Tender Documents for Supply of Nickel

Central Foundry Forge Plant (CFFP), a unit of Central PSU BHEL, is planning to procure Nickel with price variation clause. Details will be as under:

Material : Nickel

CFFP Specification no : FF 05061 Rev. 02

CFFP BHEL Material Code : FF1271861011

Tender Quantity in MT : 83 MT

Validity of offer of vendor for placement of order by CFFP: 45 days from techno-commercial (part-1) tender opening date

Techno Commercial Terms & Conditions for tender enquiry

1. Nickel shall be supplied as per specification no. FF 05061 Rev 02 in all respects and the bidder confirms agreement of all the clauses of the said specification.

2. Material is required as per chemical composition specified in clause no. 6 of specification no. FF 05061 Rev 02.

3. Size of Material is required within the permissible limits of specification no FF 05061 Rev 02.

4. For payment for accepted material in the specified range, **no prorata rate** will be permitted for any constituent element in the material.

5. Guarantee Certificate shall be provided by the seller along with despatch documents that in case of any non-conformity with respect to the specification No. FF 05061 Rev 02, the supplied material shall be replaced free of cost.

6. Material shall be supplied in original manufacturer's packing with marking as per specification FF 05061 Rev 02.

7. Original Manufacturer's Test Certificate with linkage to supplied material shall be provided along with despatch documents.

8. Third party inspection (before despatch) from any one of the following seven inspection agencies shall be arranged by seller at their cost. Inspection report in original to be submitted to CFFP along with despatch documents. Agencies are:

    a. LLOYDS

    b. TUV-SUD

    c. DNV

    d. Bureau Veritas / Inspectorate

    e. Alfred.H.Knight

    f. SGS

    g. Alex-Stewart

9. Third party inspection report should include test results as per requirement of clause 8 of specification FF 05061 Rev 02. Scope of Third party inspection shall be as under:

    a. The inspection is to be carried out as per the ordered specification no FF 05061 Rev 02 ensuring original manufacturer's packing, Original manufacturer test certificates etc as per specification and its linkage.

    b. The material should be identified as per the specification and details like original manufacturer's name, Batch/lot no, Net weight, material name to be mentioned on each drum. The material should be packed as per specification and sealed by the inspection agency. The seal details should be mentioned in the inspection report.

    c. The inspection report should contain the complete witnessing of the chemical analysis of material as per IS1472 for numbers of test required in a lot and their testing methodology for evaluating. All elements and verification of size of the inspected material required to be checked, tested & reported in report. Also it should carry details of specification no, purchase order no, Batch/lot no of material, seal details of the inspector along with corresponding packing (packing list).

    d. Witness packing and loading of Product. Third party Inspection seal to be put on each drum.

    e. Seal should be placed on drum so that same should not get damaged during transit/transportation.

10. Acceptance of material shall be after final inspection at CFFP BHEL Haridwar as per specification FF 05061 Rev 02 and shall be binding on seller. Material not found in conformance with applicable specification & purchase order conditions will be rejected.

11. In case material gets rejected during final inspection at CFFP, the same shall be replaced by supplier within 45 days of rejection memo date. All the charges (like To & Fro freight, insurance etc.) for replacement shall be borne by supplier. Date of receipt of replacement material, if accepted, shall be considered as actual delivery date with respect to the PO delivery date for calculating penalty for Late Delivery.

12. Delivery of material

   a. For Indian sellers - Door delivery basis i.e. FOR Destination (Destination being Central Stores/CFFP/BHEL Haridwar). Offer must be clear & including all the charges like freight , insurance, packing & forwarding etc.

   b. For Foreign sellers – CIF Nhava Sheva, India basis. Offer must be clear & including all the charges like sea freight, sea insurance, packing & forwarding etc upto Nhava Sheva port. Free time at landing port should be minimum 21 days.

13. Delivery condition

   a. Material to be supplied by vendor in sealed container to CFFP, sealed by custom/ third party inspection agency.

