

requisites as laid down by local bodies, state & Central Government. Vendor shall indemnify BHEL for all damages/ losses to its properties or various personnel during their presence in BHEL's premises for whatever purpose. The following shall be ensured by the vendor:

- a) Vendor/contractor shall ensure that the vendor/contractor's workmen always follow safe work procedure during erecting/ commissioning activities.
- b) Vendor/contractor shall ensure that the vendor/contractor's workmen wear safety PPEs (Shoes, helmets, safety belt etc.) While on erecting/ commissioning work and similar works.
- c) Vendor/contractor shall ensure adequate supervision of the activity by his/her supervisor/engineer during the erecting/ commissioning activities.
- d) Vendor/contractor shall ensure that vendor/contractor's workmen meet legal requirement such as ESI/Employees Compensation Insurance/Accident/medical insurance etc.
- e) Vendor/contractor shall take work permit before commencement of the non-routine works of this nature.
- f) Undertaking that vendor/contractor will adhere to necessary legal/safety requirements and BHEL shall be kept indemnified against any untoward events taking place during the course of work.

Suitable markings & damage control indicating devices shall be provided where applicable.

22.RISK PURCHASE: BHEL at its discretion may also make purchase of the equipment / materials **NOT** supplied in part or in full in time by the supplier at the **RISK & COST** of the supplier. In such 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

23.GENERAL TERMS AND CONDITIONS GOVERNING REVERSE AUCTION (RA):

- (a) Against this enquiry for the subject item/system with detailed scope of supply as per enquiry specifications, BHEL may resort to "REVERSE AUCTION PROCEDURE" i.e., ON LINE BIDDING ON INTERNET. • For the proposed RA, technically and commercially acceptable bidders only shall be eligible to participate.
- (b) In case of RA, BHEL will engage the services of a service provider for conduct of the RA who will provide all necessary training and assistance to the bidders before commencement of on line bidding on internet.
- (c) Business rules governing the RA will be communicated to the bidders through service provider for compliance.

- (d) Vendors have to fax the Compliance form in the prescribed format (provided by Service provider) before start of RA. Without the compliance, the vendor will not be eligible to participate in the event.
- (e) BHEL will provide a sample calculation sheet (in EXCEL format) which would help the bidders to arrive at "Net Cash outflow to BHEL" considering various price / cost elements like Packing & forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services and loading factors (for non-compliance to BHEL standard Commercial terms & conditions) etc. for each of the bidders to enable them to arrive at "Net Cash outflow to BHEL (Total Cost to BHEL)" which is the amount the bidder would be bidding during the RA.
- (f) RA will be conducted on scheduled date & time and at the end of event, the lowest bidder value will be known on the network.
- (g) The lowest bidder has to Fax the duly signed "Price Break-up" in prescribed format as provided on case-to-case basis to BHEL through Service provider within 24 hours of Auction without fail.
- (h) Any variation between the on-line bid value and the signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct further business with BHEL, as per the prevailing procedure.

24. Any dispute arising out of this, shall be referred to the sole arbitration of Head of Dept. Materials Management of group concerned, BHEL or any other officer nominated by him and his award shall be final and binding on the parties. The venue of the arbitration in all cases shall be Bangalore.

25. Any legal suit in respect of this enquiry lies in the court of Jurisdiction of Bangalore (India) only.

26. 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: Bank Guarantee and Loading against non acceptance of BHEL's Payment Terms:

If payments 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&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:

- (a) Benchmark Prime Lending Rate (BPLR) of SBI as applicable on the scheduled date of tender opening + 2%, for the amount & period of relaxation sought by 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 and (ii) period and amount of

LC w.r.t. NIT norms, as per the prevailing bank rates.

(i). For non compliance of standard Terms of payment (For Foreign Purchase Orders)

SI. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	80% against "LC" for supply + 10% after commissioning +10% against PBG (where both E&C and PBG are applicable)	Part payment as advance against the supply portion	(BPLR+2%) x part payment Of advance on the quoted value for the period of advance.

