



**Bharat Heavy Electricals Ltd.,**  
(A Government of India undertaking)  
**Electronics Division**  
PB No.2606, Mysore road, Bangalore 560026

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**Annexure - II**

**General terms and conditions for the supply of Capital items**  
**(Imported – Two part bid) SA-02**

Bidders are required to read the general terms & conditions carefully and submit their quotation covering all the points. Any order resulting from this enquiry shall be governed by the general terms and conditions listed below.

1. **TWO PART BID:** Quotation shall be submitted in two part bid.

**(a) Techno-commercial i.e., un priced Bid:** Techno-commercial bid shall be submitted with complete description of the equipment, specification compliances to the enquired specification and all the commercial terms & conditions indicated in the **QUOTATION FORMAT** (Annexure II (b)) preferably in the same format. Samples if asked and any other enclosures, which the supplier wish to submit like product catalogue etc., in a sealed envelope super scribed clearly as “**TECHNO-COMMERCIAL BID**” with **RFQ No. and DUE DATE.**

Un priced copy of price bid shall be enclosed with the techno-commercial bid

Deviations to the specification / item description, if any shall be brought out clearly indicating “**DEVIATION TO BHEL SPECIFICATION**” without fail as a part of technical offer.

Compliance to pre qualification criteria shall be part of Techno-commercial bid.

Manufacturers name, their trade mark and brand if any should be invariably mentioned in the tender and illustrative leaflets giving technical particulars etc., are to be attached to the tender to facilitate consideration of the offer.

**(b) Price Bid:** Price bid should contain basic prices, discount if any, applicable taxes & duties, packing & forwarding charges (if applicable), Freight & insurances (if applicable) etc., in a sealed envelope super scribed clearly as “**PRICE BID**” with **RFQ No. and DUE DATE.** Erection and commissioning charges if any shall be included in the price bid.

Please indicate the rates in both figures and words. However in case of difference, the lowest of the two rates will be considered as correct.

Both these envelopes [(a) Techno-commercial i.e., un-priced BID (b) Price Bid] shall be kept in a single sealed envelope and super scribed clearly with **RFQ No. and DUE DATE.**

2. Tender (quotation) shall be submitted in a sealed envelope super scribed with **RFQ NUMBER / and DUE DATE** on it and the same must reach our office on or before the due date by **13:00 hrs.** Quotation can also be dropped in the tender box marked “**Sub Assembly – TRS**”. Late quotations are liable to be rejected.

Tender shall be addressed to **DGM / EM - Coml**, Electronics Division, Bharat Heavy Electricals Ltd., Mysore road, Bangalore 560026.

3. The rates quoted against each item shall be in the same units stated in the enquiry. If the quotations are submitted in any other unit than specified, relationship between two sets of units must be furnished in the offer.
4. As far as possible, the quotations shall be free from corrections / overwriting. Corrections if any should be initialed with your seal and signature. Any typographical errors, totaling mistakes, currency mistakes, multiplication mistakes, summary mistakes observed in your priced bids, BHEL may consider whichever is beneficial to BHEL for evaluating of the lowest quote.
5. Please sign the offers. Unsigned bids/offers are liable for rejection.
6. All the bidders or their authorized representatives can witness opening of techno-commercial bid on the due date.
7. After evaluation of techno-commercial bids, price bids of only those who are technically accepted will be opened on a subsequent date, which will be intimated to the concerned in advance for witnessing of price bid opening.
8. The quantities in each item to be purchased may vary from quantities enquired according to the actual requirement at the time of placing the purchase order. Quantity discount if any should be mentioned in your offer.
9. BIDDERS shall indicate clearly Excise duty, Education cess, Sales Tax/VAT, Octroi, Entry tax, Service Tax as applicable for the quoted items. In the absence of clarity of these, any claim at a later date will not be entertained. Any changes in Taxes and duties after award of the contract will not be considered except such are those, which are imposed by Govt., notification within the contractual delivery. Seeking price amendments for change in Excise duty due to crossing of turnover limits will not be considered under any circumstances.
10. **TOTAL COST TO BHEL:** For imported scope of supply, **lowest Bid (L1)** is determined on the basis of the total cost to BHEL.

