

Annexure - 'A'

B.H.E.L.'s TERMS AND CONDITIONS FOR FOREIGN BIDDER

		TO BE CONFIRMED BY VENDOR	REMARKS
1.0	All Bank Guarantees shall be strictly as per B.H.E.L.'s formats. No deviation will be accepted.		
2.0	The price should be quoted on (i) CFR/ CIF Mumbai basis in case of break bulk shipment, (ii) CFR/CIF Nhava Sheva Port basis in case of LCL & flat rack container shipment and (iii) CFR/CIF Mandideep basis (Port Code INMDD6) in case of full container load shipment.		
3.0	Payment shall be made through unconfirmed irrevocable letter of credit. Payment of 80% of net CFR value shall be made 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 LC shall be opened by BHEL as per following:		
(i)	Within 30 days of receipt of acceptable CEBG, an irrevocable unconfirmed LC will be opened for 30% of the payment towards supply, due on shipment, i.e., 24% of the supply value of PO (30% of 80%).		
	Not earlier than 60 days before the shipment date, the value of this irrevocable unconfirmed LC would be enhanced from 24% to 80% of the supply value of PO.		
	The above LC can be negotiated after the shipment against the submission of Bill of Lading or AWB and such other documents mentioned in the PO. The above LC will be valid for a period extending 21 days beyond the shipment date for negotiation of documents.		
(ii)	15 days prior to the scheduled & confirmed arrival of the technicians of supplier, an irrevocable unconfirmed LC will be opened for a value equal to 20% of the supply value of PO plus 100% of the E & C value of PO. The validity of LC shall be sufficient to cover the period required for the completion of E & C plus 21 days as negotiation period.		

	This LC can be negotiated after (a) completion of E & C of the equipment in BHEL and against E & C Certificate issued by BHEL and (b) submission of Performance Bank Guarantee (PBG), for 10% of total PO value, by supplier in the prescribed format from one of the consortium banks of BHEL. PBG shall be valid for 30 days beyond the warranty period.		
	Alternatively, balance 20% of supply value and 100% of the E & C value can be paid through electronic transfer on receipt of invoice, E & C certificate and PBG.		
3.3	All letter of credit charges inside India to B.H.E.L.'s account and outside India to vendor's account.		
3.4	In case of confirmed letter of credit, confirmation charges shall be borne by the vendor.		
3.5	List of consortium banks of B.H.E.L. is given below: State Bank of India, CITI Bank N A, Deutsche Bank AG, The Hongkong and Shanghai Banking Corporation Limited, Standard Chartered Bank, Bank of Baroda, Canara Bank, Central Bank, Indian Bank, Punjab National Bank, , Union Bank of India, IDBI Bank Ltd., Axis Bank, The Federal Bank Ltd., HDFC Bank, Kotak Mahindra Bank Ltd, ICICI Bank Ltd., Indusind Bank Ltd, Indian Overseas Bank,,Yes Bank Ltd,RBL Bank Ltd.,Exim Bank.		
4.0	Bank Guarantee and loading due to non – acceptance of B.H.E.L.'s payment terms:		
	If payment terms as mentioned by B.H.E.L. are not agreed by bidder, such bidder shall have to submit Bank Guarantee at the time of payment / opening of LC in the prescribed format for 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 deviation sought including as mentioned above, in payment terms by bidder w.r.t. tender conditions, following loading shall be done:		
	(a) Base Rate of SBI as applicable on the scheduled date of tender opening + 6%, for the amount & 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 B.H.E.L. and (ii) period and amount of LC w.r.t. NIT norms, as per the prevailing bank rates.		
5.0	Contract Execution Bank Guarantee (CEBG):		
	The successful vendor shall have to furnish a contract execution bank guarantee (CEBG) for 10% of the total PO value in the prescribed format within 30 days from the date of PO, but before LC opening. CEBG shall be from one of the consortium banks of BHEL.		
	CEBG shall be kept valid until 30 days after the date of E & C certificate, which will be issued on completion of erection & commissioning of equipment which includes erection, commissioning, job proving, performance tests, training to operators etc. as prescribed in PO.		
	If the vendor fails to submit the CEBG even within 60 days from the date of PO, BHEL reserves the right to cancel PO and forfeit the EMD given by the supplier. In addition, in such case, action will be initiated in line with extant guidelines for Suspension of Business dealings with Suppliers.		
6.0	Charges of Erection & Commissioning at B.H.E.L.:		
	Erection & Commissioning (E & C) charges will include services to be rendered at B.H.E.L. like erection, commissioning, job proving, performance tests and training to operators, etc.		
	E & C value should be quoted separately by bidder.		
7.0	Prices shall remain firm till execution of the contract. The offer shall be valid for 120 days from the date of tender opening.		
7.1	Delivery period shall be counted from the date of Purchase Order.		
8.0	Time period for supply and E & C:		
8.1	Bidder should quote time period separately for supply, start of E & C from the date of receipt of E & C call from B.H.E.L. and E & C of equipment.		