14. Delivery Lot / Lot Size

   a. Lot size- delivery required in one lot of 83 MT

15. Price discovery:

   a. "BHEL reserves the right to go for Reverse Auction (RA) (guidelines as available on www.bhel.com) instead of opening the sealed envelope price bid /'sealed price bid on e-procurement portal', submitted by the bidder. This will be decided after techno-commercial evaluation. Bidders to give their acceptance with the offer for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA.

   b. In case BHEL decides to go for Reverse Auction, only those bidders who have given their acceptance to participate in RA will be allowed to participate in the Reverse Auction. Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit 'Process compliance form' (to the designated service provider) as well as Online sealed bid' in the Reverse Auction. Non-submission of 'Process compliance form' or ' Online sealed bid' by the agreed bidder (s) will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/ contractors (as available on www.bhel.com).

   c. The bidders have to necessarily submit online sealed bid less than or equal to their envelope sealed price bid /'sealed price bid on e-procurement portal' already submitted to BHEL along with the offer(Landed cost to CFFP i.e. Landed cost net of Input Tax Credit for which sample calculation sheet shall be provided by BHEL). The envelope sealed price bid/'sealed price bid on e-procurement portal' of successful L1 bidder in RA, if conducted, shall also be opened after RA and the order will be placed on lower of the two bids (RA closing price & envelope sealed price/'sealed price bid on e-procurement portal') thus obtained. The bidder having submitted this offer specifically agrees to this condition and undertakes to execute the contract on thus awarded rates.

   d. If it is found that L1 bidder has quoted higher in online sealed bid in comparison to envelope sealed bid/'sealed price bid on e-procurement portal' for any item(s), the bidder will be issued a warning letter to this effect. However, if the same bidder again defaults on this count in any subsequent tender in the unit, it will be considered as fraud and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/ contactors (as available on www.bhel.com)."

e. Highest bidder during online sealed bid will not be permitted to participate further in Reverse Auction of the tender enquiry.

f. After declaring L1 bidder upon completion of RA, CFFP/BHEL will open the price submitted by L1 bidder in e-procurement portal during tender submission. Order will be placed at lower of the two rates.

g. Evaluation of price bids will be on the basis of delivered cost at CFFP i.e. Landed cost net of Input Tax Credit at CFFP.

h. CFFP, BHEL also reserve its right to negotiate with L1 bidder, established after price discovery.

16. Seller is required to quote the premium correctly as per unit of measurement mentioned in the tender. In case of any mistake done by seller while quoting their price /rate, responsibility will rest completely with seller. BHEL decision will be final.

17. Currency of contract:

    a. For Indian Seller – Only in Indian Rupee

    b. For Foreign seller – Only in USD, Offer in any other currency will not be considered

18. BHEL prefers to deal directly with the vendors. In case foreign vendor engages any Indian agent or takes services of any Indian agent, copy of agency agreement will be required to be submitted along with offer in line with the attached document of this tender. Payment to Indian agent agreed is required to be clearly mentioned in the agreement along with other commercial terms between them. In case commission / payment is not declared in the agreement, same shall not be acceptable. Non submission of agreement will result into ignoring the offer of seller.

19. Payment Terms –

    a. For Indian sellers - 100% payment will be made to the seller within 30 days after receipt & acceptance of material at CFFP / BHEL, Haridwar through e-payment by the Buyer. In case of non-acceptance of payment term, loading on prices will be done for the period relaxation is sought for. Rate of loading will be 6% above Base rate of SBI (as applicable on the date of technical bid opening). Payment term involving payment of material before receipt & acceptance of material at CFFP will not be acceptable and bids will be ignored.

    b. For Foreign sellers – Payment through USANCE LC payable on 70^{th} day of Bill of Landing (BL) date. Bank charges on either side (i.e. In India by BHEL and in Seller Country by seller). In case seller does not agree to 70^{th} day payment, proper loading will be done. Loading will be @ 6% above base rate of SBI on the date of technical bid opening date. Seller will be required to provide one negotiable copy of BL directly to BHEL to avoid delay in clearance of consignment. Due to delay in submission of documents to Bank & one negotiable BL to BHEL, if any detention or demurrage is levied on BHEL by shipping company/port, same shall be to sellers account & will be deducted from payable LC.

    c. Offers with advance payment term or Supply linked to payment of earlier lots shall not be accepted.

    d. Interest shall not be paid for late / delayed payment if any.

20. Criteria for determining offered rate of bidder:

Evaluation of price bids (for deciding L-1) will be done on the basis of total delivered cost at CFFP i.e. Landed cost net of Input Tax Credit at CFFP. This will be calculated based on average LME cash settlement price of Nickel for the month (one month prior to techno-commercial tender opening date) plus premium charge plus taxes & duties payable. Exchange rate will be taken as TT selling rate of SBI card rate for the date of techno-commercial tender opening.

