



TERMS AND CONDITIONS FOR TENDER ENQUIRY NO. BHEL: IVP:SC:RC89-2324 DATED:19.10.2023 OPENING DUE DATE: 25.10.2023

## (SUB-CONTRACTING DEPARTMENT)

### PART - A

1. Sealed tenders in two parts; Part-I: Techno-commercial bids and Part-II: Price bids are invited for Machining of valve and wall blower components as per relevant BHEL drawings.

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

Bid	Description	Superscription on envelope	Documents to be submitted
Part-I	Techno-Commercial bid in response to Tender Enquiry No. BHEL: IVP:SC:RC89-2324 DATED:19.10.2023	PART-I "Techno-Commercial Bid Tender Enquiry No. BHEL: IVP:SC:RC89-2324 DATED:19.10.2023. Due date of opening: 25.10.2023	Acceptance of all terms and conditions. Taxes applicable, if any, are to be mentioned in this part bid. <b>Attested Copy of UDYAM/UDYOG/MSE/SSI/NSIC Certificate/Copy of CA Certificate (if applicable).</b>
Part-II	Price bid in response to Tender Enquiry No. BHEL: IVP:SC:RC89-2324 DATED:19.10.2023	PART-II "Price Bid" Tender Enquiry No. BHEL: IVP:SC:RC89-2324 DATED:19.10.2023	Price bid duly filled prices in numbers and words along with the taxes as mentioned in un-priced bid. <b><u>ONLY PRICES.</u></b> Anything other than prices mentioned in the price bid shall be considered invalid.

#### Part-I: Techno-Commercial bid should contain:

- Acceptance of Techno-Commercial terms and conditions by signing each page of T&C or a covering letter stating acceptance of all T&C. If nothing is mentioned for any term, it shall be concluded that the same is acceptable and no representation whatsoever shall be entertained later on.

Additionally, **attested copy of MSE/SSI/NSIC Certificate by gazetted officer** or Notary is to be attached along with Techno Commercial bid. Copy of UDYAM certificate can also be submitted. Copy of CA Certificate certifying quantum of investment in Plant and machinery (Please refer clause 29) if applicable, should also be attached.

Both the sealed separate envelopes should be put in an outer envelope clearly mentioning Tender Enquiry No, due date of opening and address of sender on it. Quotations shall reach us by **13:00 Hrs.** on or before **25.10.2023**. Sealed tender can be dropped in tender box marked as "TENDER BOX". This tender box is located at entrance of administrative building of IVP Goindwal. The tender can also be submitted personally to either of following persons:

- a. Mr. Rohit Kumar /Engineer- Sub Contracting
- b. Mr. Rajender Kumar /Dy Engineer-HR

- c. The tender can be submitted through below mentioned email Id also:

**tendersc\_ivp@bhel.in** (Bid received on any other email ID shall not be considered)

Techno-Commercial bid shall be opened at **15:30** Hrs. on same day, i.e. on **25.10.2023** at Conference Hall IVP Goindwal. Reverse Auction will not be conducted in this tender. For finalizing prices, BHEL will open the sealed price bids (Part-II). Price bid opening schedule shall be communicated to bidders who have qualified in techno commercial offer.



**2. PRICE QUOTATION SHALL BE AS PER UNDER:**

The items are to be machined as per the scope and the drawing number. Minimum rates are to be quoted by the Vendor (hereinafter referred as Sub-Contractor) on **per piece basis** and on **FOR Goindwal basis**.

1. Quoted rates for machining jobs shall be per piece basis.
2. Quoted rates for gas cutting jobs shall be on **per running cm basis**.
3. Contractor should quote rates for each machined item with retention of cutting/turning/boring/Notching/Piercing of ferrous scrap. Goods and Services Tax (GST) applicable on job work shall be payable to vendor by the BHEL
  - a. GST registered Vendors – Vendor shall quote the rate exclusive of GST in the price bid format. **Applicable GST** shall be specified by the vendor **separately in Techno Commercial Format**. GST shall be paid by Vendor. GST shall be reimbursed to vendor by BHEL.
  - b. Non-GST registered Vendors – Vendor shall quote the rate exclusive of GST in the price bid format. In the **techno commercial format** vendor shall specify himself as **non-GST vendor**. In such case the GST shall be paid by BHEL.
4. **Applicable taxes (GST) on ferrous scrap retained by sub-contractor shall be borne by the sub-contractor.**
  - a. GST registered Vendors – Vendors are liable to pay the GST on the scrap retained by vendors to government.
  - b. Non GST registered Vendors – GST on scrap retained by vendor shall be borne by Vendor. In such cases, BHEL shall recover GST on scrap retained by vendor.
5. Aluminum, bronze scrap shall be returned to BHEL along with finished components. Burning losses of 8% of theoretical scrap (Calculated from drawing) generated shall be provided. Payment of aluminum bronze components shall be made only after receipt of scrap accountal statement. Recovery of shortages of scrap, including applicable taxes, shall be made from the running bills.
6. Material cost, GST, Overheads @5% and applicable interest, as per the existing tax laws, for materials lying at their works for a period more than 365 days, whatsoever may be the reason for retention of the material, if any, shall be borne by the Sub - contractor.

**Vendors are required to ensure compliance of GST provisions and registration of their firm as per GST act 2017.**

**3. SCOPE OF WORK:**

1. The scope of work includes machining/Heat Treatment/Plating (wherever applicable)/ Tuff riding of components/gas cutting as per drawing number mentioned in tender enquiry and mentioned in sub- contracting purchase order. Material will be manufactured as per tolerance mentioned in the drawings. For Tolerances for un-tolerance dimensions, document TP0230299 is to be followed. BHEL shall provide raw material for the items to be machined.
2. Machining of Valve bodies (except Isolating valves & TOA valves) shall include the edge preparation of butt weld end bodies.

