

PURCHASE ENQUIRY No. WC/HQR/06036

FOR

Purchase of three Lattice Boom Crawler Cranes each capable to meet specified critical lift requirement and other conditions of this enquiry specification

**PART-I
(Volume 1 of 1)**

Technical Specification and Conditions of Contract



Bharat Heavy Electricals Limited
(A Government of India Undertaking)
Power Sector - Western Region
Shreemohini Complex
345-Kingsway, Nagpur - 440 001



भारत हेवी इलेक्ट्रिकल्स लिमिटेड

Bharat Heavy Electricals Limited

(A Govt. of India Undertaking)

Power Sector, Western Region,

345, Kinsawav, Nagpur - 440 001

Phone : 0712-3048600-605 Fax: 0712-3048698/699

Purchase Enquiry No. WC/HQR/06036

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Notice Inviting Tender (Page 1 of 3)

Sealed tenders are invited from bidders meeting Qualifying Requirements (QR) as specified later here for procuring three crawler cranes that meets the technical specifications and other requirements as specified elsewhere in this enquiry. Further details are as follows.

- **Issue of Enquiry Documents:- from 22-January-2007 to 13-February-2007**
- **Last Date for Tender Submission:- 14-February-2007 by 10:00 hrs Indian Standard Time (IST).**
- **Date of Opening Technical Bid:- 11:00 hrs IST on the Last Date for offer submission.**

*** Please obtain latest update with regard to these dates in our web page www.bhel.com → Tender Notifications → View Corrigendums.**

- Tender Specs documents with complete details are hosted in web page (www.bhel.com). Bidders can directly download the same and use for submission of offer.
- Interested bidders may alternately collect hard copy of T.S. documents from this office on all working days within the sale period OR request for dispatch by courier/post.
- BHEL takes no responsibility for any delay / loss of documents or correspondences sent by courier/post.
- BHEL reserves the right to accept or reject any or all tenders without assigning any reasons whatsoever.
- Dates of Price Bid opening will be intimated to technically acceptable bidders later.
- All corrigenda, addenda, amendments and clarifications to Tender Specifications up to the bid submission last date will be hosted in the web page (www.bhel.com) ® **Tender Notifications** ® **View Corrigendums**) and not in the newspaper. Bidders shall keep themselves updated with all such developments.
- BHEL reserves the right to reject an offered model on the basis of unsatisfactory performance of that model in the past.
- BHEL will operate CPSE (Central Public Sector Enterprises) Purchase Preference policy of the Govt. of India as applicable.



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Qualifying Requirements (QR)

- a.1) Bidder must be a manufacturer of crawler cranes as specified in this enquiry or higher capacity since at least last five years as on 31-December-2006.

OR

- a.2) Bidder must be an authorized representative of the original equipment manufacturer (OEM) for selling the offered crane – such OEM must fulfil the QR as in 'a.1' above.

OR

- a.3) An Indian Manufacturer who does not fulfil QR 'a.1' as above, must have technical collaboration for manufacture of the offered crane with an overseas OEM who shall fulfil the QR as in 'a.1' above. Such Indian bidder should submit copy of appropriate collaboration agreement with their Technical Bid.

AND

- b) Minimum two units of crawler cranes as specified in this enquiry or higher capacity manufactured by the OEM should have been supplied and be satisfactorily working outside the country of their manufacture or in India.

GENERAL

1) Timing of sale of Documents:

Enquiry documents will be issued from BHEL: PSWR: Nagpur office from 10:00 am to 4:00 pm (both IST) on all working days within the period as listed in the NIT.

2) Holidays:

Sale of Tender Documents shall not take place on the holidays as listed under and also on Sundays.

- 26-January-2007
- 10-February-2007

3) Seeking Clarifications on Tender Specification:

Clarifications on the Tender Specifications, if any, may be sought by the bidders so as to reach this office at least **seven days before the Last Date** for tender submission.

4) Fulfilment of Qualifying Requirements:

A bidder must satisfy all the Qualifying Requirements enumerated as 'a' and 'b' for this tender concurrently in order to get qualified.

5) Supporting Documents for QR:

Bidders shall submit documents in support of possessing "Qualifying Requirements" as under duly self-certified and stamped by the authorized signatory.



