

**Instructions to bidders and Terms and conditions for rate contract (RC) / framework agreement (FA) for purchase of Mica Tape Covered Copper Winding Wire (MTCW) on finished basis under enquiry E-7023018**

1. The supplies against this framework agreement enquiry shall be subjected to our general terms and conditions of the enquiry (GTC) / P.O. In addition, the terms and conditions given under this annexure shall specifically apply to this enquiry. Should there be any difference between the general terms & conditions and the conditions included in this annexure, the latter shall prevail.
2. **General:** - Material will be supplied on finished basis where no material will be free issued from BHEL. Suppliers shall upload only **fabrication cost in Rs / kg** (inclusive of cost of Mica Tape, tooling, packing and forwarding etc) on FOR destination basis on e-procurement portal. Mica Tape Covered Copper Winding Wire to be supplied in accordance with the size, technical requirements as per individual purchase order (PO) placed under the Framework agreement. Procurement will be carried out progressively as per BHEL's requirement under the framework agreement valid for **12 months** after its finalization with an option to extend RC/short close it at any stage if required.
3. **FA Quantity & Technical Parameters :-**

- a) Our total estimated requirement is as follows which shall be purchased progressively as per our requirement under the framework agreement.

Item no.	Description	Cross section Size range	Qty. in kg
1.	Mica Tape Covered Copper Winding Wire to In.Sk.46044 Rev 03 (H1 covering)	4 to 40 sq.mm (Bare)	90000 ± 30%
2.	Mica Tape Covered Copper Winding Wire to BP28189 Rev 13/In.Sk.46044 Rev 03 (H2 covering)	4 to 40 sq.mm (Bare)	252000 ± 30%

Size of the copper shall be mentioned in individual purchase order. Test Certificates of copper and tapes used for manufacturing specific PO item as per purchase specification must accompany each lot. Final inspection for acceptance shall be at BHEL, Bhopal. BHEL may also conduct process audit or surveillance checks at the vendor's works, if required.

Quality plan QA/MT/BOI/049 Rev 02 dtd 01.08.2018 and annexure to the quality plan i.e. IN.SK.46100 Rev 00 for Mica Taped Conductor to BHEL Spec BP28189/IN.SK.46044 should be strictly followed and the same has been enclosed alongwith the tender documents.

Copper and tapes shall be procured from BHEL approved vendors only (Refer QA Plan). Compliance to IN.SK.46100 rev 00 is mandatory.

Checklist for inspection of Mica Taped Conductor by TPIA/Vendor with reference no. QFD/CIM/BOI/18-19/01 rev 00 dated 01.08.2018 has also been enclosed in QAP. List of BHEL approved sources for various tapes and copper to be used in manufacturing insulated copper winding wire to specification BP28189 & InSk 46044 is mentioned in QAP-QA/MT/BOI/049 rev 02 dtd 01.08.2018 as "Annexure A to checklist reference : QFD/CIM/BOI/18-19/01 Rev 00 dtd 01.08.2018." A roll of Mica Tape to BP25185 of every manufacturer shall be required to be submitted to BHEL for purpose of testing in every six months.

**Note: As per MOM between NTPC and BHEL dtd 25.01.2016, NTPC approved vendors are BHEL approved sub vendors having permanent vendor registration and vendor performance rating greater than 75% for MTCW**

- b) Test Certificates of copper and tapes used for manufacturing specific PO item should be provided alongwith the consignment. TC's reference of raw material and tape should appear in main TC of specific PO item for traceability. Material is liable for rejection in case this is not complied with.

- c) **Supply Conditions:**

(i) The material is to be supplied in good quality non-returnable wooden or returnable plastic bobbins. Each vendor shall be allotted a distinctive color for plastic bobbins. The plastic bobbins shall be returnable and available empty plastic bobbins shall be collected by the vendor every third working day in a week on 'as is where is' basis else they may be scrapped by CIM division of BHEL Bhopal. The empty wooden drums are not-returnable. The copper received in broken or damaged bobbin shall be rejected as it is.

(ii) Complete identification / Labeling / tagging of each bobbin as per PO item should be done in the enclosed format (Annexure III) in between the flanges on the corrugated paper over the periphery and over flange on bobbin, else material is liable for rejection in case same is not complied with.

(iii) PO quantity shall be on weight basis. However, length supplied in each bobbin shall be as mentioned in PO. The net weight per drum may lie in range of 30-75 kgs each.

(iv) Length per drum is very important. It should not be less than as specified in PO for each drums in any case.