Total cost to BHEL = Total basic value in foreign currency + FOB charges if any + Packing & Forwarding charges if any + Cost Insurance Freight (CIF) + Basic Custom Duty (BCD) + Counter Veiling Duty (CVD) + Educational Cess + Special Additional Duty (SAD) + Entry Tax + Loading factors for deviations to commercial terms & conditions.

Purchase order will be placed on lowest bidder (L1) only.

Note: Exchange rate ruling on the date of Tender opening (Techno-commercial / un-priced Bid) will be considered for converting foreign currency to Indian currency. Exchange rates published in Economic Times (TT selling) will be considered.

11. **FIRM PRICE:** Rates quoted should be firm and no enhancement in the rates and changes in the techno-commercial terms will be allowed once the quotation is accepted and order placed.

If Erection & Commissioning is in supplier's scope, then the price shall remain FIRM till commissioning & handing over of the complete system. PVC clause is not acceptable.

12. **TERMS OF PAYMENT:** Payment will be made against “**SIGHT DRAFT**” on presentation of documents to our bankers. Payment through LC is also made subject to loading factors as per clause 29 (a).

The payment terms are as follows.

(a) 90% within 30 days from the date of acceptance of equipments & balance 10% against submission of PBG.

(b) In case where 90 % & 10% payment terms are opted instead of PBG, 90 % Payment will be released within 30 days of acceptance. Balance 10% payment will be paid against submission of supplementary invoice after 12 months of warranty period + 6 months claim period.

13. **ADVANCE PAYMENT:** Quotations with payment terms of “**Advance**” will **not be considered** and such offers are liable for **rejection commercially**.

14. **PENALTY:** Failure to supply the item within the delivery date specified in the purchase order will make the supplier liable to an unconditional penalty of ½% (One half percent) of the value (basic material cost) of the goods in arrears per week subject to a maximum of 10%.

If pre-shipment inspection is involved, date of issue of pre-shipment call by the vendor along with test certificates / test reports / certificate of conformance / calibration reports as proof of completion will be treated as date of dispatch for penalty calculation.

In the absence of reports stated above, actual date of inspection will be considered as date of dispatch for penalty calculation.

15. **PBG:** Performance Bank Guarantee (PBG) to be submitted as per the BHEL prescribed format (Annexure-IIc) for 10% of the basic equipment value obtained from any BHEL member banks.

PBG shall be valid for 12 months + 6 months claim period (totally 18 months) from the date of dispatch.

16. **WARRANTY:** Goods dispatched shall have warranty period of 18 months from the date of dispatch or 12 months from date of commissioning, whichever is earlier.

17. **TERMS OF DELIVERY:** Price offered shall be for goods packed and delivered **F.O.B.** (named international Airport/Seaport) including packing, forwarding, Handling, Ancillary charges like processing of Sight Draft, Letter of credit (L/C), negotiation of bank documents, Export declaration, Certificate of origin etc.

Packing shall be Airworthy/Seaworthy, best suitable for transshipment and to take care of transit damages.

Indicate name of International Airport/Seaport

Note: Name of Airport to be selected from any one of the ports indicated in Annexure-II(a), which are acceptable BHEL ports.

BHEL will do customs clearance after payment of customs duty as applicable at the time of customs clearance.

18. **DELIVERY PERIOD:** Equipment shall be delivered, as per the requirement of the specific R F Q / tender. Offers such as ex-stock subject to prior sale or delivery at the earliest will not be entertained.

In case of PO involving LC, 15 days will be granted for giving order acknowledgement beyond which it will be treated as delay and considered as penalty zone if overall delivery does not take place in agreed delivery period.

Delivery will be reckoned from the date of acknowledgement from freight forwarder after receipt of goods / AWB

