

Special terms & conditions for Enquiry no. E3893069

Please refer General terms and conditions of enquiry form no. BP 200102 and P.O. terms & conditions (indigenous) form no. MM 5527, Rev.03. If any deviations, please mention in your quotation otherwise it shall be taken that all terms and conditions are accepted by you.

1. Please quote your best rate through your DSC (Digital Signature Certificate) in our E-Tender system through <https://bhel.abcprocure.com> on or before due date. Paper bid to be not accepted in E-Tender.
2. **Pre-qualification criteria (PQC) :--**
 - (1) Bidders may be OEM / Manufacturers or dealer / reseller / channel partner / distributor etc. If the bidder is not OEM / Manufacturer, then he has to submit the Authorization dealer / vendor certificate from OEM / Manufacturer.
 - (2) Offers of those parties will be considered who or their OEM / Manufacturer has supplied Electrodes of minimum value ₹ 11.22 Lakhs during one year in last 5 years from tender opening date. The relevant PO copies and proof of supplies (Invoice copy / Challan copy / Completion certificate etc.) shall be submitted with technical offer.
 - (3) Average annual turnover should not be less than ₹ 11.25 Lacs of last 3 years ending 31st March of the financial year 2018-19. Audited (If Audit is required as per rules) annual report (Profit & loss account) of last 3 years ending 31st March of the financial year 2018-19 shall be submitted with tender documents [i.e. Financial year (i) 2016-17, (ii) 2017-18 & (iii) 2018-19].

Startups and Micro & Small Enterprises are exempted for above Point of submission of (i) PO and proof of supply of prior experience [Clause 2 (2)] and (ii) Audited annual report of prior turnover [Clause 2 (3)].

Startup means an entity, incorporated or registered in India not prior to five years, with annual turnover not exceeding INR 25 crore in any preceding financial year, working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property.

Provided that such entity is not formed by splitting up, or reconstruction, of a business already in existence.

Provided also that an entity shall cease to be a Startup if its turnover for the previous financial years has exceeded INR 25 crore or it has completed 5 years from the date of incorporation/ registration.

Bidders who have quoted as startups has to submit (1) Copy of incorporation / registration of their firm and (2) Audited (if audit is required as per norms) profit and loss account / Balance sheet etc. (Which shows annual turnover) of all financial year from date of incorporation / registration to 31st March 2019.

BHEL reserves the rights to reject the offer of suppliers who does not submit documents as per above.

3. The prices shall be quoted with PVC basis only. If offer is found on "FIRM" price basis, offer stands rejected. The PVC formula shall be:

$$X1 = X0 [1 + 0.5 (P1-P0/P0)]^*$$

X1 = Revised price of finished product with price variation clause (rate/number).

X0 = Price of finished product at the time of offer (rate/number)

0.5 = Raw material cost portion of finished product.

P0 = Raw Material Cost / Rate at the time of tender [Rate of steel Wire of *6mm Dia (Rs. 44960 / Metric Ton)]. The rates published in JPC Web on 01-February-2020 shall be considered.

P1 = Raw Material cost applicable as on four Weeks Prior to Despatch/Invoice, Whichever is earlier. (The rates published in JPC Web on the date close to one month before the dispatch or invoice date whichever is earlier shall be considered subject to Clause 5 below).

The following Terms and Conditions will be applicable in arriving the PVC formula.

- (1) It is proposed to use JPC steel bulletin which is published in 'NIC' website www.jpcindiasteel.nic.in on fortnightly basis, for basic price of raw material.
- (2) Basic price of 6mm wire rod as published in www.jpcindiasteel.nic.in as applicable for Mumbai shall be considered. (The website gives price for four cities namely Delhi, Kolkata, Mumbai & Chennai, and hence it is proposed to use raw material rate of Mumbai for all the PVC calculations).
- (3) PVC formula will be same for all suppliers for all types of electrodes.
- (4) Price variation clause will not be applicable in case of variation in raw material cost up to 5% (plus or minus).
- (5) In case of delivery delays, the PVC shall be restricted to the purchase order delivery date or the actual dispatch date whichever is advantageous to BHEL.
- (6) In case PO delivery date is extended by BHEL, the PVC shall be applicable for the extended delivery date.
- (7) In case of delay in delivery the LD shall be calculated on the PO value including PVC.
- (8) Fortnightly clubbing of dispatches would be done for PVC calculation, since the JPC prices are published once in fortnight only.

* Dia 2.50 mm & 3.15 mm electrodes are drawn from ram material core wire of dia 4.0 mm, dia 4.0 mm & 5.0 mm electrodes are drawn from raw material core wire of dia. 6.0 mm and dia 6.30 mm electrode is drawn from core wire of dia 8.0 mm. For PVC calculation (P0-Raw material Cost/Rate at the time of tender steel wire of 6.0 mm dia is taken as representative size.

Sample Calculation

$$X1 = X0 [1 + 0.5 (P1-P0/P0)]$$

X0 = Price of finished product at the time of offer (rate/number)
Rs.1.00 / Number

P0 = Raw Material Cost/Rate at the time of tender
[Rate of steel Wire of *6mm Dia (Rs. 44960 / Metric Ton)]. The rates published in JPC Web on 01-February-2020 = Rs. 44960 / MT.