8.2	Bidders should quote their earliest schedule for supply and E & C against the schedule indicated in the enquiry sheet. B.H.E.L., however, reserves the right to accept/ reject an offer on not meeting the schedule mentioned in the enquiry.		
8.3	(a) Delivery period - 14 Months from the date of PO		
	(b) E&C Period - 6 Weeks from date of intimation from BHEL		
9.0	Penalty for delay in supply and E & C:		
9.1	Penalty for delay in 'supply' and / or 'E & C' will be applicable for the delays attributed to the vendor. Penalty will be considered separately for 'supply' and 'E & C'. The rate of penalty for delayed supply shall be @ of 0.5% of total PO value (supply + E & C) per week of delay in supply subject to a maximum of 10% of total PO value (supply + E & C).		
	The rate of penalty for delay in E & C shall be @ of 0.5% of total PO value (supply + E & C) per week of delay 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 15% of total PO value (supply + E & C).		
	For the purpose of penalty for delay in E & C of the equipment, the duration of E & C activities will be reckoned from the date of intimation by B.H.E.L. to vendor regarding readiness of site. Total E & C period quoted by the vendor will be equal to the period indicated by the vendor to start E & C from the date of receipt of E & C call from B.H.E.L. plus the period indicated for E & C activities from the date of start of E & C at B.H.E.L..		
	Date of Bill of Lading / Air Way Bill will be considered as date of delivery for penalty purpose.		
9.2	Loading on account of non-acceptance of penalty for delay in supply and / or E & C shall be as under:		
	In case any bidder is not accepting above penalty clause, the offer of bidder shall be loaded to the extent to which it is not agreed by the bidder. Page 4 of 5		

10.0	In case, shortage is noticed viz-a-viz PO scope of supply, such shortages shall be replenished by the vendor without any cost implication to B.H.E.L., i.e., custom duty & freight charges etc. up to destination for such short supplies shall be borne by the vendor.		
11.0	Any warranty replacement during warranty period shall be provided on DDP at B.H.E.L., BHOPAL Basis.		
12.0	Part shipment is not permissible.		
13.0	Machine / equipment will be inspected and proved, if required, at vendor's works prior to dispatch. However, final inspection and acceptance of machine / equipment will be after installation at B.H.E.L., BHOPAL.		
14.0	The E & C charges will be released after deduction of Income Tax as per the Govt. of India rules. TDS certificate will be issued by B.H.E.L..		
15.0	Offer may be rejected if copy of agreement between principal and Indian agent (in case offer is submitted through agent) indicating scope of work of Indian agent and agency commission payable to him is not enclosed with the technical bid.		
16.0	Vendor to declare on their Letter head break up of Import content and Indigenous content (if any) separately and Mention place of manufacturing /value addition in India.		
17.0	Copy of Un-Priced bid to be submitted with Techno-commercial bid.		
	Confirmation of Other Terms & Conditions		
18.0	Taxes	Vender to confirm	
	(a) GSTIN Certificate enclosed	Yes/No	
	(b) HSN Code, GST % on supply given	Vender to specify	
	(c) SAC, GST % on E&C given	Vender to specify	
19.0	Authorisation Letter given	Yes/No	
20.0	Contact Details of vendor's repersentative (Name, Contact No., E-mail id)		

Note: Except above clauses, all other clauses of 'General Terms and Conditions of Enquiry' are also applicable.