



Bharat Heavy Electricals Limited

Power Sector - Southern Region

690, Anna Salai, Nandanam, Chennai - 600 035.

Phone: 044 - 24342458 Fax: 044 - 24328516

Email : tkk@bhelpssr.co.in , boopathy@bhelpssr.co.in : guna@bhelpssr.co.in

ANNEXURE – I to Enquiry No EC111001 **GENERAL PURCHASE TERMS AND CONDITIONS FOR ITEM PROCURED IN INDIA**

INSTRUCTIONS TO THE VENDORS/BIDDERS:

1. **PURCHASER :** Purchaser shall mean Bharat Heavy Electricals Ltd, a company registered under Indian Companies Act 1956 with registered office at BHEL House, Siri Fort New Delhi - 1100049 or its authorized officers or other employees authorized to deal with the matters concerned and having Regional Service Centre at 690, Annasalai, Nandanam, Chennai-600035.
2. **BIDDER/VENDOR:** means to those enquiries have been sent for any purchase.
3. **SELLER:** seller means the successful bidder who is getting the purchase order from BHEL.
4. These purchase specifications as a whole, duly furnishing all the details required and other documents as required in the following pages shall be duly signed and sent in sealed covers duly subscribing the item of purchase proposed as given in the enquiry.
5. Tenders/bids/offers are invited in sealed covers for scope of supply as per the specifications detailed and enclosed to the Enquiry. The offers shall be addressed to Additional general Manager /Purchase & Stores, Bharat heavy Electricals Ltd, Power Sector- Southern Region, 690, Anna Salai, Nandanam, Chennai-600035, Tamilnadu **with the enquiry Number /date and also tender Due date duly superscribed on the cover without fail.**
6. The vendors shall closely peruse all the specifications before quoting. Should the vendor have any doubt about the meaning of any portion of the enquiry or find any discrepancies, or shall require clarifications, he shall at once contact the authority inviting bids for clarifications, before submission of bids.
7. The offers shall be submitted in total compliance of the Terms and Conditions and shall reach the Purchase department before 14.30 hrs on the due date. **OFFER SHALL NOT BE IN DUPLICATE. THE VALIDITY OF THE OFFER SHOULD BE FOR 90 DAYS UNLESS OTHERWISE SPECIFIED.**
8. The offers will be opened at 14.30 hrs on the due date in the presence of Bidders/or their Authorized Representatives who may like to be present.
9. The prices shall be quoted on "F.O.R Destination" basis only unless otherwise specified. The Price shall include all Duties/Taxes as applicable . It also includes Freight and Insurance up to destination.(Consignee). If the bidders prefers to quote only the basic price, then it should be followed by the duties and taxes in percentage as applicable and freight & insurance duly quantified in terms of money. Offers with incomplete information / prices are liable for rejection. **NO PRICE ELEMENTS SHALL BE INDICATED AS EXTRA.**
10. The rates quoted are to both in words and figures. In case discrepancy found between the rates quoted in words and figures, the least of the two will be treated as valid quoted rate.
11. **The prices quoted shall be as applicable to any other Government Organization and a certificate to this effect must be submitted by the vendor without fail. If the rates**

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are covered under DGS&D rates, copy of documents regarding rate contract rate and registration number to be furnished without fail.

12. The basic price shall be kept firm till completion of the order and will not be subjected to variation, unless otherwise agreed upon specifically.

However statutory variations on Taxes and Duties on the rates prevailing at the time of delivery shall be applicable.

13. Payment will be effected only after receipt of total quantity of materials as per PO at the destination within the delivery date stipulated unless otherwise specifically agreed in the purchase order.

14. No revision of prices whatsoever will be entertained /accepted after tenders are opened.

15. In case of tender for supply from abroad involving payment of foreign exchange, the price quoted should be separately indicate the foreign components involved and the extent of payment acceptable in Indian currency. **The exchange rate variation is not admitted unless otherwise specifically agreed/mentioned in the enquiry.** The tender also should give the following details without fail.