P1 = Raw Material cost applicable as on four Weeks Prior to Despatch for JPC
(Date of dispatch assumed as on 24.05.2020) i.e 24.04.2020 (Nearest JPC date 16.04.2020) = Rs. 51938 / MT.

$$X1 = \text{Revised price of finished product with price variation clause (rate/number)} = 1.0 [1 + 0.5 (51938 - 44960) / 44960] = \text{Rs. 1.08 / Number}$$

4. **PO will be placed on two supplier:-**

PO will be placed on two suppliers in the ratio 60% : 40%. Counter offer of L-1 HESG rate will be given to other suppliers in order of merit. If no supplier accepts counter offer rate, entire quantity will be given to L-1 bidder.

MSE shall be allowed to supply up to 25% of total qty. also as per clause 29-B of General Terms and Conditions of enquiry. In that case, ratio shall be 60% : 25% (For MSE) : 15%. If no MSE supplier accepts counter offer rate, ratio shall be 60% : 40% as per above conditions.

If BHEL decides for placement of order for part quantity (60% or less) for any or all items, PO will be placed on L1 bidder only. However, MSE shall be allowed to supply up to 25% of part quantity also as per clause 29-B of General Terms and Conditions of enquiry.

5. **Terms of Delivery:-**

Terms of delivery should be **F O R Destination** on Door delivery basis at CRX, BHEL Bhopal. The same is mentioned in Part – A (Techno-commercial bid) of your offer otherwise it shall be taken FOR destination. Offers on **F O R Destination** on Door delivery basis at CRX, BHEL Bhopal will only be accepted, **if you quote Ex-Works, freight by BHEL or Ex-Works, freight prepaid your quotation will be commercially rejected.**

6. **Quantity variation:-**

Quantity variation $\pm$ 5%.

7. **Tender fees :-**

Suppliers must submit tender document fees of ₹ 500/- (Five hundred only).

Tender Fee will be accepted only in electronic Mode, which can be deposited on line through following link as mentioned below:-

<https://bpl.bhel.com/qcins/iccs.htm>

E-receipt must be submitted along with offer.

Without tender fees offer shall be rejected. MSE suppliers are exempted from tender fees.

8. **Payment term:-**

Full payment will be made within 90 days after receipt and acceptance of material in BHEL. For MSE suppliers, payment can be released within 45 days after receipt and acceptance of material in BHEL.

Advance payment is not acceptable in any circumstances. Supplier's offer shall be loaded accordingly, if lower period of credit is offered. Also, Overdue interest (ODI) is not acceptable to BHEL.

Note:- MSE suppliers can avail the intended benefit only if they submit valid MSE certificate (Udyog Aadhaar Memorandum / EM II etc.) along with the offer.

9. **Delivery Period:-**

Please mention your best **delivery period** in your quotation for the lot wise quantity shown in enquiry. If not mentioned in your quotation it shall be taken 60 days from date purchase order/ LOI.

BHEL reserves the rights to reject the offer of suppliers who does not accept delivery schedule as per tender requirement.

10. **Test Certificate (TC) :-**

Supplier to furnish Test Certificate (TC) at the time of each supply. In case non-receipt of TC with any supply, the supply is liable for rejection. Hence, any deviation for TC requirement be given in your quotation otherwise it is presumed that TC will be furnished with the supply as required.

11. **Un-registered suppliers of BHEL, Bhopal :-**

Suppliers who are not yet registered with BHEL, Bhopal must submit following documents for temporary registration along with Part – A (Techno-commercial bid) of your offer:-

- (1) Copy of PAN no.
- (2) Copy of GSTIN no.

RTGS/EFT details as per BHEL format must be submitted immediately after placement of order who have yet not submitted to BHEL, Bhopal. Format of RTSG / EFT detail can be obtained from us or downloaded from link <https://bpl.bhel.com/mm/>

12. **All the above points must be explicitly confirmed in the "Part A" of offer. If any point not confirmed in "Part A" of your offer, it shall be taken that it is acceptable to you. In case of non-acceptance above points / fail to submit sample / documents as per our tender / specification requirement, your offer may be rejected.**

13. For this procurement, Public Procurement (Preference to Make in India), Order 2017 dated 15.06.2017 & 28.05.2018 and subsequent Orders issued by the respective Nodal Ministry shall be applicable even if issued after of this NIT but before finalization of contract / PO / WO against this NIT.

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.

14. Refer to clause 29-B of General Terms and Conditions of Enquiry (BP200102). Following changes have taken place:-

- (1) Reserved quantity for MSEs quoting within L1+15% price band to be increased to 25% from existing 20%.
- (2) Minimum of 3% reservation for women owned MSEs within the above mentioned 25% reservation.
- (3) Increase in procurement target from MSEs owned by SC/STS from the existing 4% to 6.25%.

15. 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 L-1 bidder shall be decided by a toss / draw of lots, in the presence of the respective L-1 bidder(s) or their representative(s).

Ranking will be done accordingly. BHEL's decision in such situations shall be final and binding.

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