

STANDARD TERMS & CONDITIONS FOR PROCUREMENT OF CAPITAL EQUIPMENT (FORMAT TO BE FILLED-UP BY THE SUPPLIER)			
BHEL Standard Terms		Supplier Confirmation	Deviation
S/N	Terms of Delivery:		
01	Indigenous Supplies : FOR - Destination means FOR - B.H.E.L., Stores [Packing & Forwarding, Freight & Insurance are in Supplier's scope i.e. included in the quoted prices].		
(a)	Foreign Supplies : FOB / FCA basis inclusive of SEA / AIR worthy packing and inclusive of all charges till FOB / FCA. However freight charges up to Mumbai Port may also be quoted separately (optional).		
(b)			
02	Delivery Period:		
	Firm delivery period to be stated with effective from Letter of Intent / Purchase Order up to terms of delivery as indicated in the tender schedule.		
03	Payment Terms & Security Deposit: Offer with deviations to BHEL. Payment Terms will be loaded @ 1.5% per month for deviated amount for deviated period for the purpose of evaluating the lowest bidder. Offers with non-acceptance of Security Deposit and insistence of advance payment are liable to be rejected. In no case BHEL shall accept liability towards interest. Payment terms mentioned here under for Indigenous and Imported Offers.		
(a)	Terms of payment for Indigenous Offer: Equipments for which E&C (by vendor) is not envisaged in NIT. (Vendor has to only supply the equipment. Commissioning not under the scope of vendor)		
	Despatch of Goods on door delivery basis only. Goods despatched with documents presented through Bank will be loaded with corresponding bank charges.		
	100% payment will be made within 90 days from the date of receipt of material, subjected to submission & acceptance of Performance Bank Guarantee of 10% of contract value valid for guarantee period.		
	SSI Units: 100% payment will be made within 45 days from the date of receipt of material, subjected to submission & acceptance of Performance Bank Guarantee of 10% of contract value valid for guarantee period.		
(b)	Terms of payment for Foreign Offer: Equipments for which E&C (by vendor) is not envisaged in NIT. (Vendor has to only supply the equipment. Commissioning not under the scope of vendor).		
	Letter of Credit will be established 1 month prior to dispatch and valid for 3 months and is encashable against Shipping Documents, submission and acceptance of Performance Bank Guarantee of 10% of contract value valid for guarantee period & submission of Pre-inspection Report of BHEL negotiated through bank.		

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(c)	Security Deposit: The successful tenderer shall be required to deposit within two weeks of the acceptance of his tender, security deposit of 5% (five percent) of the Contract Price in favour of the BHEL in one of the following forms.		
(i)	Cash / Demand Draft to be deposited in favour of B.H.E.L., Ramachandrapuram, Hyderabad.		
(ii)	Bank Guarantee from indigenous suppliers should be in the prescribed format from State Bank of Hyderabad or any of the Nationalised Banks.		
(iii)	Bank Guarantee from foreign suppliers should be in the prescribed format from any Bank of international repute. Same should be confirmed by our consortium bank in India and are payable in India.		
04	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 supply of equipment.		
	Loading Factor for non-acceptance of Guarantee Period: Less than 24 months from supply 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.		
05	Penalty: Supplier should quote a definite delivery period and any delay in delivery will attract Penalty of 1/2% per week subject to a max. of 10% of order value. The vendor should quote only confirmed delivery. Please note that confirmed delivery indicated includes the approval of drawings, etc.		
	Loading Factor for non-acceptance of Penalty Clause: 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 for evaluating lowest bidder.		
06	Performance Bank Guarantee (PBG): The Supplier shall submit a PBG for 10% of the contract value valid for Warranty / Guarantee period.		
	Loading Factor for non acceptance of Performance Bank Guarantee: Will attract 10% loading on the offers for evaluation of lowest bidder.		
07	Validity: Supplier to mention clearly the validity date of the offer [Minimum 180 days from tender opening date].		

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A	REVERSE AUCTION (RA) / ON LINE BIDDING ON INTERNET:		
1	BHEL reserves the right to resort to Reverse Auction Procedure i.e. On Line Bidding On Internet, instead of Opening the submitted sealed bid, which will be decided after technical evaluation. The General Terms & Conditions for RA are as below:		
2	For the proposed reverse auction, technically and commercially accepted bidders shall be eligible to participate.		
3	BHEL will engage the services of a service provider who will provide all necessary training and assistance before commencement of on line bidding on internet.		
4	BHEL will inform the Supplier in writing in case of reverse auction, the details of Service Provider to enable them to contact & get trained.		
5	Business rules like event date, time, Start price, bid decrement, extensions etc. also will be communicated through service provider for compliance.		
6	Suppliers have to fax the Compliance form in the prescribed format (provided by Service provider) before start of Reverse auction. Without this, the vendor will not be eligible to Participate in the event.		
7	BHEL will provide the calculation sheet (e.g., Excel sheet) which will help to arrive at "Total Cost to BHEL" like Packing & forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services, loading factors (for non-compliance to BHEL Standard Terms & Conditions), etc. for each of the Supplier to enable them to fill-in the price and keep it ready for keying in during the Auction.		
8	Reverse auction will be conducted on scheduled date & time.		
9	At the end of Reverse Auction event, the lowest bidder value will be known on the network.		
10	The lowest bidder has to Fax the duly signed Filled-in prescribed format as provided on case-to-case basis to BHEL through Service provider within 24 hours of Auction without fail.		
11	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 Supplier to conduct business with BHEL as per prevailing procedure.		
12	In case BHEL decides not to go for Reverse Auction procedure for this tender enquiry, the Price bids and price impacts, if any, already submitted and available with BHEL shall be opened as per BHEL's standard practice.		
13	Note : The bidders should comply the above Terms & Conditions. Non-adherence may lead to rejection.		
14	Note : 1)The offers not complying the above Terms & Conditions will not be accepted. 2)Please confirm your acceptance to all the points indicated above positively and if any deviations to the above specify clearly and submit this duly filled, Signed & Stamped, together with technical bid.		