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- 5.1) Copy of Purchase Order(s) in respect of similar or higher crawler cranes that have been supplied by the bidder in the last five years.
- 5.2) Copy of Packing List for the supplied cranes as in '5.1' above.
- 5.3) Copy of Bill of Lading for the supplied cranes as in '5.1' above.
- 5.4) Copy of successful commissioning certificate of the client for the supplied cranes as in '5.1' above.
- 5.5) Copy of satisfactory performance certificate of the client for the supplied cranes as in '5.1' above.
- 5.6) List of clients with name of organization, name of contact person(s), postal address, e-mail address and contact numbers.
- 5.7) Original certificate issued by the crane manufacturer authorizing the Bidder to submit offer for this enquiry.
- 5.8) Copy of appropriate technical collaboration agreement between the Bidder and the Collaborator in respect QR 'a.3' hereinbefore.

6) EMD (Earnest Money Deposit):

Bidders shall furnish with their Technical cum Commercial bid EMD as follows.

- a) Indian Bidders: INR 200,000/-** (Indian Rupees two hundred thousand).
- b) Foreign Bidders: US \$ 5,000/-** (Five thousand US Dollars).

Bidders shall remit EMD by account payee Demand Draft drawn in favour of **Bharat Heavy Electricals Limited** payable at Nagpur, India.

BHEL will return EMD of un-successful bidders after finalization of the order. EMD of the successful bidder will be returned after the bidder confirms his unqualified acceptance of BHEL's Purchase Order and submits bank guarantee for contract performance.

BHEL will invoke the EMD of bidder under any of the following circumstances.

- a)** Bidder revokes his tender within its validity period after the last date for tender submission.
- b)** Bidder refuses to accept the Purchase Order (P.O.) that is issued in compliance with all terms and conditions agreed between Bidder and BHEL prior to issue of P.O.

7) Liquidated Damages:

BHEL will impose Liquidated Damages as specified in relevant clauses in the respective Tender Specifications on account of delay, violation of contract conditions and non-performance attributable to the Seller.

DGM (Purchase)
BHEL: PSWR: Nagpur

BHARAT HEAVY ELECTRICALS LIMITED
POWER SECTOR - WESTERN REGION – NAGPUR

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PROCEDURE FOR SUBMISSION OF SEALED BID

1) Sealing of Bids:

The bidder shall submit sealed tender in two-part bid system i.e. **Part-1** (Technical cum Commercial Bid and Earnest Money Deposit) and **Part-2** (Price Bid). The bidders shall submit their tender in conformity of the following procedure.

Bidder shall submit the bid parts in separate sealed envelopes with prominent superscription like “**Part-1: Technical-cum-Commercial Bid with EMD**” (Covers-I & III as explained below) and “**Part-2: Price Bid**” (Cover-II as explained below) as applicable. Bidder shall also indicate on each of the envelopes the Enquiry Number and Last Date for Offer Submission as mentioned in the Notice Inviting Tender (NIT). Further details of the three sealed covers (envelopes) are as follows.

Cover-I shall contain:

Technical-cum-Commercial Bid. **Excepting the Rate Schedule**, all other schedules, data sheets, product catalogue, complete technical details, commercial conditions, documents in support of bidder's credentials etc shall be submitted in this bid. **No indication of the rates/prices, other than that for those specifically asked for by BHEL, shall be furnished in Part-I bid.**

Please enclose one complete set of this enquiry document duly filled in at appropriate places, counter-signed and stamped on all pages, as a token of having read and accepted the terms and conditions of this purchase enquiry with an **un-priced copy** of the price bid. Bidder, in the un-priced copy of the Price Bid, shall highlight and indicate the description and quantity of items for which prices are quoted by him in the sealed price bid.

Cover-II shall contain:

All indications of **Rates** and **Prices** shall be given in Part-II (Price bid) in BHEL's specified Price Bid format enclosed as a part of this purchase enquiry. Bidder must not include any Terms and/or Conditions in this bid. Bidder shall not indicate any Item Rates or Prices other than those specified in BHEL's Price Bid format.

A Bidder may submit offer for any number of cranes out of the three required by BHEL. In case Bidder is quoting for say 'X' number of cranes, he shall submit the Price Bids in separate sealed envelope for each crane, every envelope identified as '**Cover-II (Price Bid for Crane No. n of 3)**' etc. where 'n' = 1 or 2 or 3 for the three cranes.

