For ex-works contracts or FOR dispatching station contracts, the date of the Lorry way bill issued by the authorised transport carriers of BHEL / Railway Receipt / Courier Way bill / Airway bill or any such dispatch documents of carriage approved by BHEL would be considered as the Contract Delivery Date.

For FOR Destination contracts, transit insurance shall be in the scope of Seller. For Ex-works Contracts, Insurance will be in the scope of Buyer

For contracts having other delivery terms where risk passes on to BHEL before reaching the final destination as per PO, transit Insurance for such consignments will be arranged by BHEL. Seller shall inform the dispatch particulars (Purchase Order No., Value of Consignment, weight and dimensions of consignment, likely date of dispatch, Transit location (from & to) at least 7 days prior to dispatch and the RR/GR details should be submitted immediately (not later than 2 days) after despatch to "Finance department (Store bills Section)", of concerned unit/ division/ region office of BHEL who has placed order to arrange insurance coverage in its policy. Failure on the part of seller to inform dispatch particulars within the stipulated time will make him liable to pay for any transit damages / losses suffered by the Buyer.

f) Travel & other local stay cost for the Inspectors sent by BHEL will be to BHEL account, but other Inspection Charges, if any shall be to the account of the Seller only.

g) The supplier shall arrange for packing suitably in all respects for normal transport by sea / rail / road and Materials shall be suitably protected against effect of tropical salt laden atmosphere in the event of shipment being delayed at ports / store yards. **(For first time Suppliers to BHEL in the event of order, the packing drawing / packing specification needs the approval of BHEL prior to manufacturing)**

h) Foreign suppliers shall dispatch on CFR Chennai sea port basis, according to the contract conditions. Indian suppliers shall dispatch on free delivery (door-delivery) at BHEL destination basis only. Unloading the materials at BHEL specified destination would be to the account of BHEL only.

i) In case of rejection/damage/short supply attributable to the supplier, it shall be the responsibility of the supplier to deliver such short supplied/ missing items on Free-of-Cost basis at BHEL's destination, including customs clearances at Indian Ports in the case of foreign suppliers.

j) Materials shall be dispatched only after getting the dispatch clearance of BHEL (Dispatch clearance would either be faxed / e-mailed as a scanned document / couriered.)

D-A) Payment terms:

For Indigenous Suppliers: Unless otherwise agreed to by BHEL, the standard payment terms of BHEL shall be: For non-MSE suppliers 100% payment made directly through EFT within 90 days from the date of receipt and acceptance of materials at BHEL Stores, Ranipet or 90 days from the date of acknowledgement of receipt of materials at destination specified. If any supplier asks for payment terms other than the above specified, then suitable loading on cost will be considered. **Loading of any deviation in the payment terms w.r.t tender terms will be "Base rate of State Bank of India (SBI) (as applicable on the date of bid opening: Techno-commercial bid opening in case of two part bids) + 6%, will be considered for loading for the periods of relaxation sought by bidders.**

For MSE vendors (under Micro & Small category alone) 100% payment will be made within 45 days from the date of receipt and acceptance of materials at BHEL Stores, Ranipet or 45 days from the date of acknowledgement of receipt of materials at destination specified.

I) NOTE:

Where the destination specified is other than BHEL Stores Ranipet, for claiming payment, Supplier has to submit proof of receipt of the materials at the destination by furnishing a copy of the acknowledged despatch document (LR/RR/Courier receipt etc.) .

If the Bidder is bidding for the first time and wants to be considered as an MSE then, the Bidder shall submit document evidencing that they are an MSE along with UAN/certificate from a Chartered Accountant certifying the status of their Unit / Works clearly specifying the address of the works which is to be considered as MSE and send the same to BHEL, Ranipet either before the tender opening date or upload it as a part of the tender document in the e-procurement portal. Where the document is submitted electronically a hard copy shall invariably be sent within a reasonable period (not exceeding 30 days) from the bid opening date for the purpose of BHEL's records. If the hard copy is not received within this specified time, then the supplier would be treated as a non-MSE. BHEL will not be responsible for any postal / courier / delivery delays.

For approved vendors the status as on the date of the bid opening as available with BHEL Ranipet's records shall be used for reckoning the status of the Bidder as an MSE or otherwise.

