



Bharat Heavy Electricals Limited
Ceramic Business Unit - Electroporcelains Division
Prof.CNR Rao Circle, Indian Institute of Science Post, Malleswaram
BANGALORE – 560 012 INDIA

Office: 91(080) 23346352
91(080) 22182305
Fax: 91(080) 23340535

NOTICE INVITING TENDER FOR PROCUREMENT OF HTV SILICON RUBBER

Tender No	EPD:MM:SIC:ARC:400 MT
RFQ / Tender Date	22.02.2017
Tender Due date & Time	14.03.2017 at 14.00 hours.
Tender opening date & Time	14.03.2017 at 2.30 P.M.

Technical Specification for Silicon Rubber

Sino	Description	Details
1	Silicon Compound	Specification :No EL/CI/SC/01, REV.02 DTD 02.04.2015
2	Quantity	BHEL desires to enter into Annual Rate Contract for procurement of HTV Silicon Rubber for a period of one year with a provision to extend the same for a further period of six months upon mutual consent with same terms and conditions and same price. The approximate requirements of Silicon Rubber shall be 400 MT with monthly staggered delivery schedule of 33 MT each month . For this subject tender, ONLY Power Grid Corporation of India Approved Vendors are eligible to participate.
3	Delivery Schedule	45 days from date of issuance of Purchase Order.
4	Quantity variation	Quantity mentioned is tentative and it may vary at the time of order placement by 10%
		Quantities mentioned above are only indicative & projected figures are based on anticipated orders on BHEL. The quantities mentioned are not guaranteed order quantity or the limit for procurement during the contract period. The actual procurement/ orders during the contract period shall vary by $\pm 10.0\%$ based on requirement w.r.t. orders with BHEL.



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Enclosures:

1. Specification SEC: EL/CI/SC/01, REV.02 DATED 02.04.2015
2. Excel worksheet – Guideline for deriving cost to BHEL price (Landing price to BHEL-EPD)
3. Techno Commercial terms acceptance – Annexure I
4. Others - Non-Disclosure, SME Forms and etc.,
5. Integrity Pact.

Please go through the contents carefully mentioned below and quote accordingly.

Note: Un- price bid must be sent along with Techno commercial Bid.
For any queries please contact: Mr. V. Somashekarachary, Sr. Manager / MM Ph: 080- 2218 2365, 22182460

TERMS & CONDITIONS OF NIT

TENDER REF: : EPD:MM:SIC:ARC:500 MT
TENDER START DATE : 22.02.2017
LAST DATE FOR RECEIPT OF TENDER : 14.03.2017 at 14.00 hours.
OPENING OF TECHNO-COMMERCIAL BID : 14.03.2017 at 2.30 P.M.

LOCATION OF TENDER BOX:-

Tender box **named BHEL-EPD** has been kept in reception room near front gate. Kindly put your offers in tender box.

TWO PART BID

I. TECHNICAL & COMMERCIAL BID PART- 1
PRICE BID PART- 2

1. The offer should be submitted in a sealed cover super-scribing tender no. & due date and addressed to



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Bharat Heavy Electricals Limited
Electroporcelains Division
P.B.No. 1245, Science Institute Post,
Malleshwaram, BANGALORE – 560 012.

Your offer should be submitted in BHEL-EPD tender box on or before 2.00 PM on the due date. Offers can also be submitted by email to the following email IDs.

Technocommercial Bid – technicalbid@bhelepd.com
Price Bid – pricebid@bhelepd.com

The offers will be opened on the due date at 2.30 PM in the presence of concerned vendors who may like to be present. Late offers are liable to be summarily rejected.

The offer shall be in two parts:

Part-I: TECHNO-COMMERCIAL and

Part-II: PRICE.

Each part shall be put in a separate sealed cover and the cover should have the corresponding part name, Subject of tender and Due Date written on it. If both parts are found in opened condition in a single sealed cover, the same offer will be summarily rejected. Only the techno-commercial part will be opened on the due date. The tenders meeting our techno-commercial requirements will be considered for price bid opening at a later date for which eligible vendors will be intimated in due course. Vendors will be given due opportunity to comply with BHEL requirements in a time frame in case there is any non-compliance in the original quote.

2. The terms & conditions of tender should be thoroughly understood & confirmed in the quotations. Material to be supplied as per BHEL Specification (Specification Sheet Attached).
3. The quantity mentioned is indicative & may vary at the time of ordering by 10%.