Cover-III shall contain:

Earnest Money Deposit (EMD) in the manner specified in the Notice Inviting Tender (NIT)

Cover – IV shall contain:

Cover-I (Technical cum Commercial Bid) and **Cover-III** (EMD) as above.

Cover – V shall contain:

Cover-II (Sealed Price Bid) and **Cover-IV** as above.

Each cover shall bear the appropriate identification like “Cover-I: Technical cum Commercial Bid for Purchase Enquiry No. WR/HQR/06036, Last Date for Submission- DD/MM/YYYY” at its top; Addresses of the Bidder and the Addressee at appropriate places.

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PROCEDURE FOR SUBMISSION OF SEALED BID

The sealed offer in the manner specified above shall be addresses to and submitted on or before the Last Date for Offer Submission as indicated in the NIT at the following address.

Sr. Deputy General Manager (Purchase & FEX)

Bharat Heavy Electricals Limited

Power Sector – Western Region

Shreemohini Complex

345-Kingsway

Nagpur-440001

Maharashtra

India

Tel No. 0091-712-3048600 to 605

Fax No. 0091-712-3048698 & 699

2) Contents of Bid Documents

Bidders shall comply with the following while preparing and submitting their bid documents.

2.1) Technical cum Commercial Bid with EMD shall essentially contain the following information/documents.

- i) Bidder must furnish all the information as called for in the Purchase Enquiry. The details so furnished by bidder should be **complete in all respects**. Bidder shall use relevant formats if any, as provided in the Purchase Enquiry for this purpose.
- ii) Bidders shall furnish **complete product catalogue** for the offered model with details of dimensions, configurations, speeds, complete load chart for various combinations of boom, jib, counterweight and other salient features. Bidders shall also furnish the schematic diagrams and brief descriptions of Electrical and Hydraulic systems of the offered cranes.
- iii) **EMD** should be remitted / furnished in favour of M/s Bharat Heavy Electricals Limited, Nagpur in prescribed mode as defined in NIT, failing which the offer will be rejected.
- iv) Offer should contain **complete scope of supply and associated services** with all technical details, specifications along with necessary catalogue, drawing, load chart, technical literature for engine, load movement devices, safety features, hydraulic system & its component details, delivery and other commercial terms and conditions.
- v) **Point by point confirmation** of the Technical Specification.
- vi) **List and price of recommended spare parts** (with part numbers) for two years operation and maintenance.
- vii) Authenticated (self-certified by Bidder's authorized signatory and stamped with Official Seal) copy of documents as evidence of cranes manufactured, supplied and their performance report from the respective client in line with **Qualification Requirements (QR)**.
- viii) Complete information on **shipping weight and packing dimensions** (length, width & height) for each package.
- ix) Details of **service facilities** available **in India or nearest to India** for "After Sales Services" of the crane and the engine.

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PROCEDURE FOR SUBMISSION OF SEALED BID

- x) Original **Certificate of Authorization** issued by the OEM in favour of the Bidder, if the Bidder is not the OEM.
- xi) Acceptance of **Commercial Terms & Conditions**.
- xii) **Un-priced copy of Price Bid** retaining all other details excepting the prices.

2.2) Price Bid shall comply with the following:

- i) Bidder shall quote rates/price in the Rate Schedule format enclosed.
- ii) Price Bid must **not** contain any **conditions, deviation** or entries other than rates/prices.
- iii) Price Bid shall not have any correction/erasing/overwriting.
- iv) Prices shall be written in words and figures. In the event of contradiction between the two, the price in words shall be treated as valid and binding.

2.3 General

- i) Bidder must submit offer without any deviation with regard to the terms & conditions of the purchase enquiry. In case Bidder needs any clarification on any aspect of the purchase enquiry, he must seek it at least one week prior to the Last Date for Offer Submission.
- ii) BHEL reserves the right to accept any offer in full or in part, or accept/reject any or all offers.
- iii) Bid documents should be free from **overwriting and/or erasing**. Corrections if any, must be made neatly and attested by Bidder's authorized signatory.
- v) All amounts shall be indicated both in words as well as in figures. Where there is difference between amount quoted in words and figures, amount quoted in words shall prevail.
- vi) Offers should be only in **English** language. Should any multilingual technical literature, product catalogue, brochure, information, data sheet and drawings etc. form part of bid document, it must contain their **English** versions.
- vii) Offers received with any deviation in respect of Terms and Conditions or Bid Document without relevant information as described earlier here are liable for rejection.