**d) Technical clearance for making bulk supplies:**

The first lot of material supplied shall be a trial lot. After receipt of trial lot at BHEL Bhopal, the material will be checked for the following parameters.

- i) Successful testing as per technical specifications BP28189 and/ or IN. SK. 46044 in BHEL Bhopal Material Testing Lab.
- ii) Successful Inter-Turn Testing of approx. 50 stator coils manufactured with this copper (at appropriate stage and voltage as per standard BHEL manufacturing and testing procedure)

Only after successful completion of the above milestones, final technical clearance will be given for making bulk supplies.

If the material supplied does not meet our technical requirements as mentioned above, the material will be rejected and will be returned to the vendor. It may be in processed form (pulled stator coils) also. The quantity rejected will also be lower (marginally) than quantity supplied due to wastages and consumption in testing and evaluation. The approximate time required for carrying out above evaluation will be 1 month.

The above clearance is not required for vendors who have made successful supplies of material to specification(s) BP28189 and/ or IN. SK. 46044 to BHEL in the last 10 years from the enquiry date.

**4) Procedure for Bid submission** :- Offer shall be submitted by the bidders in two parts -

Bid Part - I Technical cum Commercial bid

Bid Part - II Price bid (BOQ)

Both Part - I & Part - II of the offer to be uploaded on BHEL e-procurement site using Class III digital signature. **Bidders to mandatorily put sign and seal on all the uploaded documents.** The quotation should be uploaded on the site before due date / time.

Part-I of the bid shall contain complete details of the product offered, duly signed by the authorized signatory of the bidder who signs the bid, acceptance to the specification, all techno commercial terms & conditions and acceptance to the following:-

- a) "Instructions to bidders and Terms and conditions for rate contract (RC) / framework agreement (FA) for purchase of Mica Tape Covered Copper Winding Wire on finished basis under enquiry E-7023018" – Annexure – I
- b) Purchase Specifications and QAP at clause 3 above.
- c) 'Terms and conditions of indigenous enquiry' – General Terms & Conditions (GTC) BP200102A
- d) 'BHEL PO Terms and Conditions' MM5527

**5) Bid opening** :- The 'Techno-commercial' part of the bid i.e. Bid Part – I of the offers shall be opened on the due date of tender opening **on e-procurement portal**. *The offer should be complete in all forms. BHEL reserves the right to not consider incomplete offers.* Bidders to ensure that

requirement of documents w.r.t. PQR are clearly understood and submitted at the time of bid submission to avoid any delays. The Price bid Part-II of such bidders alone shall be opened on a later date **on e-procurement portal** whose techno-commercial bids are found acceptable. The date of 'Price bid -Part II' opening shall be intimated to technically qualified bidders later.

BHEL shall be resorting to Reverse Auction (RA) (Guidelines as available on www.bhel.com) for this tender. RA shall be conducted among all the techno-commercially qualified bidders. Price bids of all techno-commercially qualified bidders shall be opened and same shall be considered as initial bids of bidders in RA. In case any bidder(s) do(es) not participate in online Reverse Auction, their sealed envelope price bid along with applicable loading, if any, shall be considered for ranking.

- 6) Bid evaluation :-** The bids shall be evaluated on itemwise total delivered cost to BHEL on overall economy basis taking into account all duties/taxes/Cess etc as could be applicable in INR currency. SBI TT selling rate and LME CSP of grade A Copper of the date at which the tender (Bid part I) is opened will be considered for tender evaluation. In case SBI TT selling rate and LME CSP of grade A Copper of the date of tender opening is not available, the rate shall be taken of the **previous bank** working day.

Bidders may note that quoted rates shall be loaded for any deviation from the terms & conditions given in this enquiry, to arrive at landed cost to BHEL.

**NOTE :** In the course of evaluation , if more than one bidder happens to occupy L-1 status, effective L-1 will be decided by soliciting discounts from the respective L-1 bidders. In case more than one bidder happens to occupy the L-1 status even after soliciting discounts, the L1 bidder shall be decided by a toss/draw of lots, in the presence of the respective L1 bidder(s) or their representative(s). Ranking will be done accordingly. BHEL's decision in such situations shall be final and binding

- 7) Pricing Terms :-** Material will be supplied on finished basis where no material will be free issued by BHEL. The bidders shall quote only final **fabrication rate in Rs /kg** (inclusive of cost of Mica Tape, tooling, packing and forwarding etc) on e-procurement portal.

