	Yes Bank

Bank Guarantee No : Date..... Banker Name :

Bank Guarantee Value Rs.....Lakh(s)

FIRM CODE :

Please affix Rs.80/- Non Judicial
Stamp here

1. THIS DEED OF GUARANTEE made this.....day of.....20.....
by (hereinafter called the Bank) in favour of
M/s. BHARAT HEAVY ELECTRICALS LIMITED, BOILER AUXILIARIES PLANT,
RANIPET-632 406 having its Registered Head office at BHEL HOUSE, SIRI FORT, NEW DELHI,
Pin - 110 049.
2. WHEREAS M/s. BHARAT HEAVY ELECTRICALS LIMITED, hereinafter called the "COMPANY"
have placed Purchase Orders / Work Orders which are pending as on date and also future
Purchase Orders / Work Orders to be placed by the company upto the expiry of this Guarantee
(hereinafter called the "CONTRACT") for machining fabrication supply of pressure and non-
pressure parts with
..... (hereinafter called the
CONTRACTOR/SUPPLIER) and the said machining / fabrication / supply of pressure and non-
pressure parts shall be made from the supply of raw materials and components by the company
to the Contractor / Supplier in pursuance of the Contract(s) already placed but pending execution
as on date and the Contract(s) to be placed from time to time by the company on the contractor/
supplier.
3. AND WHEREAS one of the conditions for placing such Contract(s) is that contractor / supplier
shall provide the company with a Bank Guarantee to the extent of Rs.....
(Rupees.....) as a security for the raw
materials and components supplied and to be supplied in pursuance of the contract(s) already
placed and pending as on date/and the contract(s) to be placed from time to time upto the
expiry of this Guarantee and also for the satisfactory performance and completion of work/supply
and the terms and conditions of the said contract.
4. AND WHEREAS the contractor/supplier have approached the Bank and at their request and in
consideration of arrangements arrived at between the said contractor/supplier and the said
Bank. We, the Bank have agreed to give such guarantee as hereinafter mentioned in favour of
the aforesaid company.

Sign & Seal of issuing Bank

Bank Guarantee Value Rs.....Lakh(s)

5. NOW, THEREFORE, these present witness that we, the Bank by the hand of Branch Manager its lawfully and duly constituted attorney, do hereby undertake irrevocably and unconditionally to pay without demur to the aforesaid company a sum of Rs..... (Rupees.....) on demand being made by the said company and to keep the said company indemnified to the extent of Rs..... (Rupees.....) by virtue of this guarantee against any loss/damage caused to/suffered by the said company, by reason of any breach by the aforesaid contractor/supplier of any of the terms and conditions, stipulations or undertakings or any one of them contained in the said contract(s) and the tender documents if any attached there to and for the payment of any money payable by the said Contractor/Supplier to the said company under the terms and conditions of the said contract(s) (the decision regarding the breach, loss, damage or payment due being solely in the discretion of said company). We further undertake to pay the aforesaid amount in lumpsum on demand without demur or such part thereof as the company may demand from time to time, irrespective of the fact whether the said Contractor/Supplier admits or denies such claim or questions its correctness in any court, Tribunal Arbitrations proceedings or before any authority. The liability or obligation of Bank under this guarantee would not wait till the disputes have been decided by any Court or Tribunal or in the Arbitration proceedings or by any other authority. It shall not be necessary for the said company to proceed against the Contractor / Supplier before proceeding against the Bank and its Guarantee herein contained shall be enforceable notwithstanding any security, which the said company may have obtained or obtain from the Contractor / Supplier. Further any payment made by the Bank to the company under this guarantee shall be deemed to have been duly and lawfully made.
6. The liability under this guarantee is a continuing one covering all contracts, already placed and pending as on date to be placed upto the expiry of this Guarantee and should any loss or damage occur on account of the breach of the terms and conditions of the said Contract(s) by the Contractor/Supplier or should any surplus raw materials and components become due to the Company under Contract(s) and remain undelivered to company, the Bank shall indemnify the Company for loss/damage for the value of raw materials and components, to an extent of Rs..... (Rupees.....) and this is without prejudice to any other remedies which may be otherwise available to the company against the Contractor/Supplier by way of deduction from any sum due or any sum which at any time hereafter become due from the Contractor/Supplier under this or any other contracts.

Sign & Seal of issuing Bank

Bank Guarantee Value Rs Lakh(s)

7. THE AFORESAID Guarantee will remain in force and the Bank shall be liable under the same irrespective of any concession or time being granted by the said company to the Contractor/Supplier in or for fulfilling the said contract(s) between Contractor/Supplier and the Company and the guarantee will remain in full force irrespective of any change of terms, conditions or stipulations or any variations in the terms of the said Contractor(s) and irrespective of whether notice of such change and/or variation is give to us or not and claim to receive such notice of any change and/or variation is given to us or not and claim to receive such notice of any change and /or variation of the terms and /or conditions of the said Contract(s) is hereby specially waived by us. Further, we shall not be released from this guarantee by any forbearance or the exercise or non exercise of any of the power or rights under the said contract(s) by the said company against the Contractor/Supplier irrespective of whether, notice of such forbearance enforcement or non enforcement of any powers or rights, modifications or changes made in the said contract(s) or concession shown to Contractor/Supplier by the Company is given to us or not.
8. THE GUARANTEE herein contained shall not be determined or affected by the liquidation or winding up or insolvency of or change in the constitution of the Contractor/Supplier and shall in all respects and for all purposes be binding and operative until all payments of all money due or that may hereafter become due to the said company are settled irrespective of any liability or obligation of the Contractor/Supplier under the said Contract(s).
9. A REFERENCE to this Bank Guarantee in the contract(s) placed already and pending as on date and to be placed upto the expiry of this Guarantee shall be sufficient to bind the Bank in respect of their liability under this Bank Guarantee and this Bank Guarantee shall be read as an integral part of the contract(s) already placed but pending as on date and to be placed upto the expiry of this Guarantee.
10. WE, THE BANK, further agree that the Guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said contract(s) and that it shall continue to be enforceable till all the dues of the company under or by virtue of the said contract(s) have been fully paid and its claims satisfied that the terms and conditions of the contract(s) have been fully and properly carried out by the said Contractor/Supplier and accordingly discharge the Guarantee, subject, however to the condition that the company shall have no rights under this guarantee unless a claim or demand in writing in respect of this guarantee has been preferred by the company with the Bank on or before/...../..... (including a claim period of 3 months). For the purpose of this clause any letter making the demand on the Bank by M/s.BHEL despatched by R.P.A.D. or by telegram or by FAX or by any electronic media addressed to the above mentioned address of the Bank shall be deemed to

Sign & Seal of issuing Bank

Bank Guarantee Value Rs.....Lakh(s)

be the claim/demand in writing referred to above irrespective of the fact as to whether or when the said letter reached the Bank, as also any letter containing the said demand or claim is lodged with the Bank personally.

11. Any CLAIM OR DISPUTE arising under the terms of this document shall only be enforced or settled in the Courts at Ranipet, Vellore District only.
12. THE BANK undertake not to revoke this Guarantee during the currency except with the previous consent of the Company in writing.
13. THE BANK declares that it has powers to issue this Guarantee and the undersigned has full powers to do so on its behalf under the power granted to him by the proper authorities of the Bank.
14. Notwithstanding anything contained herein before, our liability under this guarantee shall be limited to a sum of Rs..... and stand completely extinguished and discharged if no demand or claim is made upon us in writing on or before/...../..... (including a claim period of 3 months).

DATE THIS..... DAY OF20

Seal of the Bank

Signature of the Bank Manager