

BHARAT HEAVY ELECTRICALS LIMITED TIRUCHIRAPALLI CAPITAL EQUIPMENT

Document No.MM/CE/CL/LC/IMP/002

ACCEPTANCE OF COMMERCIAL TERMS AND CONDITIONS BY THE VENDORS.

(This should be essentially filled in and sent along with the techno-commercial offer without fail. If this check list is not filled and submitted along with techno-commercial offer (Part I) or if the vendor does not confirm acceptance to the terms and conditions proposed, BHEL reserves the right to reject such offer)

CHECK-LIST FOR FOREIGN VENDORS

Description of the Equipment:	Column and Boom Type Automatic Cir-Seam Welding Machine (01 No.)
BHEL Tender No. & Date:	2731200003 dt.28.04.2012

SI No	Description
1	<p>Price Bid: Price Bid should contain the schedule of price particulars and to be co-related to the technical details provided in Part I. Techno-commercial bid alone without the Price Bid will be rejected. The prices contracted shall be firm till the execution of the contract in full and in all respects.</p> <p>Vendor's confirmation: Accepted.</p>
2	<p>Currency of payment: Foreign vendors to indicate the currency like Euro (€) / US\$ / GBP / JY etc. in the confirmation below. In case the foreign vendor sources some components from India for direct supply to BHEL, the payment for those components shall only be in Indian Rupees</p> <p>Vendor's confirmation:</p>
3	<p>Validity: Validity of the offer should be 120 days from the date of tender opening. Please mention the validity period in the confirmation below. <u>BHEL reserves the right not to consider offers from vendors with validity less than 120 days from the date of tender opening.</u></p> <p>Vendor's confirmation:</p>
4	<p>Release of Purchase Order, submission of CEBG & PBG and terms of Payment:</p> <ul style="list-style-type: none"> ➤ Purchase Orders (separate for supply and service portion) will be released on the successful vendor. ➤ The successful vendor shall have to provide a Contract Execution Bank Guarantee (CEBG) only from any one of the 'Consortium Banks' in India of BHEL (list enclosed) for 5% of the Purchase Order value in the format enclosed within 30 days from the date of Purchase Order. <u>BHEL reserves the right to cancel Purchase Orders in case the supplier fails to submit the CEBG within 30 days from Purchase Order date.</u> ➤ The payment terms for the supply Purchase Order shall be 80% against shipment and 20% after commissioning of the equipment in BHEL. ➤ An Irrevocable unconfirmed L/C will be opened for 24% of the supply Purchase Order value after receipt of CEBG. ➤ The above L/C would be enhanced to 80% of the supply Purchase Order value 2 months before the shipment date. ➤ The above L/C can be negotiated after shipment against submission of B/L or AWB and such other documents as mentioned in the Purchase Order. The above L/C will be valid for a period extending 21 days beyond the