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Technical Specification of Crane

S N	BHEL Requirement	Bidder's Compliance (Please use separate sheets with cross - reference for detailed information if needed)
1	Description- Crawler Mounted, Lattice Boom, Hydraulic Crane.	
2	Applicable Standards- As per DIN/ISO/ANSI/BIS.	
3	Stability Rating —75%	
4	Critical Load to be handled by offered crane (360° slew) Minimum 27 Metric Ton of job weight (including sling weight) at minimum 12 m (twelve metre) operating radius with minimum clear height of 58 m (fifty eight metre) under the hook with main boom. Note: Weight of hook block and crane wire rope shall be deducted from the gross lifting capacity of the crane to meet aforesaid requirement.	
5	Main Boom and Jib : Minimum length of main boom: 75 m. Minimum length of fixed jib: 30 m which can be fixed with at least 60 m main boom length and shall have minimum two offset positions for fixing jib.	

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Technical Specification of Crane

S N	BHEL Requirement	Bidder's Compliance (Please use separate sheets with cross - reference for detailed information if needed)
6	Boom hoisting, slewing, main/aux. hoisting, travel drives etc: All Hydraulic drives.	
7	Central Ballast- Base Frame for full ballast to meet offered load chart.	
8	Engine- Turbo-charged water/coolant-cooled diesel engine of adequate power. Bidder must submit with their Technical Bid the list with contact details of authorized service centres in India / nearest location.	
9	Control levers- Fully electronic synchronizing device with self-centring joy sticks type.	
10	Winches- All winches (main hoist, jib hoist and boom/derrick hoist) and to be operated by hydraulic motors, drum with integrated planetary and spring applied hydraulically released disc brake.	
11	Crane Cabin- Spacious, all steel construction cabin, swivelling sidewise with operating and control/monitoring instruments. Cabin to be preferably tilting backwards for better vision.	

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Technical Specification of Crane

S N	BHEL Requirement	Bidder's Compliance (Please use separate sheets with cross - reference for detailed information if needed)
12	Crane operation- Multiple movements simultaneously.	
13	Safety devices- The crane shall be equipped with all the following listed safety devices: a) Cut-off devices when exceeding the permissible load moments. b) Electronic control to stop all dangerous operation in case of instability. c) Safe load indicator with visual display in operator's cabin for load chart, maximum allowed load, gross load, net load on hook, operating radius & angle, boom / jib length, boom/jib sheave height etc. and fault display. d) Safety valve in the event of pipe/hose rupture. e) Hoist & Boom limit switches. f) Drum limit switch at 3 rest rings. g) Display arrangement for self error detection system. h) Self Test system.	
14	<u>Electrical system</u> —24 V DC	

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Technical Specification of Crane

S N	BHEL Requirement	Bidder's Compliance (Please use separate sheets with cross - reference for detailed information if needed)
15	Hook blocks- Hook block for maximum rated capacity of the crane offered shall be provided with the crane. In addition, hook blocks of at least 100 MT, 50 MT and 25 MT capacities for main boom and a ball hook block shall be provided for the jib for its rated capacity.	
16	Brakes —Preferable Disc type Brakes.	
17	Self Erection System: The crane should have self erection system for assembly and dismantling of crawler, car body and operator cabin.	
18	Free fall facility: Free fall facility shall be provided for the jib ball hook.	
19	Overall crawler outer end to outer end width of the crane: Not more than 7.6 m.	
20	Wire Rope: Crane shall be supplied with sufficient length of wire ropes suiting the total length of main boom and total length of jib so that the respective hook blocks reach the ground level with highest boom/jib top elevation. Bidder shall indicate in their technical bid the length of wire rope offered.	

