

Instructions to bidders and Special Terms and conditions for rate contract (RC) / framework agreement (FA) for purchase of Half Hard Copper Strips on finished basis under enquiry No. E-7003017

The supplies against this framework agreement enquiry shall be subjected to our general terms and conditions of the enquiry/ 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.

- General** :- Material will be supplied on finished basis. Suppliers shall quote only **Fabrication Rate (In Rs /kg)** on FOR destination basis on **e-procurement portal** inclusive of tooling, packing and forwarding etc. Half Hard Copper Strips 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 one year after its finalization with an option to short close it within the validity of the rate contract, if required. Further RC can be extended for one more year with mutual consent.*
- FA Quantity & Technical Parameters** :- Our total estimated requirement is as follows which shall be purchased progressively as per our requirement under the framework agreement.

(All sizes in mm)

Group	Item no.	Item description	Consignee	Specification	Quantity in Kgs
A	1	Half Hard Copper strips Thickness 2 to 12 mm, Width 40 to 120 mm and Maximum width to thickness ratio will be 40.	HEP Bhopal	BP12064 rev 06 and Annexure A	380000
Total Group A					380000
B	2	STRIP COPPER HALF HARD 10x40 LG-4000MM	EDN Bangalore	ED12099	50
	3	STRIP COPPER HALF HARD 10mm x50mm LG-4000MM			10000
	4	STRIP COPPER HALF HARD 5mmx60mm LG-4000MM			400
	5	STRIP COPPER HALF HARD 10mmx60mm LG-4000MM			750
	6	STRIP COPPER HALF HARD 10mmx80mm LG-4000MM			3000
	7	STRIP COPPER HALF HARD 10mmx100mm LG-4000MM			2000
	8	STRIP COPPER HALF HARD 3.2mmx25mm LG-4000MM			700
	9	STRIP COPPER HALF HARD 5mmx80mm LG-4000MM			300
	10	8mmTx50mmWx2200mmLg Half Hard Cu Fl (extruded)			2100
	11	10mm Tx30mm Wx1400m Lg Half Hard Cu Fl(extruded)			2100
	12	8mm Tx80mm Wx1800mm Lg Half Hard Cu Fl (extruded)			2100
Total Group B					23500
C	13	3mm Tx400mm Wx1220mm Lg Half Hard Copper Strip			1100
	14	8mm Tx400mm w1220mm Lg Half Hard Cu Flat			5000
	15	4mm Tx160mm Wx940mm Lg Half Hard Cu Fl (extruded)			50000
	16	5mm Tx400mm Wx1150mm Lg Half Hard Copper Strip			1700
	17	2mm Tx160mm Wx1800mm Lg Half Hard Copper Strip			5100
Total Group C					62900

Quantity given is only an estimated requirement. Since the quantity requirement has been arrived on the basis of present and anticipated orders, any change in order situation like any project slow/hold, then BHEL has the right to reduce/drop quantity. However, if RC quantity exhausted during period of RC, then upto +30% of additional quantity can be ordered for group A, and +10% quantity can be ordered for group B & C.

Test Certificates as per annexure, purchase specification must accompany each lot. Third party inspection shall be done at vendor's works. Final inspection for acceptance shall be at BHEL. BHEL may also conduct process audit or surveillance checks at the works, if required.

Quality plan to be followed for Half Hard Copper Strips is attached as **annexure B - QA/HG/542 Rev01 dated 11.08.2020 which is applicable for group A only** and to be sent along with the technical offer for approval.

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 reserves the right to 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.

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

- Bid Part - I Technical cum Commercial bid as per annexure I
- Bid Part - II Price bid as per annexure II in e-procurement portal

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, filled in copy of 'INTEGRITY PACT', 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) Deviations from this “Instruction to bidders and special terms & conditions for rate contract / framework agreement for purchase of Half Hard Copper Strips on finished basis” – Annex – I
- b) Deviations from Purchase Specifications, *annexure A* and annexure B at clause 2 above.
- c) Deviations from BHEL Bhopal ‘General Terms and conditions of enquiry’.

4. **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**. Clarifications if required on this part may be obtained from the bidders for their evaluation. 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.