	<p>shipment date for negotiation of documents.</p> <p>➤ The second Irrevocable unconfirmed L/C will be opened for a value equal to 20% of the supply Purchase Order value plus 100% of the service Purchase Order value, 15 days prior to the arrival of the foreign technicians in BHEL. The validity of the L/C would be sufficient to cover the service period required for completion of the commissioning plus 21 days as negotiation period. This L/C can be negotiated after commissioning of the equipment in BHEL against commissioning certificate jointly signed by BHEL and the vendor and submission of Performance Bank Guarantee (PBG) only from any one of the 'Consortium Banks' of BHEL (list enclosed) for 10% of the Purchase Order value in the format enclosed.</p> <p><u>Offers from vendors not accepting to receive at least 20% payment of the supply Purchase Order value after commissioning of the equipment will be rejected.</u></p>
	<p>Vendor's confirmation: Accepted to BHEL's above terms.</p>
5	<p>Taxes & Duties: All Taxes, Duties etc. as required to be paid in the country of export shall be included in the price quoted by the foreign vendor. All duties (like customs duty etc.) payable in India will be paid by BHEL (however, the same would be loaded to the offer during the evaluation process). For the supplies made from India taxes & duties payable shall be clearly mentioned in the offer, failing which such taxes and duties shall have to be borne by the vendor.</p> <p>Income Tax applicable. Any service charges payable towards supervision of E&C, training, performance prove-out etc., will be released after deduction of Income Tax as per Indian Income Tax Act / as per the Govt. of India rules and TDS certificate will be issued by BHEL for such deductions.</p>
	<p>Vendor's confirmation: We confirm that our offer has been made considering the above and we also confirm acceptance for deduction of Income tax as applicable.</p>
6	<p>Contract Execution Bank Guarantee: The successful vendor shall have to furnish a Contract Execution Bank Guarantee (CEBG) from any one of the 'Consortium Banks' in India of BHEL (list enclosed) for 5% of the Purchase Order value in the format enclosed covering the agreed delivery period (FOB delivery) with additional 2 months as claim period. The CEBG shall be furnished within 30 days from the date of Purchase Order. <u>BHEL reserves the right to cancel Purchase Orders in case the vendor fails to submit the CEBG within 30 days from Purchase Order date.</u> All bank charges incurred in India and outside India on account of issuance of CEBG will have to be borne by the foreign vendor.</p> <p>(1) It should be typed in the <u>Rs. 100 value of stamp paper.</u> (2) It should be <u>signed by TWO bank officials</u> with Rubber stamp containing names & employee numbers of bank officials. (3) It should be submitted with bank covering letter with sign and seal of the bank official.</p> <p><u>Offers from vendors not accepting to submit CEBG will be rejected.</u></p>
	<p>Vendor's confirmation: CEBG will be provided in line with above.</p>

7	<p>Performance Bank Guarantee: The vendor shall submit a Performance Bank Guarantee (PBG) only from any one of the 'Consortium Banks' in India of BHEL (list enclosed) for 10% of the Purchase Order value in the format enclosed covering the agreed Guarantee period (with additional 2 months as claim period). All bank charges incurred in India and outside India on account of issuance of PBG will have to be borne by the foreign vendor. 1) It should be typed in the Rs. 100 value of stamp paper. 2) It should be signed by TWO bank officials with Rubber stamp containing names & employee numbers of bank officials. 3) It should be submitted with bank covering letter with sign and seal of the bank official. <u>Offers from vendors not accepting to submit PBG will be rejected.</u></p>
	<p>Vendor's confirmation: PBG will be provided in line with above.</p>
8	<p>Liquidated damages (LD): Delivery of the goods specified in the purchase order should be made within the time prescribed. Failure to dispatch the materials in the time as per the delivery indicated in our Purchase Order would make the supplier liable to an un-conditional penalty @ ½% of the value of goods for each week of delay subject to a maximum of 10% of the Purchase Order value. For the purpose of Imposing LD, the FOB delivery (B/L date) shall be considered. <u>BHEL reserves the right not to consider offers from vendors not accepting for the above LD clause, with maximum LD as 10%.</u></p>
	<p>Vendor's confirmation: We confirm acceptance to the above LD clause.</p>
9	<p>Risk Purchase: If the supplier fails to deliver the goods within the delivery 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>
	<p>Vendor's confirmation: We confirm acceptance to the above Risk Purchase clause (without any modification).</p>
10	<p>Delivery terms, delivery period required and evaluation process: Delivery terms: Vendors should quote for delivery on CFR Chennai Sea Port / Air port as the case may be based on Incoterms 2010. However, price break-up details like FOB price, ocean freight/air freight etc., should be indicated in the offer. The transfer of title of the goods supplied by the vendor takes place in line with the Incoterms 2000. Delivery period: The equipment enquired forms a part of an expansion program (Scheme) and the delivery period of 9 months has been derived keeping in view of the Scheme completion date. Vendor shall have to confirm compliance for meeting the above delivery period. During evaluation of the offers, for vendors not confirming the requested delivery period, a grace period of 12 weeks (maximum) would be allowed. However, a loading @ ½% of the purchase order value per week will be done for the grace period requested. For evaluation 4 weeks will be considered as one month. Vendors are required to indicate the best delivery period i.e., time period required for dispatch (B/L or AWB date) from the date of Purchase Order in the "Vendor's confirmation" below. Order acceptance, submission of CEBG, drawings etc., should not be linked to the delivery period. <u>Vendors quoting a delivery period beyond the 'requested delivery plus the allowed grace period' will be rejected.</u></p>