**4. VALIDITY OF OFFER:**

The rate quoted will be valid for 90 days after tender opening for finalization of the Tender.

**5. VALIDITY OF RATE CONTRACT:**

Rate Contract will be valid upto 05.09.2024 from date of tender finalization for orders to be released during the currency of the contract. However, BHEL reserves the right to terminate the contract earlier also, if the performance of the Vendor is not satisfactory. Based on the rate contract, Sub-contracting POs will be released during the currency of the rate contract. The rate contract can be extended again on mutual agreement.

## 6. **LOADING:**

The invitation of rates and finalization of item-wise rates through this tender is for the purpose of entering into rate contract on fixed prices basis for validity mentioned elsewhere in tender. The item-wise rate contract will be entered into with requisite number of vendors by counter offering finalized lowest rates to vendors considering the price ranking and determined by other terms and conditions of the tender. The loading of any item for full tender quantity is not envisaged to happen in one-go but is spread over the currency of rate contract in any quantity and at any time during the currency of rate contract, so the loading of any item cannot be thus construed by simple formula of loading mentioned elsewhere in tender.

The broader guideline for counter offering and rank wise intended loading are as follows:

Rate Contract will be entered into requisite no. of vendors to ensure that our requirement is met. For this, BHEL reserves the right to give counter offers to other vendors than L1(lowest bidder-item wise) vendor.

**Evaluation in case of more than one L1:** In the course of evaluation, if more than one bidder happens to occupy L1 status, effective L1 will be decided by soliciting discounts from the respective L1 bidders.

In case more than one bidder happens to occupy L1 status even after soliciting discounts, the L1 bidder shall be decided by a toss/ draw of lots, in presence of respective L1 bidders or their representatives.

Ranking will be done accordingly. BHEL decision in such situations shall be final and binding.

### **In case any of L1, L2 or L3 vendor is MSE then loading will be as follows:**

1. BHEL shall counter offer the finalized L1 rates to two accepting vendors upto any rank\*. In any case H1 vendor will not be considered. The tender quantity may be divided in the proportion of 50:30:20 (50% for L1, 30% for L2, 20% for L3).  
\*BHEL intends to keep upto three vendors in RC for effective planning of receipt of items. Counter offer is proposed to be given to all qualifying bidder for an item (except H1 or any exception so described elsewhere in tender). Merely getting counter offer and acceptance by a bidder does not alter his rank and do not indicate commitment by BHEL to load him during the currency of RC. Through this exercise and as an outcome of this exercise, new ranking of L2/ L3 may emerge out depending upon whether the original L2/L3 have accepted the counter offers or not. The seniority of ranking however will be unaffected with this exercise, i.e. if L2/L3/L5 have not accepted the counter offers and L4 & L6 have accepted the counter offers. Original L4 & L6 will become L2 & L3.
2. Counter offers will not be issued to Highest Bidder except in case of items where there are less than three qualified bidders. In case there are less than three bidders for any item, then counter offer will be issued to the highest bidder also.
3. In case L2, L3 and any other bidders have quoted same rates and are also highest bidders, the counter offer may be issued to highest bidders also.
4. In case two or more bidders have L2 rank for a particular item, 50% tender quantity will be given to L1 bidder and balance 50% will be offered to L2 bidders. In case two or more L2 bidders accept the counter offer then 50% quantity will be divided equally among the counter offer accepted bidders and in that case no counter offer will be given to L3 bidder. In case only one L2 bidder accept the counter offer then 30% will be given to L2 bidder and balance 20% will be offered to L3 rank bidder.
5. In case of only two qualified bidders, the tender quantity may be divided into proportion of 60:40 (60% for L1 and 40% for L2).
6. In case of single bid, the entire tender quantity will be offered to L1 bidder.

### **In case none of L1, L2 or L3 vendor is MSE then loading will be as follows:**

1. BHEL shall counter offer the finalized L1 rates to two accepting vendors upto any rank\*. The tender quantity may be divided in the proportion of 40:25:10:25 (40% for L1, 25% for L2, 10% for L3 and 25% for MSE's). The division of tender quantity is subject to following conditions:  
 \*BHEL intends to keep upto three vendors in RC for effective planning of receipt of items. Counter offer is proposed to be given to all qualifying bidder for an item (except H1 or any exception so described elsewhere in tender). Merely getting counter offer and acceptance by a bidder does not alter his rank and do not indicate commitment by BHEL to load him during the currency of RC. Through this exercise and as an outcome of this exercise, new ranking of L2/ L3 may emerge out depending upon whether the original L2/L3 have accepted the counter offers or not. The seniority of ranking however will be unaffected with this exercise, i.e. if L2/L3/L5 have not accepted the counter offers and L4 & L6 have accepted the counter offers. Original L4 & L6 will become L2' & L3.
    - a. In tender, participating Micro and Small Enterprises quoting price within price band of L1+15 per cent may be offered 25% quantity of tender quantity at L1 price in a situation where L1 price is from someone other than a Micro and Small Enterprise. In case of more than one such Micro and Small Enterprise, the supply may be shared equally. If there are more than one MSE in the price band of L1+ 15% to whom the offer has been sent and some of them reject the offer then the remaining quantity may be distributed equally to the MSEs accepting L1 prices.
    - b. 25% from the 25% quantity (i.e. 6.25% of the tender quantity) offered to the MSE's may be reserved for MSE's owned by SC/STs. In event of failure of such Micro and Small Enterprises to participate in tender process or meet tender requirements and L1 price, 6.25% per cent quantity for Micro and Small Enterprises owned by SC/ST entrepreneurs may be met from other Micro and Small Enterprises.
    - c. In line with the special provision for micro and small enterprise owned by women, out of the total annual procurement from Micro and small enterprise, 3 percent from within 25 percent target shall be procured from MSE's owned by women.
- The definition of MSE owned by women shall be as under
- i. In case of proprietor MSE, proprietor shall be women
  - ii. In case of partnership MSE, the women partners shall be holding at least 51% share of the unit.
  - iii. In case of private limited company, at least 51% share shall be held by women promoters.
- d. In case any MSE vendor does not accept the counter offer, then loading shall be (45% for L1, 30% for L2, 25% for L3).
  - e. If there is no MSE in the Price band of L1+15% then loading shall be (45% for L1, 30% for L2, 25% for L3).
2. Counter offers will not be issued to Highest Bidder. Counter offer shall be issued in following two cases to highest bidder eligible for a proportion of Tender Quantity,
    - i. In case of MSE bidders will be given counter offer
    - ii. In case there are less than three bidders for any item
  3. In case L2, L3 and any other bidders have quoted same rates and are also highest bidders, the counter offer may be issued to highest bidders also.
  4. In case of only two qualified bidders, the tender quantity may be divided into proportion of 60:40 (60% for L1 and 40% for L2).
  5. In case of single bid, the entire tender quantity will be offered to L1 bidder.