**Copper Rate :** The successful bidder will be asked to book LME CSP of the grade A Copper & FBIL + 10 paise exchange rate prevailing on the 3rd LME working day from date of issue of LOI (excluding date of LOI). In case, FBIL + 10 paise exchange rate of 3rd LME working day is not available, same of the **previous** bank working day shall be considered for ordering purpose. **Premium shall be fixed at 190 USD / MT.** Multiplication factor (M.F) equivalent to effective Customs duty on CC rods & is variable in nature as per change in duty structure. Presently it is 1.055.

**Fabrication Rate (Rs/kg) :** Fabrication rate (inclusive of cost of Mica Tape, tooling, packing and forwarding etc) as uploaded on e-procurement portal shall be firm during the validity of Rate Contract.

Rate Schedule		
A	LME CSP Rate (USD / MT) and exchange rate (Rs / USD)	LME CSP & Exchange rate (FBIL + 10 paise) shall be of the 3 <sup>rd</sup> LME working day from the date of issue of Letter of Intent (excluding date of LOI)
	Premium (USD / MT)	190 USD / MT (Fixed)
	Copper Rate	(LME CSP + Premium) x (FBIL + 10 paise) x M.F / 1000 – in Rs / kg
B	Fabrication rate ( <b>Rs / kg</b> )	The fabrication rate inclusive of all possible extras to be quoted in price bid <b>on e-procurement portal</b>
C	PO Rate	A + B

Note : Multiplication factor (M.F) shall be as per notional customs duty, presently it is 1.055

**Kindly note that no additional payment, of either Mica Tape, shall be done and implication of both must be included in fabrication rate itself.**

- 8) FA Qty. Allocation:-** Bidders to note that BHEL shall require two suppliers for item 1 and three suppliers for item 2 for uninterrupted supply against total requirement. Quantity distribution for item 1 shall be in the ratio of 65:35 among L1 & L2 bidders and for item 2 shall be in the ratio of

48:32:20 among L1, L2 and L3 respectively. For item 1, final rate of L1 shall be counter offered to other bidders in the sequence of their ranking in Reverse Auction for distribution of L2 quantities. For item 2, final rate of L1 shall be counter offered to L2 and L3 bidders. On non acceptance of counter offer by any of the L2/L3 bidders for item 2, counter offer of final L1 rate shall be given to next bidders in sequence of their ranking in reverse auction. Based on the acceptance of counter offer by any two bidders, quantity shall be distributed in the ratio of 32:20 of the total tender quantity as per the ranking in reverse auction. If only single bidder accepts the counter offer for item 2 then quantity shall be distributed in the ratio of 65:35 for L1 and L2 bidders respectively. In case, no bidders accepts the counter offer for item 1 and 2, 100% of the quantity shall be awarded to L1 vendor. In case number of qualified suppliers available for quantity distribution for item 1 are two and for item 2 is three or two, then the distribution shall be done amongst (N-1) bidders where N is the number of qualified bidders available for quantity distribution of total quantity and distribution shall be as under. In case of single qualified bidder available for distribution then 100% quantity shall be awarded to the bidder upon finalization of rate contract:

Distribution among bidders	L1	L2	L3	Total
1	100	0	0	100
2	65	35	0	100
3	48	32	20	100

- 9) Delivery Period:-** The material is required at BHEL Bhopal within 4 weeks from the date of LOI. Delivery period to be reckoned from the date of LOI (Letter of Intent) upto BHEL Bhopal delivery date i.e CN date. Bidders shall commit suitable delivery period on FOR destination basis. Delivery period in the purchase order shall be as per accepted delivery period quoted by the vendor or required delivery period by BHEL, whichever is later. In case of hold on project after PO placement, the copper booking of corresponding size may be utilized for other available sizes as decided by BHEL. Bidders may note that delivery beyond committed schedule will attract penalty for delayed performance.

**10) Terms of delivery:-** FOR Destination

- 11) Transit Insurance:-** By supplier. All transit risk shall be covered under clause Inland Rail and Road – A (IRR – A).

- 12) Bidder registration :** Bidders who are NOT registered with BHEL shall have to submit completely filled bidder registration form along with their bid part – I. Those who have been registered are requested to furnish their supplier codes for BHEL Bhopal. Bidder registration form can be downloaded from hyperlink: [https://www.bhelbpl.co.in/mm/supplier\\_forms.html](https://www.bhelbpl.co.in/mm/supplier_forms.html)

**13) Quantity Tolerance :-**

(a) Against RC quantity :  $\pm 30\%$ .

(b) Against individual P.O. items :  $\pm 2\%$ . However, requirements such as the specified weight/length/No. of pieces and other dimensions shall be strictly adhered to. Any discrepancy wrt quantity mentioned in the Letter of Intent (LOI) must be brought to notice of BHEL before copper booking date as per LOI. Quantity supplied above the permissible limit of  $+2\%$  may not be liable for payment and return to the vendor.

