

Terms & Conditions for supply of copper strips and copper round bar on finished basis under 6 months Rate Contract Enquiry No. E0809001.

1. **General:** Sealed tenders are invited in Two-Part Bid system for purchase of copper strips and copper round bar as per various drawings/ Specifications and terms & conditions mentioned in the Annexures -"I to IX" on finished basis. The supplies against this rate contract enquiry shall be subject to our General Terms and conditions of enquiry and PO. In addition, the terms and conditions given under this annexure shall specifically apply to this enquiry. If any difference between the General Terms and conditions of enquiry, purchase order, the conditions included in this annexure shall prevail.

The offer of the bidders who are in the banned list as also the offer of the bidders who engage the services of the banned firms shall be rejected. List of banned firms is available on BHEL website: www.bhel.com. Likewise, offers of those bidder(s) will not be considered who have been suspended (under hold / delisting) by BHEL, Jhansi during the given period.

Lot wise quantity and delivery schedule indicated in the purchase enquiry detail is tentative. Actual procurement will be carried out progressively as per requirement of BHEL against the rate contract.

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

Part – I Technical cum Commercial bid

- A- Part-I of the bid shall contain complete detail of the product offered, all techno-commercial terms & conditions and acceptance to the following: -

- (i) Duly signed & sealed copy of **Annexure-I.**
- (ii) Duly signed & sealed copy of **Annexure-II.**
- (iii) Duly signed & sealed copy of Qualifying Requirement (PQR) **Annexure- III** with authenticated copy of all supporting documents.
- (iv) Un-price format- **Annexure-IV.**
- (v) Duly signed & sealed copy of Integrity Pact **Annexure-V.**
- (vi) Duly sealed and signed copy of General Terms and Conditions (GTC) Rev-3 of Enquiry and specification AA12003 rev 04, AA12026 rev 07 & AA12023 rev 08.

- B- In case it becomes necessary to deviate in any of the above, the deviations must be clearly brought out in bid Part-I of the offer. Any deviation to INTEGRITY PACT is not acceptable. Copy of un-priced bid with status "**quoted (Q) & not - quoted (NQ)**" must accompany bid part-I.

Part -I of the offers shall be kept in separate sealed envelopes duly super scribed as Part - I '**Technical cum Commercial bid**'. The enquiry number and due date shall also be super scribed on the envelope.

Part - II Price bid

Part-II of bid consist of **Price bid as per price format Annexure-VI to IX** and required with duly filled, signed & stamped by the authorized signatory of the vendor. Each Price bids envelopes shall be duly super scribed as PRICE BID, Enquiry number, Enquiry item number and due date.

Bidder has to submit separate sealed envelope of price bid as per price bid format Annexure-VI to IX only for those items for which they have quoted.

If any bidder willing to quote all four items of purchase enquiry, then bidder has to submit four separate sealed envelopes of price bids as per price format Annexure- VI to IX.

Handwritten signature

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Part -I & Part -II (separate sealed envelopes of price bids) of the offers shall be kept in a sealed envelopes duly super scribed as Part - I '**Technical cum Commercial bid**' and Part - II '**Price bid**'. The enquiry number and due date shall also be super scribed on both the envelopes.

3. **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. Clarifications, wherever required on this part, shall be obtained from the bidders for their evaluation. The Price bid Part-II of such vendors alone shall be opened whose techno-commercial bids are found acceptable. The date of 'Price bid - Part II' opening shall be intimated later on. Before price bid opening / RA (reverse auction) all formalities for registration has to be completed by the bidders as per new supplier link at www.bhel.com.

Alternatively: "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."

4. **Pre Qualification Criteria :** For Pre-qualification criteria, refer Annexure-III.

Offers of those bidders who meet the Pre-qualification criteria mentioned in Annexure-III will be accepted. Any deviation from these shall render offer submitted by bidder as rejected.

* Bidders have to submit duly filled, signed & sealed copy of Annexure-III with a all relevant documents as required.

5. **Bid evaluation:** The bid shall be evaluated on total delivered cost to BHEL (landed cost net of input tax credit) taking into account all duties / taxes / Cess as per prevailing structure on date of tender enquiry (bid part-I) opening and based on the LME CSP & SBI TT Selling rate prevailing on the date of tender opening (bid part-I).

If LME CSP rate and SBI TT selling rate is not available on Part-I bid opening date due to holiday, then LME CSP rate and SBI TT selling rate prior to Part-I bid opening date shall be considered.

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 and same shall be communicated to techno-commercially suitable bidders before price bid opening.

Evaluation of items shall be done on item wise L1 basis.

6. **Technical Parameters and Tendered Quantity:-** Refer Purchase enquiry

Important note:

- Item quantity may vary $\pm 30\%$ of total quantity awarded to vendors.

7. **Pricing Terms :-** Material will be supplied on finished basis as per pricing terms given below:-

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- A) **LME CSP for Copper & Exchange rate for US \$**:- LME CSP & Exchange rate will be corresponding to 3rd LME working day from the date of letter of intent (LOI) / instruction for copper booking (excluding date of LOI). Exchange rate shall be FBIL USD rate + 0.05. In case of RBI holiday on the 3rd LME working day, then exchange rate of next working day shall be considered.

Exchange rate (rounding off up to two decimal places) available on FBIL website shall be considered.

- B) **Premium (USD / MT)**:- To be quoted by the bidders.

- C) **Multiplication factor (MF)** :- This will be equivalent to effective customs duty (net of ITC) on CC Rods at the time of copper booking and subject to change in case customs duty structure on CC rods changes. Present it is 1.055 maximum. **Change in MF (without change in customs duty) by indigenous CC rods producers will not be entertained.**

- D) **Copper Rate (Rs / Kg)**:- (LME + Premium) X Exchange rate X MF/1000.