5. **Bid Evaluation** : The bids shall be evaluated on total delivered cost to BHEL on overall economy basis in Indian currency INR taking into account all duties/taxes/Cess etc as could be applicable. 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 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** working day.

Evaluation shall be done group wise i.e. single L1 shall be established for each group namely Group A (Item No. 1), group B (Item no. 2-12) and Group C (Item no. 13-17) as mentioned in clause no. 2 above. For establishing single L1 bidder, weighted average shall be considered for Group B and Group C.

Bidders may note that quoted rates shall be loaded, as per loading criteria decided by BHEL, for any deviation from the terms & conditions given in this enquiry, to arrive at landed BHEL rate.

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

6. **Pricing Terms** :- Price to be quoted on FOR BHEL Bhopal basis for group A and FOR BHEL EDN Bangalore basis for Group B and Group C. The quoted rates should be inclusive of packing, forwarding, Freight and insurance, etc.

Copper Rate : The successful bidder will be asked to book LME CSP of the grade A Copper prevailing on the 3rd LME working day from date of issue of LOI (excluding date of LOI). (FBIL + 10 paise) exchange rate prevailing on the 3rd LME working day from date of issue of LOI (excluding date of LOI) will be used for converting LME to INR. 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. Premium shall be fixed at 190 USD / MT

Fabrication Rate : Fabrication rate (including tooling, Copper packing - forwarding and other charges, if any, etc) as quoted in price bid (on e-procurement portal) shall be firm during the validity of Rate Contract.

PO 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 rd 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) exchange rate x M.F – in Rs / MT
B	Fabrication rate (Rs / kg)	The fabrication rate inclusive of all possible extras to be quoted in price bid on e-procurement portal
C	PO Rate	A + B

Note : Multiplication factor (M.F) shall be as per actual notional customs duty applicable at the time of dispatch. Presently it is 1.055

8. **FA Qty. Allocation:-** No of bidders required against each enquiry item shall be as mentioned below:

Group	Item no.	No. of suppliers required by BHEL	Distribution ratio
A	1	3	L1:L2:L3::48:32:20
B	2	1	L1::100
	3	2	L1:L2::65:35
	4	2	L1:L2::65:35
	5	2	L1:L2::65:35
	6	2	L1:L2::65:35
	7	2	L1:L2::65:35
	8	2	L1:L2::65:35
	9	2	L1:L2::65:35
	10	2	L1:L2::65:35
	11	2	L1:L2::65:35
	12	2	L1:L2::65:35
C	13	2	L1:L2::65:35
	14	2	L1:L2::65:35
	15	2	L1:L2::65:35
	16	2	L1:L2::65:35
	17	2	L1:L2::65:35

The above distribution of quantities shall be subjected to committed capacity to BHEL, acceptance to the counter offer etc., if any, offered by BHEL. In case number of qualified suppliers available for quantity distribution are equal to or less than the required bidders as mentioned above, 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:

No of qualified vendors available for quantity distribution	L1	L2	Total
2	100		100
3	65	35	100

If number of vendors available for distribution of total quantity is less than the no. of vendors required by BHEL, then BHEL may either redistribute the quantity as mentioned above or reduce the requirement accordingly.