	Vendor's confirmation: We confirm our delivery shall be __ months from the date of Purchase Order to date of B/L or AWB.
11	<p>Guarantee: Vendors shall provide a guarantee for a period of 12 months from the date of commissioning of the equipment or 18 months from date of supply, whichever is earlier. The date of B/L or AWB shall be taken as the date of supply. Also, a PBG has to be given which shall cover the guarantee period (with additional 2 months as claim period). <u>Offers from vendors not accepting to the requested guarantee period will be rejected.</u></p> <p>Vendor's confirmation: We confirm to provide guarantee as requested above.</p>
12	<p>Reverse Auction (RA): BHEL reserves their right to conduct on-line internet Reverse Auction for finalizing the Tender. This decision will be communicated to the technically qualified vendors after technical evaluation. Details / General terms / guidelines for conduct of RA have been given in the 'General guidelines & instructions to bidders' enclosed as a part of NIT. Vendors are requested to confirm their acceptance for BHEL proceeding with RA route for finalization of the enquiry. <u>BHEL reserves the right not to consider offers from vendors not accepting to the RA process for finalization of the enquiry.</u></p> <p>Vendor's confirmation: We confirm participation in the RA process.</p>
13	<p>Agency Commission: Vendors to specify the percentage agency commissioning payable to their Indian Agent in the vendor confirmation space below. If agency commission is not applicable, vendors to state the same clearly in the confirmation below.</p> <p>Vendor's confirmation:</p>
14	<p>Contacts: Details of contact person's name, designation, department with complete postal and email address along with phone and fax numbers to be mentioned</p> <p>Name: Designation: Email ID: Phone No.: Fax No.: Address:</p>
15	Country of origin:
16	Port of loading:
17	<p>Free Period for Container shipments: Vendors should indicate the mode of shipment Viz. break-bulk basis or container basis. Vendors should ensure that shipping lines carrying their cargo will allow a minimum free period of 14 days from the date of berthing of the vessel for clearing the consignment at the discharge port in case shipments are made using containers.</p> <p>Vendor's confirmation: We shall ensure the shipping lines allow a free period of minimum 14 days from the date of berthing of the vessel for clearing the consignment</p>
18	<p>Weight & Cubage of package: Approximate Net weight of the total consignment: Approximate Gross weight of the total consignment: Approximate volume of the total consignment:</p>

19	The vendor to provide Business Information Report (BIR) incorporating the rating of the company by international credit rating agencies, viz., DUNS number of M/s DUN & Bradstreet (D&B) etc.
	Vendor's confirmation: We have enclosed BIR and our DUNS No. is:

We have gone through and understood the 'General guidelines & instructions to bidders for submitting offer' enclosed as a part of the NIT and confirm that our offer has been made in line with the same.

(AFFIX OFFICIAL SEAL HERE)

M/s

Signature with date:

Name:

Designation:

Department:

(PLEASE AFFIX YOUR SIGNATURE WITH SEAL ON EACH PAGE)

BHARAT HEAVY ELECTRICALS LIMITED TIRUCHIRAPALLI CAPITAL EQUIPMENT

Document No.MM/CE/CL/NLC/IND/003

ACCEPTANCE OF COMMERCIAL TERMS AND CONDITIONS BY THE VENDORS.