F.O.B price

Ocean freight/ insurance

Air freight/insurance

Ext gross weight of consignment

Indian agency commission payable in Indian rupees as applicable

16. **"C" FORMS OR CONCESSIONAL SALES TAX DECLARATION FORMS WILL NOT BE ISSUED BY BHEL. THE BIDDER IS REQUESTED TO TAKE CARE OF THIS WHILE SUBMITTING THE OFFER.**

17. **"NO DEVIATION CERTIFICATE"** shall be incorporated in the offer conforming to the terms and conditions of the enquiry.

18. **"LATE TENDERS/BIDS"** : The offers received after tender opening due date will be liable for rejection and shall not be considered.

19. Products with ISI certificates are preferred.

20. Manufacturer's name, Trade mark or patent number if any, should be clearly specified. Illustrative leaflets giving technical particulars/parameters are to be enclosed to the offers along with list of customers / their purchase orders to whom similar product had been supplied, in the past three years.

21. SSI units must highlight the status indicating registration number in their offer without fail for priority payment.

22. In case the bidder is not interested in /not in a position to quote for this enquiry, the same should be communicated without fail before due date of the tender submission for consideration in subsequent enquiries.

23. In case of participation by the authorized distributors/dealers on behalf of the vendor, the copy of the legal arrangements/terms and conditions agreed between the parties (duly made in stamped paper) should be enclosed. Due intimation in advance shall be given on or before the due date for consideration of such offers. The total

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responsibility for performance of the work/purchase as per specifications will be with the authorized vendor.

24. **Unless otherwise mentioned, the offers are to be submitted in two parts.**

In such case :

- Two part bids will be submitted separately as (a) – Techno commercial bid and (b) – Price bid in separate sealed covers duly super scribing clearly the name of the bid, enquiry number, due date for submission on both the covers. These two covers should be put in one sealed cover super scribing enquiry number and due date of submission.
- All commercial terms and conditions like payment terms, terms of delivery, guarantee , warrantee etc shall form part of techno commercial bid. The price bid cover shall contain only the price with taxes and duties.
- **Combined bids containing both techno commercial and price details together contained in one single cover will be rejected.**
- Techno/ commercial bid shall contain the total scope of work/purchase detailed in the specifications of the enquiry .

25. **QUATATIONS :** All documentation and correspondence regarding the Contract/Purchase **shall be in English language and international numerals only.** The rates quoted shall be in figures as well as in words. In case of difference between the words and figures, the least of the two will be treated as valid quoted rate. All entries shall be either be typed or to be written in ink. Erasers and over writing is not permitted and may render such bids be liable for rejection. All the cancellations and insertions shall be duly attested by the bidder. Wherever Sales tax is claimed, the Central or state Sales registration number should be given both in the offer as well as in the invoice/bill. Please refer the conditions in case of tender for supply from abroad involving payment of foreign exchange. (Clause no 15)

26. **SAMPLES:** sample should be submitted along with the offer, if asked for.

27. **INSPECTION & ACCEPTANCE OF GOODS:** It is subject to BHEL inspection at supplier's works before dispatch or on receipt at destination as the case may be, as per the agreed/approved Quality plan. Final / stage inspection will be carried out at the destination/ supplier's works by the authorized inspection official in line with agreed quality plan. Wherever preliminary or stage inspection is to be carried out at supplier's works, the same is subject to final acceptance after receipt of the material at the destination and the decision of the Purchaser shall be final. The property of goods shall not pass until final acceptance by the purchaser. In case of delay in inspection process for reasons attributable to the seller, the financial loss /liability sustained by the purchaser shall be borne by the supplier. Since delivery period includes the time for pre dispatch inspection by BHEL, the supplier shall intimate the readiness of material for inspection well in advance to expedite the inspection process and to enable the supplier effect delivery in time.

28. **QUALITY PLAN :** BHEL may give the quality plan of their own else may request the vendor to submit the quality plan along with the offer , as applicable, for approval by BHEL. (please refer specifications) The quality plan is expected to cover generally specification of the items, stage inspections to be carried out, guarantee/warrantee /test certificates/inspection reports, sampling plan as per IS . BHEL will also identify the inspection agency including the customer, as applicable. The bidder/vendor shall furnish the details of the inspection facilities available

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with him in the quality plan, as applicable. The quality Plan will be finalized before proceeding with execution of PO. The vendor is requested to ensure completion of QP in all aspects before proceeding with PO. The vendor should provide calibrated instruments etc for carrying out the inspection as per the quality plan.