Offer/s received without these documents will be treated as non-MSE and order finalization will be done based on this premise. Documents submitted after Bid-opening will not be considered in this tender. This provision for MSE will apply subject to the condition that the participating MSE meets the tender requirements.

For approved suppliers, in case of any change in the MSE status, it shall be the responsibility of the Bidder to notify the change as a part of the Bid document. If at a later date it comes to the knowledge of BHEL, Ranipet that the change in the status has not been intimated by the Bidder and the order is obtained under the premise of an MSE then BHEL would cancel the pending order against this tender and take necessary steps for suspension of the business dealing with the Bidder as per the procurement policy of BHEL. Similarly if a supplier claims MSE status after the Part I bid opening, then the same would not be considered in the tender.

In case after the bid opening it is seen that no MSE has become L1, then depending on the nature of the item, if it is not possible to split the tendered items / quantities on account of reasons like customer contract requirements of supplying one make for a given project or technical reasons like the tendered item being a system etc. then BHEL would not counter offer the L1 prices even though there may be MSE bidders within the +15% band of L1.

Other concessions for MSEs / Reserved sectors

In addition to the concessions specified above, MSE suppliers will be eligible for such other concessions as per the MSME Act 2006 and any other benefits / concessions that may be announced by the Government of India from time to time.. However, such concessions as applicable at the time of tender opening alone will be applicable. Any concessions advised after tender opening will not be considered for the current tender.

Items that are reserved for MSE and for any other items for which reservations for Indian manufacturers are notified by the Govt. Of India, such concessions as prevailing on the date of tender opening shall apply as a part of this tender conditions.

Any incidence of tax like Income tax, Service Tax and Withholding any other similar tax / duties /levies imposed by the Government of India, or the State Government, where the BHEL Unit is located, deductible at Source, during the tenure of the Order shall be deducted by BHEL and necessary certification of the deduction (Tax deduction at Source) would be given. This is subject to the supplier fulfilling the necessary documentation as specified by the Government of India. (e.g. Tax Residency Certificate, PAN Number etc.)

m) The Guarantee period shall start from the "Date of receipt and acceptance of the materials at BHEL Stores."

n) ***Where any bidder gives extended credit period over and above that offered by BHEL, then all other Non-MSE bidders and foreign bidders would have to match the extended period of payment terms. This information would be given to such bidders after opening of the techno-commercial bids; but before opening the price bids. However bidders would not be allowed to change their price bid for purpose of confirming the extended credit period. In the event such bidder/s do not accept the extended credit period for payment, then their offer would be loaded to the extent of the differential between their offered payment terms and the revised payment terms offered by BHEL as explained above.***

o) The Purchase Order will be treated as executed only on delivery as per the delivery terms mutually agreed. The buyer will not be liable to receive and pay for any supply made after the delivery date unless the delivery date is extended by the purchaser.

p) The quantity indicated in the tender are tentative quantities. No minimum quantity is guaranteed by BHEL. The tentative destinations for the firmed up Orders on BHEL for which the above material needs to be supplied are also indicated separately in order to aid the supplier to work out the single freight rate for despatches to any BHEL specified destination. The indigenous suppliers shall give the freight charges on freight equalised to any destination basis.

r)The comparison of the offers to arrive at the lowest rank offer will be as follows:

i) Indigenous offer – FOR destination inclusive of all charges and freight charges but excluding of duties and taxes. Duties and taxes will be payable extra at actuals as prevailing on the date of scheduled delivery. The tentative project sites are as per Annexure I, however the freight rates for each state has to be furnished separately along with the offer. The evaluation will be done based on Lowest for each state. If the supplier has multiple manufacturing locations, the freight rates as applicable for each state from each of the manufacturing locations may be furnished if the supplier wants BHEL to consider dispatches from these locations as per Annexure-J

D] Execution of the Order

a) BHEL will have the option to pre-inspect the materials at Supplier's works by BHEL's own inspector or by third party agency appointed by BHEL or BHEL's end customer/s. The mere act of the pre-dispatch inspection (PDI) does not absolve the Supplier from giving the specifications as agreed upon in the Purchase Order. In the case of inspection being carried out by a third party inspector (TPI) as per the extant practice, the TPI would forward the Inspection Report (IR) along with Test Certificates and other related documents to the Quality Assurance (QA) Department of BHEL. The QA department after scrutinising the report/s submitted by the TPI would issue the Material Dispatch Clearance Certificate (MDCC). Suppliers are hereby informed that materials should be dispatched only after getting the MDCC, failing which the materials may be rejected on receipt at BHEL Stores.

b) In the case of overseas suppliers Inspection call for carrying out the inspection shall be given 30 days before the scheduled contract delivery date. The Inspection date/s given by the Supplier shall be on firm basis. For local Suppliers the Notice period of Inspection shall be 10 working days.

c) Deviations, if any pointed out by the visiting Inspection team of BHEL shall be corrected and the items as per specification shall be dispatched on or before the contract delivery date after getting the MDCC. d) The final inspection for acceptance will, however be carried out at BHEL's works at Ranipet.

e) The contract delivery date is the date of receipt at BHEL Stores for suppliers in India, applicable in the case of FOR Destination Contracts.

For ex-works contracts or FOR dispatching station indigenous contracts, the date of the Lorry way bill issued by the authorised transport carriers of BHEL / Railway Receipt / Courier Way bill / Airway bill or any such dispatch documents of carriage approved by BHEL would be considered as the Contract Delivery Date. In the case of CFR contracts with overseas suppliers, the B/L date shall be taken as the Contract Delivery Date

f) Travel & other local stay cost for the Inspectors sent by BHEL will be to BHEL account, but other Inspection Charges, if any shall be to the account of the Seller only.

g) The supplier shall arrange for packing suitably in all respects for normal transport by sea / rail / road and Materials shall be suitably protected against effect of tropical salt laden atmosphere in the event of shipment being delayed at ports / store yards and as per BHEL TDC.

In the event of any short supply, it shall be the responsibility of the supplier to deliver such short supplied/ missing items on Free-of-Cost basis at BHEL stores, including customs clearances at Indian Ports in the case of foreign suppliers.

E] Liquidated Damages Clause:

LD shall be levied 0.5% of the total Order Value per week of delay or part thereof subject to a maximum of 10% of the total Order Value. In the staggered delivery schedule, penalty shall be 0.5% of the order value of the undelivered portion per week of delay or part thereof subject to a maximum of 10% of the total Order value./ undelivered portion. In case of any amendment/ revision, the LD shall be linked to the amended/ revised PO Value. For the sake of clarity- Total Order value means Purchase order value (Exclusive of taxes), undelivered portion means, the delayed portion for the given lot. In case a supply is rejected and same is replaced at a later date , the date of replacement of accepted supply shall be reckoned for calculation of LD. In case the contractually agreed delivery date falls on a holiday in BHEL, the next working day shall be taken as contractual delivery date for compliance and applicability of LD/ Penalty. In case of Ex-works delivery terms for indigenous supplies, the date of LR shall be reckoned for LD deduction. GST applicable on LD. In the event LD is imposed on seller, such penalty shall attract applicable GST for which recovery shall be made from seller's bills and corresponding tax invoice will be issued to him. In the event that a **Supplier does not accept the LD condition above, the offer would be loaded to the extent of the shortfall with respect to upper limit specified above.**

F) Miscellaneous

iv) Documents to be sent directly to the Purchaser prior to shipment

a) Manufacturer's Original Internal Inspection / Test certificate in triplicate.

b) Manufacturer's Original Guarantee certificate as per Purchase Order. The material shall be guaranteed for a period of 12 months from the date of acceptance of the materials at BHEL stores or 18 months from the date of dispatch whichever is earlier. The acceptance would be evidenced by the Stores Receipt Voucher (SRV) which will be raised by BHEL.

c) Inspection / Test Certificate issued by BHEL / Inspection agency specified in the Purchase Order. In the event that Inspection prior to dispatch is not carried out by the Engineers of BHEL, the Inspection certificate of the third party so authorized by BHEL and

d) Any other documentation as specified in the Purchase Order.

v) Conditions for transportation:

a) All shipping documents shall show the Purchase Order Number & Date, & Date. b) Transhipment is to be avoided.

c) Loading on deck is not permitted. The transport document must not contain a provision that goods may be carried on deck.

d) A transport document which is produced or appearing to have been produced by reprographic, automated or computerized systems or as carbon copy will be accepted as an original document provided that it is marked as original and is ink-signed.

e) The transport document must contain all the conditions of carriage on the original document.

f) The transport document must not indicate the place of destination as being different from the port of discharge.

g) The transport document must not contain the indication 'intended' or similar qualification in relation to the vessel or other means of transport or port of loading or port of discharge.

h) The transport document must be issued by the carrier or his agent and not by any freight forwarder.

i) Transport documents bearing reference by stamp or otherwise, to costs additional to the freight charges are not acceptable.

j) The Bills of Exchange must be dated and presentation of documents for negotiation must not be later than 15 days after the date of shipment and in any case not later than the expiry date of the Credit.

l) Indian suppliers shall dispatch the materials on freight prepaid and on door-delivery basis (FOR Destination – Destination: BHEL Stores/ Respective project destinations) and

In the event there is a delay by the Supplier in negotiating / submitting the document, any demurrage / wharfage arising out of the same shall be to the account of the Supplier and shall be deducted from the final payment. Also, in such cases, the Supplier shall authorize the Steamer / Shipping agent / transporter to freely release the consignment to BHEL by providing a "Surrender Bill of Lading". Over-seas Suppliers have to give a No-Objection Certificate to BHEL, authorizing BHEL to get the Delivery Order from the Steamer Agent without producing the Original Bill of Lading. This is required to ensure avoidance of incidence of demurrage at Chennai Sea-port that may arise in case of delayed presentation of documents by the Seller.

H] Force Majeure

If at any time during the currency of this contract, the performance in whole or in part, by either party of any obligations under this contract shall be prevented or delayed by reason, of any war, hostilities, acts of the public enemy, civil commotion, sabotage, fires, explosions, epidemics, quarantine, restrictions or acts of GOD (hereinafter referred to as events), then provided notice of happening of any such events is given by either party to other within ten days from the date of occurrence thereof, neither party shall reason of such events be entitled to terminate this contract nor shall either party have any such non performance and delay is resumed as soon as practicable after such events has come to an end or ceased to exist. If the performance in whole or part of any obligation under this contract is prevented or delayed by reason or any such event claims for extension of time shall be granted for period considered reasonable by the purchaser subject to prompt notification by the seller to the purchaser of the particulars of the events and supply to the purchaser if required of any supporting evidence. Any waiver of time in respect of partial installment shall not be deemed to be a waiver of time in respect of remaining deliveries.

I] Cancellation of Order:

In the event of non-performance of the contract by the Supplier, BHEL reserves the right to cancel the order with issue of a written notice. BHEL would provide a curing period of 30 days, for the Supplier to rectify the situation. If the Supplier fails to rectify the reason/s that led to the issue of cancellation notice by BHEL, then the cancellation order would be issued automatically by BHEL, without further recourse to the Seller. BHEL will not pay any cancellation charges or any other charges / damages to the Supplier, arising out such cancellation. In the event of the non-performance of the supply contract, by the Supplier, the rights of BHEL include, in addition to cancelling the order, to take alternate purchase action at the cost and risk of the supplier. The additional expenditure to be incurred by BHEL in such alternate purchase would be to the account of the supplier. (Risk Purchase). This remedy would be in addition to the invoking of the CEBG on grounds of failure of the Supplier in executing the Contract and any other legal remedies." BHEL reserves the right to initiate the alternate purchase action at the cost and risk of the erring supplier by issue of a simple notice of intention for the alternate purchase action duly sent by any electronic means and / or by a letter. The cancellation of the order would not be a pre-condition for initiation of the alternate purchase action.