(This should be essentially filled in and sent along with the techno-commercial offer without fail. If this check list is not filled and submitted along with techno-commercial offer or if the vendor does not confirm acceptance to the terms and conditions proposed, BHEL reserves the right to reject such offer)

CHECK-LIST FOR INDIGENOUS VENDORS

Description of the Equipment:	Column and Boom Type Automatic Cir-Seam Welding Machine (01 No.)
BHEL Tender No. & Date:	2731200003 dt.28.04.2012

SI No	Description
1	<p>Price Bid: Price Bid should contain the schedule of price particulars and to be co-related to the technical details provided in Part I. Techno-commercial bid alone without the Price Bid will be rejected. The prices contracted shall be firm till the execution of the contract in full and in all respects.</p> <p>Vendor's confirmation: Accepted.</p>
2	<p>Validity: Validity of the offer should be 120 days from the date of tender opening. Please mention the validity period in the confirmation below. <u>BHEL reserves the right not to consider offers from vendors with validity less than 120 days from the date of tender opening.</u></p> <p>Vendor's confirmation:</p>
3	<p>Release of Purchase Order, submission of CEBG & PBG and terms of Payment:</p> <ul style="list-style-type: none"> ➤ Purchase Orders (separate for supply and service portion) will be released on the successful vendor. ➤ The successful vendor shall have to provide a Contract Execution Bank Guarantee (CEBG) only from any one of the 'Consortium Banks' of BHEL (list enclosed) for 5% of the Purchase Order value in the format enclosed within 30 days from the date of Purchase Order. <u>BHEL reserves the right to cancel Purchase Orders in case the vendor fails to submit the CEBG within 30 days from Purchase Order date.</u> ➤ The payment terms for the supply Purchase Order shall be 80% against receipt of the goods in BHEL and 20% after commissioning of the equipment in BHEL. ➤ 80% of the supply Purchase Order shall be payable after receipt of the equipment in BHEL against a certificate jointly signed by BHEL and the vendor (for safe receipt of the goods) and such other documents as agreed to in the contract. This payment would be released within 21 days from the date of certification of receipt jointly signed by BHEL and the vendor. ➤ The balance 20% of the supply Purchase Order value plus 100% of the service Purchase Order value will be paid directly to the vendor after commissioning of the equipment in BHEL against commissioning certificate jointly signed by BHEL and the vendor and submission of Performance Bank Guarantee (PBG) only from any one of the 'Consortium Banks' of BHEL (list