Once the rate contract has been entered in to, during actual loading of a particular item; factors like BHEL required delivery of particular item at that time vs load already available with particular vendor and his delivery schedule of already loaded items, the performance of particular vendor by that time, availability of Bank Guarantee and alike may dominate over the intended loading criteria mentioned in the terms and conditions. It is pertinent to mention here that time is the essence of contract. So item-wise actual loading may differ while executing the rate contract. Reiterating, preference shall be given to L1 vendor for loading however, BHEL reserves the right to give load to other vendors owing to one/more of the stated factors, notwithstanding the fact that the vendor was original L1.

## **7. INSPECTION:**

- a) Inspection of the finished components will be done at vendor's premises after receipt of inspection request along with dimension report. No deviation unless authenticated by authorized BHEL Officials will

- be allowed. The inspection request and the dimensional report shall be in the format prescribed by BHEL.
- BHEL reserves the right to carry out inspection at its premises as and when required.
  - In case of Rework at Sub Contractor's end due to operator fault, the rework shall be carried out by Sub Contractor free of cost.
  - In case of rejection at Sub-contractor's end due to operator fault, raw material cost along with any other relevant charges will be recovered.
  - Calibrated gauges, fixtures and measuring instruments shall be available with vendor at all times.
  - Dimension reports shall be kept ready prior to inspection.
  - Where edge preparation is in the scope of vendor, D1 should be mentioned on bodies at the time of inspection

#### **8. DELIVERY OF FINISHED COMPONENTS:**

- The inspected components shall be delivered at Component Stores along with 4 copies of delivery challan, bearing seal of Main Gate Security and 2 copies of Inspection Report.
- Delivery challan should have the details like PO No., IR NO., D1 dim, Component Code and special material description such as WC6/WC9/CF8/CF8M/CF3M.
- Anti-Rust Oil shall be applied by vendor on finished components as per BHEL drawing before the delivery of components.
- Finished components shall be unloaded in designated area as directed by the Store-keeper.
- Finished goods shall be delivered at Component Stores at Sub-contractor's own cost. Facility for handling heavy materials (like lifter/crane) will be provided by BHEL.
- The Sub Contractor shall supply the finished components with proper packing arrangement as per below given details-

S. No.	Component	To mention on Component	To write with	Remarks
1.	GV/RV/FV/TOA/ Isolating Valve Body	D1, Material Code, vendor Code & IR No.,	D1, Material Code Vendor Code & IR No to punching/engraving at the required location as mentioned by BHEL.	Additionally, in all 600 class and 2-150/300 GV bodies, center mark of seat to be punched. Center mark of seat required in 2" C300 GV and all FV bodies above 8". Rust preventive to be applied in case of threaded body seat.
2.	Bonnet, Yoke, Cover, Wedge, Stem, Spindle Sleeve-30015200, Air valve stem, Valve stem forging, Wall Blower Valve Body & Deslagger Body	Material Code, vendor Code	Punching/Permanent Marker/Paint.	Stems, Spindle Sleeve-30015200, Air valve stem, Valve stem forging are to be individually wrapped in transparent bubbled polythene sheet and material code to be mentioned on wrapping sheet. Center punch at top and bottom to be applied in all wedges. Bonnet/Yokes threaded portion: Rust preventive to be applied.