19. **VALIDITY:** Quotation should remain valid for a period of **90 days** from the due date.
20. **EARNEST MONEY DEPOSIT :** EMD as per the requirement of specific tender shall be submitted in the form of **DD along with Techno-commercial bid** in INR / Foreign Currency. EMD in the form of DD only is acceptable and any other form is not acceptable and the bid is liable for rejection. EMD amount doesn't carry any interest. DD shall be drawn in favor of "Bharat Heavy Electricals Limited". The same will be converted as Security Deposit for the successful bidders and for unsuccessful bidders the same will be refunded after finalization of the order. For successful bidders EMD will be refunded after submission of PBG.
21. **RISK PURCHASE:** The purchaser at his discretion may also make purchase of the materials **NOT** supplied in time at the **RISK & COST** of the supplier. In this event, it will be obligatory on the part of the supplier who fails to supply the goods in time to make good to BHEL any loss due to such risk purchase.
22. BHEL reserves the right to RE-FLOAT/REJECT/CANCEL this TENDER ENQUIRY (RFQ) without assigning any reason or cause thereof. Quotes received against this TENDER ENQUIRY are subject to and governed by all these terms and conditions. BHEL's decision will be final in awarding of the contract and binding on all vendors.
23. **REVERSE AUCTION :** BHEL reserves the right to go for reverse auction at any point of time before opening of price bid.
24. BHEL reserves the right to Accept / Reject the offer in full or part there off depending on BHEL's requirement.
25. **POST ORDER REQUISITS:**
- (a) Pre-shipment inspection at your works, if required, will be done by BHEL. Required assistance to be provided at the time of pre-shipment inspection.
  - (b) Test certificates and warranty certificates as stipulated at the time of ordering shall be furnished.
  - (c) Items shall be dispatched with road/air/sea worthy packing. Any rejection due to poor packing shall be to supplier's account.
  - (d) Any rejection should be made good or replaced immediately without any extra cost to BHEL.

- (e) Wherever commissioning is involved, it shall be carried out on a turnkey/supervisory basis. Scope of work includes design, fabrication, supply, installation, commissioning and trial run till satisfactory performance level is reached as certified by the user department.
- (f) Copies of operation & instruction manuals to be supplied along with the equipment or before as per specification.
- (g) BHEL will not be responsible for any loss, damage or injuries to staffs sustained during erection/commissioning. Supplier shall ensure compliance with all statutory requisites as laid down by local bodies, state & Central Government.
- (h) Original invoice (2 copies) to be submitted at the office of DGM / EM -Coml for arranging payment.
- (i) As BHEL is also making payment through EFT, banker details in the prescribed format to be submitted.
- (j) Performance Bank Guarantee to be executed on Rs.100/- non-judicial stamp paper as per BHEL prescribed format ( copy attached - Annexure IIc).

26 . **PAST SUPPLIES / PERFORMANCE:** Detailed list of past supplies of quoted equipments for the last three years shall be enclosed along with the bid indicating customer, quantity supplied and year of supply. Performance certificate issued by customers may also be enclosed along with the bid.

27. Any dispute arising out of this shall be referred to the sole arbitration of Head of Materials Management, SA - EDN, Bangalore or any other officer nominated by him and his decision shall be final and binding on the parties. The venue of the arbitration in all cases shall be Bangalore.

28. All suits in respect of this lie in the court of Bangalore only.

**29 LOADING FACTORS:**

Loading factors as detailed below will be added to the quoted price (basic) to evaluate the lowest quote for non compliance of BHEL standard commercial terms.

**A. For non compliance of BHEL standard Terms of payment:**

Sl. No.	BHEL standard term	If you quote	Loading factor in % for non-compliance
1	100% against "SIGHT DRAFT" on presentation of dispatch documents to our Bankers and issue of PBG.	(a) 100% Through Letter of Credit (LC) & issue of PBG	(a) 3.5 %
2	90% against "SIGHT DRAFT" + Balance 10% (wherever PBG is not accepted) in lieu of PBG	(b) 90% Through Letter of Credit (LC)	(b) 2.25 %



**B. For non compliance of Penalty clause:**

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	Penalty of 0.5% per week subject to max. of 10% on the value of the items not supplied / delayed	Not agreed	10 %
		5% max., agreed	5%
		Other than the above	10% - agreed max. %

**C. For non compliance of Performance Bank Guarantee (PBG):**

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	PBG for 10% of the basic material cost shall be furnished in the BHEL prescribed format	Not agreed	10 %
		5% agreed	5 %
		Other than the above	10% - (minus) agreed max. %

**D. For Non conformance to delivery requirement of BHEL**

BHEL requires the delivery of items within 4 months from the date of commercially clear PO. Delivery quoted more than 4 months will be subjected to a loading factor of 0.5 % per week as under:

Sl. No.	BHEL standard term	If you quote	Loading factor in % for non-compliance
1	4 months form date of PO	5 months	2 %

However any delivery quoted beyond 5 months is liable for rejection.

