



Bharat Heavy Electricals Limited
 Ramachandrapuram : : Hyderabad – 502032.
 Purchase Department
 Product Division : CMM

Ref: N6/15/LUBES/RC/HYD		ANNEXURE – II
Sr no	Special terms and conditions for RC N6/15/LUBES/RC/HYD.	Vendor Remark
1	This Tender is for entering into a Rate Contract for a period of two years. The Rate Contract (RC) will be operated by all BHEL Units and Regions. Individual Units & Regions will issue Purchase Orders as per their requirement for the items entered in RC. List of SISMs along with telephone / addresses is to be enclosed for placement of orders on the respective offices across India.	
2	Vendor should give technically suitable offer for <u>MINIMUM .80% OF THE ITEMS SHOWN IN ANNEXURE-I</u> . Otherwise vendor offer will be summarily rejected.	
3	The enquiry quantity shown in Annexure-I are tentative. In actual ordering , it may be less . In case it is more, tolerance of 15 % is applicable.	
4	Supplier shall undertake to get necessary registrations like location code, Sales Tax & Excise registrations for the new locations (BHEL Units) which would like to have a "COLG" concept. A separate agreement to be entered and also to issue an Indemnity Bond for the lubricants to be stored in the Go-down under COLG concept. The operating cost of COLGs is in the Account of vendor. Lubes Shall be Supplied for " COLG" (Company operated Lubes Godown) and on free delivery basis wherever " COLG" is available with our Units , Otherwise supply shall be on door delivery basis from nearest Depot. If any of ours Units Prefers Delivery on COLG Basis, the same will be informed to nearest office and supplier shall provide " COLG" for such units.	
5	<p>VENDORS CAN QUOTE FOR PRICE VARIATION FORMULA (PVF) AS PER THE FOLLOWING FORMULA (SAMPLE).</p> <p>a. P1=PQ+ (BO1 - BOQ) WHERE</p> <p>b. P1 = PRICE OF FINISHED PRODUCT APPLICABLE FOR A MONTH IN RS./LTR/KG.</p> <p>c. PQ = PRICE OF FINISHED PRODUCT AS FINALIZED IN THE TENDER IN RS./LTR/ KG. (THIS WILL BE CONSTANT THROUGH OUT THE PERIOD OF RATE CONTRACT).</p> <p>d. [P1 & PQ ARE THE NET OF CENVAT PRICES ie.NTV-DISCOUNT]</p> <p>e. BO1 = IOC, HALDIA PRICE OF BASE OIL (SN 500 & BS 150) OF APPLICABLE VISCOSITY RANGE (CLASSIFICATION) AT THE START OF EACH MONTH IN RS./LTR/ KG.</p> <p>f. BOQ = IOC, HALDIA PRICE OF BASE OIL (SN 500 & BS 150) OF APPLICABLE VISCOSITY RANGE (CLASSIFICATION) IN RS./LTR/KG., AS ON 01.12.2014 & IS CONSTANT THROUGH OUT THE PERIOD OF RATE CONTRACT.</p> <p>g. BO1 & BOQ = % OF SN 500 X PRICE OF SN 500 + % OF BS 150 X PRICE OF BS 150</p> <p>h. BO1 & BOQ ARE ASSESSABLE VALUE / TRANSACTION VALUE BEFORE TAXES (ED,CESS, SALES TAX/VAT ETC.)</p>	
6	Price should be F.O.R. Destination basis including Packing , Forwarding, Handling Charges and Freight charges and Insurance. The Price will be subjected to PVC (Price Variation Clause) on monthly basis as in above mentioned clause 5 till supply of full Purchase Order quantity. M/s IOCL shall be furnishing base oil prices of SN 500 & BS 150 Ex-IOCL-Haldia for every month to BHEL Ramachandrapuram by 1st working day of the beginning of every month for working out the prices for each month. The net of CENVAT prices will remain FIRM during that month and any change in list prices discounts will be adjusted by vendor in such a way that the Net of CENVAT prices will remain FIRM during that month. VAT/CST/ST & statutory levies payable extra as applicable at the time of delivery. For all interstate supplies, C Forms to be issued by BHEL at the end of each quarter for all the supplies made during that quarter in accordance with sales tax rules.	
7	Supply of Lubricants shall be in 210 Ltrs Non-returnable MS Barrels, Greases in 182 Kgs and Grades like Servo Coat Series in 200 Kgs. For project supplies BHEL units/regions shall be placing minimum order quantity of full truckloads of 44/76 barrels capacity. In case of less than truck load indents, BHEL should place order on nearest depot of vendor on local sales tax . For Project supplies, Purchase Order as per actual Project requirement would be placed on prevailing PVC price for the month. The rate in the Purchase Order will be hold good for the PO quantity till it is executed and not affected by any upward/downward movement in price due to subsequent monthly PVC.	
8	Delivery : F.O.R. Destination basis up to BHEL Stores/Project Sites. Lubes shall be supplied to all the BHEL units and projects on Free Delivery basis. For Plant /unit/Projects supplies minimum lead time of 15 days will be given from the date of placement of PO. Wherever COLG is available BHEL to give its monthly requirements before 15 days of every month for enabling Vendor to arrange the supplies as per BHEL schedules to the COLG. Vendor should comply with all statutory requirements pertaining to environmental standards for the supply and transportation of Lubes and Greases.	
9	Individual units / regions will operate the second source at their discretion if required. Vendor whose brands are specified by customer will be asked to match L1 prices and ordering will be done for such cases only .	
10	Supplier shall provide technical services assistance to BHEL units where ever required with respect to conducting seminars, monitoring of large volumes systems Lubes Oils and other service reports from time to time.	

Approved
 21/12/14

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11	The RC will be valid for ordering till two years from the date of entering into rate contract and supplies should be completed within 3 months from the date of RC expiry and the prices applicable for such supplies will be as per PVC formula on the date of supply.	
12	If during the tenure of the contract any technical problems are noted or otherwise there is delay in supplies BHEL reserves the right to put on " Hold" further supplies and take supplies from the other vendor figuring in the rate contract under risk purchase clause (In case of default /Late delivery , Purchaser (BHEL) Reserves the right to make alternative arrangement of procuring material at supplier's Risk and Cost).	
13	Vendors other than IOCL shall quote equivalent brands for the IOCL brands indicated in Annexure- I and should furnish clearly which of their brand is quoted against which IOCL brand. In case no item is to be offered , Kindly clearly mentioned regret for such item.	
14	Integrity Pact : Vendor will have to enter into Integrity Pact with BHEL. The Integrity pact Format is attached. Kindly fill the format and send along with commercial bid in single envelope.	

(Signature)
2/12/15