



**STANDARD TERMS & CONDITIONS FOR PROCUREMENT OF CAPITAL EQUIPMENT**  
**[FORMAT TO BE FILLED-UP BY THE SUPPLIER]**

**VENDORS HAVE TO OFFER THEIR TERMS IN THE ALLOTTED COLUMN AND SHALL IDENTIFY DEVIATIONS DISTINCTLY.**

| S/N | BHEL Standard Terms   | Supplier Confirmation | Deviation |
|-----|---|-----------------------|-----------|
| 01  | <b>Terms of Delivery:</b>   |                       |           |
| (a) | <b>Indigenous Supplies</b> : FOR - Destination means FOR - B.H.E.L. Hyderabad stores. (Packing & Forwarding, Freight & Insurance are in Supplier's scope i.e. included/indicated in the quoted prices) . <b>Ex-works is not acceptable.</b>   |                       |           |
| 02  | <b>Delivery Period: Two Months from the date of issue of the P.O.</b>   |                       |           |
|     | Bidder shall quote their lowest firm Delivery period with effect from the date of PO/LOI upto the quoted Terms of delivery. The delivery period in no case shall be linked with extraneous conditions/stipulations such as approval of drawings.  |                       |           |
| 03  | <b>Payment Terms : Offer with deviations to BHEL Payment Terms will be loaded as under.a)Bench Mark Prime Lending Rate (BPLR) of SBI as applicable on the scheduled date of Tender Opening +2%, for the amount and period of relaxation sought by the bidder. Offers with insistence of advance payment are liable to be rejected. In no case BHEL shall accept liability towards interest.</b><br><b>Payment terms mentioned here under for Indigenous Offers.</b>         |                       |           |
| (a) | <b>Terms of payment for Indigenous Offer:(E&amp;C is to be done by vendor)</b>  |                       |           |
| (i) | (i) Despatch of Goods on door delivery basis only. Goods despatched with documents presented through Bank will be loaded with corresponding bank charges.<br>( ii) 80% payment of supply value will be made on 45th day from the date of receipt of material at BHEL (date of goods receipt (GR) ). Balance 20% of supply value + 100% E & C portion will be paid after successful commissioning of the equipment subject to submission of PBG .                            |                       |           |
| 4   | <b>Warranty / Guarantee Period:</b> Equipments shall be guaranteed against workmanship, materials used, design and performance should be for a period of 24 months from the date of commissioning of equipment.   |                       |           |
|     | <b>Loading Factor for non-acceptance of Guarantee Period:</b> Less than 24 months from commissioning will attract loading of AMC charges for difference of quote with warranty / guarantee period. Example : If a Supplier provides 18 months guarantee period, in place of 24 months, then the difference of 6 months will be loaded with AMC charges of 4% per annum for difference period of 6 months i.e. 2% of total cost will be loaded for evaluating lowest bidder. |                       |           |

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| 5   | <p><b>Penalty for Delay in "Supply" :</b><br/>           Delay in supply beyond the quoted delivery period will attract Penalty at a rate of 0.5% per week subject to max. of 10% of total PO value .In case any bidder is not accepting the above penalty for delayed supply the offer the bidder shall be loaded as follows.</p> <p><b>Loading Factor for non-acceptance of Penalty Clause:</b> It will attract maximum 10% loading on the offer and accordingly proportionate percentage will be loaded for accepting less percentage of penalty clause. Example : If the Supplier has accepted for maximum 5% penalty clause, then balance 5% will be loaded on supply value for evaluating lowest bidder.</p> |                       |           |
| 6   | <p><b>Commissioning Schedule:</b> Supplier to specify clearly the time period for Commissioning of the equipment starting with opening of cases against their supervision. The bidders should quote their earliest schedule.</p>   |                       |           |
| 7   | <p><b>Commissioning Charges:</b> Commissioning value will include services to be rendered at BHEL like Erection, Commissioning, Job proving, performance testing, training to operators etc. Commissioning value should be quoted separately by bidders.</p>   |                       |           |
| 8   | <p><b>Performance Bank Guarantee (PBG):</b> The Supplier shall submit a PBG for 10% of the contract value valid for 30 days beyond Warranty / Guarantee period.</p> <p>Offers with non-acceptance of Performance Bank Guarantee clause are liable to be rejected.Offers with less acceptance of PBG than the specified period and or value shall be loaded proportionately, during evaluation of the lowest bidder.</p>  |                       |           |
| 09  | <p><b>Validity:</b> Supplier to mention clearly the validity of the offer [Minimum 180 days from tender opening date].</p>   |                       |           |
| 10  | <p><b>Risk Purchase:</b> If the vendor fails to deliver the goods beyond penalty period specified in the Purchase Order, BHEL will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the supplier either the whole of the goods or any part which the supplier has failed to deliver or dispatch within the delivery period mentioned in the Purchase Order. <u>BHEL reserves the right not to consider offers from vendors not accepting the above Risk Purchase terms and conditions. Also the BHEL General Terms and conditions are applicable.</u></p>   |                       |           |

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| 11  | Commercial Terms & Conditions quoted in any place other than this format, including in Vendor's General Terms & Conditions enclosed, if any, shall be summarily ignored and be invalid for evaluation of Bids.   |                       |           |
| 12  | BHEL is not responsible for any Postal Delays. Please submit your offer without seeking time extensions. Vendor has to give valid justification for their plea for extension and BHEL reserves the right to reject the request without any correspondence on the issue.  |                       |           |
| 13  | BHEL reserves its right to reject/load the offers which are deviating to BHEL technical specifications and standard Terms & Conditions   |                       |           |
| 14  | <b>PDI inspection</b> : PDI Invitation shall be given with in the reasonable time period and PDI shall be completed 15 days before the P.O. delivery date. Vendor to Confirm.  |                       |           |
| 15  | The Prices quoted for <b>BASIC</b> items shall be exclusive of all applicable Taxes like E.D, CST, VAT and Service Tax and Taxes shall be shown sperately. If the above Taxes are not applicable, please state the same in the Price bid and in the un priced bid. The Taxes like Octroi, Entry Tax, Exit Tax will not be paid by BHEL and the agency shall absorb the same and quote accordingly. The applicable charges for Packing & Forwarding , Insurance , Fright Charges shall be clearly indicated in the Price Bid. |                       |           |
| <b>Note : The bidders should comply with the above Terms &amp; Conditions. Non-adherence may lead to rejection.</b> |  |                       |           |