- E) **Fabrication Rate (Rs / KG)**:- Bidders to quote as per price format – Annexure – VI to IX.

- F) **PO Rate**:- Sum of D + E

Premium & fabrication rate shall be firm throughout the validity of the contract. The fabrication rate shall be inclusive of all tooling cost, packing, freight, insurance and forwarding charges etc. and no extra charges shall be payable on whatsoever account.

While quoting the rates, bidders must take into account the following factors in addition to whatever they deem fit:

- No extra charges shall be paid for packing, forwarding, radial insulation, fumigation, weight per drum and Cross section of conductor etc.
- Bidders shall quote their most competitive rates, which shall be valid regardless of the quantity that may be awarded to them and also regardless of whether Reverse Auction is conducted or not.
- Rate quoted on other base prices shall be rejected.

8. **PVC (Price variation Clause) Applicable**: Yes, as per pricing Terms mentioned at clause 7.

9. **Transit Insurance**: - By the bidder.

10. **Number of Suppliers**:- We need 2 suppliers for execution of this contract and the tentative distribution of quantities among L1 & L2 would be in the ratio of **70:30**. Number of minimum suppliers required to execute this contract may change depending upon committed capacity and also acceptance to counter offer, if any, made by BHEL. Quantity distribution to bidders shall be among (n-1) bidders, limited to 2 bidders where n is number of techno – commercially qualified bidders and shall be as shown below.

n	L1	L2	Total
1	100	-	100
2	70	30	100

11. **Vendors Approved by BHEL's Customers**:- Bidders may note that Copper Conductors strips and rod for most of the customers is to be sourced from customer's approved vendors only. In those cases BHEL would place purchase orders pertaining to requirement of such contracts on the approved vendors of respective customer only. The percentage ordering, as per the

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contract, may therefore vary depending upon the nature of orders received by BHEL on account of sourcing from customer approved vendors.

12. **Quantity Tolerance** :- Against individual P.O. items quantity tolerance shall be $\pm 2\%$. However, requirements such as the specified length/No. of pieces and other dimensions shall be strictly adhered to.
13. **Inspection of material** :-
Test Certificates shall be as per annexures provided at the time of issuing of purchase order, purchase specifications, QA plan etc. and must accompany with each lot against supply. Final inspection for acceptance of quality and quantity shall be done at BHEL's works after receipt of material and results shall be binding on the suppliers
14. **Replacement of rejected Goods** :- Final inspection for acceptance of quality shall be at BHEL's works after receipt of material and results shall be binding on the suppliers. 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 charge on "FOR BHEL works basis" including interlay cost elements such as total transportation, insurance and other taxes / levies etc as applicable. The rejected goods shall be subsequently returned to the vendor at his cost.
15. **Taxes & Duties** :- All taxes & duties shall be paid extra and as applicable at the time of dispatch within India only will be paid / reimbursed by BHEL and same will be loaded for price comparison on delivered cost to BHEL (i.e. landed cost net of input tax credit).
16. **Payments Terms** :- 100% payment within 90 days of receipt of material (45 days for MSE / NSIC registered suppliers as per relevant act in force), subject to acceptance of material at BHEL, on direct presentation of the documents.
Any deviation from the above payment terms, if accepted (by BHEL), shall be loaded @ SBI base rate (as on date of Part I bid opening) + 6%, for the purpose of bid evaluation.

For more details refer clause 15 of General terms and conditions of enquiry rev03.

17. **Terms of delivery**:- On FOR BHEL Jhansi as per clause no 6.a. of GTC rev 03 of enquiry
18. **Validity of Rate Contract**:- The rate contract shall be valid for six months for ordering (i.e. for issue of purchase order/ issue of letter of intent (LOI)) and supply up to 3 months thereafter.
19. **Short Closure of RC**: BHEL reserves the right to short close the FA / RC at any point of time during validity of the contract.
20. **Validity of Offer** :- Offer should be valid for a period of 120 days from the date of techno-commercial bid opening date (part-1) for finalization of the contract.
21. **Levy of Penalty for delayed performance**:- As per Clause no: 8 of GTC of enquiry rev 03.
22. **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.

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Sl	IEM	Email
1	Shri Arun Chandra Verma, IPS (Retd.)	acvermai@gmail.com
2	Shri Virendra Bahadur Singh, IPS (Retd.)	ybsinghips@gmail.com

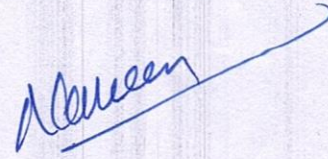
- b) The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory who signs in the offer) along with techno-commercial bid (Part-I, in case of two/ three part bid). Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification.
- c) Please refer Section-8 of 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.

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

For all clarifications/ issues related to the tender, Please contact:

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 Deptt : Material Management
 Address : PO khailar, BHEL Jhansi-284120
 Phone : (Landline/ Mobile)
 (1) 0510-241 2329/2460 (2) 8765956505 / 9425604688
 Email: nkmahaseth@bhel.in, arunverma@bhel.in
 Fax: 0510-2412120

23. Commercial Conditions quoted by the vendor in any place including as stated in bidder's 'General Terms and Conditions' if any, shall not be binding on the Purchaser and the conditions contained in this annexure, including General terms & Conditions rev 03 of enquiry shall only prevail.


 (Naveen Mahaseth)

Dy.Mgr (CMM)