	<p>enclosed) for 10% of the Purchase Order value in the format enclosed. This payment would be released within 30 days from the date of commissioning certificate jointly signed by BHEL and the vendor.</p> <p><u>Offers from vendors not accepting to receive at least 20% payment of the supply Purchase Order value after commissioning of the equipment will be rejected.</u></p>
	<p>Vendor's confirmation: Accepted to BHEL's above terms.</p>
4	<p>Taxes & Duties: All Taxes, Duties, Service Taxes etc. payable as extra to the quoted price should be specifically stated in offers along with CST & TIN No / Tariff No. etc., failing which BHEL will not be liable for payment of such Taxes and Duties. Our TIN No. 33243560005, TNGST No. 3560005, CST. No. 239383 Dt. 11-06-1991 & BHEL ECC No. AAACB4146PXM012, Assessment circle Tiruverambur In case taxes and duties are indicated as inclusive in the quoted prices, it will be reimbursed only upon furnishing the documentary evidence for having paid such taxes and duties. Any difference in taxes (on account of reduction in the levies) between what has been paid by BHEL to the vendor (based on what has been indicated in the Purchase Order) and actually paid by vendor should be passed on to BHEL.</p> <p>Vendor's confirmation: We confirm our offer has been made considering the above.</p>
5	<p>Contract Execution Bank Guarantee: The successful vendor shall have to furnish a Contract Execution Bank Guarantee (CEBG) from any one of the 'Consortium Banks' of BHEL (list enclosed) for 5% of the Purchase Order value in the format enclosed covering the agreed delivery period (FOR works delivery) with additional 2 months as claim period. The CEBG shall be furnished within 30 days from the date of Purchase Order. <u>BHEL reserves the right to cancel Purchase Orders in case the vendor fails to submit the CEBG within 30 days from Purchase Order date.</u> All bank charges incurred on account of issuance of CEBG will have to be borne by the vendor.) It should be typed in the <u>Rs. 100 value of stamp paper.</u> (2) It should be <u>signed by TWO bank officials</u> with Rubber stamp containing names & employee numbers of bank officials. (3) It should be submitted with bank covering letter with sign and seal of the bank official. <u>Offers from vendors not accepting to submit CEBG will be rejected.</u></p> <p>Vendor's confirmation: CEBG will be provided in line with above.</p>
6	<p>Performance Bank Guarantee: The vendor shall submit a Performance Bank Guarantee (PBG) only from any one of the 'Consortium Banks' of BHEL (list enclosed) for 10% of the Purchase Order value in the format enclosed covering the agreed Guarantee period (with additional 2 months as claim period). All bank charges incurred on account of issuance of PBG will have to be borne by the vendor.) It should be typed in the <u>Rs. 100 value of stamp paper.</u> (2) It should be <u>signed by TWO bank officials</u> with Rubber stamp containing names & employee numbers of bank officials. (3) It should be submitted with bank covering letter with sign and seal of the bank official. <u>Offers from vendors not accepting to submit PBG will be rejected.</u></p> <p>Vendor's confirmation: PBG will be provided in line with above.</p>
7	<p>Liquidated damages (LD): Delivery of the goods specified in the purchase order should be made within the time prescribed. Failure to dispatch the materials in the time as per the delivery indicated in our Purchase Order would make the vendor liable to an un-conditional</p>

	<p>penalty @ ½% of the value of goods for each week of delay subject to a maximum of 10% of the Purchase Order value. For the purpose of Imposing LD, the FOR Works delivery (LWB date) shall be considered.</p> <p><u>BHEL reserves the right not to consider offers from vendors not accepting for the above LD clause, with maximum LD as 10%.</u></p>
	<p>Vendor's confirmation: We confirm acceptance to the above LD clause.</p>
8	<p>Risk Purchase: If the vendor fails to deliver the goods within the delivery 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>
	<p>Vendor's confirmation: We confirm acceptance to the above Risk Purchase clause (without any modification).</p>
9	<p>Delivery terms, delivery period required and evaluation process: Delivery terms: Vendors should quote for delivery on FOR BHEL, Tiruchy basis only. However, price break-up details like Ex-Works price, freight charges, insurance charges, taxes & duties etc., should be indicated in the offer. The transfer of title of the goods supplied by the vendor takes place only when the goods are delivered in good condition in BHEL, Tiruchy. Delivery period: The equipment enquired forms a part of an expansion program (Scheme) and the delivery period of 9 months has been derived keeping in view of the Scheme completion date. Vendor shall have to confirm compliance for meeting the above delivery period. During evaluation of the offers, for vendors not confirming the requested delivery period, a grace period of 12 weeks (maximum) would be allowed. However, a Loading @ ½% of the purchase order value per week will be done for the grace period requested. For evaluation 4 weeks will be considered as one month. Vendors are required to indicate the best delivery period i.e., time period required for dispatch (LWB date) from the date of Purchase Order in the "Vendor's confirmation" below. Order acceptance, submission of CEBG, drawings etc., should not be linked to the delivery period. <u>Vendors quoting a delivery period beyond the 'requested delivery plus the allowed grace period' will be rejected.</u></p>
	<p>Vendor's confirmation: We confirm our delivery shall be __ months from the date of Purchase Order to date of LWB.</p>
10	<p>Guarantee: Vendors shall provide a guarantee for a period of 12 months from the date of commissioning of the equipment or 18 months from date of supply, whichever is earlier. The date of LWB shall be taken as the date of supply. Also, a PBG has to be given which shall cover the guarantee period (with additional 2 months as claim period). <u>Offers from vendors not accepting to the requested guarantee period will be rejected.</u></p>
	<p>Vendor's confirmation: We confirm to provide guarantee as requested above.</p>
11	<p>Reverse Auction (RA): BHEL reserves their right to conduct on-line internet Reverse Auction for finalizing the Tender. This decision will be communicated to the technically qualified vendors</p>