A(ii).For non compliance of standard Terms of payment (For Indigenous Purchase Orders)

SI. No.	BHEL standard term	If you quote	Loading factor in % for non-compliance
1	90% basic payment + 100% taxes & duties with 45 days credit + 10% against PBG (where PBG only is applicable)	Payment through bank	(BPLR+2%) x percentage quoted through bank / proforma invoice
		Payment against proforma invoice	
		100% with 45 days credit & against submission of PBG	Nil
2	80% basic payment + 100% taxes & duties with 45 days credit + 10% after commissioning +10% against PBG (where both commissioning & PBG are applicable)	Payment through bank	(BPLR+2%) x percentage quoted through bank / proforma invoice
		Payment against proforma invoice	
		100% with 45 days credit after commissioning & submission of PBG	Nil

B. Penalty clause for non-compliance of 'SUPPLY' and 'E&C' :

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 @ 1.0% 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 @ 1.0% 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 10% of total PO value (Supply + E&C).

In case PO includes more than one machine, the penalty shall be @ 1% per week of delay on total PO value (Supply + E&C) for the delayed machine.

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.

A(III) For non-compliance of standard Terms of payment (For Indigenous Purchase Order)

Sl. No.	BHEL standard term	If you quote	Loading factor in % for non-compliance
1	80% basic payment + 100% taxes & duties with 45 days credit + 10% against PBG (where PBG only is applicable)	Payment through bank against invoice 100% with 45 days credit & against submission of PBG	(BPLR+2%) x percentage quoted through bank / proforma invoice
2	80% basic payment + 100% taxes & duties with 45 days credit + 10% after commissioning + 10% against PBG (where both commissioning & PBG are applicable)	Payment through bank against invoice 100% with 45 days credit after commissioning & submission of PBG	(BPLR+2%) x percentage quoted through bank / proforma invoice

B. Penalty clause for non-compliance of 'SUPPLY' and 'E&C':

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 @ 1.0% 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).

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	The rate of penalty for delayed Supply shall be @ 1% 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).	Not agreed.	10%
		Other than the above.	10% - (minus) agreed max. %
2	The rate of penalty for delayed E&C shall be @ 1% 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).	Not agreed.	10%
		Other than the above.	10% - (minus) agreed max. %

In case, any shortage is noticed viz-a-viz PO requirement in the main equipment / spares, such shortages shall be replenished by supplier on FOR destination basis without any cost implication to BHEL i.e. Custom Duty and freight charges etc. up to destination for such short supplies shall be borne by the supplier.

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.

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 %
		Other than the above.	10% - (minus) agreed max. %

D. For non conformance to delivery requirement indicated in the RFQ:

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	Delivery requirement as indicated in the NIT in number of weeks from the date of issue of PO	Not agreed for the stipulated delivery in the NIT	1 % per week up to max., of 10% for the difference in delivery period

E. For non compliance of Warranty:

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	18 months from the date of dispatch or 12 months from the date of commissioning whichever is earlier or as indicated in the NIT	Not agreed.	6%
		Less than 12 months or as indicated in the NIT	0.5 % per month for the difference in period

F (i) For Non- agreement on delivery at (For Foreign Purchase Orders):

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	CIF – Chennai Sea port	Not agreed for the standard term of delivery	10 %

F(ii) For Non- agreement on delivery at BHEL-EPD (For Indigenous Purchase Orders):

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	Ex BHEL-EPD, Bangalore (Free delivery to BHEL-EPD Bangalore including freight, insurance, packing & forwarding charges)	Not agreed for the standard term of delivery	10 %

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 Other than the above	Not agreed	10 %

D. For non compliance to delivery requirement indicated in the P.O.:

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	Delivery requirement as indicated in the NIT in number of weeks from the date of issue of PO	Not agreed for the stipulated delivery in the NIT	1 % per week up to max. of 10% for the difference in delivery period