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Scope of Associated Services and Supplies

1. Each crane shall be **inspected** and **load tested** at **manufacturers' works** as per applicable standards/norms and mutually accepted Quality Plan. The bidder shall also conduct load test and overload test of the crane at manufacturer's works in presence of BHEL inspection engineer. Expenses of BHEL inspection engineer towards to & fro travel between India & manufacturer's locations, stay and local conveyance in manufacturer's place will be borne by BHEL.
2. **Manufacturer** shall **train** two persons of BHEL for each of the ordered cranes in **Operation and Maintenance** for one week duration at manufacturer's place. This training shall be imparted before inspection of the first crane. Training must include imparting information with regard to Constructional Features, Trouble Shooting, Electrical & Control Systems and Hydraulic Systems etc. The same team of BHEL engineers shall carry out the inspection as stated in point no. 2 above for the first crane.
4. **Installation and Commissioning** of crane at destination project site will be done under supervision of competent engineer of the crane manufacturer. The Load Test and Acceptance Test shall be carried out after assembly and commissioning of crane in presence of engineers from supplier and BHEL. At site, load test shall be carried out with maximum available load/loads according to the Crane Capacity Chart submitted with the Technical Bid. BHEL will take over the crane after successful completion of such tests.
5. Bidder/Manufacturer shall provide **supervision service** free of charges for **assembly & commissioning of each crane at site** and also services for a period of one week for training the BHEL's personnel after commissioning of the crane. Expenses for to & fro travel and accommodation for Bidder/Manufacturer's engineer between the place/country of origin and the destination site shall be borne by the Bidder. BHEL will provide free local conveyance at BHEL's project site for the period of stay of manufacturer's service engineer at project site.
6. **Mandatory/Essential Spares:** Supplier shall supply **six sets** of all the filters for various systems with **each crane**. These six sets shall be in addition to the one set assembled as part of the crane. Bidder shall furnish the list of such spares indicating Description, Part Number and Quantity of these spares with their Technical Bid.
7. **Recommended Spares-** Bidder shall furnish list (indicating Description, Part Number and Quantity) of the recommended spare parts for two years operation as a part of the Technical Bid. Bidder shall also furnish the current price list for such spares with their Technical Bid.

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Scope of Associated Services and Supplies

8. Supplier shall furnish the **Lubrication Schedule** containing details of lubricants like normal level quantity, frequency of refilling, ISO VG specification numbers and brand name of leading lubricant manufacturers of the world. Bidders are also requested to furnish the Indian equivalent brand name of all the lubricants.
9. **First Fill Lubricants:** Supplier shall provide the first fill lubricants with each crane as part of scope.
10. Supplier shall deliver a **brand new product** with latest and improved features. Supplier shall submit as a part of the delivery/dispatch document of each consignment a certificate confirming that the supplied goods are new.
11. **Service support** of the equipment under purchase is of utmost concern. Bidder shall elaborate on the service networks and spare parts availability, which shall ensure maintenance of the equipment after initial commissioning and completion of warranty period. In case service/spare parts facilities are not available in India, Bidder shall indicate the maximum possible turnaround time in making such services available from places outside India.
12. The equipment to be offered, should be of robust design and suitable for operations in **Indian (tropical) climatic conditions**, coastal saline atmosphere, ambient temperature of up to fifty degree Celsius (50⁰ C) and dusty atmospheric condition. The electrical and controls systems shall be suitable to withstand such tropical climatic conditions.
13. With every crane, the Supplier shall deliver **one set of Tool Box** containing tools & tackles like Spanners, Screw Drivers, Allen Keys and any Special Purpose Tool(s) that are essential for assembly/erection/dismantling of the crane in metallic tool box.
14. BHEL will provide suitable cranes (with operator & fuel) and necessary workmen that are required for **unloading and assembly** of the supplied crane **at the destination site** free of cost. BHEL will also provide fuel and lubricants for the supplied crane for this purpose.
15. The supplied crane shall be **painted** with at least one coat of primer and two coats of finish paint. Main boom and jib shall be painted with **Epoxy Primer** and **Epoxy Paint**. Bidder shall furnish the painting schedule for the various parts of the crane to take care of the ocean voyage and the tropical weather conditions in India.