3.	Rough & Welded Seat Ring, Disc, Flap & Back Seat	Material Code, Vendor Code	Punching/Permanent Marker/Paint.	In case of WC6, WC9, CF8 and CF8M Rough Material, Material code and material grade (WC6/WC9/CF8/CF8M) are to be Punched/written with permanent marker only in case adequate space is not avl or it is unapproachable to punch material grade on Non-Welding area whereas Vendor Code to be written with permanent marker/ paint. Similarly, for stellited components, STL to be marked.
4.	Final Seat Rings, Seat Insert, Final Disc, Final Flap, Final Back Seat, Gland Flange and, Gland Follower.	Material Code & Vendor Code	By pasting sticker on each piece Or writing with permanent Marker/Paint.	In case of WC6, WC9, CF8, CF3M and CF8M material, Material code and material grade (WC6/WC9/CF8/CF8M/CF3M) are to be mentioned on the material. RV/SV/FV seat rings to be individually wrapped to prevent any kind of seat and thread damage.
5.	All other jobs (Retainer, Lantern Ring, Specialty, Gear, Wall Blower Gears and other Components etc.)	Material Code, Vendor Code	By pasting sticker on each piece Or writing with Permanent Marker/Paint Or making suitable size small packets & clearly writing its vendor code and material code on outside of the packed lot in such a way that pieces could be counted from outside the packet.	- In case of WC6, WC9, CF8 and CF3 CF8M material, Material code and material grade(WC6/WC9/CF8/CF8M/C F3M) are to be mentioned on the material.“STL” to be written on stellited backseats. Small components to be bunch wrapped/individually as per the component shape and size and practical feasibility
<b>Note: Vendor may please be noted that for all casting components to mention as Material Code, Vendor Code and IR Number are to be written with Punching/Engraving and other components to mention as Material Code and Vendor Code are to be written with Permanent Marker/Paint.</b>				

#### 9. **DELIVERY SCHEDULE:**

Vendor shall be required to complete the order as mentioned in PO/LOI/ delivery requirement given through other communications. Further, BHEL may release delivery schedule from time to time based upon our requirement. Vendor shall be required to complete the order as per BHEL schedule requested. As per BHEL requirement delivery period will be given in the range of 15 to 120 days.

#### 10. **ISSUE OF RAW MATERIAL:**

- Raw materials shall be issued from Main Stores/component stores and cost of transportation shall be borne by the Sub-contractor. Facility for handling heavy materials (like lifter/crane) will be provided by BHEL.
- The raw material shall be provided by BHEL as per BHEL drawing with proper machining allowances. Material description shall be embossed/written with permanent marker on the raw materials (like F6, F304, F316, X20 Chrome, F22 etc ) along with Melt No reference in order to satisfy traceability conditions for the components covered under ISO/ CE Marking.

- c) The vendor is required to lift the material within four days of release of PO.
- d) Vendor has to appoint an authorized representative for issue and collect of raw material from BHEL.
- e) If due to any reason, raw material issued to the vendor is more than the required, then the vendor has to return the excess material to the respective stores.
- f) For material Lifting and follow up communication, vendors registered email id's and phone no's will be used.

#### **11. ACCESS TO MANUFACTURING PREMISES:**

During the currency of the contract and while Sub-Contracting Orders placed on the vendor are under execution, authorized representatives of BHEL shall be allowed free access to the manufacturing facilities for the purpose of inspection or monitoring the progress of purchase orders. This access will also be extended to representatives of BHEL's customers accompanying the authorized representative/s of BHEL, if our contractual requirements with our customer's call for the same.

#### **12. GUARANTEE:**

Vendor shall give a guarantee of eighteen months from acceptance of material at BHEL for undertaking repairs/replacement of any defect observed during machining/ assembly/ hydraulic testing or subsequent processing notwithstanding the previous acceptance. Entire cost of such repairs/replacement of material will be deducted from any of the running bills/PBG.

In case of vendor fault when the repair is carried out by BHEL on components, the welding repair charges shall be @ Rs 11.80 per cc for carbon steel, Rs 12.60 per cc for alloy steel and Rs 16.60 per cc for stainless steel grades. In addition to this, if any other repair charges such as machining cost is incurred by BHEL the same shall be borne by the sub-contractor.

The components machined as per BHEL drawing should be free of machining/welding/gas cutting/fabrication defects. If the item is found defective after receipt during onward processing at Shop, total cost will be recovered from Sub-contractor as per clause no. 7c & 7d.

#### **13. CONFIDENTIALITY OF BHEL DRAWINGS/DOCUMENTS:**

Sub-contractor/s shall ensure confidentiality of BHEL drawings and documents issued to them and shall not pass on the same to any unauthorized agency/person. Violation of the same shall tantamount to cancellation of the contract of the Sub-contractor.

#### **14. BANK GUARANTEE AND SECURITY DEPOSIT:**

- a) Sub-contractor will have to execute a Bank Guarantee, in the prescribed format, for a sum of minimum 5% of the value of the maximum materials likely to be in possession of the Sub-contractor at any point of time. BG already submitted by the sub-contractor shall be taken into consideration and any additional requirement shall be conveyed by BHEL.
- b) Additionally, Security Deposit shall be recovered at the rate of 5 % from running bills of sub- contractors in a calendar year. The Security Deposit shall carry no interest and shall be refundable in 2<sup>nd</sup> quarter of next calendar year.

#### **15. INDEMNITY BOND:**

Sub-contractor shall have to indemnify BHEL for any loss to BHEL's material in custody of the Sub-contractor against theft or financial liability against funding agency/financial institution or any other loss. The bond is to be executed on non-judicial stamp paper as per the format prescribed by BHEL.

#### **16. TERMS OF PAYMENT:**

- a. Due payment against job work done shall be made within 30-45 days from receipt of invoice at IVP



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Goindwal and receipt of following documents:

- i. Two copies of Invoice i.e. Original & Duplicate for Transporter. Vendors are required to mention GST of BHEL on Tax invoices.
  - ii. Original Challan
  - iii. Original Inspection Report
- b. The rejected material should also be deposited along with the accepted material through Delivery Challan.