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- Vendors should clearly mention in their Technical Bid their capacity to supply HTV Silicon Compound and also clearly confirm their acceptance to supply 33 MT without fail (supplies should be made in single Lot or in two Lots ONLY total amounting to 33 MT each month) as the case may be. This should also be mentioned in the Annexure enclosed to this RFQ sheet.

In case, any Vendor do not fulfill this delivery clause to supply the material of as per above delivery schedule every month, then their Offer shall stand summarily rejected without assigning any reason or notice.

- The Vendor should disclose / furnish their annual plant capacity in their offer without fail.
- Shelf life of the material should be 9 months from the date of receipt of materials at BHEL EPD Stores, Bangalore.**
- Qualification criteria: Vendor shall submit detailed APPROVAL from PGCIL (Certificate of validity)
- ACCEPTANCE OF MATERIAL:** The routine inspection & acceptance of material shall be done at BHEL-EPD, Bangalore as the case may be.
- PAYMENT TERMS: For Indian Vendors:** Our standard payment terms are 100% in 45 days on receipt of material at BHEL stores for accepted quantity (**45 Days from GRN date for the accepted quantity**). In case of any alternate payment terms offered by the supplier, their Offered Price will be loaded with the commercial borrowing rate prevailing (on the day of tender opening) State Bank of India PLR rate + 6.0%. **BHEL will not entertain any advance payment**
- The rates should be quoted on **cost to BHEL-EPD per Kg** basis for the material as per above specification. Sample Excel worksheet (separate sheet for CST & KVAT) is furnished for deriving the landing cost to BHEL-EPD, Bangalore.
- Validity of the offer** should be for a minimum period of 60 days from the date of tender opening.
- The rates quoted should be **firm and valid for a period of one year from the date of execution of Rate Contract. There is no PVC clause acceptable for the material supplies.**
- Every supply should accompany with **Test Certificate with the consignment.**



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14. RISK PURCHASE CLAUSE:

In case, supplier fails to meet the delivery commitment resulting in a crisis and BHEL is compelled to purchase the product at a higher cost from an alternate source, the excess expenditure incurred, if any, will be debited to the defaulting supplier's account.

15. Rejections attributable to your manufacturing process and poor packing noticed at the time of use will be treated as valid rejections. The same shall be either replaced Free of cost or payment towards same will have to be adjusted from vendors pending bills.

16. The rejected lots should be lifted by vendor on his own cost within 45 days notice failing which BHEL shall dispose of the same as per BHEL's Terms and Conditions / Guidelines which is applicable for rejected material without assigning any further notice to the Vendor.

17. BHEL keeps the option of price bids open for conducting of Reverse Auction for the pricing.

18. Penalty / LD Clause :

In case of delayed delivery beyond the dates specified in the Purchase Order, Penalty @1.0% of the Order Value per week upto a maximum of 10% will be levied on the defaulting quantity for the delayed period as per the Corresponding Purchase Order.

If the Vendor fails to supply within the delivery dates, BHEL EPD reserves the right to divert the quantities to preferred vendors. The excess expenditure incurred in this regard at Actuals shall be recovered from your bills or accounts.

LD Clause is not applicable in case, BHEL defers the delivery schedule of consignment or changes the delivery schedule.

19. PRICE RANKING & ORDER DISTRIBUTION:

The offers shall be evaluated on landed cost (Cost to BHEL) basis for arriving at L-1 status. Landed cost shall be worked out on price quoted including freight, duty, sales taxes, etc., after taking out applicable benefit (total net cost to BHEL). The price negotiations if considered necessary may be done with L1 bidder only.

20. Load sharing: The total quantity will be distributed among TWO successful vendors L1 & L2 in the ratio of 60:40 provided L2 accepts the counter offer of the rate of L1 (negotiated L1 price, if negotiation is done.)



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21. In case, L2 Vendor do not accept the Counter offer to match L1 Cost to BHEL Price, then same will be counter offered to next eligible Vendor. In case of no one accepting the counter offer, L1 will get the full quantity. If L1 capacity is less than BHEL requirement then the balance quantity will be distributed equally amongst other eligible vendors.

In case more than one vendor having same ranking, the load share corresponding to the ranking and next on will be clubbed together and will be equally distributed among such vendors.