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**ANNEXURE-II(a)**

**LIST OF INTERNATIONAL AIRPORTS**

<b>Sl. No</b>	<b>Country</b>	<b>Air Ports</b>
1	Austria	Vienna, Linz, Graz
2	Australia	Sydney, Melbourne, Perth
3	Belgium	Antwerp, Brussels
4	Canada	Toronto, Montreal
5	China	Shangai
6	Cyprus	Lamaca
7	Czech Republic	Prague (Via Frankfurt)
8	Denmark	Copenhagen
9	Egypt	Cairo
10	Finland	Helsinki
11	France	Paris (Rossy), Lyon
12	Germany	Darmstadt, Manihem, Nurnberg, Hamburg, Stuttgart, Munich, Koln, Dusseldorf & Hannover, Frankfurt, Berlin
13	Hongkong	Hongkong
14	Italy	Rome, Milan, Turin, Bologna, Florence
15	Ireland	Dublin
16	Isrel	Telaviv
17	Japan	Tokyo, Osaka
18	Malaysia	Kaulalampur, Penang
19	Neatherlands	Amsterdam, Rotterdam
20	Newzealand	Auckland
21	Norway	Oslo
22	Oman	Muscat
23	Philiphines	Manila
24	Romania	Bucharest
25	Russia	Moscow
26	Saudi Arabia	Riyad
27	Singapore	Singapore
28	Slovakia	Bartislowa
29	South Africa	Johannesburg, Durban
30	South korea	Kimpo
31	Spain	Barcelona
32	Sweden	Stockholm, Gothenburg, Milano
33	Switzerland	Basle, Zurich, Geneva
34	Taiwan	Taipei
35	U.A.E.	Dubai
36	U.K.	Landon (Heathrow), Newcastle, Oxford, Cheltham, Bristol, Wellingborough, Birmingham, East Midland, Manchester, Leeds, Glasgow.
37	U.S.A.	Newyork, Chicago, Sanfrancisco, Los Angeles, Atlanta
38	Ukraine	Kiev



Annexure II(b)

**QUOTATION FORMAT PART – A TECHNICAL BID (IMPORTED)**

Sl. No.	Particulars	Bidder's confirmation
1	Price basis: Firm i.e., from the date of PO to completion of supply [Price Variation Clause (PVC) not acceptable]	Acceptable / Not acceptable
2	Terms of Payment: Against " <b>SIGHT DRAFT</b> " on presentation of documents to our bankers. (a) 90 % is payable on negotiation of complete set of original documents & balance 10% against submission of PBG  (b) Deviation if any please specify Note: as per clause 12	(a) Acceptable / Not acceptable  (b)
3	BHEL's penalty clause: (a) Delay in delivery as per PO delivery date will result in penalty of 0.5 % per week subject to maximum of 10% on the value of the items not supplied/delayed.  (b) Deviation if any Please specify	(a) Acceptable / Not acceptable  (b)
4	Performance Bank guarantee: PBG for 10% of the basic material cost shall be furnished in the BHEL prescribed format as detailed in clause 17.	Yes / No
5	Terms of delivery: (a) F.O.B international Airport/Seaport as per clause 19 Indicate name of International Airport/Seaport  (b) Deviation if any Please specify	(a)Acceptable / Not acceptable  (b)
6	Warranty: (a) 12 months from the date of acceptance / commissioning  (b) Deviation if any Please specify	(a)Acceptable / Not acceptable  (b)
7	Delivery period: Indicate number of weeks from the date of issue of Purchase order	_____Weeks
8	Validity: (a) Quotation should remain valid for a period of 90 days from the due date (b) Deviation if any Please specify	(a) Acceptable / Not acceptable  (b)

Signature of tenderer / with stamp



**PERFORMANCE BANK GUARANTEE**  
**(FOR FOREIGN PURCHASE ORDERS)**

ANNEXURE-II ( c )

**BANK NAME AND ADDRESS**

**Electronics Division**  
**Bharat Heavy Electricals Limited ,( B.H.E.L.)**  
**Mysore Road, P.B.No. 2606**  
**BANGALORE- 560 026**  
**INDIA**