***BHEL releases payment through EFT mode ONLY. Necessary details may please be submitted by filling required format before release of payment.***

- c. GST registration number is to be submitted by qualified vendor as per GST law
- d. Conditions relating to release of GST portion:
- e. Payment of GST portion will be released to vendor only upon completion of statutory requirement and further subject to following:

The reimbursement of GST portion of invoice shall be released only upon: -

- a. Vendor declaring such invoice in his GSTR-1 and
  - b. Receipt of goods and Tax invoice by BHEL and
  - c. Confirmation of payment of GST thereon by vendor on GSTN portal.
- f. Above is subject to receipt of goods/service and tax invoice thereof along with vendor declaring invoice in his return and paying GST within timeline prescribed for availing ITC by BHEL.
- g. In case GST credit is delayed/denied to BHEL due to non/delayed receipt of goods and/or tax invoice or expiry of timeline prescribed in GST law for availing such ITC, or any other reasons not attributable to BHEL, GST amount shall be recoverable from vendor along with interest levied / leviable on BHEL.
- h. In case vendor delays declaring such invoice in his return and GST credit availed by BHEL is denied or reversed subsequently as per GST law, GST amount paid by BHEL towards such ITC reversal as per GST law shall be recoverable from vendor/contractor along with interest levied / leviable on BHEL.

**17. AVAILING INPUT TAX CREDIT (ITC) BY BHEL:**

- a. Since ITC can be availed only when BHEL is in possession of GST Tax invoice and after receipt of goods. Thus, vendor to ensure timely dispatch of goods and submission Tax invoice. It may be noted that in case of any delay in receipt of Tax Invoice and/or receipt of goods, the ITC availment by BHEL will get delayed thus entailing additional cash outflow & may even get denied if ITC availment timelines are breached.
- b. Further ITC can be availed only when vendor has declared such invoice in his outward supply Return GSTR-1 and after GST thereon has been paid by him at the time of filing of monthly Return.
- c. If GST credit is delayed/denied to BHEL due to non/delayed receipt of goods and/or tax invoice or expiry of timeline prescribed in GST law for availing such ITC, or any other reasons not attributable to BHEL, GST amount shall be recoverable from vendor along with interest levied/leviable on BHEL.
- d. Further, in case vendor delays declaring such invoice in his return and GST credit availed by BHEL is denied or reversed subsequently as per GST law, GST amount paid by BHEL towards such ITC reversal as per GST law shall be recoverable from vendor/contractor along with interest levied/leviable on BHEL.

**18. LIABILITY UNDER REVERSE CHARGE (RCM)**

Any GST liability arising on BHEL under Reverse Charge (RCM) before actual receipt of goods and/or Invoice thereof would be subject to recovery of Interest leviable for the period between the date of such liability and actual date of eligibility of ITC based on receipt of goods, receipt of Invoices and other conditions specified in GST Law as applicable.

**19. FIRM PRICES:**

The contract shall be on the basis of firm prices. No variation in price shall be entertained during the currency of the Rate Contract.

**20. PENALTY AND TERMINATION:**

- a. If the Sub-contractor fails to deliver the material or any installment thereof within the period fixed for such



- delivery or at any time repudiates the purchase order before the expiry of such period, BHEL may without prejudice to the right of the Sub-contractor impose damages for breach of the Sub-contracting order.
- b. Time is the essence of the contract'. As such, delivery of goods specified in the Purchase Orders released under the scope of this contract shall be made within the time limit prescribed therein. Penalty for late delivery will be applicable @ 0.5% per week or part thereof subject to a maximum of 10.0 % of **delayed portion**.
- If any vendor does not accept LD ½% of the supply for each week of delay subject to a maximum of 5%, their offer is likely to be rejected by BHEL and the price bid shall not be opened. Bidders accepting for 10% LD shall not be loaded on account of LD. However bidders who offer any other % LD [between 5% to 10%] shall be loaded @ % deviation from 10% and their accepted %.e.g. If a bidder accepts for a max of 7% LD only, their offer would be loaded @ 3% (10 – 7 = 3).
- c. **Applicable GST shall also be recovered from suppliers/contractors on LD amount. For this Invoice will be issued by BHEL.**
- d. Withdraw the material and Sub-contract elsewhere without notice to the Sub-contractor, on the account and at the risk of the Sub-contractor, of the components not so delivered. The decision of BHEL in this regard shall be final and binding without canceling the Sub- contracting order in respect of the installments not yet due for delivery, or
- e. Cancel the Sub-contracting order or a portion thereof and if so desired Sub-Contract the materials not so delivered at the risk and cost of the Sub-contractor. If the Sub-contractor has defaulted in the performance of the original order, the BHEL shall have the right to ignore its tender for risk purchase even though the lowest. Where action is taken under this clause, the Sub-contractor shall be liable, for any loss which the BHEL may incur due to the Sub-contractor failure to deliver the component within the period fixed for such delivery.
- f. In this regard, BHEL standard operating procedure for implementation of risk and cost option on non-performing and/or defaulting contractors/suppliers shall be followed.

Risk and cost amount =  $[(A-B) + (A \times H/100)]$  Where,

A=Value of balance scope of work/supply as per rates of new contract

B=Value of balance scope of work/supply as per rates of old contract being paid to contractor/supplier at the time of termination of contract i.e. inclusive of PVC& ORC, if any

H=Overhead factor to be taken as 5

Incase (A-B) is less than (0) zero, value of (A-B) shall be taken as (0) zero

Balance Scope of Supply: Difference of Contract quantities and Executed quantities as on the date of issue of Letter for 'Termination of Contract', shall be taken as balance scope of supply for calculating risk and cost amount. Contract quantities are the quantities as per original contract. If, Contract has been amended, quantities as per amended Contract shall be considered as Contract quantities.