22. COUNTER OFFER:

Finalised L1 rates will be counter offered to the eligible vendor. The vendor will have the **option of either to accept or reject the counter offered L1 Price. NO OTHER FRESH OFFER OF THE VENDOR WILL BE ENTERTAINED HERE.**

23. The supplier shall furnish test reports in line with the specifications covering all parameters as mentioned the specifications for each processing batch or each batch of supply-whichever is smaller in size.

24. Each Packing should not exceed 1000 Kg. by weight

Vendor has to mention very clearly both in Figures and Words. In case of any ambiguity in the furnished price, then the price **furnished in WORDS** will alone be considered for the purposes of Evaluation.

25. FOR FOREIGN VENDORS:

DUN & BRAD STREET REPORT (for Foreign purchase):

In case of foreign vendors, BHEL reserves the right to verify the vendor's particulars with the Dun & Bradstreet Report during techno-commercial scrutiny. Vendors are requested to indicate D-U-N-S Number in the techno-commercial bid.

25. TERMS OF PAYMENT: FOR FOREIGN PURCHASE:

90 DAYS FROM BILL OF LADING DATE. ALL ORIGINAL SHIPPING DOCUMENTS INCLUDING BILL OF LADING, PACKING LIST, TEST CERTIFICATE, CERTIFICATE OF ORIGIN AND INVOICE SHOULD BE SENT TO BHEL WITHIN 7 DAYS FROM DATE OF BILL OF LADING THROUGH COURIER.



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26. TERMS OF DELIVERY: FOR IMPORTED PURCHASE:

Price offered shall be for goods packed and delivered **ICD** (Bengaluru) including packing, forwarding, Handling, Ancillary charges and inclusive of all destination charges.

Packing shall be Road / Rail / Air / Sea worthy, best suitable for transshipment and to take care of transit damages. If containerized, no. of containers & size of container shall be mentioned. Packing weight (gross & net) Packing dimensions shall be given prior to shipment to ascertain whether the consignment can be carried on standard cargo in contract or as ODC.

Wooden packing material for all the foreign consignments should be treated as per ISPM-15 & **Fumigation / Phytosanitary certificate** to be submitted to the freight forwarders/ BHEL along with the invoice, BL / AWB packing list etc.

The consignment shall be handed over to BHEL approved freight forwarder as mentioned in PO.

27. DELIVERY SCHEDULE FOR BOTH INDIGENEOUS VENDORS AND FOREIGN VENDORS:-

THE DELIVERY SCHEDULE SHOULD BE AS PER THE AGREED TERMS AND THE QUANTITY TO BE DESPATCHED WILL BE INTIMATED AS AND WHEN REQUIREMENT ARISES. SEPARATE PURCHASE ORDERS SHALL BE ISSUED BY BHEL FOR THE RESPECTIVE QUANTITIES (THIS IS APPLICABLE FOR BOTH PGCIL APPROVED VENDORS AND NON-PGCIL APPROVED VENDORS). PURCHASE ORDER SHALL BE ISSUED IN THE RATIO OF 60:40 AMONGST THE ELIGIBLE QUALIFIED VENDORS.

28. GENERAL TERMS AND CONDITIONS GOVERNING REVERSE AUCTION (RA):

- (a)** Against this enquiry for the subject item/system with detailed scope of supply as per enquiry specifications, BHEL may resort to "REVERSE AUCTION PROCEDURE" i.e., ON LINE BIDDING ON INTERNET. For the proposed RA, technically and commercially acceptable bidders only shall be eligible to participate.
- (b)** In case of RA, BHEL will engage the services of a service provider for conduct of the RA who will provide all necessary training and assistance to the bidders before commencement of on line bidding on internet.



