



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. Suppliers, to fill the following format by writing "Confirmed" in the Supplier Confirmation column. Deviations if any shall be specified in the deviation column. After filling, document shall be submitted after signing and stamping with Official seal.

INSTRUCTIONS	
1	Cover - I E.M.D.: EMD, of Rs. 40000.00 to be deposited in the form of Cash*(as permissible under Income Tax Act)/Demand Draft/Pay Order, in favour of M/s. Bharat Heavy Electricals Ltd., Ramachandrapuram, Hyderabad - 502 032 along with a covering letter. These are to be submitted in a sealed cover. In case of foreign bidders e-payment for EMD is acceptable i) EMD by the tenderer will be forfeited as per the tender document s(schedule), if the successful bidder/vendor refuses to honor the order after award of the same on him and/or withdraws his bid and/or unilaterally changes the offer and/or any of its terms& conditions within the validity period or fails to submit CEBG even within 60 days from the date of PO. ii) EMD given by all unsuccessful tenderers shall be refunded on acceptance of award/LOI/PO by successful tenderer. EMD of successful bidder shall also be returned after placement of P.O. iii) EMD shall not carry any interest. *Cash shall be submitted by prospective vendor only at BHEL-RC Puram cash office and receipt shall be kept in the envelop.
2	**Beneficiary Name: Bharat Heavy Electricals Ltd. Beneficiary Address: Ramachandrapuram, Hyderabad, 502032, Beneficiary Ph. No: (+91 40)23182235, Name Of the Bank: State Bank of Hyderabad, Branch Address: Ramachandrapuram, Hyderabad, 502032, Branch Code: 075/A/C No: 00000062048154115, A/C Type: Current Account, IFSC No (For NEFT & RTGS): SBHY0020075, MIRCS: 500004072, Bank's Telephone No: (+91 40)23022210, Bank's Fax No: (+91 40)23022210
3	Cover - II (Part-I) : TECHNICAL-CUM-COMMERCIAL AND UN-PRICED BID:
(a)	This consists of complete technical details, catalogues, drawings and all commercial terms. Money values must not be indicated i.e. un-priced bid . These are to be submitted in a sealed cover.
(b)	The following formats / documents are to be filled up and submitted: (i) Filled in Technical Specification (Format enclosed), (ii) Filled in Standard Terms & Conditions for Procurement of Equipment (Format enclosed), (iii) Un-Priced Bid (iv) Supplier Registration Form (To be downloaded from www.bhel.com), (v) All relevant enclosures of above documents / formats, (vi) Complete technical / commercial details along with catalogues / instructions and (vii) Shipping weight and cubage (length, width & height) size of packing.
4	Cover - III (Part-II) : PRICE BID:
(a)	Prices are to be indicated as per Un-Priced Bid as per detail as well as in conformity with terms as submitted in Part-I. All applicable taxes and duties are to be indicated clearly in the offer. The comparison between indigenous and foreign bids shall be done based on landed (FOR DESTINATION) price basis. Processing of any optional item is at the discretion of BHEL. Offer with any preconditions for price will be rejected.
(b)	The bidders should submit their best price at this stage itself. They will not be allowed to revise the price during validity period.
5	GUIDELINES:
i	The sealed tenders superscribing Tender Number, Due Date & Name of the Supplier should be addressed to DGM / Purchase (CG), Bharat Heavy Electricals Limited, Ramachandrapuram, Hyderabad - 502 032 . The sealed tender should contain three separate sealed covers. The first cover containing DD superscribing EMD along with Tender Number, Tender Due Date & Name of the Supplier. The second cover containing the technical part, including all commercial terms (except price) and un-priced bid, superscribed as TECHNICAL-CUM-COMMERCIAL and UN-PRICED BID along with Tender Number, Tender Due Date and Name of the Supplier. The third cover containing only the prices super-scribed as PRICE BID along with Tender Number and Name of the Supplier. These three covers should be sealed individually and all three covers should be kept in another sealed cover superscribed with Tender Number, Due Date and Name of the Supplier.
ii	The Covers-I & II, consisting of cost of tender documents as well as techno-commercial bid, will be opened first. Non-receipt of D.D. for the EMD will lead to rejection of offer.
iii	The Technical-cum-Commercial offer will be discussed, finalised and only then the price bid of the technically acceptable offers will be opened.
iv	If a Supplier submits only one cover containing either techno-commercial bid or price bid or one combined bid i.e. techno-commercial bid & price bid together, the offer is liable to be rejected. Non-receipt of D.D., for EMD is likely to lead to rejection of the offer. The Cover-I will be opened first.
6	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.
7	Bidders shall quote applicable taxes & duties (i.e. Excise Duty, CST/VAT) in the form of Extra only. If Excise Duty is not applicable, specify it as "Nil" or "NA".
8	BHEL reserves its right to reject/load the offers which are deviating to BHEL technical specifications and Standard Terms & Conditions
9	Bidder can also submit offer through email at his own risk. However, such email offers shall be sent only to tenderbox@bhelhyd.co.in. Supplier shall have no claim on e-mail offers sent on any other e-mail ID. BHEL is no way responsible for non receipt of offers sent thru email due to server break down / Internet failure/ transmission error etc. In case of e-mail offers, vendor name, address including contact details shall be mentioned.
10	BHEL has a right to cancel the order for delay in supply beyond penalty period without any monetary or legal obligations.
11	All disputes arising in connection with the contract shall be settled by mutual consultation. If no agreement is reached the dispute shall be settled in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the rules made there under. The dispute shall be referred for arbitration to any arbitrator to be appointed by the Head of the Unit, BHEL-Hyderabad. The award of the arbitrator shall be final and binding on both the Parties. The venue of the Arbitration shall be Hyderabad in India. The Award given by the Arbitrator shall be a speaking award and in English language. All questions, disputes, differences arising under, out of or in connection with this contract shall be exclusive jurisdiction of Sangareddy/Hyderabad Courts, Andhra Pradesh.