**Dear Sirs,**

**Ref: CONTRACT PERFORMANCE GUARANTEE.**

**WHEREAS** you have entered into a contract reference No **PO NO.** \_\_\_\_\_ with M/s \_\_\_\_\_ having its registered office at \_\_\_\_\_ for the supply of \_\_\_\_\_ as detailed in your purchase order No. \_\_\_\_\_ which is hereinafter referred to as "the said contract" and **WHEREAS** M/s \_\_\_\_\_ has undertaken to produce a **Bank Guarantee for 10% ( Ten Percent )** of the contract price amounting to \_\_\_\_\_ ( \_\_\_\_\_ ) to secure its obligations to **Electronics Division, BHEL** having its registered office at **New Delhi** for the performance of the contract including the warranty of the equipment supplied, **We** \_\_\_\_\_ **Bank**, \_\_\_\_\_ hereby expressly, irrevocably and unreservedly undertake and guarantee as principal obligors on behalf of M/s \_\_\_\_\_ that in the event **Bharat Heavy Electricals Ltd. (B.H.E.L.)** declares to us in writing that M/s \_\_\_\_\_ has not fulfilled any obligation according to the contractual obligation of the said contract, to pay you on demand and without demur to **Bharat Heavy Electricals Ltd., Electronics Division , Mysore Road, P.B.No. 2606, Bangalore-560 026, India** an amount of \_\_\_\_\_ (in words \_\_\_\_\_ ) subject to as may be determined below:

**1) Notwithstanding any right** M/s. \_\_\_\_\_ may have directly against you or any disputes raised by M/s \_\_\_\_\_, Your written demand shall be conclusive evidence to us that repayment is due under the terms of the said contract and shall be binding on us.

- 2) We shall not be discharged or released from this undertaking and Guarantee by any arrangements, variations made between you and M/s. \_\_\_\_\_ with or without our consent and Knowledge or by any alterations in the obligations of M/s. \_\_\_\_\_ by any forbearance whether as to payment, time, performance or otherwise.**
- 3) This guarantee shall remain valid until the end of twenty-four weeks after the close of the warranty period or until the same is reported by BHEL to us whichever is earlier.**
- 4) We agree and undertake not to revoke this guarantee during its validity unless discharged in writing by you subject to the provision of clause (7) below.**
- 5) This guarantee shall be a continuing guarantee subject to the foregoing and shall not be discharged by any change in the constitution of the Bank or M/s. \_\_\_\_\_.**
- 6) This guarantee shall be governed by and constructed in accordance with the Laws of India.**
- 7) At any time \_\_\_\_\_ Bank may render this guarantee null and void by paying to Bharat Heavy Electricals Ltd. the full amount being \_\_\_\_\_ (in \_\_\_\_\_ words \_\_\_\_\_ )**

**For and on behalf of Bank  
by its Authorised Signatory.**



Annexure - II (d)

BHEL MEMBER BANKS

PBG SHALL BE ISSUED FROM THE FOLLOWING BANKS OR THEIR BRANCH OFFICES ONLY

State Bank of India, CAG Branch 10 <sup>th</sup> Floor, Vijaya Building Barakamba Road, NEW DELHI - 110 001	Deutsche Bank, Tolstoy Marg, NEW DELHI - 110 001
Canara Bank, 74, Janpath, NEW DELHI - 110 001	HDFC Bank Ltd, 5 <sup>TH</sup> floor, H T House, K G Marg, ,NEW DELHI - 110 001
Punjab National Bank, 74 Janpath, NEW DELHI - 110 001	CITI Bank NA, Jeevan Vihar Building, Sansad Marg NEW DELHI - 110 001
Bank of Baroda, Corporation Banking Branch, 11 <sup>th</sup> Floor, BOB Building, Sansad Marg, NEW DELHI - 110 001	Standard Chartered Bank, H2, Block Connaught Place NEW DELHI - 110 001
State Bank of Hyderabad, Surya Kiran Building, K G Marg, NEW DELHI - 110 001	ICICI Bank Ltd, ICICI Tower, Bisham Pitamah Marg, Pragati Vihar, NEW DELHI - 110 003
State \Bank of Mysore, Antrikash Bhawan, K G Marg, NEW DELHI - 110 001	IDBI Bank Ltd, 19 K G Marg, Surya Kiran Building, NEW DELHI - 110 001
State Bank of Mysore, Industrial Finance Branch, 18, Ramanashree Arcade,, M G Road, BANGALORE 0 560 001	HSBC Ltd, ECE House, 28K G Marg, NEW DELHI -110 001
State Bank of Travancore, Travancore House, IF Branch, NEW DELHI - 110 001	