- 14) Replacement of rejected Goods :-** Quality plan (QA/MT/BOI/049 rev 02) **alongwith** annexure to the quality plan i.e. IN.SK.46100 Rev 00 for Mica Taped Conductor to BHEL Spec BP28189/IN.SK.46044, checklist for inspection of Mica Taped Conductor by TPIA/Vendor with ref no. QFD/CIM/BOI/18-19/01 rev 00 dtd 01.08.2018 and Annexure A to checklist reference no. QFD/CIM/BOI/18-19/01 Rev 00 dtd 01.08.18 shall be strictly complied with for material acceptance at BHEL. Final inspection for acceptance of quality shall be at BHEL's Bhopal works after receipt of material and results shall be binding on the suppliers. Pre-dispatch / source inspection may also be carried out by BHEL/TPIA. BHEL may conduct quality audit at supplier works for ensuring implementation of quality system. In case of rejection due to non-compliance to agreed specification and for the reasons attributable to the vendor, the materials shall be replaced by vendor free of cost on "F.O.R. BHEL works basis" including interalia cost elements such as total transportation, insurance, any other taxes / levies etc as applicable. The rejected goods shall be subsequently returned to the vendor at his cost.

**Advisory Note:** Vendors are advised to ensure supply of material as per technical specifications, QAPs and other technical documents. Further, vendors are advised to strictly adhere to tolerance ranges of the specifications. Any deviation from technical parameters will result in rejection of

material. However, bidder to note that under exigency/urgency conditions, BHEL may accept the material with minor deviations after penalizing the vendors as per BHEL quality / engineering recommendations (Quality deficiency Review Committee – QDRC) depending on the nature and gravity of quality issue.

**15) Taxes & Duties :-** Bidders are requested to furnish rate and type of duty / taxes as extra applicable to the product under this enquiry in their bid (along with details like HSN, SAC codes, GSTIN no. of vendor etc). BHEL will avail tax credit as per GST rules. Vendors to note that GST portion of invoice shall be released only upon:

- Vendor declaring such invoice in his GSTR – 1 and
- Receipt of goods and tax invoice by the BHEL and
- Confirmation of payment of GST thereon by vendor on GSTN portal
- Above is subject to receipt of goods and tax invoice thereof along with vendor declaring invoice in his return and paying GST within timeline prescribed for availing TC by BHEL.

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 (Input Tax Credit) or any other reasons not attributable to BHEL, GST amount shall be recoverable from vendor along with interest levied / leviable on BHEL.

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 along with interest levied / leviable on BHEL.

Further, any GST liability arising on BHEL under RCM (Reverse Charge) 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.

**Note: -** With reference to section 51 of CGST act 2017 read with notification no 50/2018 – Central tax dated 13.09.2018; BHEL will be liable to deduct TDS under GST with effect from 01.10.2018. Deduction shall be made @ 2% (1% CGST + 1% SGST) or 2% IGST (as applicable) of the payment made or the amount credited. Vendor to generate & submit invoices as per above.

As per GST rules GST-TDS @2% to be deducted on item value w.e.f invoice dt. 01.10.2018. GST-TDS as deducted from bill is deposited to tax authority and details of TDS deducted is updated in GSTR-2A in portal. Benefit to be availed on the basis of details available in GSTR-2A portal. BHEL will not issue any TDS certificate.

**16) Payments Terms :-**

Payment shall be made within 90 days against receipt and acceptance of material without overdue interest OR within 45 days as per the MSMED act (only for vendors falling under Micro & Small category), whichever is applicable to the supplier. *During bid evaluation, no loading of price with regard to preferential payment within 45 days will be done for the bidders covered under MSMED act (Micro & Small).* **BHEL reserves the right to reject offers with payment term other than the above standard payment terms. Such offers if accepted, the quoted rates will be loaded at the rate of SBI Base rate + 6% for price comparison purposes on BHEL landed cost basis.** MSE suppliers can avail the intended benefits only if they submit along with offer, attested copies of either EM II certificate having deemed validity (Two years from the date of issue of acknowledgement in EM II) or valid NSIC certificate or EM II certificate along with CA certificate (Format enclosed) applicable for the year and Udhyam registration copy, certifying quantum of investment in plant and machinery within the permissible limit as per the act for relevant status (Micro or small) where the deemed validity of EM II is over. Date to be reckoned for determining the deemed validity will be the due date of tender. 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.

