

BHARAT HEAVY ELECTRICALS LIMITED, BHOPAL
(CMM – STEEL DIVISION)

Instructions to Bidders and special terms and conditions for supply of Cold rolled NGO steel under Rate contract online tender enquiry no E1483069 dated 26.03.2019 and due on 16.04.2019, requirement of BHEL Units for FY 2019-20. Online bids are invited in **Two-Part Bid** for entering into Rate contract for purchase of CRNGO steel coils in the following grades and quantities;

1. Tender quantity & desired delivery schedule

Sl. No.	Unit	BHEL spec	Project Status	Size (in mm)			Quantity in MT	Expected Delivery
				Thkness	Width	Length		
BHEL Bhopal Requirement								
1-BP	BHEL Bhopal	HG10062 Rev 06, Grade-50C270	Confirmed	0.5	820	coil	415	June-July'2019
2-BP		HG10062 Rev 06, Grade-65C600		0.65	850	coil	20	
subtotal for BHEL Bhopal							435	
1-JP	BHEL Bhopal	HG10062 Rev 06, Grade-50C270	Confirmed	0.5	820	coil	254	May-June'2019
2-JP		AA10917 Rev 07, Grade-65C530	Anticipated	0.65	560	coil	650	
subtotal for BHEL Jagdishpur							904	
Total requirement							1339	

- Ordering tolerance of +25% may be applicable with mutual consent.
- Quantity tolerance (supply tolerance) as requested by the bidder may be permitted with mutual consent.
- Coating thickness: for complete details refer specific clause of each specification
 - 1 BP & 1 JP (Insulated):** Both side insulated with an average of 5 ± 1 micron thickness coating on each side with varnish as per BHEL specification AA-27541. The Insulation thickness of any individual point shall lie between 4 to 8 microns & shall be uniformly distributed and other details as per material specification HG10062 Rev 06.
 - 2 JP (Insulated):** Both side insulated with an average of 5.5 ± 1.5 micron thickness coating on each side with varnish as per BHEL specification AA-27541. The Insulation thickness of any individual point shall not be below 2 microns, other details as per clause 3.3 a of material specification AA10917 Rev 07.
 - 2 BP (Un Insulated):** Un-insulated, protected on both sides by rust preventive coating as per clause 3.3 b of material specifications HG10062 Rev 06.
 - Coating required as per respective material specification, however BHEL reserve the right to accept or reject the bid for deviation in coating offered if any.
- Acceptable coil weight: Maximum up to 3.5 MT for BHEL Bhopal (preferred 2 to 2.5 MT) and 5-6 MT for CSU Jagdishpur. Maximum OD of 1500 mm and nominal ID of coils for both units to be 508 mm +/-10 mm.
- This requirement is of two BHEL units and technical scrutiny will be done from both the BHEL units, hence your offer to have validity of 90 days for awarding rate contract. BHEL reserve the right to reject the offer, in case of offer validity less than 90 days from date of technical bid opening.
- Since this is a rate contract requirement, your rates to be firm and valid for ordering within 3 months (90 days) from rate contract issuance date. BHEL reserve the right to reject the offer, in case of rate contract validity less than 90 days from date of rate contract issuance date.
- Quantities are indicative based on market perception of BHEL. Actual ordering quantity shall be in tune with orders booked by BHEL. BHEL reserves the right to place purchase orders for smaller quantities and to short close the contract for quantities.

2. Pre-Qualification Criteria: As per attached Pre-qualification Criteria annexure "Common PQR Requirement". In absence of submission of documents / compliances required as per PQR along with technical bid, your offer may be rejected out rightly.

3. BIS license for supplying mill: - BIS certification is mandatory for Cold Rolled NGO supplying mill from **01-Jul-2014 onwards or as per the Steel and Steel Products (Quality control) Second (Amendment) Order, 2012 dated 31.03.2014. Offer in line with Steel quality control order shall only be considered for further evaluation and price bid opening.**

4. Bidder must submit the MTCs as per BHEL's format (BHEL/QFD/MTC/002) or confirm that all testing requirements as called in the purchase specifications must be part of the MTC to be issued by the Mill (certified by TPI if applicable) at the time of supply.
5. **Delivery Period:** BHEL's preferable delivery requirement shall be 16 weeks from date of PO and bidders are requested to consider the same while quoting their contractual delivery period.

6. **Payment Terms:-**

- **For foreign bidders:** 100% through CAD of 90 days from date of BL shall be preferable. In case BHEL considers any deviation in payment terms i.e. early payment based on vendor's request, then bids shall be evaluated with loading of State bank of India Base rate plus 6%, for the credit period short of 90 days. The LC shall be established 2 months prior to shipment date, valid for period of 90 days, unless agreed otherwise.
- **For indigenous bidders:** Payment shall be made within 90 days against receipt and acceptance of material without overdue interest OR within 45 days against receipt and acceptance of material as per the MSMED act, whichever is applicable to the supplier with no bank charges. Valid Udyog Aadhar Certificate is to be submitted with bid part – I by the bidders and is mandatory to avail SME benefit.