29. **REJECTION :** The seller shall intimate the purchaser in writing within 15 days after receipt of rejection advice regarding the disposal of rejected material **and action plan for replacement** . If no information is received within this time, the purchaser shall be at liberty to return the material at the cost of risk of the seller after recovering the cost if any, including inward freight and other incidental charges incurred. The purchaser will not be responsible for the rejected material thereafter and no claim will rest on them.

30. PACKING , MARKING & FORWARDING :

PACKING : the supplier shall arrange for secure protective packing of the goods suitable for tropical conditions to avoid loss, damage or atmosphere action during transit by road/train/air. The packing standard shall comply with relevant national standards, where available, carriers' conditions of packing or established trade practice. The seller shall be liable to replace the material or reimburse the value of the loss notwithstanding whether insurance is arranged by him or not. The packing materials and cases **and packing charges are included in the quoted price** unless otherwise agreed.

MARKING: The following marking shall be made on each package in BLACK BOLD CAPITAL LETTER:

- | | | | |
|----|------|-----------|----------------------|
| a. | BHEL | CONSIGNOR | DIMENSION |
| b. | PSSR | CONSIGNEE | WEIGHT : GROSS & NET |

c. The above marking should be stenciled or written in bold letters on the package. Should the packages be too small, suitable cards/metal tags giving these details may be tagged or nailed. Copy of the packing slip should be kept in each package **without fail**.

DESPATCH INTIMATION: immediately after dispatch, the Seller shall intimate AGM/Purchase BHEL PSSR Chennai the details of the items dispatched, quantity, order reference, LR/RR No and date by telegram/fax/e-mail.

31. **TERMS OF PAYMENT:** Payment shall be made as per the following terms unless otherwise specified..
- Where only supply is involved, 100% payment will be made within 30 days of satisfactory receipt of materials and on submission of Performance Bank Guarantee valid till completion of Guarantee Period and against submission of Store receipt voucher (SRV)/FARV (fixed asset acceptance receipt voucher)/MRV (material receipt voucher). These vouchers are issued by the consignee only.
 - Where installation and commissioning is involved, 90% payment will be released within 30 days of satisfactory receipt of materials and acknowledgement (as per SRV/FARV/MRV) and balance 10% will be paid after successful installation and commissioning and on submission of Bank Guarantee for the 10% value valid up to the guarantee period agreed between BHEL and the Vendor .
32. **SECURITY DEPOSIT :** Where required , Security deposit or Bank guarantee shall be submitted for a sum equal to 10% of the total value of the order on receipt of confirmed purchase order from BHEL .(please refer specifications for applicability)



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33. **LIQUIDATED DAMAGES & RISK PURCHASE:** Seller is to understand that "Time is the essence of the contract". Hence the delivery of the goods as mutually agreed, specified in the purchase order should be adhered to within the time mentioned. Where the seller supplies/dispatches the materials beyond the delivery date, as specified in the order, the Purchaser will have no obligations to accept the goods.

The Purchaser reserves the right to levy liquidated damages @ ½ percent of the value of the goods delayed beyond the due date, for each week of delay or part thereof without prejudice to any other relief or compensation due to Purchaser under any other conditions of the order subject to a limit of 10%, unless the delivery extension is given. In case of delay in receipt of materials at the delivery point, for reasons not attributable to BHEL, the Purchaser will levy LD, if time extension and PO amendment is not issued. The vendor should request Purchaser for amendment to PO for time extension if reasons are **not** attributable to him before submission of invoice.

34. in addition to the above, in case the vendor shall fail to complete the supply of the any of the materials within the specified time (either partially or fully), it shall be lawful for BHEL PSSR Chennai, to procure the same at the risk and cost of the supplier. In such event it will be obligatory on the part of the supplier to pay the additional expenditure incurred to BHEL PSSR for any loss due to such risk purchases.