S/N	BHEL Standard Terms & Conditions	Supplier Confirmation	Deviation
1	Terms of Delivery:		
(a)	Indigenous Supplies : FOR - Destination means FOR - B.H.E.L. Hyderabad stores. (Packing & Forwarding, Freight & Insurance are in Supplier's scope i.e. included in the quoted prices) . Ex-works is not acceptable.		
(b)	Foreign Supplies : Foreign supplies have to be made on Incoterm CIF basis (i.e. Inclusive of Sea/Air worthy packing and inclusive of all freight and Insurance upto Mumbai Sea Port . Foreign supplies will be loaded with 2.1% towards inland freight & insurance from Mumbai to BHEL Hyderabad stores for tender evaluation purpose. Notes: i)Offer with terms of delivery other than CIF are liable for rejection. ii)Trans-shipment strictly not permitted.		
(c)	In case,any shortage is noticed viz-viz PO requirement in the main equipment/spares,such shortage shall be replenished by supplier on FOR destination basis without any cost implication to BHEL i.e. Custom Duty and freight charges etc.upto destination for such short supplies shall be borne by the supplier. Please also note that any short supply will attract imposition of penalty on the total P.O. value.(Supply+E&C).		
2	Delivery Period:		
	The Bidder should quote their earliest schedule with respect to date of P.O. and upto quoted Terms of Delivery. The delivery period in no case shall be linked with extraneous conditions/stipulations such as approval of drawings etc.		
3	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.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 ii)period and amount of LC w.r.t NIT norms, as per the prevailing bank rates. Offers with insistence of advance payment are liable to be rejected. In no case BHEL shall accept liability towards interest.		
(a)	Terms of payment for Indigenous Offer:(E&C is to be done by vendor)		
(i)	(i) Despatch of Goods on door delivery basis only. Goods despatched with documents presented through Bank will be loaded with corresponding bank charges. (ii) 80% payment of supply value will be made on 45th day from the date of receipt of material at BHEL Stores, Hyderabad. Balance 20% of supply value + 100% E & C portion of P.O. value will be paid after successful commissioning of the equipment and subjected to submission & acceptance of Performance Bank Guarantee of 10% of contract value valid for 30 days beyond the guarantee period.		
(ii)			
(b)	Terms of Payment for Foreign Offers:(E&C is to be done by vendor)		
(i)	Total supplies are to be from Foreign Source. Where the payments are through L/C (L.C opening charges are to be loaded) payment of supply value shall be 80% on dispatch and 20% on issue of E&C certificate.Payment of E&C value shall be made against E&C certificate issued by BHEL. E&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 the following. 1) Within 30 days of receipt of P.O acknowledgement, 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 the P.O.(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 the P.O. 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 P.O.or L/C and submission of Pre Dispatch Inspection (If applicable) Report to BHEL. This L/C will be valid for a period extending 21 days beyond the shipment date for negotiation of documents.		
(ii)	When ever there is an Indian Agent to represent a Supplier, it is essential 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 the tender opening. This is payable on satisfactory completion of the contract. Note: In order to maintain sanctity of the tender system, it is essential 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 the offers associated with the Agent will be rejected.		
(iii)	The second irrevocable & unconfirmed letter of credit for 20% & E&C Charges will be opened 15 days prior to the scheduled and confirmed arrival of the technicians of supplier with their names The validity of this L/C would be sufficient to cover the period required for the completion of E&C + 21 days as negotiation period. This L.C can be negotiated i)after completion of the E&C of the equipment in BHEL. This is subject to the submission of Performance Bank Guarantee for 10% of contract value valid for 30 days beyond the Guarantee / Warranty period of 24 months from the date of commissioning. The bank guarantee is to be attested by Indian Embassy & to be registered in India. PBG confirmation charges shall be borne by vendor.		

S/N	BHEL Standard Terms & Conditions	Supplier Confirmation	Deviation
4	<p>Warranty / Guarantee Period: 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, unless otherwise stipulated in the specification. NOTE: Offers with No Guarantee shall be rejected.</p> <p>Loading Factor for non-acceptance of Guarantee Period: 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.</p>		
5	<p>Penalty for Delay in "Supply" : 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>Loading Factor for non-acceptance of Penalty Clause: 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>Performance Bank Guarantee (PBG): 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>		
07	<p>Erection & Commissioning (E & C) Schedule: Supplier to specify clearly the time period for erection & commissioning of the equipment starting with opening of cases against their supervision.</p>		
08	<p>Erection & Commissioning (E & C) Charges: Erection & Commissioning value will include services to be rendered at BHEL like Erection, Commissioning, Job proving, performance testing, training to operators etc. E&C value should be quoted separately by bidders.</p>		
09	<p>Essential / Mandatory Spares: Supplier to specify clearly the charges of Essential / Mandatory Spares in the form of Extra only (Itemized break-up shall be given). Requirement of technical specification need to be complied with.</p>		
10	<p>Validity: The quotation should be valid at least for a period of 180 days from the tender opening date. Price quoted should be on firm price basis. Price Variation Clause within this period will not be entertained.</p>		
11	<p>Risk Purchase: 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.</u></p>		
12	<p>PDI inspection :- PDI Invitation (If applicable) shall be given two months before the Purchase order delivery date and PDI shall be completed 15 days before the P.O. delivery date. Vendor to Confirm.</p>		
13	<p>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.</p>		
<p>Note : The bidders should comply with the above Terms & Conditions. Non-adherence may lead to rejection.</p>			