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Scope of Associated Services and Supplies

16. Supplier shall deliver the required set of counterweights essential covering total operational range of the offered crane.
17. The bidder shall furnish packing details for transportation of the knocked down crane. Dimension and weight details for each and every package must be furnished with the technical bid in tabular form.
18. Supplier shall ensure compliance of salient points of HSE (Health Safety & Environment) with regard to the offered crane as detailed under.
 - 18.1 Consumption benchmarks related to output shall be provided wherever applicable for key input resources (energy/fuel/chemicals).
 - 18.2 Competency requirements for operation, maintenance and calibration, if any, shall be communicated.
 - 18.3 If any hazardous chemicals as per MSIHC (Manufacturing, Storage and Import of Hazardous Chemicals) Rules 1989/94/2000 are used, the MSDS shall be provided, along with on-site & off-site emergency plan as applicable.
 - 18.4 The maximum noise level at the operator's cabin shall be within 90 dBA.
 - 18.5 OH&S (Occupational Health and Safety) control measures for safe working of machine as applicable shall be specified.
 - 18.6 The machine/equipment shall be fitted with protective guards for rolling and moving parts and shall comply with applicable OH&S legislations and Factories Act 1948.
 - 18.7 The supplier shall submit the layout drawing of operating controls, displays etc. and operating instructions to enable ergonomics evaluation and approval
 - 18.8 The recommended PPE (Personal Protective Equipment) for the equipment shall be furnished
 - 18.9 Alarm system (both visual and audible) and Automatic switch-off mechanism for the equipment shall be provided for any intrusion, overloading, short-circuiting or any malfunctioning of the equipment
 - 18.10 Details of all hazardous/harmful substances discharged as by-products/wastes during operations of the machine / equipment, such as fumes, gases, dust particles, aerosols UV/IR (ultra violet/infra red) radiations, etc. shall be furnished, along with their concentrations and their TLV (Threshold Limit Value).
 - 18.11 Appropriate pollution control measures shall be proposed to keep the emissions from the machinery / processes within the prescribed limit as stated in Environment Protection Rules 1986.

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Scope of Associated Services and Supplies

- 18.12 All furnaces, process units, DG sets, paint booths, shot blasting chambers, etc shall be provided with stack(s) of sufficient height as per guidelines laid down in the Environment Protection Rules 1986.
- 18.13 Wherever industry specific standards are not available for control of pollutants, general emission standards shall be used
- 18.14 Chemicals banned due to their negative impact on the environment shall not be used in the process.
- 18.15 The engine shall be Fuels with sulfur content less than 0.05% shall be used in the crane.
- 18.16 Details regarding nature of waste generated and appropriate disposal practices available shall be provided, along with the operation procedure of the plant / process.
- 18.17 Hazardous chemicals and flammable substances shall be transported only through authorized transporters and all safety practices as laid down in applicable legislative requirements such as Central Motor Vehicle Rules, Manufacture, Storage and Import of Hazardous Chemical 1989, etc shall be followed.
- 18.18 Primary materials used in the equipment shall be specified and they shall be eco-friendly.
- 19.0 Bidder shall submit **Manufacturing Quality Plan, Painting Procedure and Color Coding Scheme** for hydraulic, air & fuel systems and **repair procedure of boom & jib**.
- 20.0 **Drawing/Documentation-**
Bidder shall provide drawings and documents as specified below to BHEL for each Crane as well as Engine before commissioning of the equipment.
 - 20.1 Three sets of Operation and Maintenance Manual
 - 20.2 Three sets of Equipment Parts List.
 - 20.3 Three sets of Shop Manual for bought-out items.
 - 20.4 Three sets of laminated Capacity Chart for Main boom, and Jib.
 - 20.5 Soft copy of the aforesaid documents in CD (one set for each crane).

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Section-IV (Page 1 of 8)

Commercial Conditions

1.0 Delivery Terms:

1.1 For Foreign Bidders

The bidder shall supply the crane/cranes on **CFR (Cost and Freight) Incoterms 2000** at port of destination basis. The ports of destination for the three cranes shall be as follows.

- a) Crane No. **1 of 3**: Nhava Sheva (Mumbai, Maharashtra) Port.
- b) Crane No. **2 of 3**: Kolkata (West Bengal) Port.
- c) Crane No. **3 of 3**: Kolkata (West Bengal) Port.

1.2 For Indian Bidders

Indian bidders shall supply all the cranes on **CPT (Carriage Paid To) Incoterms 2000** at the ultimate destinations as named below.

