

Annexure-1 :: Conditions of Contract

Tender Enquiry: 201800131

(Copper Strip Flexibles including Silver Plating & Electro Tinning)

General Conditions of Contract (GCC):

1. Bid Evaluation- **Tender shall be evaluated on overall package cost basis.**
2. Rates shall be quoted FOR BHEL RUDRAPUR (Address: CFP-BHEL RUDRAPUR, Kichha Bye Pass Road, Near FCI Godown, U.S.Nagar, Uttarakhand-263153).
3. Rates should be quoted for entering into framework agreement for 01 year. Rates quoted shall be firm for 01 year for ordering. Multiples Orders shall be placed during currency of year on firm rates. PV Clause for Copper & Silver shall be applicable with this enquiry.
4. 100% payment shall be made in 45 days after receipt and verification of material at store. Any deviation in payment terms will be loaded @ (SBI PLR rate at the time of tender opening + 6 %) annual interest for comparing standing.
5. Validity of the quotation must be 3 months from the date of quotation.
6. Delivery time should be quantified for the sequential lots from the date of each PO.
1st lot of 2MT within 03 months from PO & subsequently 2MT/ month.
7. Risk Purchase clause shall be applicable with this enquiry.
RISK PURCHASE CLAUSE: On finding non-supply of the PO as per PO delivery terms, BHEL may sources the material from any alternate arrangements/orders. On such occasions, the difference of amount shall be recovered from pending / subsequent bill(s) of original supplier
8. LD/Penalty clause shall be applicable with this enquiry.
The delivery of goods shall be made strictly as per time limit specified in delivery schedule. Failure to supply within this period will make the supplier liable to a penalty of ½% (half percent) of the total order value per week of delay or part thereof subject to a maximum of 10% of the total order value for the reasons attributable to the party.

Non acceptance of above clauses shall be considered as deviation to this tender and shall be loaded at the rate of 10% for each case for comparing standing.
9. In addition to above terms and conditions, provision of public procurement policy of MSEs order 2012 shall also apply.

BIDDER's SIGN & SEAL:

Special Conditions of Contract (SCC):

10. PV Clause & its applicability:

a) Copper Base Price:

- i) Rates should be based on HCL's price of CC Copper Rod Ø16 @ **Rs. 4,92,291 /- PMT of 01.03.2018**. This is the basic HCL price, GST & other statutory levies will be extra as applicable. Rates based on any other base price shall NOT be acceptable.
- ii) Reference: Price circular no. HCL/HO/MKTG/Cu-P/2017-18 dated: 01-Mar-2018.
- iii) Applicable rates shall be those of 1 month prior from the month in which delivery is being made e.g., if delivery of Copper Flexible is being made in September that the HCL price of 01-August will be taken for operating PV Clause.
- iv) PVC ratio shall be **1:1 per kg. (or 1:Unit weight of flexible as mentioned in different drawings)**. PVC ratio other than mentioned above shall not be acceptable.

b) Silver Base Price:

- i) The rates of Silver Plating are based on the basic rates of (Ready) Silver (99.9% purity) @**Rs.39,400/-** as per Mumbai Bullion Market & for any change in this rate, the Silver Closing Rate of Mumbai Bullion Market on the 1st working day of calendar month as published in the next day's edition of "The Economic Times" or "The Financial Express" shall be effective for supplies till the end of that month in which the plated components are to be supplied to BHEL.

Reference: **ET Intelligence Group, Mumbai Bullion Market (Ready) Silver 1kg** dated 02-Apr-2018.

- ii) PVC ratio for Silver Plating shall be **2:1 (two is to one)** i.e., for every increase/decrease by 1% in the rates of Silver, there shall be corresponding increase/decrease by 1/2 % (half) in the rates of Silver Plating.

11. No extra charges for tinning will be payable. Wherever tinning is required on ferrules, the rates should be inclusive of tinning charges.

12. Although the purchases shall be made in "Nos.", however, **total weight of finished copper component/item shall be verified for inspection & payment purposes.** Payment shall be restricted to DRAWING WEIGHT. However, if actual weight is less than drawing weight payment shall be made as per ACTUAL WEIGHT.

13. BHEL reserves the right to:

- A. To finalize the contract with maximum of 03 acceptable bidders.

	DISTRIBUTION OF TENDER QUANTITY (%)		
Slab	L1	L2	L3
03 bidders	50	30	20
02 bidders	60	40	
01 bidder	100		

- B. Distribution matrix as above shall be referred for distribution of this tender quantity.

- C. **BHEL reserves the right to decide the successful bidder on the basis of Reverse Auction (RA) process.** In such case all qualified bidders will be intimated regarding procedure / modality for RA process prior to Reverse Auction and price will be decided as per the rules for Reverse Auction. However, if reverse auction process is unsuccessful as defined in the RA rules/ procedures, or for whatsoever reason, then the sealed 'PRICE BIDS' will be opened for deciding the successful bidder. BHEL's decision in this regard will be final and binding on bidder.

- D. Accept/ reject, any or all tenders or part thereof without assigning any reasons.

- E. To extend /truncate the R/c Period by 03 months or part & including its validity shall be 1 & 1/4th years for the frame work agreement.

- F. To terminate the F/A by giving a notice period of 15 days if the performance of the party is not found to be satisfactory.

- 14. Action shall be taken as per extant BHEL “Guidelines for Suspension of Business Dealings with Suppliers/Contractors AA/MM/SB/01 Rev.02 Dated 22.07.2016”** against Supplier who either fail to perform or are in default without any reasonable cause like force majeure, cause loss of business/money/reputation, indulge in malpractices, cheating, bribery, fraud or any other misconduct or formation of cartels so as to influence the bidding processor influence the price, tempering with tender process etc. Further details in this regard can be accessed through BHEL website www.bhel.com

15. 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."

BIDDER's SIGN & SEAL:

Technical Conditions of Contract (TCC):

- 16. Technical Requirements of Copper Strip Flexible
(RU/BDE/ENGG/CPPER STRIP FLEXIBLE/001 REV-00 (02 pages)**
- 17. _Sample Drawings 41001200030 R02 & RST0145 R00.**
- 18. General Instructions for Sweating & Silver Plating on Copper Conductor & Flexible
(45410000005 R06)**
- 19. Corporate Purchasing Specification for Copper Strip –Annealed (Close Tolerances)
(AA120 07 R03) (05 pages)**
- 20. Quality Assurance Plan (QAP)**
- 21. Test Certificates shall be required with material in line with the approved QAP & testing procedures.**

BIDDER's SIGN & SEAL: