



**Annexure - A to Enquiry BAP/PUR/FGD/RACK & PINION ELEVATOR/ 4230523E dt 11.07.13**  
**STANDARD COMMERCIAL TERMS & CONDITIONS FOR PROCUREMENT OF CAPITAL EQUIPMENT**  
**[FORMAT TO BE FILLED-UP BY THE SUPPLIER]**

S No.	BHEL Standard Terms	Supplier Confirmation	Deviation
01	<b>Price:</b> Supplier shall be quoted on " <b>FIRM PRICE</b> " basis only. No price variation clause will be entertained.		
02	<b>Terms of Delivery:</b>		
(a)	<b>Indigenous Supplies :</b> FOR - Destination means FOR - NTPC Bongaigaon Site [Packing & Forwarding, Freight & Insurance are in Supplier's scope i.e. included in the quoted prices. Materials to be dispatched through BHEL approved carriers freight pre-paid].		
(b)	<b>Foreign Supplies :</b> FOB / FCA basis inclusive of SEA / AIR-worthy packing and inclusive of all charges till FOB / FCA. <b>Freight charges up to Chennai Port may also be quoted separately.</b>		
03	<b>Time Period for 'Supply' and 'E&amp;C' :</b> To be indicated in weeks from date of receipt of Letter of Intent (LoI). Bidder should quote time period separately for 'Supply' and 'E&C'. The bidders should quote their earliest schedule for Supply and E&C against the schedule indicated in the NIT. Supply period indicated by bidder should include reasonable time required for approval of drawings and other inputs from BHEL. In the Techno-Commercial Bid, the bidder shall submit milestones for various activities in co-relation with Supply and E&C period quoted by him. BHEL, however, reserves the right to accept an offer not meeting the NIT schedule. <b>A Delivery period of 06 months from the date of drawing approval is required. Duration of Erection &amp; Commissioning shall be a maximum of 50 working days per Elevator. (Note: Each elevator to be commissioned at different intervals of time)</b>		
04	The contractual delivery period will be reckoned from the date of LOI, which shall be binding on the contract. Suppliers shall quote their best delivery period. Delivery is the essence of all contracts for BHEL. <b>Drawings &amp; datasheets to be submitted within 30 days of Purchase order. .</b>		
05	<b>Penalty:</b> For the purpose of penalty for delay E&C of the equipment the duration will be reckoned from the date of intimation by BHEL to vendor for readiness of site. Penalty on delay in 'Supply' and/or 'E&C' will be applicable to the delays attributed to vendor. Penalty will be considered separately for 'Supply' and 'E&C'. The rate of penalty for delayed Supply shall be @ 0.5% per week of delay of total PO value (Supply + E&C) in supply subject to a maximum of 10% of total PO value (Supply + E&C). The rate of penalty for delayed E&C shall be @ 0.5% per week of delay of total PO value (Supply + E&C) in E&C subject to a maximum of 10% of total PO value (Supply + E&C). Maximum penalty for delay in Supply and E&C together shall be limited to 15% of total PO value (Supply + E&C). In case PO includes more than one machine, the penalty shall be @ 0.5% per week of delay on total PO value (Supply + E&C) for the delayed machine. <b>Loading Factor for non-acceptance of Penalty Clause:</b> In case any bidder is not accepting the above penalty for delayed Supply and/or E&C, the offer of bidder shall be loaded to the extent to which it is not agreed by the bidder. Example : If the Supplier has accepted for maximum 10% penalty clause, then balance 5% will be loaded for evaluating lowest bidder.		

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06	<p><b>Payment Terms:</b> If payment terms as mentioned by BHEL are not agreed by bidder, such bidder have to submit Bank Guarantee at the time of payment / opening of LC in the prescribed Format of the amount, exceeding 80% of the PO value, valid till issue of E&amp;C Certificate for the equipment. However, in no case, payment against dispatch shall exceed 90% of the PO Value. Additionally, for any deviation sought including as mentioned above, in Payment Terms by bidder w.r.t. tender conditions, following loading shall be followed:</p> <p><b>(a) Benchmark Prime Lending Rate (BPLR) of SBI as applicable on the scheduled date of tender opening + 2%, for the amount &amp; period of relaxation sought by bidder.</b></p> <p><b>(b) On account of payment through LC, if insisted by bidder, Bank charges shall also be loaded for the deviation in (i) opening of LC by BHEL and (ii) period and amount of LC w.r.t. NIT norms, as per the prevailing bank rates.</b></p>		
(a)	<p><b>Terms of payment for Indigenous Offer:</b> Dispatch of Goods on door delivery basis only. Goods dispatched with documents presented through Bank will be loaded with corresponding bank charges.</p> <p>80% payment of Supply value shall be made directly within 90 days from the date of receipt of material at NTPC Bongaigaon site. Balance 20% of Supply value plus 100% of the E&amp;C portion of PO value (for each elevator) will be paid against E&amp;C certificate issued by BHEL (for each elevator) and submission of Performance Bank Guarantee (PBG) valid for 3 months beyond the guarantee period (guarantee period shall be 24 months from the date of commissioning) by Supplier from any of the Consortium Banks of BHEL for 10% of total PO Value in the prescribed Format. In the event that Erection and commissioning does not start within 6 months from the supply completion date, the balance 20% of supply value shall be released against submission of a matching guarantee valid till completion of the Erection and commissioning and 10% PBG valid for 24 months from the date of commissioning plus three month claim period.</p>		
(b)	<p><b>Terms of Payment for Foreign Offers:</b></p> <p>(i) <b>Total supplies are to be from Foreign Source.</b> payment of Supply value shall be 80% on dispatch and 20% on issue of E&amp;C Certificate. Payment of E&amp;C value shall be made against E&amp;C certificate issued by BHEL. E&amp;C certificate shall be issued on satisfactory completion of erection, commissioning, job proving, performance tests, training to operators etc. as envisaged in PO. The L/C shall be opened by BHEL as per following:</p> <p>(i) Within 30 Days of receipt of acceptable CEBG, an irrevocable unconfirmed L/C will be opened for 30% of the payment towards supply, due on shipment i.e. 24% of the Supply value of PO (30% of 80%). Not earlier than 60 days before the shipment date, the value of this irrevocable unconfirmed L/C would be enhanced from 24 % to 80% of the Supply value of PO.</p> <p>The above L/C can be negotiated after the Shipment against submission of B/L or AWB and such other documents as mentioned in the PO. The above L/C will be valid for a period extending 21 days beyond the shipment date for negotiation of documents.</p>		
(ii)	<p>Balance 20% of Supply value plus 100% of the E&amp;C portion of PO value (for each elevator) will be paid against E&amp;C certificate issued by BHEL (for each elevator) and submission of Performance Bank Guarantee (PBG) valid for 3 months beyond the guarantee period (guarantee period shall be 24 months from the date of commissioning) by Supplier from any of the Consortium Banks of BHEL for 10% of total PO Value in the prescribed Format. In the event that Erection and commissioning does not start within 6 months from the supply completion date, the balance 20% of supply value shall be released against submission of a matching guarantee valid till completion of the Erection and commissioning and 10% PBG valid for 24 months from the date of commissioning plus three month claim period.</p>		

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(iii)	Whenever there is an Indian Agent to represent a Supplier, it is mandatory to give the details of services to be rendered by Indian Agent and / or the details of agreement between Supplier and Agent. Supplier to indicate the Agency Commission payable. Indian Agency Commission will be paid only in Indian Rupees, calculated at the rate of exchange prevailing on the date of price bid opening. This is payable on satisfactory completion of the contract. <b>Note: In order to maintain sanctity of the tender system, it is mandatory that one Agent cannot represent two Suppliers or quote on their behalf in a particular tender enquiry. If any Agent represents more than one Suppliers all such offers will be rejected.</b>		
07	<b>CEBG:</b> The successful vendor shall have to furnish a Contract Execution Bank Guarantee (CEBG) for 10% of the "Total PO value" in the prescribed format within 30 days from the date of Purchase Order but before L/C opening. CEBG shall be kept valid until 30 days after the date of Erection & Commissioning (E&C) certificate, which will be issued on completion of Erection & Commissioning of equipment which includes erection, commissioning, job proving, performance tests, training to operators etc. as prescribed in PO.		
(i)	Bank Guarantee ( <b>CEBG and PBG</b> ) from indigenous suppliers shall be in the prescribed form and from the list of bankers, provided by BHEL.		
(ii)	Bank Guarantee ( <b>CEBG and PBG</b> ) from foreign suppliers should be in the prescribed form from one of the Consortium Banks of BHEL or any Bank of international repute and confirmed by any Consortium Bank of BHEL. All bank charges on account of issuance and confirmation of CEBG whether incurred in India or outside India will have to be borne by the vendor. The list of acceptable banks is given separately.		
08	<b>Guarantee Period: Guarantee</b> regarding workmanship, materials used, design and performance should be for a period of 24 months from the date of commissioning & prove out of the equipment.		
08	<b>Performance Bank Guarantee (PBG):</b> The Supplier shall submit a PBG for 10% of the contract value or acceptance for retaining 10% of contract value by BHEL in lieu of PBG valid for Guarantee period.		
	<b>Loading Factor for non acceptance of Performance Bank Guarantee / retaining of 10% of contract value by BHEL or acceptance of a PBG with lesser percentage or lesser period than specified:</b> Will attract disqualification of the offer.		
09 (i)	<b>Erection &amp; Commissioning (E &amp; C) Charges:</b> Supplier to specify clearly the E & C Charges in their price bid. Service tax shall be extra as applicable. Requirement of technical specification needs to be complied with.		
(ii)	<b>Supervision Charges:</b> Supplier to specify clearly the Supervision Charges in their price bid. Service tax shall be extra as applicable. Requirement of technical specification needs to be complied with.		

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10	<b>Essential / Mandatory Spares:</b> Supplier to specify clearly the charges of Essential / Mandatory Spares in the form of <b>Extra / Included / Free of Cost</b> . Requirement of technical specification needs to be complied with. <b>Where the price of spares is included in the basic price or shown as free of cost the list of spares and their individual prices are to be shown separately.</b>		
11	<b>Validity:</b> Supplier to mention clearly the validity date of the offer. [Minimum 180 days from tender opening date]		
12	<b>Risk Purchase:</b> Supplier specific confirmation is required for this clause - The purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or despatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute therefor. The supplier shall be liable for any loss which the purchaser may sustain by reason of such risk purchases in addition to penalty at the rate mentioned in "Penalty" clause.		
13	<b>Reverse Auction (R/A) / Bidding through Internet:</b> Supplier confirmation required.		
14	<b>Taxes &amp; Duties:</b>		
(i)	<b>Excise duty in % (for Indegenous supplier):</b> To be indicated by supplier. ED invoice is required for availing Cenvat. benefit		
(ii)	<b>Sales tax in % (for Indegenous supplier): VAT / CST</b> to be indicated by the supplier.		
(iii)	<b>Service Tax for services:</b> To be indicated by supplier.		
(iv)	<b>Income Tax:</b> Wherever applicable income tax shall be deducted at source as per the rules and regulations of the Government of India. Necessary Tax Deduction at Source (TDS) certificate will be issued by BHEL for which supplier shall indicate Permanent Account Number (PAN).		
15	<b>Test Certificate:</b> To be submitted.		
16	<b>O &amp; M Manual:</b> 5 sets in english language.		
17	<b>Training:</b> Supplier to clearly specify the Charges for satisfactory running and maintenance of elevator for a continuous period of 90 days including training of the owners operators.		
18	<b>For Foreign Offers:</b>		
(i)	<b>Manufacturers' Name and address:</b>		
(ii)	<b>Country of Origin:</b>		
(iii)	<b>Nearest - 1. Seaport; 2. Airport</b>		
(iv)	<b>Approximate weight, cubage of the consignment and number of containers required for shipment.</b>		

Signature and Office Seal of Vendor