H] Contract Execution Bank Guarantee:

To demonstrate the fidelity of the successful bidder, in executing the Contract, on receipt of the Letter of Intent / Purchase Order, the Supplier shall arrange to provide a contract execution bank guarantee (CEBG). The format of the CEBG is a part of this enquiry. The format may be downloaded and necessary stamping may be obtained from the Banker towards submission of the CEBG. The indigenous suppliers have to provide the CEBG from any one of the Nationalized Banks, listed in the annexure to these terms. Overseas suppliers can submit the CEBG from any of the reputed International / National Bankers. However the CEBG is to be confirmed by any of the Bankers listed by us. In the event of failure by the Supplier to execute the contract either fully or partially, BHEL would encash the entire CEBG. The CEBG shall be valid for the period covering the agreed delivery date of the order with a further claim period of 3 months on the last specified delivery date. In the event of the failure of delivery BHEL would proceed with encashing the CEBG without reference to the Supplier. In the event of BHEL granting extension of the delivery dates, then the CEBG validity shall also be got extended by the Supplier to the extent of the extended delivery times together with the claim period as specified elsewhere. **The CEBG shall be for a value of 2% of the Purchase order.**

Suppliers who are all already registered with BHEL and having a vendor performance rating of A or A+ grade would be exempted from submission of CEBG

J] Post-order submission of documents for approval

In the event of the release of Letter of Intent (LoI) / Purchase order/s (PO) against this tender, Bidders have to submit the applicable documents as called for in the tender / LoI / PO/s, such as drawings, data sheets, design calculations (if any) etc. These documents for approval have to be submitted within the agreed timelines between BHEL and Bidder. Normally the time period for submission for approval is 15 days from the date of receipt of the LoI / PO by the supplier. The actual time period within which the documents have to be submitted for approval would be specified in the LoI / PO.

Such documents would be subjected to evaluation and approval by BHEL and / or by BHEL's customer / Consultant / Customer's Consultant. Bidders have to give their specific acceptance for this.

After approval of such documents and after getting clearance from BHEL, only the items ordered can be taken up for manufacture.

Any changes required by BHEL / Customer etc. in the documents submitted for approval shall be incorporated by the Bidder and no extra cost would be payable by BHEL for such changes.

In the event that the Bidder does not carry out the required corrections, then the LoI / PO would be liable for cancellation by BHEL and BHEL would resort to alternate purchase action at the risk and cost of the Bidder under the Risk Purchase Condition of the Purchase Order.

Note: After receiving the LoI / PO, supplier shall also forward the acknowledgement / acceptance of the LoI / PO by signing and returning the second copy of the LoI / PO as the token of acceptance.

L] Others

a) In case of any contradiction in the terms and conditions given here and elsewhere in the other documents of the tender, it shall be the responsibility of the tenderer to get it clarified from BHEL. The officer authorized to provide such clarifications is the tender issuing officer.

b) Alterations to the conditions of the Tender can be done only by the authorized officer, at any time before the date and time of tender opening and would be duly communicated through a corrigendum.

c) **Suspension of Business dealings with Suppliers:**

(i) Before submitting offer, prospective bidders are advised to visit our web-site www.bhel.com / supplier registration to familiarize themselves with BHEL's policy and procedures of Suspension of Business Dealings with Suppliers.

Submission of offer shall be deemed to be evidence of the Bidder to have read and understood the above said policy.

ii) **Treatment of Banned / Under-performing Vendors:**

Any supplier who has been put on "Hold" or "Banned" from having business dealings with BHEL, Ranipet or any other unit of BHEL shall not submit their offer against this tender. If any such offers are received they would be summarily rejected and sent back. During the processing of tender, if any unit of BHEL puts a supplier on "Ban" then further processing of the offer will not be taken up and in case an order is placed, BHEL, Ranipet may resort at their discretion to cancel the PO either fully or partially.

If any of the Bidders have unexecuted order/s with BHEL and if in such orders, the deliveries have been delayed beyond a reasonable period (say 30 days of agreed delivery period), the offer of such Bidders will also be liable for rejection.

If any of the supplier who is supplying similar material to BHEL, Ranipet has a Vendor Performance Rating (VPR) score of 'C' or below, then offer given by such parties will not be considered for ordering in this tender.

d) **Fraud Prevention Policy:**

The Bidder along with its associate / collaborators / sub-contractors / 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.

e) **Applicability of Integrity Pact:-**

IP is a tool to ensure that activities and transactions between the Company and its Bidders/ Contractors are handled in a fair, transparent and corruption free manner. A panel of Independent External Monitors (IEMs) on the present panel have been appointed by BHEL with the approval of CVC to oversee implementation of IP in BHEL.

