

Annexure - IVCOMMERCIAL TERMS & CONDITIONS

1. Rates to be quoted for black condition & without painted radiators (520 mm & 380 mm wide rippled) on per 100 millimeter and per element basis considering valve centers. Our standard valve centers are from 1200mm, 1300mm, 1400mm - - - - up to 3500mm. However over 90% of the total requirement shall be for valve centre of 2400 mm & 3000 mm length.
2. **Rate should be quoted on FOR BHEL Jhansi basis. The freight, insurance and octroi (if any) shall be on bidder's account.**
3. (A) Extra charges on above basic rates shall be given by BHEL as fixed %age of basic rates (in black condition) as specified below. :-
 - i. Synthetic Enamel Painting : Painting shall be done as per TR 10005P Sl. No. 7
Extra charges as %age of basic rates shall be @8.16%
 - ii. Epoxy painting : Painting shall be done as per TR 10005P Sl no. 15
Extra charges as %age of basic rates shall be @11.31%
 - iii. Poly urethane painting : Painting shall be done as per TR 10005P Sl no. 20 or 22
Extra charges as %age of basic rates shall be @13.26%
 - iv. In a few cases the radiators painting film thickness required is over and above minimum 100 /120 microns. The rates in %age of basic radiator cost for every 30 micron increase in paint thickness over & above the above specified thickness the charges shall be paid extra as under:-
 - a. Synthetic painting @3.07%
 - b. Epoxy painting @4.25%
 - c. Poly urethane painting @6.12%
 - v. Export Packing – Sea worthy packing the charges shall be @7.02%.

Rates given at above at sl. No.3 (i), (ii), (iii) & (iv) is applicable for Aluminum paint also.

(B) Inside painting of radiators shall be as Sl no. 2.2 of TR 15077R

4. The flange cost – shall be inclusive in the basic cost.
5. Packing and Forwarding – shall be inclusive in the basic cost.
6. Total requirement of pressed steel radiators shall be as per Annexure-I +/-25% for rate contract period. The requirement is tentative and may vary depending upon BHEL order booking position and our production requirement.

Radiators for BHEL's customer such as PGCIL, NTPC or others, where approved vendors are specified by them, will be purchased from those 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 on vendors as per the contract may therefore vary depending upon the nature of orders received by BHEL.

Percentage loading of radiator may also vary considering delivery performance during execution of rate contract. This is to ensure timely delivery of radiators to meet our turnover requirement.

7. Quoted/ settled rate shall be valid for ordering up to 24 months from the date of award of rate contract letter and 27 months for supplies. The rate contract may be extended for 3 months on satisfactory performance by vendors, subject to mutual written consent.

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8. Order will be placed on vendor against this R/C as and when the requirement comes
9. Please indicate delivery period of item from the date of receipt of PO/LOI. Our delay. Requirement is about 56 days for first lot after placement of P.O./ L.O.I.
10. Indicate the manufacturing capacity of the works, radiators/ month and also tentative capacity (radiators / month) available for BHEL, Jhansi against this tender.
11. For any clarification on our tender terms and conditions' please contact Sr Purchase Officer /DGM(MM) before tender opening due date (phone 0510- 2412317 / 2412338).
12. Offer received with any condition not mentioned in our tender may be bypassed.
13. Present rate of all taxes & duties must be mentioned in the offer.
14. Inspection shall be done at supplier works if called in our P.O. by BHEL/authorized agency of BHEL/Customer.
15. Suppliers not registered with Permanent code are required to submit duly filled supplier's Registration form (SRF) along with bid. Bidders can download the SRF from website www.bhel.com .
16. Price variation claim shall be allowed over the quoted base price as under.
 - (a) For every 1 Rupee /Kg. Increase/decrease in JPC basic price (exclusive ED & CST) of CR coils 1mm tk. The basic radiator cost will increase/decrease by Rs. 1.00/kg of design weight of the Radiator as given in our drawings / PO. If radiator element weight is 100 Kg. and there is price increase of Rs. 1/Kg. of 1mm CR coils, radiator element price would Increase by Rs. 100.- (100 kgx1.00).
 - (b) The basic rates quoted as per Annexure-VII shall be based on the JPC price (Retail) of Rs. 39.00 /Kg. (Delhi base price) as on 02.03.16 for 1 mm CR Coils The JPC circular can be obtained from JPC at Kolkata for getting change in price of 1- mm thick CR coils & to raise bills based on PVC claim. As the displayed price includes the ED & CST therefore the ED & CST shall be subtracted from the rate as applicable from time to time , JPC price excluding ED & CST is **Rs. 33.99** as on 02.03.16. The existing rate of ED & CST is 12.5% & 2% respectively as on 02.03.16 (Delhi base price).
 - (c) JPC price of 1- mm tk. CR coils applicable for one month prior of actual delivery month or PO delivery month whichever is lower shall be considered for PVC claim, For example, if radiator is supplied in AUG-16 and PO delivery is SEPT-16, JPC price applicable for the month of JULY-16 or AUG-16 whichever is lower shall be taken for PVC claim. This clause shall not be applicable for cases where supplier prepones despatches on request of BHEL. BHEL will give mail to supplier for preponement. In such cases PVC shall be given as per JPC Price applicable for one month prior to actual delivery (e.g July' 16).
 - (d) The JPC price declared on first / second day (first week) of every month in JPC website shall be considered for PVC calculation purpose. Further, price declared subsequently during same calendar month shall not be considered.
 - (e) For the purpose of calculation of PVC, the delivery completion shall be reckoned with date of FOR BHEL Jhansi receipt date.
 - (f) Weight / element for PVC purpose shall be taken from Drg no. 04994300010 rev 9F for 520 mm width & 04994300007 rev 19B for 380 mm width.