In case Reverse Auction is conducted for opening of price bid, Reverse Auction will done on the basis of total delivered cost at CFFP i.e. Landed cost net of Input Tax Credit at CFFP.

a. **For Indian Bidder:**

   i. Average cash official seller price of Nickel at LME for the month (one month prior to tender opening date) will be taken from www.metalprices.com.

   ii. **Bidder is required to quote only their premium charge in their price bid on e-procurement portal (mjunction/buyjunction portal) for basic price in the unit of tender enquiry and this will remain firm during the contract period.**

   iii. TT selling rate of USD by SBI will be taken of 1st part bid opening date

Example:

1st part bid opening date taken as 28.05.18

Applicable period for taking average LME price will be 01.04.2018 to 30.04.2018

Currency Conversion rate will be of date 28.05.2018

Indian bidder

Cost head	Values per Kg
Average LME price (cash official seller) for Nickel of April 2018 in USD	13.93
Conversion rate (TT selling rate of SBI) of USD of 28.05.2018 (presently taken of 03.05.18 for understanding purpose)	67.05
Effective price of Nickel in INR	934.01
Custom duty	0
Cess on Custom Duty	0
Premium quoted by vendor (Rs per Kg)	**100.00**
Total basic rate of bidder on the date of tender opening (1st part)	1034.01
Packing & forwarding charge	0
Freight & transit insurance	0
Sub Total	1034.01

GST @ 18%	186.12
Sub Total	1220.13
ITC (Input Tax Credit)	186.12
Landed price net of ITC at CFFP	1034.01

Premium quoted by vendor will include all charges like inspection, freight, custom clearance, port charges, insurance, etc except CUSTOM DUTY. CUSTOM DUTY will be paid extra, if applicable, against submission of one copy of BE by vendor.

GST will be reimbursed to vendor against receipt of GST compliant invoice and after verifying the return submitted by vendor on GST portal.

b. For Foreign Bidder:

i. Average cash official seller price of Nickel at LME for the month (one month prior to tender opening date) will be taken from www.metalprices.com.

ii. **Bidder is required to quote only their premium charge in their price bid on e-procurement portal (abcprocure portal) for basic price in the unit of tender enquiry and this will remain firm during the contract period**

iii. TT selling rate of USD by SBI will be taken of 1st part bid opening date.

Example:

1st part bid opening date taken as 28.05.2018

Applicable period for taking average LME price will be 01.04.2018 to 30.04.2018

Currency Conversion rate will be of date 28.05.2018

Foreign bidder

Cost head	Values per Kg
Average LME price (cash official seller) for Nickel for April 2018 in USD	13.93
Conversion rate (TT selling rate of SBI) of USD of 28.05.2018 (presently taken of 03.05.18 for understanding purpose)	67.05
Effective price of Nickel in Indian Rupee	934.01
Premium quoted by vendor in USD per Kg	**1.00**
Conversion rate (TT selling rate of SBI) of USD of 26.09.2017 (Assumed)	67.05
Vendor premium in INR	67.05
Total basic rate of bidder on the date of tender opening (1st part)	1001.06
Packing & forwarding charge	0
Sea Freight including sea transit insurance	0
Sub Total (cost at Nhava Sheva port) CIF Cost	1001.06

Port Handling charge @ 1%	10.01
Custom duty	0
Cess on Custom Duty	0
Sub Total	1011.07
IGST @ 18%	181.99
Sub Total	1193.06
Inland Freight ((1616 kmX2.63X35)+(1616X2.90X21))/24000	10.30
Sub Total	1203.36
Inland Insurance @0.13% of (110% of CIF cost+ Duties)	1.67
LC Charge @ 0.04%	0.40
Sub total	1205.43
ITC (Input Tax Credit)	181.99
Landed price net of ITC at CFFP	1023.44

Premium quoted by vendor will include all charges like inspection, Load port charge, sea freight & insurance, etc except DUTIES in India. Duties in India will be paid by BHEL.

21. Invoice / Payment rate for supplied material:

    a. Indian supplier:

        i. Av. LME Cash Seller Price of Nickel during the calendar month of shipment in USD. Exchange rate will be taken as TT selling rate of SBI card rate of 15th date from date of B/L.

        ii. Premium charge indicated by vendor per Kg of Nickel.

        iii. GST will be reimbursed to vendor against receipt of GST compliant invoice and after verifying the return submitted by vendor on GST portal.

        iv. Custom duty, if paid, against the copy of BE

        v. Payment to Indian vendors will be made in Indian Rupees

    b. Foreign suppliers:

        i. Av. LME Cash Seller Price of Nickel during the calendar month of shipment in USD.

        ii. Payment will be made through USANCE LC in USD.

        iii. LC will have final price confirmation clause. LC will be opened for the estimated cost and will be amended for final value after one month from the shipment / BL date.

        iv. Date of Bill of Lading shall be considered as date of supply for payment calculation & LD purpose.