**Note :** Please ensure declaration of Udhyam Registration number by MSE bidders (indigenous bidders) on CPPP, failing which such bidders will not be able to enjoy the benefits as per Public Procurement Policy for MSEs Order, 2012 for tenders invited electronically through CPPP.

**17) Validity of Framework agreement:-** 12 months from the date of finalization of framework agreement (FA) by BHEL for ordering with additional time of three months for supplies. **Further BHEL will have an option to short close the framework agreement within the validity of the**

**FA/RC, if required by BHEL. BHEL may also extend the rate contract for further 12 months with mutual consent.**

**18) Validity of Offer :-** Offer should be valid for a period of 120 days from the date of technical bid opening date for finalization of the contract.

**19) Levy of Penalty for delayed performance:-** Penalty @ 0.5% per week or part thereof subject to maximum of 10% of the undelivered portion shall be applicable for delayed performance. Failure on the part of the bidder to accept this clause will attract the loading of maximum 10% on the quoted price for the purpose of evaluation. Date of receipt of material at BHEL works i.e Clearance Note date will be considered for levy of penalty. LD recovery, the applicable GST shall also be recoverable from vendors.

**20) Guarantee:-** Copper Wire under this tender shall be free from any kind of manufacturing defects and shall be under guarantee for a period of 12 months from the date of dispatch.

**21) Fraud Prevention Policy :** 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.

**22) Risk and Cost :** In case of non-supply of quality material as per Purchase order within reasonable time as per BHEL policies / exigencies, BHEL may resort to taking alternate procurement action from elsewhere and recover the difference in total cost to BHEL including services / differential / administrative cost, etc, if any, incurred by BHEL in this regard from the supplier as per extant BHEL norms.

**23)** Bidders to give acceptance to **Conciliation clause** as per annexure IV.

**24) Integrity Pact (IP) – Independent external monitor (IEM):-**

- 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. Following Independent External Monitors (IEMs) on the present panel have been appointed by BHEL with the approval of CVC to oversee implementation of IP in BHEL.

SI	IEM	Email
1	Shri Arun Chandra Verma, IPS (Retd.)	acverma1@gmail.com
2	Shri Virendra Bahadur Singh, IPS (Retd.)	vbsinghips@gmail.com

- b) The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory) along with techno-commercial bid (Part-I, in case of two/ three part 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.

- c) Please refer Section-8 of IP for Role and Responsibilities of IEMs. In case of any complaint arising out of the tendering process, the matter may be referred to any of the above IEM(s). All correspondence with the IEMs shall be done through email only.

*Note:*

*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's officials whose contact details are provided below:*

Details of contact person(s):

(1) Name: Ankit Singh  
Deptt: CMM Copper  
Address: BHEL Bhopal  
Phone: 7010519788  
Email: [ankitsingh1@bhel.in](mailto:ankitsingh1@bhel.in)

2) Name: Yogesh Edla  
Deptt: CMM Copper  
Address: BHEL Bhopal  
Phone: 9425604823  
Email: [yedla@bhel.in](mailto:yedla@bhel.in)

**25) Compliance to MAKE IN INDIA circular issued by Govt.:**

“For this procurement, the local content to categorize a supplier as a Class I local supplier/ Class II local supplier/Non-Local supplier and purchase preference to class I local supplier, is as defined in Public Procurement (Preference to Make in India), Order 2017 dated 04.06.2020 issued by DPIIT. In case of subsequent Orders issued by the Nodal Ministry changing the definition of

the local content for the items of the NIT, the same shall be applicable even if issued after issue of this NIT, but before opening of Part-II bids against this NIT.“

- 26)** In addition to above our General Terms and Conditions of enquiry (GTC) & PO shall also be applicable to this tender. **Bidders may note that suitable loading will be done for arriving at the landed cost to BHEL price for any deviation from these general Terms & Conditions.**
- 27)** *The bidder will, when presenting his bid, declare whether other family firms or sister concern affiliates/subsidiary firms are participating in same tender, so as to eliminate the possibility of cartel formation. Format for declaration is attached as annexure V.*
- 28)** The Bidder declares that they will not enter into any illegal or undisclosed agreement or understanding, whether formal or informal with other Bidder(s). This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process. In case, the Bidder is found having indulged in above activities, suitable action shall be taken by BHEL as per extant policies/ guidelines.
- 29)** **Bidder to comply Pre-qualification criteria as per Annexure VI enclosed with NIT. Any deviation from these shall render offer submitted by bidder as rejected. Accordingly, Bidders to ensure that requirement of documents wrt PQR are clearly understood and submitted at the time of bid submission to avoid any delays:**

( Ankit Singh )  
Dy. Manager / CMM-Copper