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- (c) Business rules governing the RA will be communicated to the bidders through service provider for compliance.
 - (d) Vendors have to fax the Compliance form in the prescribed format (provided by Service provider) before start of RA. Without the compliance, the vendor will not be eligible to participate in the event.
 - (e) BHEL will provide a sample calculation sheet (in EXCEL format) which would help the bidders to arrive at “Net Cash outflow to BHEL” considering various price / cost elements like Packing & forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services and loading factors (for non-compliance to BHEL standard Commercial terms & conditions) etc. for each of the bidders to enable them to arrive at “Net Cash outflow to BHEL (Total Cost to BHEL)” which is the amount the bidder would be bidding during the RA.
 - (f) RA will be conducted on scheduled date & time and at the end of event, the lowest bidder value will be known on the network.
 - (g) The lowest bidder has to Fax the duly signed “Price Break-up” in prescribed format as provided on case-to-case basis to BHEL through Service provider within 24 hours of Auction without fail.
 - (h) Any variation between the on-line bid value and the signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct further business with BHEL, as per the prevailing procedure.
29. Any dispute arising out of this, shall be referred to the sole arbitration of Head of Dept. Materials Management of group concerned, BHEL or any other officer nominated by him and his award shall be final And binding on the parties. The venue of the arbitration in all cases shall be Bangalore.

29. Any legal suit in respect of this enquiry lies in the court of Jurisdiction of Bangalore (India) only.

30. Integrity pact: Name & address of Independent External Monitor (IEM) is furnished below.

Please note that appropriate details of Integrity Pact format attached should be filled up, duly signed and submitted along with the techno commercial offer by the bidder. Non-receipt of duly signed IP will lead your offer liable for rejection.

(a) IP is a tool to ensure that activities and transactions between the Company and its Bidders/ Contractors are handled in a fair, transparent and corruption free manner. A panel of



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independent External Monitors (IEMs) has been appointed to oversee implementation of IP in BHEL. The Integrity Pact as enclosed with the tender is to be submitted (duly signed by authorized signatory who signs in the offer) along with techno-commercial bid. Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification.

Details of IEM for this tender are furnished below:

Name : - Mr. D.R.S. Chaudhary, I.A.S., (Retired)
E-1/164, Arera Colony, Bhopal – 462 016
Email : dilip.chaudhary@icloud.com
Control No. TPEL16170018

Please refer Section-8 of the IP for Role and Responsibilities of IEMs. In case of any complaint arising out of the tendering process, the matter may be referred to the IEM mentioned in the tender. No routine correspondence shall be addressed to the IEM (phone/ post/ email) regarding the clarifications, time extensions or any other administrative queries, etc. On the tender issued. All such clarification/ issues shall be addressed directly to the tender issuing (procurement) department. Offers received without Intergrity pact duly signed and sealed in all aspects shall stands summarily rejected without assigning any reason.

INDIAN AGENTS OF FOREIGN SUPPLIERS

BHEL SHALL DEAL DIRECTLY WITH FOREIGN VENDORS, WHEREVER REQUIRED, FOR PROCUREMENT OF GOODS. HOWEVER, IF THE FOREIGN PRINCIPAL DESIRES TO AVAIL OF THE SERVICES OF AN INDIAN AGENT, THEN THE FOREIGN PRINCIPAL SHOULD ENSURE COMPLIANCE TO REGULATORY GUIDELINES, WHICH REQUIRE MANDATORY SUBMISSION OF AN AGENCY AGREEMENT.

IT SHALL BE INCUMBENT ON THE INDIAN AGENT AND THE FOREIGN PRINCIPAL TO ADHERE TO THE RELEVANT GUIDELINES OF GOVT.OF INDIA, ISSUED FROM TIME TO TIME.

THE AGENCY AGREEMENT SHOULD SPECIFY THE PRECISE RELATIONSHIP BETWEEN THE FOREIGN OEM/FOREIGN PRINCIPAL AND THEIR INDIAN AGENT AND THEIR MUTUAL INTEREST IN THE BUSINESS, ALL SERVICES TO BE RENDERED BY AGENT/ASSOCIATE, WHETHER OF GENERAL NATURE OR IN RELATION TO THE PARTICULAR CONTRACT, MUST BE CLEARLY STATED BY THE FOREIGN SUPPLIER/ INDIAN AGENT. ANY PAYMENT, WHICH THE AGENT OR ASSOCIATE RECEIVES IN INDIA OR ABROAD FROM THE OEM, WHETHER AS COMMISSION OR AS A GENERAL RETAINER FEE SHOULD BE BROUGHT ON RECORD IN THE AGREEMENT AND BE MADE EXPLICIT IN ORDER TO ENSURE COMPLIANCE TO LAWS OF THE COUNTRY.

ANY AGENCY COMMISSION TO BE PAID BY BHEL TO THE INDIAN AGENT SHALL BE IN INDIAN CURRENCY ONLY.