22. Validity of offers should be minimum 45 days from techno-commercial (part-1) tender opening date.

23. BHEL reserves its right to place order for part quantity of tender enquiry. Quoted rate not to be linked with order quantity. In case it is linked to order quantity, offer will be ignored.

24. 20% qty. will be reserved for the Indian MSE vendor, if quoted as per tender conditions. Benefit will be passed to only MSE manufacturer of Nickel.

25. Delivery Schedule:-

    a. For Indian Seller- FOR CFFP Delivery - within 60 days from delivery intimation date.

    b. For Foreign seller- F.O.B. delivery – within 30 days from L.C. / delivery intimation date, whichever is later.

    L.D. will be calculated as per above mentioned delivery schedule.

26. Delivery in the promised period is the essence of contract. Requests for delivery extension from the seller in lieu of Non availability of transport / inspection agency etc. will not be entertained by the buyer.

27. Purchase orders placed against this RC shall be subject to normal clauses for imposing Penalty for Late Delivery, Risk purchases, Cancellation, Arbitration in case of delay in effecting supply and or other defaults as per following conditions:

    a. Penalty for Late Delivery: The delivery of the goods shall be made strictly as per time limit specified in delivery schedule, failure to supply within this period will make the seller liable to a penalty of 1/2 (half) percent of the price of the goods in arrears per week subject to a maximum of 10% on the basic rate. Any correspondence regarding waiver of LD shall not be entertained. In case of non-acceptance of late delivery penalty, price will be loaded for the unaccepted portion.

    b. Risk Purchase: In case of delays in supplies / defective supplies or non-fulfillment of any other terms and conditions given in the Purchase Order by the seller, the Buyer reserves the right to cancel the purchase order in full or part thereof, and may also make the purchase of such material from alternative source at the risk and cost of the seller.

28. In the event of any dispute arising out of contractual obligation, the order being finalized at Haridwar, India will be subject to Indian Laws and falls under jurisdiction of the court of Law at Haridwar, India for Indian seller and Delhi for foreign seller.

29. Unregistered vendors have to fill the SRF (Supplier Registration Form) of their company **online** at our website www.bhel.com or www.bhelhwr.co.in .They can fill the SRF of their company at this link: https://supplier.bhel.in/.

30. During the validity period of RC entered through this tender enquiry, vendor's performance shall be reviewed as per BHEL rules & guidelines.

31. In case of failure to supply material in time or supply of inferior quality / defective material, CFFP, BHEL will be free to take suitable action against seller as per company policy which includes (but not limit to) cancellation of PO / RC, arranging material on Risk Purchase basis, etc.

32. Bidder will be required to sign & submit integrity pact along with their offer. Copy of the same is available with the tender enquiry.

33. Weighment at CFFP shall be final and binding on supplier. No variation shall be accepted. Payment shall be made for the lower of Invoice Quantity or actual quantity received at CFFP.

34. Conditional offer clashing with the tender conditions shall be liable to get ignored in case vendor does not withdraw the same.

35. **Non-negotiable conditions**: Risk Purchase clause, Third party Inspection at Vendor end & any other clause stated in this document for non-consideration of offers.

36. Tender will be accepted only on e-procurement portal.

    a. 1st part bid - Techno Commercial Bid and PQC following documents will be opened.

    i. Submit signed scanned copy of this Terms & condition along with offer submitted on e-procurement portal. Signature required on all pages.

    ii. Applicable taxes & duties at the time of tender opening

    iii. Replica of Price –bid (without rates)

    iv. Validity of rates minimum 45 days from techno-commercial tender opening date

    v. Signed copy of Integrity pact.

    b. 2nd part bid – Price Bid will be opened of only techno-commercially suitable vendor

    i. In Case price opened through RA & RA is successful, then price bid of L1 vendor of RA will be opened through eprocurement portal and order will be released at lower of the two rates.

    ii. In case RA is failed , price bid of all vendors who have submitted their price in online seal bid will be opened.

37. Terms & conditions not specified in RC shall be as per tender enquiry / General Terms & condition of tender enquiry.

We hereby confirm our acceptance for compliance of Terms & Conditions stipulated above.

For & on behalf of

Name of Seller

Signature of Authorized Signatory

Company Seal

Name & Address

Phone No.

Email id.
Date