Please note that Extra charges for painting will be applicable on basic rate (in black condition) and on amount of PVC calculated as per remark above.

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- 17. Inspection may be done at supplier's works by BHEL CQX/CQ/Third Party/Customer as per BHEL Standard procedure and standard or specific QA Plan.
- 18. Third party/customer inspection co-ordination will be done by the supplier through CQX/MM/TRC. Advance notice of 15 days or more, as required by customer is to be given by the supplier.
- 19. Due to large Qty. requirement, we may finalize Annual rate Contract on more than two sources. However major Qty. shall be ordered on the lowest technically acceptable offer, considering capacity of L1 supplier vis -a-vis BHEL production requirements. Indicate your production capacity for the item and confirm that capacity to the qty. being offered by you against our tender shall be available for us for the required delivery period. Imposition of LD due to late delivery and risk and cost purchase will be done on the supplier failing to meet delivery commitments since BHEL will be committing large Qty. based on your capacity declaration.

Further, The Rate contract will be established with n suppliers (n being variable depending on response to counter offer of L1 landed rate but will be limited to 6 or x-1 vendors whichever is lower, Where x is no. of techno commercially qualified bidders). The distribution of Rate contract quantity will be as follows:

<u>*Rank</u>	<u>Weightage</u>	<u>% share</u>
1 (vendor with lowest rate in RA)	n	n/Zx100
2	n-1	n-1/Zx100
.	.	.
.	.	.
n(vendor who has accepted counter offer & has bid highest among 1 to n	1	1/Zx100
	
	total Z= $\frac{n(n+1)}{2}$	

L1 and those vendors who accepts counter offer have to accept distribution of Quantity as above.

* Rank of suppliers among L1 and those who have accepted counter offer (from lowest rate to highest rate in RA)

- 20. Taxes & Duties shall be extra as applicable on the date of actual delivery. It may be noted that evaluation of quoted prices shall be done on the basis of landed cost at BHEL, Jhansi which shall be arrived at after loading the prices wherever required. Applicable taxes & duties on the date of offer MUST be mentioned. For increase in ED rate slab during R/C period, required proof & undertaking will have to be given to this effect before same is admitted by BHEL.
- 21. Penalty clause will be operated as per Clause No. 8 of Annexure-V of the Enquiry.
- 22. The validity of the quotation shall be for a period of 120 days from the opening date of techno commercial bid/ Date of Reverse Action/ Price bid opening thereafter.
- 23. **Payment Terms:**

Our standard payment term is "100% payment after 60 days of receipt and acceptance of material at BHEL works". The vendors who covered under MSMED act, the MSMED payment term will also be accepted at par with our standard payment terms. The offer received with any other terms of payment will not be accepted.

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24. Commercial conditions quoted by the vendor in any place including as stated in "bidders" General Terms and Conditions" if any, shall not be binding on the purchase and the conditions contained in this annexure, including special conditions, if any for this enquiry shall only prevail.
25. BHEL reserves the right to finalize the tender through reverse auction mode amongst the bidders agreeing for reverse auction. Bidders should indicate their acceptance for the same in their Annexure VI (Clause no. 11) . In case BHEL decides to open the sealed price bids submitted on M Junction, bids of all the techno-commercially acceptable bidders will be opened on the assigned date.
26. Offers of the bidders who are delisted or are on the banned list and /or those bidders who engage services of the delisted/banned firms, shall be rejected. The list of firms banned by BHEL is available on BHEL web site www.bhel.com
27. All corrigenda, addenda, amendments. Time extensions, clarifications etc. to the tender will be hosted on BHEL website (www.bhel.com & www.bheljhs.co.in) only. Bidders responding to press tender should regularly visit website(s) to keep themselves updated.
28. In the course of evaluation, If more than one bidder happen to occupy L-1 status, effective L-1 will be decided in the order of availability of goods from indigenous sources, earlier delivery period from date of PO, vendor performance rating and quantum of past business volumes with the vendor. BHEL's decision in such situation shall be final and binding.
29. Vendors particulars & logistics information (Bidder to give details against each of the provisions).

Name of the vendor's Executive to deal with this tender/ project	
E- mail Address of the contact person	
Telephone no. of the contact person	
Name of location from where the goods shall be offered for inspection and despatch	

Signature of Supplier :
Name :
Designation :
Seal