Sl.No	IEM	Email
1.	Shri Arun Chandra Verma, IPS (Retd.)	acverma1@gmail.com
2.	Shri Virendra Bahadur Singh, IPS (Retd.)	vbsinghips@gmail.com

The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory) along with techno-commercial bid(Part-I, in case of two/three part bid). Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification.

Please refer Section-8 of IP for Role and Responsibilities of IEMs. In case of any complaint arising out of the tendering process, the matter may be referred to the IEM(s).All correspondence with the IEMs shall be done through email only.

Note:

No routine correspondence shall be addressed to the IEM (phone/ post/ email) regarding the clarifications, time extensions or any other administrative queries, etc on the tender issued. All such clarification/ issues shall be addressed directly to the tender issuing (procurement) department's officials whose contact details are provided below:

For all clarifications/ issues related to the tender, please contact:

Name: (1) Shri Arun Haripriya,
Additional General Manager/ Purchase
BHEL/BAP/Ranipet – 632406
Contact No. : 04172 -284570
Email ID : aharipriya@bhel.in

Name: (2) Shri Thiyagarajan D,
Deputy Engineer/ Purchase
BHEL/BAP/Ranipet – 632406
Contact No. : 04172 -284132
Mobile No. : 9952567586
Email ID : dthiyagu@bhel.in

Integrity Pact are applicable for all the BHEL enquiries whose estimated value is equal to or more than Rupees 05 Crores.

Copy of Integrity Pact with applicable nominated IEM is attached along with the tender documents for ready reference of Suppliers.

f) If any Supplier attempts to bribe, or pay commission, gift or any advantage or bring in undue influence either by himself or on his behalf any one including a stranger to the tender, in addition to instituting legal proceedings as per the extant laws prevailing, will disqualify the supplier from this tender and all future tenders of BHEL. Decision of the Purchaser would be final in this matter. g) The laws governing this transaction shall be the laws in India.

h) Wherever not specified, Incoterms 2010 shall be used to interpret the Commercial terms and conditions and

i) In the event of an order, Supplier shall agree to settlement of disputes or differences, if any, by way of arbitration, in accordance with the "Rule of Arbitration" of the Indian Council of Arbitration.

The language in the tender documents downloaded by the Bidders shall at no point of time be changed, altered or modified in any manner by the Tenderer. If such changes are made by any tenderer, it shall be considered as tampering with BHEL's terms and the offer shall be summarily rejected, whenever it is noticed by BHEL. Such Bidders would be disqualified from the Bidding Process and their offers would be forfeited / Bank Guarantees invoked. They would also not be allowed to participate in future tenders of BHEL.

M] Price Variation Clause :

1. BHEL will consider price variation clause as follows:

Reference Price: The purchase cost would be computed as follows.

For Enquiry Sl No. : 01 to 05 : NALCO Ingot Price IE07 (Latest price Prevailing on date of releasing Purchase Order and date of billing) available on NALCO website shall be taken as benchmark (Variable portion) and Supplier has to submit conversion cost in INR as fixed portion. Considering NALCO ingot price dated 14.08.2020 (Rs. 150.35/ kg; Reference enclosed) , the tender evaluation will be on this Ingot cost and quoted Conversion cost and on Landed Cost to BHEL basis

However dispatches shall be effected by Successful bidder in seven working days of time from the date of dispatch clearance (T). If Supplier not dispatching the material within scheduled time (T+07 days), then BHEL will release payment to supplier considering the least price of NALCO Ingot price comparing to Scheduled dispatch date (T + 07 days) and executed dispatch date. Corressponding differences will be adjusted through Credit/ Debit Note by Supplier.

For Enquiry Sl No. : 06 to 10 : NALCO Ingot Price IC20 (Latest price Prevailing on date of releasing Purchase Order and date of billing) available on NALCO website shall be taken as benchmark (Variable portion) and Supplier has to submit conversion cost in INR as fixed portion. Considering NALCO ingot price dated 14.08.2020 for IC20 (Rs. 150.05/kg; Reference enclosed) , the tender evaluation will be on this Ingot cost and quoted Conversion cost and on Landed Cost to BHEL basis

However dispatches shall be effected by Successful bidder in seven working days of time from the date of dispatch clearance (T). If Supplier not dispatching the material within scheduled time (T+07 days), then BHEL will release payment to supplier considering the least price of NALCO Ingot price comparing to Scheduled dispatch date (T + 07 days) and executed dispatch date. Corressponding differences will be adjusted through Credit/ Debit Note by Supplier.