- a) Crane No. **1 of 3** : O. P. Jindal Super Thermal Power Plant, Village-Tamnar, Distt- Raigarh, Chhattisgarh, India.
- b) Crane No. **2 of 3** : Budge Budge Thermal Power Plant of Calcutta Electric Supply Company, Distt- 24-Parganas, West Bengal, India.
- c) Crane No. **3 of 3** : Farakka Super Thermal Power Plant, Distt- Murshidabad, West Bengal, India.

1.3 Ultimate Destinations:

Tentative ultimate destinations for the three cranes are indicated in **1.1.2.a, b and c** above. In case of any change in the ultimate destination(s), BHEL will communicate the same in writing to the bidders at appropriate stage.

2.0 Packing, Shipment and Carriage

- 2.1 Seller shall provide adequate and safe packing according to customary industrial practice for such goods. Seller must take into consideration the various stages of handling and multi-modal means of transport the consignments involved while deciding on the packing. Method and material for packing should be carefully chosen particularly for parts susceptible to transit damage. Bidder shall furnish in their Technical Bid details of packing to be used by them.
- 2.2 Seller shall arrange transport of consignments only through BHEL-approved carriers. Bidder shall furnish in the Technical-cum-Commercial bid a list of likely carriers for BHEL's approval. In case BHEL or BHEL's underwriters have objection about any such carriers, the seller shall not engage the carrier for transport.
- 2.3 Transshipment of consignments is not permitted. In the event of occurrence of unforeseen events after the dispatch of consignment, BHEL with the consent of their underwriter may allow transshipment. Seller shall obtain prior written consent of BHEL before any such transshipment.
- 2.4 Part shipment for each crane is allowed. However, for the purpose of payments, dispatch of entire crane in totality is essential. Seller shall indicate the details of part shipment consignments in their Technical Bid.
- 2.5 Seller shall indicate the names and addresses of Port Consignee (applicable for ocean transport) and Ultimate Consignee (applicable for all consignments) prominently on all the packages of every consignment.

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3.0 Consignee Particulars

3.1 Foreign Suppliers:

Foreign suppliers shall dispatch the consignments to the **Port Consignee** through seller's carrier. They should also mark details of the Port Consignee as well as Ultimate Consignee prominently on each and every package before dispatch.

3.2 Indian Suppliers:

Indian suppliers shall dispatch the consignments directly to the **Ultimate Consignee**.

3.3 General:

BHEL will provide the details of Port Consignee and Ultimate Consignee to the sellers while/before release of Purchase Order.

4.0 Insurance:

Seller shall arrange all necessary insurance covers up to the terminal point scope of seller's risk according to Incoterms 2000 delivery terms specified earlier here. BHEL will obtain and operate insurance cover from the said point onwards (i.e. when the goods pass the ship's rail at the Port of Shipment in case of CFR Incoterms 2000; when the goods are delivered to the carrier in case of CPT Incoterms 2000 delivery terms).

Seller shall communicate the dispatch details of each and every consignment to BHEL's underwriters in writing at the time of risk transfer (according to Incoterms 2000) from seller to BHEL. Dispatch details shall include names of consignor & consignee, Bill of Lading/Lorry Way Bill number & date, name of Carrier, name of ship/registration number of road transport vehicle, brief description of consignment, approximate value of consignment, place of origin of consignment and name of destination. In case all the aforesaid information is not available with the seller at the time of risk transfer, the seller shall communicate the available information without delay. Seller shall communicate the remaining information at the soonest possible. This is essential as per the insurance contract between BHEL and underwriter.

5.0 Export/Import Clearances and Documentation:

Seller shall arrange for necessary export clearance in seller's country including all expenses and documentation thereof.

BHEL will arrange for all import clearances at the port of destination in India including all expenses thereof.

6.0 Price Validity:

Bidder's quoted price shall remain valid for at least 180 days from the Last Date of offer submission for the purpose of issuing Purchase Order. Quoted price shall also remain valid till completion of the contract performance in all respects.

Bidder's quoted price shall be fixed one and not subject to any variations whatsoever till completion of the contract performance. A bid submitted with an adjustable or variable price shall be treated as non-responsive and BHEL will reject such offer.

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7.0 Bid Currency:

Indian bidders shall quote the price only in Indian Rupees (INR). Foreign bidders may submit their bid either in US Dollar or, their home currency or, Indian Rupees. Bidder shall quote his price in any one of the currencies and not in multiple currency options.