## **21. FORCE MAJEURE:**

If at any time during the continuance of the contract, the performance in which or in any part by either party of any obligations under the contract are prevented or delayed by reason of any war, hostilities, acts of public enemy, civil commotion, sabotage, fires, explosions, epidemics, quarantine restrictions, or acts of God (hereinafter referred to "an events" then provided the notice of happening of any such event is given by either party to the other within 21 days of the occurrence thereof, neither party shall by reason of such event be entitled to terminate the contract nor shall either party have any claim for damages against the other in respect of such non-performance and delay in performance and delivery under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. If the performance in whole or part of any obligation under the contract is prevented or delayed by reason of any such event, claims of extension of time shall be granted for periods considered reasonable by BHEL subject to prior notification by the Vendor to BHEL of the particulars of the event and supply to BHEL, if required, of any supporting evidence. Any waiver of time in respect of partial installment shall not be deemed a waiver of time in respect of remaining deliveries.

## **22. DISPUTES/ARBITRATION:**

In the event of any dispute and /or difference arising between the Sub-contractor and BHEL as to



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interpretation and/or execution of the contract and/or the respective rights and liabilities of the parties, such disputes and/or differences shall be referred to the sole arbitrator nominated by BHEL. The provisions of the Indian Arbitration Act and the rules there under shall apply to such arbitration. The award passed by the arbitrator shall be final and conclusively binding on all the parties.

**23. JURISDICTION:**

The court of the place from where the Sub-contracting order issued during the contractual period shall alone have jurisdiction to decide any dispute arising out of or in connection with the purchase order.

**24. SUB-LETTING:**

The Sub-contracting order or any part thereof shall not be Sub-contracted, assigned or otherwise transferred without giving the notification to BHEL in writing. However, vendor can outsource the Heat Treatment/Plating from authorized dealers of the process. But vendors have to submit certificate from third party to BHEL for the job undertaken.

**25. MISCELLANEOUS:**

- a) BHEL reserves the right to accept or reject any part or whole of the tender without assigning any reason thereof.
- b) The Tender Quantity mentioned is tentative only. Actual quantity may vary from this and is subject to availability of raw material/order booking with BHEL. For the remaining items, the actual ordering quantity may vary by any percentage, however splitting between L1 and counter offered accepted bidders will be done in same proportion as mentioned in tender terms.
- c) BHEL reserves the right to discontinue any component/change scope of work/assembly as the need arises from time to time during the currency of tender.
- d) In case of any loss that might be caused to BHEL due to lapse on the part of the workers deployed by Sub-contractor, such loss shall be compensated by Sub Contractor and in this connection, BHEL has the right to deduct appropriate amount from his bills etc. to make good of such loss to BHEL beside imposition of penalty. In case of any deficiencies /lapses on the part of personnel deployed by Sub contractor, BHEL shall be within its right to terminate the contract forthwith or take any other action without assigning any reasons whatsoever.
- e) During the currency of the Rate Contract, if any new component with new material code but under same size & similar scope of Machining work appears, vendor shall be liable to machine it under final RC rate as per RC terms and conditions.
- f) All Personnel Protective Equipment's/Safety Equipment's are to be provided by Sub Contractors to its workers deployed for work inside BHEL premises.
- g) **In case of death/mishap/physical disability occurred during discharging the duties by Sub Contractor/workers deployed by Sub Contractors inside BHEL premises, the compensation liability solely rests with the Sub Contractor.**
- h) The identification and traceability w.r.t Make/Melt/Heat & Material type of raw material issued to Sub Contractor shall be maintained by him during processing and onward final submitting the components in BHEL Stores. BHEL reserves the right to verify the compositions/mechanical/chemical properties of parent material at any stage of processing at Sub Contractors end and also of final machined components submitted in BHEL stores.
- i) The Sub Contractor shall supply the finished components with proper packing arrangement as specified in respective Purchase Order(s).
- j) The Sub Contractor(s) who have deployed their labor for work within BHEL Premises shall be responsible for compliance of following Labour laws/Acts
  1. Payment of Wages Act 1936.
  2. The Employees Provident Fund and Miscellaneous Provision Act 1952.
  3. The Factory Act 1948.
  4. The Employee State Insurance Act 1948.
  5. The Employment of Children's Act 1938.
  6. The Minimum Wages Act 1948.
  7. Workmen Compensation Act 1923



(Any other Labour laws as applicable will be taken into consideration for compliance of labour laws in this contract.)

k) For this procurement, Public procurement (Preference to Make in India), Order 2017 dtd 15.06.2017, 28.05.2018, 29.05.2019 & 04.06.20 and subsequent orders issued by the respective Nodal ministry shall be applicable even if issued after the issue of this NIT but before finalization of contract /PO/WO against this NIT. In the event of any Nodal ministry prescribing higher or lower percentage of purchase preference and/ or local content in respect of this procurement, same shall be applicable. Further with ref to Clause no .9 a of above mentioned order self-certification from all bidders is required as mentioned below:

The 'Class-I local supplier'/'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that item offered meets the local content requirement for 'Class-I local supplier'/'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.

l) Rates for job works done under partial operations /rework orders will be as per Rate Schedules finalized by BHEL (Annexure1 Part A, B&C attached with tender terms for reference of bidders).

m) Abridged version of Guidelines for Suspension of business dealings with suppliers/contractors are available at below mentioned link <https://www.bhel.com/guidelines-suspension-business-dealings-supplierscontractors>

n) BHEL may ask detailed working of cost estimation from bidders during tender processing for any items quoted by bidders.