35. **INSURANCE:** wherever delivery terms quoted for FOR Destination specifically agreed to and directed, the supplier shall insure at his cost the goods for all transit risks including 30 days storage risks from the date of delivery of goods at the final destination. In other cases, supplier must furnish of dispatch of each consignment immediately after dispatch. Failure to do this will make the supplier responsible for making good any loss which might have been recovered from the under-writers.

36. **SUBCONTRACTING:** This order or any part thereof shall not be subcontracted without the consent of the Purchaser. The total responsibility for the supply and performance of purchased items, as per guarantee rests with the seller, even if BHEL accepts the above arrangement..

37. **METRIC SYSTEM :** Seller shall indicate all the measurements only in Metric system.

38. **INDEMNITY:** Seller shall indemnify the Purchaser against any claim due to breach of patent, trademark, negligence, defective material, or injury to seller or his agent

39. GUARANTEE & WARANTEE :

- The items purchased are to be guaranteed for satisfactory performance for a period of 12 (twelve) months from the date of commissioning or putting into use or for 18 (eighteen) months from the date of dispatch, whichever is earlier unless otherwise specified.
- If any defect is noticed during the above period, the same shall be replaced free of cost on FOR Chennai/destination basis within a reasonable time. The time for replacement based on the component and urgency will be intimated by BHEL and the vendor should replace the items.
- To this effect Guarantee / manufacturer's test certificate shall be furnished along with the original documents.



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40. Three sets of Operation & maintenance manuals/ technical literature, drawings etc are to be supplied free of charges along with the items being procured.

41. DISPUTES, ARBITRATION & JURISDICTION ;

- All disputes between the Purchaser and the seller arising out of this transaction , other than those for which decision of the BHEL is final, shall after written notice by either part to the PO to other party by referred to sole arbitration of Executive Director or his nominee.
- The Arbitrations shall be conducted in accordance with provisions of Arbitration and Conciliations Act 1996. The Purchase will be governed by the law for the time being in force in the Republic of India.
- The civil court having ordinary original Jurisdiction at Chennai, Tamilnadu alone have exclusive jurisdiction in regard to all claims in respect of this transaction/ purchase. No other civil cour have jurisdiction in case of dispute , of this contract.

42. **GENERAL :** All other conditions which might have been quoted by the Seller and are in contravention to the terms prescribed in the order and which have not been specifically accepted in writing by the Purchaser will not be applicable to this order. The Seller should intimate the Consignee in writing regarding the readiness of material , in cases where Purchaser has agreed to arrange collection with a copy to AGM/Pur/BHEL PSSR Chennai.

43. ANY REFERENCE MADE HEREIN (ENQUIRY/PURCHASE ORDER) TO ANY OF THE NATIONAL/INTERNATIONAL STANDARDS IMPLIES IT'S LATEST EDITION FOUND OTHERWISE.

44. THE VENDORS SHOULD SUBMIT GUARANTEE, SOUNDNESS & BONAFIDE CERIFICATES WHILE SUPPLYING THE ITEMS. SUGGESTED FORMAT IS GIVEN UNDER 44.1, 44.2 & 44.3

PROFORMA (TYPICAL)- TO BE FURNISHED BY THE SELLER WHILE SENDING MATERIALS

- 44.1 GUARANTEE Certificate :** Certified that the materials dispatched vide RR/LWB/PBW nodated conform to the quality as per specification of the Purchaser vide PO No Dated and guaranteed for 12 months from the date of putting the same to actual use /consumption /commissioning or 18 months from the date of dispatch whichever is earlier against all manufacturing defects, faulty materials, bad workmanship etc. if any defect is noticed during the above period, the defective materials shall be replaced or rectified free of cost on FOR/Chennai/destination basis within a reasonable time.

Date : signature with seal

- 44.2 SOUNDNESS CERTIFICATE :** certified that the materials dispatched under RR/LWB/PWB Nodatedcovered by our invoice No Datedfor Rs.....against yourorder.....datedwere in a sound condition at the time of dispatch. The material supplied against this order conforms to the specification mentioned therein and if found defective at the time of inspection by you, the same will be replaced free of cost.