In case of indigenous bidder insisting on ILC payment terms, BHEL reserves the right to accept or reject the bid. In case, BHEL accepts the ILC payment terms, it shall have to be through irrevocable, unconfirmed LC, payable within 120 days of UMID / receipt date of material at BHEL against acceptance, unless agreed otherwise.

However, in case of any deviation from above payment terms offer may not be considered, if the same is accepted by BHEL will be loaded at the rate of SBI base rate + 6% for price comparison purposes on cost to BHEL basis as per present practice.

7. Technical & Commercial conditions agreed under this Rate contract enquiry may be treated as TC MoU and future purchases could be considered under single bid enquiry with support of conditions agreed under the MoU.

8. **Clause by Clause acceptance**

- A. Bidder shall confirm clause by clause acceptance to all the terms and conditions of the enquiry, Purchase specifications mentioned above and bring out deviations, if any from-
 - i. Purchase specifications AA10917 Rev 07 and HG10062 Rev 06.
 - ii. Terms and conditions contained in this Annexure-I: Special condition of enquiry & Annexure –II: General Terms & Conditions (Enquiry GCC, BP-200102)
 - iii. All testing requirement as called in the purchase specifications must be part of the MTC to be issued by the Mill at the time of supply.
 - iv. Purchase orders/payment will be arranged separately by the concerned BHEL Units. The vendors shall ensure timely dispatches as per delivery schedule indicated in the purchase orders.
 - v. Minimum 14 days free of detention from the date of IGM for custom clearance at Delivery port to be offered by the bidder through its shipping Line for CFR / CIF delivery.

9. **Additional clause for Imports**

- i. Bidders to ensure to negotiate the shipping documents with their bankers within standard time of maximum 21 days as per UCP600, early negotiation are always preferred. Any delay in submission of documents results in cascading effect on various consequent costs to BHEL like demurrage charges; detention charges ground rent, storage charges etc. In order to put the onus on the vendor to negotiate the shipping documents within the allowed time, a penal charge to be levied from the bills submitted for payment for delay his part.
- ii. Seller shall arrange to send to the respective purchaser one set of documents as per clause 11 B as per general term and condition BP200102.
- iii. In case the material shipped in Full Containers (FCL), seller shall ensure that the Bill of Lading should clearly spell out the Port of discharge - "Nhavaseva" and preferred place of Delivery / Final Destination - "ICD Mandideep for BHEL Bhopal".
- iv. The vendor to submit the declaration of permanent establishment and business connection in the enclosed format either in Annexure I or Annexure II whichever is applicable as per their transaction entered into with BHEL. In the absence of certificates from the vendor, withholding tax @ 40% plus applicable surcharge and cess will be levied at time of remittance to the supplier.

10. Evaluation of bids:

- a. Offers will be evaluated for total delivered/landed cost (HESG in Rs PMT basis) at BHEL Unit, separately for each item and Rate contract will be awarded accordingly.
- b. The material is required against confirmed as well as anticipated orders and this rate contract is for raw material of various motors / hydro generators and late delivery penalty is applicable as 0.5% per week of delayed portion per week or part thereof subject to maximum 10% of the total order value.
- c. Overseas offers will be preferably evaluated on CFR/CIF Nhava Sheva for CSU Jagdishpur & CFR/CIF ICD Mandideep for BHEL Bhopal requirement.
- d. Custom duty benefit applicable for item no 1 BP & 1 JP and effective applicable custom duty is 0% for the item no 1 BP & 5% for the item no 1 JP. For other items offers will be evaluated at merit duty, In case of any change in MOA; the same will be communicated to bidders before price bid opening. Indigenous vendor may quote invalidation discount accordingly.

11. Documentation: One set of **Original Test Certificates** shall be sent by Courier addressed to Purchase department of respective unit of BHEL after the dispatch of goods to purchasing Units along with other documents as mentioned in the Annexure-II. Vendor should ensure that the Test certificates (TC) issued by them must include Purchase Order no., Customer name i.e., M/s Purchasing unit of BHEL. Test certificates should cover results of tests for Mechanical and Electrical properties as per specification for each Coil No / Heat No.

12. Advisory Note: Vendors are advised to ensure supply of material as per technical specifications 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.

13. BHEL fraud prevention policy: The bidder along with its associate/collaborators.sub-contractor/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.

14. Compliance to MAKE IN INDIA circular issued by Gol:

“For this procurement, Public Procurement (Preference to Make in India), Order 2017 dated 15.062017 & 28.052018 and subsequent Orders issued by the respective Nodal Ministry shall be applicable even if issued after issue of this NIT but before finalization of contract/ PO/ WO against this NIT (notice inviting tender).

In the event of any Nodal Ministry prescribing higher or lower percentage of purchase preference and/ or local content in respect of this procurement, same shall be applicable“

15. Tender submission Process :

- a) The E-TENDER should be submitted through <https://bhel.abcpurchase.com>, in two part bid system not later than 03.00 pm on the due date. Tenders will be opened on due date from 3.30 pm hrs onwards.
- b) All subsequent corrigendum/amendment shall be published only on our website (www.bhel.com) and not in press. Hence, bidders are advised to be in touch with our website till the tender is finally opened.