## **26. PERFORMANCE MONITORING:**

- a) The Sub-contractor/s with whom contract is entered into will be evaluated based on the "System for Performance Monitoring & Rating for Vendors".
- b) Performance Rating will be taken into consideration while releasing further orders on the Sub- contractor. Based on performance of the Sub-contractor, supplier control checks will be specified from time to time and will be binding on the sub-contractor.
- c) The Supplier Performance Rating shall be used for assessing the performance of a supplier in comparison with other suppliers with a view to decide whether or not to continue to procure the products from the supplier if the Supplier Performance Rating is below a certain limit.
- d) **For more details on Supplier Performance Rating, supplier can read Para 9.0 in abridged version available at following link: -**  
[https://www.bhel.com/sites/default/files/SEARP-2016\\_abridged\\_for\\_web.pdf](https://www.bhel.com/sites/default/files/SEARP-2016_abridged_for_web.pdf)
- e) The feedback to the supplier shall be posted every quarter. In addition, the annual SPR rating shall also be intimated to the supplier. In case, the vendor does not contest the SPR ratings within 15 days of the availability of SPR on B2B portal, it shall be construed that the vendor has accepted the SPR ratings provided by BHEL.

## **27. DEALING WITH BANNED SUPPLIERS /CONTRACTORS:**

The offers of the bidders who are under suspension as also the offers of the bidders, who engage the services of the banned firms, shall be rejected. The list of banned firms is available on BHEL web site [www.bhel.com](http://www.bhel.com).

1. Integrity commitment, performance of the contract and punitive action thereof:
  - a. Commitment by BHEL:

BHEL commits to take all measures necessary to prevent corruption in connection with the tender process and execution of the contract. During the tender process, BHEL will treat all Bidder(s) in a transparent and fair manner, and with equity.
  - b. Commitment by Bidder/ Supplier/ Contractor:
    - a. The bidder/ supplier/ contractor commit to take all measures to prevent corruption and will not directly or indirectly influence any decision or benefit which he is not legally entitled to

nor will act or omit in any manner which tantamount to an offence punishable under any provision of the Indian Penal Code, 1860 or any other law in force in India.

- b. The bidder/ supplier/ contractor will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract and shall adhere to relevant guidelines issued from time to time by Govt. of India/ BHEL.
- c. The bidder/ supplier/ contractor will perform/ execute the contract as per the contract terms & conditions and will not default without any reasonable cause, which causes loss of business/ money/ reputation, to BHEL.

If any bidder/ supplier/ contractor during pre-tendering/ tendering/ post tendering/ award/ execution/ post-execution stage indulges in mal-practices, cheating, bribery, fraud or and other misconduct or formation of cartel so as to influence the bidding process or influence the price or acts or omits in any manner which tantamount to an offence punishable under any provision of the Indian Penal Code, 1860 or any other law in force in India, then, action may be taken against such bidder/ supplier/ contractor as per extant guidelines of the company available on [www. bhel.com](http://www.bhel.com) and/or under applicable legal provisions”.

## **28. WORDS AND FIGURES:**

- a) If, in the price structure quoted for the required goods/ services/ works, there is discrepancy between the 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 the purchaser there is an obvious misplacement of the 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; and
- c) If there is a discrepancy between words 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 of (a) and (b) above.
- d) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date upto which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored.
- e) Bid should be free from correction, overwriting, using corrective fluid, etc. Any interlineation, cutting, erasure or overwriting shall be valid only if they are attested under full signature(s) of person(s) signing the bid else bid shall be liable for rejection. All overwriting/ cutting, etc will be numbered by bid opening officials and announced during bid opening.

## **29. PREFERENCES FOR MSE's:**

Preferences\* as mentioned in “Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012” & “Public Procurement Policy for Micro and Small Enterprises (MSEs) Amendment Order, 2018” or as per latest guidelines issued by government shall be given to Micro and Small enterprises.

MSE suppliers can avail the indented benefits only if they submit along with offer, attested copies of either EM II certificate having deemed validity (five years from the date of issue of acknowledgement in EM II) or valid NSIC certificate or EM II certificate along with CA certificate (where deemed validity of EM II certificate of five year has been expired) applicable for the relevant financial year (latest audited). Date to be reckoned for determining the deemed validity will be the last date of bid opening (Part-I in case of two part bid). Non submission of such documents will lead to consideration of their bids at par with other bidders. No benefit shall be applicable for this enquiry if any deficiency in the above required documents are not submitted before price bid opening. Documents should be notarized or attested by the Gazetted officer. Copy of Udyog Aadhaar/UDYAM certificate can also be submitted

\*All these preferences are applicable subject to the submission of applicable certificates (i.e. District Industries Centers or Khadi and Village Industries Commission or Khadi and Village Industries Board or Coir Board or National Small Industries Corporation or Directorate of Handicrafts and Handloom or any other body specified



by Ministry of Micro, Small and Medium Enterprises).

Necessary Document to be submitted in Part-I:

- Acceptance of all techno-commercial terms and conditions. **If nothing is mentioned for any terms and condition, it shall be concluded that the same is accepted.**
- **Attested Copy of MSME/SSI/NSIC Certificate (if applicable). Copy of Udyog Aadhaar/UDYAM certificate can also be submitted**
- **Attested Copy of CA Certificate certifying quantum of investment in Plant and machinery, (please refer Clause 29)**
- Un-priced bid with all taxes and duties (extra/inclusive) and % mentioned. Document to be submitted in Part-II: Rates per pc (no.) mentioned in figures as well as in words. **No other condition shall be mentioned.**

**30. SUPPLIED MATERIAL ADJUSTMENT:**

Item/s pending in previous PO has to be billed in previous PO only. Otherwise BHEL will be free to adjust the supplies in previous PO. Any implication of Taxes will be on supplier's account. For this it is desirable to reconcile the pending PO statement every month/frequently. Vendor can ask for pending PO's from BHEL anytime.