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TAX DEDUCTION AT SOURCE IS APPLICABLE TO THE AGENCY COMMISSION PAID TO THE INDIAN AGENT AS PER THE PREVAILING RULES.

IN THE ABSENCE OF ANY AGENCY AGREEMENT, BHEL SHALL NOT DEAL WITH ANY INDIAN AGENT (AUTHORISED REPRESENTATIVES / ASSOCIATE / CONSULTANT OR WHATEVER NAME CALLED) AND SHALL DEAL DIRECTLY WITH THE FOREIGN PRINCIPAL ONLY FOR ALL CORRESPONDENCE AND BUSINESS PURPOSES.

THE "GUIDELINES FOR INDIAN AGENTS OF FOREIGN SUPPLIERS" SHALL APPLY IN ALL SUCH CASES. THE SUPPLY AND EXECUTION OF THE PURCHASE ORDER (INCLUDING INDIGENOUS SUPPLIES/SERVICE) SHALL BE IN THE SCOPE OF THE OEM/FOREIGN PRINCIPAL. THE OEM /FOREIGN PRINCIPAL SHOULD SUBMIT THEIR OFFER INCLUSIVE OF ALL INDIGENOUS SUPPLIES/ SERVICES AND EVALUATION WILL BE BASED ON 'TOTAL COST TO BHEL'. IN CASE OEM/ FOREIGN PRINCIPAL RECOMMENDS PLACEMENT OF ORDER(S) TOWARDS INDIGENOUS PORTION OF SUPPLIES/ SERVICES ON INDIAN SUPPLIER(S)/ AGENT ON THEIR BEHALF, THE CREDENTIALS/ CAPACITY/ CAPABILITY OF THE INDIAN SUPPLIER(S)/ AGENT TO MAKE SUPPLIES/SERVICES SHALL BE CHECKED BY BHEL AS PER THE EXISTANT GUIDELINES OF SUPPLIER EVALUATION, APPROVAL & REVIEW PROCEDURE (SEARP), BEFORE OPENING OF PRICE BIDS. IT WILL BE THE RESPONSIBILITY OF THE OEM / FOREIGN PRINCIPAL TO GET ACQUAINTED WITH THE EVALUATION REQUIREMENTS OF INDIAN SUPPLIER/ AGENT AS PER SEARP AVAILABLE ON WWW.BHEL.COM.

THE RESPONSIBILITY FOR SUCCESSFUL EXECUTION OF THE CONTRACT (INCLUDING INDIGENOUS SUPPLIES/ SERVICES) LIES WITH OEM/ FOREIGN PRINCIPAL. ALL BANK GUARANTEES TO THIS EFFECT SHALL BE IN THE SCOPE OF THE OEM/ FOREIGN PRINCIPAL.

31. Guidelines for Indian agents of foreign suppliers - Pl refer Annexure A

Arbitration:- Settlement of dispute, if any arises, at any time between the BHEL and the vendors upon or in relation to or in connection with the vendor, the same shall be referred to the sole arbitration of the head of BHEL unit or to person appointed by him. The award of the arbitrator shall be final and binding on both BHEL and the vendor.

32. Legal Jurisdiction:- In case of any legal proceedings, area of jurisdiction will be Bangalore in case of EPD. NOTE: BHEL reserves the right to go for Online Seal Bid & Reverse Auction. TO ALL INDIAN VENDORS: Kindly note that if you are registered under MSMED Act 2006, confirm the same in your quotation and submit the latest valid certificate for micro, small & medium enterprises (MSME) and for the SC/ST ownership, if any, for availing benefits as per the act.



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BHEL wishes to encourage the participation of micro and small scale enterprises (M&SE).

In case L1 vendor is not a micro & small enterprises, 15% purchase preference will be given to the other M&SE for ordering up to 20% of the tender quantity, provided the MSE matches the L1 price.

In case of more than one such M&SES, the share of 20% will be distributed proportionately.

4% of our total procurement is earmarked for procurement from micro and small enterprises owned by SC/ST. in the event there is no participation from such micro and small scale enterprises. The same shall be met through other M&SES

33. The tender not meeting the above conditions shall not be entertained.

34. Vendors has to clearly mention in their quotation for their acceptance to BHEL terms & condition and supply of material as per as per Specification & delivery schedule mentioned in the NIT.

(V.SOMASHEKARACHARY)
SR. MANAGER / MM