Date : signature with seal



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44.3 BONAFIDE CERTIFICATE : I have personally examined and verified and do hereby certify that the goods in respect of which the payment id being claimed have actually dispatched by me /us under RR/LWB/Air consignment Note No.....Postal receipt Number..... Duly drawn in favour of the consignee which is genuine and mentioned in the bill and I hold myself personally responsible for the correctness of this statement.

I further certify that the above mentioned RR No...../LWB No...../Air consignment Note No...../ postal receipt No.....has been forwarded to the consignee mentioned in the Purchase order under Registered Post with acknowledgement due.

Date :

signature with seal

45. The purchaser reserves the right to cancel or split-up the tender /offer and place order for individual items with different vendors with varying quantities in line with the enquiries.

46. FORCE MAJURE : the following shall amount to force majeure – Acts of God, Acts of government, war, sabotage, riots, civil commotion, police action, revolution, flood, fire, cyclone, earthquake, epidemic and other similar causes over which the vendor is not having any control. If the vendor suffers delay in fulfilling the obligations due to force majeure, as defined above, BHEL will grant only delivery time extension , by a period of time equal to the period of delay provided that on the occurrence of any such contingency , the vendor shall immediately reports to BHEL in writing the causes of delay. The vendor is not eligible for any other compensation.



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REVERSE AUCTION PROCEDURE

GENERAL TERMS AND CONDITIONS OF REVERSE AUCTION

Against this NIT for the subject work, tender shall be processed through “REVERSE AUCTION PROCEDURE” i.e. ON LINE BIDDING on INTERNET.

1. For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
2. 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.
3. BHEL will inform the vendor in writing in case reverse auction, the details of service provider to enable them to contact and get trained.
4. Business rules like event date, time, start price, bid decrement, extensions, etc. also will be communicated through service provider for compliance.
5. Vendors have to fax the compliance form in the prescribed (provided by service provider) before start of Reverse auction. Without this the vendor will not be eligible to participate in the event.
6. BHEL will provide the calculation sheet (e.g.: EXCEL sheet) which will help to arrive at “Total Cost to BHEL”.
7. Reverse auction will be conducted on schedule date & time.
8. At the end of reverse auction event, the lowest bidder value will be known on the network.
9. 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 action without fail.
10. During Reverse Auction, the process of reverse auction is unsuccessful then BHEL at its discretion may decide to call the L1 bidder of reverse auction for further negotiation.
11. Sealed bid reverse auction: The opening bid (in the initial auction) of the bidders shall be same as that quoted in their final sealed price submitted to BHEL. The bidder shall confirm in writing to BHEL that their opening bid in both cases shall be same as that quoted in their final sealed price bids submitted to BHEL against this NIT along with Technical bid.
12. BHEL reserves the right to cancel Reverse Auction (RA) without assigning any reasons and resort to considering the sealed bids submitted by vendor for processing and finalizing the tender.
13. Any variation between the on-line bid value and signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct business with BHEL as per prevailing procedure.
14. 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 standard practice.
15. Bids given by the bidders during the reverse auction process will be taken as an offer to execute the work. Bids once made by the bidder, cannot be cancelled/withdrawn and bidders shall be bound to execute the work as mentioned above at the final bid price. BHEL shall take appropriate action as the lowest bidder do not execute the contract as per the rates quoted by him.



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ANNEXURE - II

BHEL : PSSR : CHENNAI DETAILS OF CONTRACTOR/SUPPLIER FOR E REMITTANCE OF PAYMENTS BY BHEL/PSSR/CHENNAI	
1	NAME & ADDRESS OF THE CONTRACTOR/SUPPLIER
2	BANK A/C NO
3	TYPE OF A/C (CC / CURRENT)
4	NAME OF THE BANK
5	NAME OF THE BRANCH
6	BRANCH CODE
7	BANKER'S ADDRESS
8	MICR NO
9	IFSC CODE
NOTE : THE ABOVE DETAILS ARE TO BE FURNISHED IN THEIR LETTER HEAD BY THE CONTRACTOR /SUPPLIER ,DULY ATTESTED BY THEIR BANKERS	

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