**31. Fraud Prevention:**

**"The bidder along with its associate/collaborators/sub-contractors/sub-vendors/consultants/service providers shall strictly adhere to BHEL Fraud Prevention Policy displayed on BHEL website <http://www.bhel.com> and shall immediately bring to the notice of BHEL management about any fraud or suspected fraud as soon as it comes to their notice."**

**32. Submission of signed & stamped documents:**

**The supplier and bidders while submitting documents in response to NIT/Tender etc. are required to ensure that:**

**"Documents submitted with the offer shall be stamped and signed in each page by the authorized representative of the bidder".**

**33. Special Terms and Conditions for Gas Cutting Jobs**

- a. Rate should be quoted per running Centimeter (RCM) for the respective thickness slabs.
- b. Work will be carried out within BHEL Premises.
- c. Gas and gas cutting equipment, electrical connection shall be arranged by the Vendor. However, electricity charges shall be borne by BHEL.
- d. Facility for handling heavy materials will be provided by BHEL.
- e. Vendor will be responsible for fulfillment of all requirements in respect of labor engaged by him, including medical insurance/ESI, provident fund as applicable. Vendor will provide and shall ensure all his employees wear appropriate safety equipment like safety shoes, gloves and any other required PPE of required standard at all time while working. Besides any other instructions regarding wearing of safety apparels issued from time to time are to be adhered to.
- f. Vendor has to arrange adequate safety gears recommended on gas cylinders like flash back arrester, caps, vertical positioning, proper binding clips on hose pipes. All regulators must have proper working gauges. TCs/Documents can be checked anytime by BHEL.
- g. Proper housekeeping of work area to be maintained to avoid any untoward incident by stacking of material so as to have a clear approach to work area.
- h. Vendor shall ensure adherence of all statutory requirements in accordance with ISO 45001:2018 and ISO 14001:2015 HSE Management System.
- i. Each employee should have his identity card. Only authorized persons duly approved by vendor shall work inside BHEL premises.



- j. All electrical connections should be properly connected through plug, socket, insulation, earthing etc. Vendor has to ensure safe upkeep of all wirings in his work area by periodic checking and maintenance/replacement as necessary to keep the workplace free of any potential health, safety & Environment related hazards.
- k. Medical Checkup to ascertain physical fitness for the job to be carried out and records to be submitted before joining the duty.
- l. No person should enter in inebriated condition.
- m. All to follow covid appropriate behaviour within IVP premises (including masks, social distancing, hand washing etc.). All advisories, as issued by BHEL from time to time to be followed & complied.
- n. Police verification of every employee is must before joining.
- o. In case any HSE related serious violation is observed, an amount of Rs 100 per violation shall be deducted from Running Bills.
- p. Any other law of land being recommended by Statutory Authorities to be abided. Hence any new law to be accommodated too.
- q. In case of death/mishap/physical disability occurred during discharging the duties by Sub Contractor/workers deployed by Sub Contractors inside BHEL premises, the compensation liability solely rests with the Sub Contractor.
- r. All legal compliances to be followed like Gas Cylinder Rules 2016 etc.

For and on behalf of BHEL

Rohit Kumar

**Techno Commercial cum Unpriced Bid format**

Tender Enquiry No. BHEL:IVP:SC: RC89-2324 DATED: 19.10.2023

Vendor Name and Vendor Code (Must be Filled) : \_\_\_\_\_

Vendor is to submit consent regarding below points:

1.	The rates quoted by vendor are FOR Goindwal basis.	(Yes/No)
2.	Please specify whether your firm is GST registered	GST registered / Non GST registered
3.	GST registered vendors to specify rate of GST applicable on job work and SAC code	GST Rate _____
4.	Is your Firm registered as MSE? If Yes Kindly Submit attested copy of your Udyog Aadhar/ MSME/SSI/NSIC Certificate duly attested by notary or Gazetted officer.	(Yes/No)
5.	Is the Ownership of your Firm Covered under SC/ST Category? If yes, Please Submit the relevant certificate/documents attested by Gazetted Officer or Notary.	(Yes/No)
6.	It is self-certified that item (s) offered meets the local content requirement for 'Class-I Local Supplier'/ 'Class-II Local Supplier' (as the case may be) as per latest Make in India Order issued by DPIIT	(Yes/No)
7.	Please specify whether your firm is coming under Class-I Local Supplier or Class-II Local Supplier or Non-Local Supplier	We are Class-I Local Supplier/ Class-II Local Supplier/ Non-Local Supplier
8.	Please specify Percentage of Local content as per latest Make in India Order issued by DPIIT	
9.	Please give details of location (s) at which the local value addition is made	
10.	All the documents submitted with offer has been signed and stamped by authorized representative.	(Yes/No)
11.	If the above mentioned certificates (sl no. 04 &05) are not attached with the bid, the benefits mentioned as per clause 29 of terms and conditions will not be applicable.	

Validity of offers (**As per BHEL terms 90 days validity is required**)

We understand that anything other than prices mentioned in the price bid shall not be considered by BHEL

We accept all the terms and conditions of the Tender Enquiry No. BHEL: IVP: SC: RC89-2324 DATED: 19.10.2023

Authorized signatory with seal

Price bid format

**Tender Enquiry BHEL:IVP:SC:RC89-2324 dated 19.10.2023**

Indent with detail of Job Description and Estimation Category

Quoted price shall be per unit piece (in Rs)

S. No.	Job/Component Description	Description of Valve/ Product ( Used in)	Drawing No.	Group No	Qty (Nos)	Price in figures, Rs	Price in Words, Rs
1	SEAT INSERT-40056500	WALL BLOWER	42020100565	G2246	1200		