16. Complete tender documents can be downloaded from BHEL corporate website www.bhel.com also.

17. Enclosure with Enquiry

- a. **Annexure I- Special conditions of the enquiry (5 pages):** To be filled completely and **to be attached along with the Part-I-technical offer.**
- b. **Common Pre-Qualification Requirement**
- c. Material specifications tabulated above.
- d. Annexure – 1 (page 6 of 6) of Coating thickness specification AA0851711.
- e. BHEL Bhopal MTC format.
- f. **Annexure-II/BP-200102-** Enquiry general conditions of contract for Indigenous & foreign vendors (through Soft copy)- 10 pages
- g. Permanent establishment and Business connection Annexure – I & Annexure – II.
- h. **Integrity pact format: to be filled, signed, and witnessed and to be submitted along with Part-I-technical offer.**

- i. Details of Independent External Monitor (IEM).
- j. **Vendor registration form (online)**: to be filled and submitted by vendors not registered with BHEL.

In case of any further assistance in this tender please contact following persons

Saurabh Singh Niranjana / Sr Engineer / CMM-Steel 2 nd Floor, ADM Building BHEL Bhopal, Piplani, Bhopal (MP)- 462022 Ph: 0755 250 5491 Email: saurabhniranjana@bhel.in	Dolly Gera / DGM / CMM-Steel 2 nd Floor, ADM Building BHEL Bhopal, Piplani, Bhopal (MP)- 462022 Ph: 0755 250 3090 Email: dollygera@bhel.in
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Noted and accepted / accepted except the deviations enclosed

(Strike-off whichever is not applicable)

Name & Signature of Authorized signatory

Sr No	Description	Remarks
1	Confirmation to supply material as per BHEL specifications	YES
2	Confirmation to supply material as per enquiry size and quantity	YES
3	All testing requirement as called in the purchase specifications must be part of the Mill TC to be issued by the mill along with supply.	YES
4	Acceptance of late delivery penalty clause (Refer Clause 9 of Annexure-II- Enquiry GCC & clause 10.b of Annexure E1483093-I)	YES
5	Lead time for supply of of CRNGO coils from the date of Purchase Order / LC	----- weeks
6	Confirmation that supplying mill is BIS approved for quoted material grade	YES
7	Validity of the offer for issuance of rate contract minimum 90 days from the Part-I- technical bid opening date	YES
8	Validity of the rates for minimum 3 months (90 days) from RC issuance date for placement of purchase orders.	YES
9	Acceptance of part order quantity	YES
10	Tender submitted in Two part bid only	YES
11	In case of rejection, BHEL reserve the right to withhold the payment of rejected lot & supplier must withdraw the bill of exchange unconditionally.	YES
12	Inspection at BHEL shall be final & binding.	YES
13	Acceptance of price finalisation through reverse auction	YES
Additional details for overseas bidders		
1	Port name in case of FOB delivery (For reference only)	-----
2	Discharge Port Nhava Sheva in case of CFR/CIF delivery	YES
3	Delivery port ICD Mandideep for CFR/CIF delivery for Bhopal Unit requirement	YES
4	Shipment of cargo through containers	YES
5	Minimum 14 days free of detention from the date of IGM for custom clearance at Delivery port to be offered by the bidder through it's shipping Line for CFR delivery	YES
6	Acceptance of payment terms- irrevocable and unconfirmed LC, payable within 90 days from the BL date as per Clause 16 of Annexure- II- Enquiry GCC (BP200102)	YES
7	The BL and invoice should mention the Incoterm as " CIF" or "CFR / C&F".	YES
8	The BL should mention Applicable destination charges, acceptable by shipping lines. ROD should be aware of the destination charges before the consignment reaches the destination Port.	YES
9	Load port charges should be settled by the supplier and should not be passed on to BHEL in some form of destination charges.	YES
Additional details for indigenous bidders		
1	Delivery preferred on FOR BHEL Unit basis with transit insurance risk to be borne by supplier. All transit risk shall be covered under clause inland rail & road-A(IRR-A).	YES
2	IGST / (CGST + SGST) extra as applicable against ITC	%
3	Payment terms - '100% Direct within 90 days of receipt' and as per clause 16 of Annexure-II-Enquiry GCC (BP200102)	YES
4	Supplier shall have valid GST registration	YES
5	Supplier shall mention their GSTN registration number in their invoices. Invoice no which is linked /uploaded in GSTN network shall be clearly indicated in invoice	YES
6	All invoices shall bear the HSN code for each item separately.	YES
7	Confirmation that all invoice particulars will be uploaded in the GSTN network / portal and all tax liability will be discharged as per GST rules and regulations.	YES

- For any deviation from BHEL standard commercial terms, your offer shall be loaded suitably.
- In case of deviation in any of the above conditions, please spell out clearly & Strike off table not applicable.

Sign & Seal of the vendor