Mechanism of ordering

For every requirement, BHEL will compute the total cost to BHEL as follows:

Variable portion + fixed portion + taxes + freight and insurance + other charges agreed in the contract to arrive at the total cost.

Purchase Orders will be issued on the lowest cost supplier.

N] Methodology of evaluation of offers/ placement of purchase order/ dispatches & Invoicing of the rate contract :
Tenderers shall offer their prices in the following form:- Enquiry Sl No. 01 :

Conversion Cost: (INR)/MT : for Technical Specification TEP:BAP:AL:SHEET Rev 00 dated 08.05.2018

Enquiry Sl No. : 02 to 06 :

Conversion Cost: (INR): D (per MT basis) for material Description as indicated in Annexure-C.

The conversion cost shall remain firm and fixed throughout the tenure of the contract.

Freight and Insurance Charges: (INR): Y (on per MT basis) to be indicated as per Annexure -E

Tenderers shall quote a single freight rate for delivery for any BHEL site (including BHEL stores) within India.

Where the tenderer has multi-location plants, BHEL prefers to have a single freight rate irrespective of the plant location. If Supplier has multiple works locations, they have to specifically indicate the supplier works from where the dispatches will be effected to respective BHEL Stores/respective site destinations

Order/s will be placed by the respective BHEL units who would operate the rate contract as and when the requirement arises on lowest purchase cost basis.

Order/s will be placed on the party who becomes the lowest on the price calculated by BHEL.

Rate contract would be entered into with that party who is ranked the lowest (L1) as on the first bid opening date.

In order to have a smooth uninterrupted supply of the Aluminum sheets, BHEL would enter into a parallel rate contract with the next higher bidder who agrees to match the L1 price in the tender as on the price bid opening date.

The opportunity to match the L1 price would be given sequentially starting from L2.

However higher ranked offers on the higher end would not be considered for availing this opportunity.

20% of the higher ranked offers (top 20%) would not be considered for price finalization.

The top highest 20% would be so done, such that it leaves not less than 4 tenderers in the fray in evaluating the price offers.

The load factors are described elsewhere in the tender document.

The minimum guaranteed quantity per shipment from Overseas supplier shall be 20 MT (One Container). All the overseas tenderers shall agree for the same. Offers not meeting this condition will not be considered for evaluation.

The shortlisted parties would be considered for loading under the rate contract. (However in case L1 or /and L2 bidders are not in a position to meet BHEL's required qty/delivery due to capacity constraints, BHEL reserves the right to order on next lowest bidder who has accepted our finalized rates based on their financial ranking sequentially).

As and when the requirement arises the concerned BHEL unit will compute the total cost of procurement as per formula given above. The supplier ranked L1 will be given 70% of the requirement. For the balance 30% the other supplier will be given the opportunity to match the L1 price. In the event they match the L1 price, they will be considered for loading the balance 30%. In case they do not agree then the entire 100% of the quantity will be ordered on the L1. This process will be repeated for every requirement that arises for individual BHEL unit. The above split will be done such that the entire project quantity is ordered on one source and the next source is considered for the subsequent project subsequent project subject to the nearest possible quantity split of 70 : 30. (Meeting the overall tendered quantity split of 70:30)

ARBITRATION & CONCILIATION

Conciliation

If at any time (whether before, during or after the arbitral or judicial proceedings), any Disputes (which term shall mean and include any dispute, difference, question or disagreement arising in connection with construction, meaning, operation, effect, interpretation or breach of the Contract/Order, which the Parties are unable to settle mutually, arise inter-se the Parties, the same may be referred by either Party to Conciliation to be conducted through Independent Experts Committee (IEC) to be appointed by competent authority of the Buyer from the BHEL Panel of Conciliators.