9. **Supply condition:-** Supply of strips against individual PO should comply the following :
- (a) The number of strips shall be as mentioned in purchase order.
 - (b) Material to be supplied in dead straight lengths.
 - (c) Different items to be packed separately in sturdy boxes with proper identification on each box (weight of individual box $\leq$ 2000 kg approx).
 - (d) Supplier to mention number of strips along with weight in the packing list.
 - (e) Each consignment should be supplied along with
 - Test Certificates of all tests as per specification
 - Test Certificates of Raw material.
10. **Delivery Period:-** The desired delivery period against individual PO item shall be within 6 weeks to be reckoned from the date of **Letter of Intent (LOI)**. Bidders shall commit suitable delivery period on FOR destination basis i.e. FOR BHEL Bhopal for Group A and FOR BHEL EDN Bangalore for group B and Group C. Delivery period will be counted upto receipt of material at BHEL Bhopal/EDN Bangalore i.e CN date. Bidders may note that delivery beyond committed schedule will attract penalty for delayed performance.
11. **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. Bidder registration form can be downloaded from hyperlink: https://www.bhelbpl.co.in/mm/supplier_forms.html
12. **Monthly capacity:** Bidders to quote monthly capacity (MT) exclusively committed to BHEL for this RC that shall not be less than as specified in point no. 3 of Prequalification Criteria in Annexure III
13. **Replacement of rejected Goods :-** Third party inspection will be done at vendor's works by customer / TPIA. Final inspection for acceptance of quality shall be at BHEL's works Bhopal/EDN Bangalore after receipt of material and results shall be binding on the suppliers. Material to be dispatched only after approval of TPIA report by BHEL. BHEL may conduct quality audit at supplier works for ensuring implementation of quality system and quality plan **QA/HG/542 Rev01 dated 11.08.20 and Annexure A**. In case of rejection due to non-compliance to agreed specification and for the reasons attributable to the vendor, the materials shall be rejected. The rejected goods will have to be collected by supplier with 10 days on receipt of PMIR/rejection intimation. The rejection goods are lying in BHEL at risk and cost of vendor. BHEL reserve the right to dispose off if goods are not removed within reasonable time. The replacement by vendor will be 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. Vendor to provide all possible help in lifting the rejected material and supplying replacement as per BHEL / government guidelines.
14. **Terms of delivery:**
- a. Group A- F.O.R. BHEL Bhopal on door delivery basis.
 - b. Group B- F.O.R. BHEL EDN Bangalore on door delivery basis.
 - c. Group C- F.O.R. BHEL EDN Bangalore on door delivery basis
15. **Transit Insurance:-** Transit insurance shall be by supplier (FOR destination basis). All transit risk shall be covered under clause Inland Rail and Road – A (IRR – A).
16. **Payments Terms:** Payment shall be made within 90 days against receipt and acceptance of material without over due 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).* Payment term other than the above standard payment terms may lead to rejection of your offer and if accepted, your 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 Udyog Aadhar 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 UAM 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. Taxes & Duties:** - The bidders are requested to furnish the 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. Vendor to note that GST part 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 the item value w.e.f. invoice dtd 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.

18. **Validity of Framework agreement:-** One year from the date of finalization of framework agreement (FA) by BHEL for ordering with additional time of three months for supplies. **BHEL shall have an option to extend the rate contract for one more year with mutual consent. Further RC/FA may be short closed during the validity of the rate contract, if required.**
19. **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.
20. **Levy of Penalty for delayed performance:-** Penalty @ 0.5% per week or part there of 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 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.
21. **Guarantee:-** Half Hard Copper Strips 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.
22. **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.
23. **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

Sl.No	IEM	Email
1	Shri Arun Chandra Verma, IPS (Retd.)	acverma1@gmail.com
2	Shri Virendra Bahadur Singh, IPS (Retd.)	vbssinghips@gmail.com

B. The IP as enclosed with the tender is to be submitted (duly signed by the 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 correspondences with the IEMs shall be done through e-mail 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 clarifications/ issues shall be addressed directly to the tender issuing (procurement) department's officials whose contact details are provided below:

Details of the contact person:

Name	Ankit Singh	Yogesh Edla
Deptt	CMM Copper	CMM Copper
Address	BHEL Bhopal	BHEL Bhopal
Phone No.	7010519788	9425604823
Email	ankitsingh1@bhel.in	yedla@bhel.in

24. Quantity Tolerance :-

(a) Against RC quantity : $\pm 30\%$ against Group A and $\pm 10\%$ against Group B & C.

(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 / or return to the vendor.

25. Risk and Cost : In case of non-supply of quality material as per Purchase order within reasonable time as per BHEL 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, if any, incurred by BHEL in this regard from the supplier as per extant BHEL norms.

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

27. 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.”

28. In addition to above our General ‘Terms and Conditions of indigenous enquiry’ and ‘BHEL PO Terms and Conditions’ for indigenous & foreign bidders 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.

29. 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.

30. Pre qualification Criteria (mandatory for further consideration of offers)

Please note that offers of only those bidders who meet pre-qualification criteria (attached as Annexure III) shall be considered. Bidders to submit all supporting documents in compliance with each requirement.

(Ankit Singh)
Dy. Manager (Copper MM)