

Annexure A - Special Terms & Conditions for Enq- 4101700025 dt 01.07.2017

1. Reverse Auction

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 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.

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).

The bidders have to necessarily submit Online Sealed Bid less than or equal to their envelope sealed price bid already submitted to BHEL along with the offer. The envelope sealed price bid 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) thus obtained. The bidder having submitted this offer specifically agrees to this condition and undertakes to execute the contract on thus awarded rates.

If it is found that L1 bidder has quoted higher in online sealed bid in comparison to envelope sealed bid 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 / Contractors (as available on www.bhel.com).

2. Delivery terms for foreign vendors

The unit price shall be quoted on 'CFR' Chennai port basis only. Delivery term as 'FOB' is not acceptable. Tender shall be evaluated for price competitiveness on 'FOR' Trichy (total landed cost to BHEL) basis, considering quotation on 'CFR' Chennai.

The following are to be taken care by the vendor-

- Bidders should submit their bid for 'CFR' Chennai port basis.
- Port of loading should be indicated without fail.
- Port of discharge should be Chennai and place of delivery – INTVT6 CONCOR ICD.

Containerized cargo

For 'CFR' terms, moved through Containers (Suppliers should clearly specify this in their offer) it would be presumed by BHEL that the freight charges quoted is on LILO (Liner In Liner Out) basis including extra charges, if any, like Container Imbalance Charges, Trade Imbalance charges or any other charges payable to the Liner. No other charges other than the quoted Freight rate will be paid by BHEL excepting applicable Terminal Handling Charges, Container cleaning Charges, DO charges to Shipping Liner at Discharge Port.

14 free days for container detention shall be provided. If any deviation is taken by Tenderer, a loading of 1% on unit rates shall be considered by BHEL for arriving at the Total landed Cost. In case of shipment through containers on 'CFR' basis, the BL should bear the endorsement that 14 free days for Container Detention is applicable. Place of delivery INTVT6 CONCOR ICD should be clearly specified in the Bill of Lading.

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Note-

- In the case of Containerized shipments on 'CFR' basis, the place of delivery "CONCOR INTVT6" should be mentioned in BL and the charges for the inland transportation of containers (Chennai Port to CONCOR INTVT6) shall be borne by supplier by inclusion of same in the 'CFR' rate.
- In the case of non-acceptance of any supplier to include the charges for the inland transportation of containers (Chennai Port to CONCOR INTVT6), the same shall be paid by BHEL. But an amount of INR 300 per MT (in equivalent foreign currency as per the SBI TT selling exchange rate prevailing on the date of opening of technical bid) shall be loaded while commercial evaluation of the offer. However the supplier shall ensure that the place of delivery "CONCOR INTVT6" is mentioned in BL.
- Vendor shall indicate the item description as "BOILER COMPONENTS - FITTINGS" in all the dispatch documents like Bill of Lading, Invoice, Packing list and Country of Origin certificate etc. Vendor shall negotiate the documents with Bank only "For the net shipment value" ie. Invoice value excluding LD value calculated.

3. Forwarding of dispatch documents & test certificates

Test certificates (TC) along with Inspection Reports (IR) as called for in the TDC (Three ink signed originals) and guarantee certificate shall be sent to Sr. Manager, Purchase (Fittings) / Piping Centre, BHEL Chennai immediately after the shipment / dispatch of items.

TC & IR shall be furnished for each batch of dispatch / consignment. If entire PO quantity is manufactured in one lot but dispatched in phased manner, original IBR form should be submitted with the first consignment. For subsequent consignments, attested Xerox copy of IBR along with Xerox copies of TC & IR indicating invoice detail against which original TC & IR was handed over to BHEL shall be submitted. Soft copies of the all the test certificates shall also be submitted through email. Year of Code for the technical standards shall be latest and the specific year has to be mentioned in the Manufacturer's test certificates as well as applicable IBR forms.

4. General note

- Vendors shall not alter the description and size details given in the Enquiry.
- All fittings shall be painted, marked and packed as per TDC requirement. Vendors shall note the latest revision in this context.
- Vendor shall quote only for the sizes which are within their manufacturing range and fittings shall only be manufactured in their works approved by BHEL Piping Centre.
- Melt number should be punched on the material without fail. Also all the dimensions mentioned in the documents, hard punched on the material shall be as per the Purchase order. (in 'mm' and not in 'inch').
- Any cost implication arising due to non-compliance to TDC conditions will be debited from vendors account after informing the same.
- Acknowledgement for receipt of PO shall be sent within 5 days from the date of receipt of the PO.
- During the Contract period, any of our sister units of BHEL Piping Centre will be entitled to place order for this item on the same terms and conditions with the consent of the vendor.
- BHEL reserves the right to cancel the tender without assigning any reasons what so ever.
- Deviation taken after placement of order will not be accepted (Both technical & on delivery).
- Lowest prices received against BHEL tenders do not mean order will be placed on that Supplier. BHEL reserves the right not to consider the same.
- BHEL reserves the right to negotiate or re-float the tender opened if L1 price or other details are not acceptable to BHEL.
- BHEL reserves the right to order on more than one vendor at the lowest acceptable price.
- Vendors are requested to take note of the "BHEL Fraud Prevention Policy" available in website www.bhel.com.