Notes:

1. No serving or a retired employee of BHEL/Administrative Ministry of BHEL shall be included in the BHEL Panel of Conciliators.

Any other person(s) can be appointed as Conciliator(s) who is/are mutually agreeable to both the parties from outside the BHEL Panel of Conciliators.

The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration & Conciliation Act, 1996 or any statutory modification thereof and as provided in Procedure to these Conditions (Annexure II to GTC). The Procedure together with its Formats will be treated as if the same is part and parcel hereof and shall be as effectual as if set out herein in these Conditions.

The Seller agrees that the Buyer may make any amendments or modifications to the provisions stipulated in the Procedure to these Conditions (Annexure II to GTC) from time to time and confirms that it shall be bound by such amended or modified provisions of the Procedure (Annexure II to GTC) with effect from the date as intimated to the Seller by the Buyer.

Except as provided elsewhere in this Contract, in case Parties are unable to reach amicable settlement (whether by Conciliation to be conducted as provided in Clause above or otherwise) in respect of any dispute or difference; arising out of the formation, breach, termination, validity or execution of the Contract; or, the respective rights and liabilities of the Parties; or, in relation to interpretation of any provision of the Contract; or. in any manner touching upon the Contract (hereinafter referred to as the '**Dispute**'), then, either Party may, commence arbitration in respect of such Dispute by issuance of a notice in terms of section 21 of the Arbitration & Conciliation Act, 1996 (hereinafter referred to as the 'Notice'). The Notice shall contain the particulars of all claims to be referred to arbitration in sufficient detail and shall also indicate the monetary amount of such claim. The arbitration shall be conducted by a sole arbitrator to be appointed by the Head of the BHEL Unit/Division/Business Group issuing the Contract within 45 days of receipt of the complete Notice in terms of this Clause.

The language of arbitration shall be English. The Arbitrator/Arbitral Tribunal shall pass a reasoned award.

The cost of arbitration shall initially be borne equally by the Parties subject to the final apportionment of the cost of the arbitration in the award of the Arbitrator(s).

Subject as aforesaid, the provisions of Arbitration and Conciliation Act 1996 (India) or statutory modifications or re-enactments thereof and the rules made thereunder as in force from time to time shall apply to the arbitration proceedings under this clause. The seat of arbitration shall be the place from where the contract is Issued.

Notwithstanding the existence or any dispute or differences and/or reference for the arbitration, the Contractor shall proceed with and continue without hindrance the performance of its obligations under this Contract with due diligence and expedition in a professional manner except where the Contract has been terminated by either Party in terms of this Contract.

IN CASE OF CONTRACT WITH PUBLIC SECTOR ENTERPRISE (PSE) OR A GOVERNMENT DEPARTMENT, THE FOLLOWING SHALL BE APPLICABLE:

In the event of any dispute or difference relating to the interpretation and application of the provisions of the commercial Contract between Central Public Sector Enterprises (CPSEs)/Port Trusts inter-se and also between CPSEs and Government Departments/Organisations (excluding disputes concerning railways, Income Tax, Customs and Excise Departments), such dispute or difference shall be taken up by either party for resolution through Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD) as mentioned in Department of Public Enterprises (DPE) Office Memorandum No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018 as amended from time to time."

A copy of the extant Department of Public Enterprises (DPE) Office Memorandum No. 4(1)/2013-DPE(GM)/ FTS-1835 dated 22-05-2018 as available on Govt. of India website and the same as amended from time to time shall apply in all such cases.

The Contract shall be governed by and be construed as per provisions of the laws of India. Subject to Clause hereinabove regarding ARBITRATION, the principal civil court exercising ordinary civil jurisdiction over the area where the seat of arbitration is located shall have exclusive jurisdiction over any DISPUTE to the exclusion of any other court.

For this procurement, the local content to categorize a supplier as a Class I Local Supplier/ Class II local Supplier/ Non- Local Supplier and Purchase Preference to Class 1 local supplier, is as defined in Public Procurement (Preference to Make in India), Order 2017 dated 04.06.2020 issued by the nodal ministry, changing the definition of local content for the items of the NIT, the same shall be applicable even if issued after iissue of this NIT, but before opening of Part-II bids against this NIT.