E. For non compliance of Warranty:

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	18 months from the date of dispatch or 12 months from the date of commissioning whichever is earlier or as indicated in the NIT	Not agreed	0.5 % per month for the difference in period

ANNEXURE-A
COMMERCIAL BID)

COMMERCIAL TERMS (to be enclosed with TECHNO-
(for Foreign Purchase Orders)

Sl. No.	Particulars	Bidder's confirmation
1	<p>Price basis:</p> <p>Firm i.e., from the date of PO to completion of supply</p> <p>[Price Variation Clause (PVC) not acceptable]</p>	
2	EMD as mentioned in NIT	NOT APPLICABLE
3	CEBG as detailed in clause 20	NOT APPLICABLE
4	<p>Terms of Payment: Against LC</p> <p>a)80 % is payable on negotiation of complete set of original documents,10% after commissioning & balance 10% against submission of PBG (where both Commissioning & PBG are Applicable).</p> <p>(b) Deviation if any please specify</p>	

5	<p>BHEL's penalty clause:</p> <p>(a) Delay in delivery as per PO delivery date will result in penalty of penalty of 1% (one percent) per week at the basic price of the goods/E&C for the undelivered quantity, subject to a maximum of 10% individually.</p> <p>(b) Deviation if any Please specify</p>	
6	<p>Performance Bank guarantee:</p> <p>PBG for 10% of the basic material cost shall be furnished in the BHEL prescribed format as detailed in clause 21.</p>	
7	<p>Terms of delivery:</p> <p>(a) CIF, CHENNAI,/KIAL-airport Bangalore- international Airport/Seaport as per clause 22(a)</p> <p>(Indicate name of International Airport/Seaport)</p> <p>(b) Deviation if any Please specify</p>	
8	<p>Warranty:</p> <p>(a) 30 months from the date of dispatch or 24 months from the date of commissioning or as specified in NIT</p>	

COMMERCIAL TERMS (to be enclosed with TECHNO-COMMERCIAL BID)

(For Indigenous Purchase Orders) ANNEXURE- B

Sl. No.	Particulars	Bidder's confirmation
1	<p>Price basis:</p> <p>Firm i.e., from the date of PO to completion of supply</p> <p>[Price Variation Clause (PVC) not acceptable]</p>	
2	EMD as mentioned in NIT	NOT APPLICABLE



	If applicable indicate %	ST: _____ %
7	Payment terms: 80 % basic payment + 100% taxes, duties & freight charges with 45 days credit, 10% after commissioning & balance 10% against submission of PBG (where both commissioning & PBG are applicable) (c) Deviation if any please specify	
8	BHEL's penalty clause: (a) Delay in delivery as per PO delivery date will result in penalty of 1 % (one percent) per week at the basic price of the goods/E&C for the undelivered quantity, subject to a maximum of 10% individually. (b) Deviation if any Please specify	
9	Performance Bank guarantee (PBG): PBG for 10% of the basic material cost shall be furnished in the BHEL prescribed format as per clause 21.	
3	CEBG as detailed in clause 20	NOT APPLICABLE
4	Excise duty: If applicable indicate %.	ED: _____ %
5	Sales tax: If applicable indicate %	(a) VAT _____ % (b) CST _____ % against form C

10	Terms of delivery: (a) F.O.R. EPD/ BHEL, Bangalore (Free delivery to BHEL Bangalore including freight, packing & forwarding charges) (b) Deviation if any Please specify	
11	Warranty: (a) 30 months from the date of dispatch or 24 months from the date of commissioning or as specified in NIT (b) Deviation if any Please specify	
12	Delivery period: Indicate number of weeks from the date of issue of Purchase order	_____ 5 _____ Weeks
13	Validity: (a) Quotation should remain valid for a period of 90 days from the due date (b) Deviation if any Please specify	
14	Bank charges (If applicable): (a) All Bank charges to vendor's account (b) Deviation if any Please specify	
15	Weight and Dimension of consignment with packing	

Signature of tenderer / with stamp