	<p>after technical evaluation. Details / General terms / guidelines for conduct of RA have been given in the 'General guidelines & instructions to bidders' enclosed as a part of NIT.</p> <p>Vendors are requested to confirm their acceptance for BHEL proceeding with RA route for finalization of the enquiry.</p> <p><u>BHEL reserves the right not to consider offers from vendors not accepting to the RA process for finalization of the enquiry.</u></p>
	Vendor's confirmation: We confirm participation in the RA process.
12	<p>Contacts: Details of contact person's name, designation, department with complete postal and email address along with phone and fax numbers to be mentioned</p>
	<p>Name: Designation: Email ID: Phone No.: Fax No.: Address:</p>
13	<p>Weight & Cubage of package: Approximate Net weight of the total consignment: Approximate Gross weight of the total consignment: Approximate volume of the total consignment:</p>
14	<p>The vendor to provide Business Information Report (BIR) incorporating the rating of the company by international credit rating agencies, viz., DUNS number of M/s DUN & Bradstreet (D&B) etc.</p> <p>Vendor's confirmation: We have enclosed BIR and our DUNS No. is:</p>

We have gone through and understood the 'General guidelines & instructions to bidders for submitting offer' enclosed as a part of the NIT and confirm that our offer has been made in line with the same.

(AFFIX OFFICIAL SEAL HERE)

M/s

Signature with date:

Name:

Designation:

Department:

(PLEASE AFFIX YOUR SIGNATURE WITH SEAL ON EACH PAGE)

Enquiry No. & Date:	
Description of the item(s) Enquired:	

UN-PRICED BID FORMAT TO BE FILLED UP BY THE VENDOR AND ATTACHED WITH THE TECHNICAL BID WITHOUT FAIL , FOR CONSIDERING AND COMMERCIALY EVALUATING THE OFFER.

1	BASIC PRICE	Quoted as Ex-works price		
2	Delivery Terms - F.O.R. BHEL, Trichy /Tirumayam (to be necessarily accepted)	Freight & Insurance under Vendor's scope only- but charges if claimed extra, can be paid by BHEL	ACCEPTED	
Strike Off whichever is not applicable & Fill up the Blank spaces /percentages (If VAT/CST/Service Tax is not applicable, please specify the same in the Special Remarks column)				
3	Packing & Forwarding Charges	Lumpsum	Extra	Free/ Not charged
4	Excise Duty	%	_____ %	Nil ED
5	CST	%	_____ % (against Form "C")	_____ % (without Form "C")
6	VAT	%	_____ % (against Declaration)	_____ % (for No Declaration)
7	Freight Charges (for total Quantity)	Lumpsum	Extra	Free/ Not charged
8	Service Tax on Freight charges (BHEL can avail Cenvat Credit)	%	2.575% (against submission of Freight Bill)	10.3% (if Freight Bill is not submitted)
9	Insurance Charges	Lumpsum	Extra	Free/ Not charged
10	Erection & Commissioning (E&C) / Supervision of E&C charges	Lumpsum	Extra	Free of cost
11	Service Tax on E&C	%	extra @ 10.3%	Not applicable

Offer Ref.	
Special remarks, if any	

Signature of the vendor with Company Seal