8.0 Reverse Auction (On-line Bidding) Process:

BHEL may opt for reverse auction (On-Line Bidding) process for this procurement. This will involve web based on-line bidding amongst the technically qualified bidders. BHEL will confirm about exercising this option after completing the evaluation of the Technical cum Commercial bids.

Detailed write up on the entire Process and Terms & Conditions of Reverse Auction is furnished elsewhere in this purchase enquiry. In the event BHEL opts and successfully conducts Reverse Auction process, the price quoted in the sealed Price Bid by the bidder shall stand superseded by the price offered in the Reverse Auction (On-line bidding) process.

9.0 Cost Evaluation:

BHEL will evaluate the bids on '**Total Cost to BHEL in INR at the Ultimate Destination**' basis after adding up the following listed cost components. Bid for each crane will be evaluated individually and not on the basis of collective cost of three cranes.

- a) **Price** quoted by bidder (converted in NR in case of foreign bidders). TT selling rate as published in the Economic Times newspaper Mumbai edition on the date of price bid opening, shall be considered as the exchange rate for this conversion.
- b) **Insurance premium** as applicable based on the lowest rate quoted amongst underwriting companies. BHEL will obtain competitive quotes from at least four underwriting companies of India and the lowest rates so obtained shall be considered.
- c) **Excise Duty** amount for Indian Bidders unless the Bidder undertakes to furnish Excise Duty invoice to BHEL.
- d) **Value Added Tax (VAT) and other applicable taxes, duties and levy** - for Indian Bidders. The applicable rates shall be according to the latest notification by the concerned government authorities in India.
- e) **Import Duty with associated duties, levy and tax payable in India by BHEL** - for foreign bidders. The applicable rates shall be according to the latest notification by the concerned government authorities in India.
- f) **Port Clearance charges** payable by BHEL at ports of destination – for foreign bidders.
- g) **Inland freight** charges payable by BHEL in India – for foreign bidders. Price of Indian bidders shall include this element.
- h) BHEL's **expenses** towards opening and maintenance of **Letter of Credit**.

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BHEL will furnish the applicable rates and charges with regard to various cost elements other than the price quoted by bidders as listed above before opening of the Price Bid.

10.0 Purchase Order (P.O.) and P.O. Acceptance

BHEL will issue written P.O. to the bidder whose offer is found acceptable in all respects. BHEL will send one copy of the P.O. through facsimile transmittal / e-mail (scanned copy) on the date of issue of P.O. Seller shall acknowledge receipt of the same by facsimile transmittal/e-mail within one working day of its receipt.

In case the seller finds deviations with regard to any terms and conditions of the P.O. with respect to the ones mutually agreed in the entire tendering process, he shall communicate the same within five working days of receipt of facsimile transmittal/e-mail copy. BHEL will issue necessary clarifications/corrections after receipt of such query from bidder.

Two originals of the P.O. will be dispatched through courier/airmail on the date of P.O. issue. Seller shall communicate unqualified acceptance of the P.O. by returning one original duly countersigned by his authorized signatory and stamped with his official seal within ten working days of receipt of the original P.O. and subsequent clarifications/corrections, if any.

11.0 Terms of Payment:

BHEL shall release payment for each of the cranes in the manner as follows.

11.1 Payment to Foreign Suppliers

- a) BHEL shall pay **85%** (eighty five percent) of the agreed price through an irrevocable letter of credit (LC) which can be negotiated after the seller dispatches the complete crane from the port of shipment. While part shipment is allowed, part negotiation of the LC is not permitted. BHEL will open the LC at a mutually agreed point of time after the seller accepts BHEL's purchase order and it will remain valid till one month after the scheduled date of dispatch completion.

All costs towards opening and maintaining the LC in India for the aforesaid period shall be to BHEL's account, while all expenses in the seller's country shall be to the seller's account. In case it becomes necessary to extend the validity period of the LC beyond the aforesaid period for reasons not attributable to BHEL, the expenses thereof shall be to the seller's account. BHEL will recover such costs from the subsequent payments if any, else seller shall reimburse the cost to BHEL by way of an account payee demand draft payable at BHEL Nagpur/Kolkata.

BHEL will open the LC through its banker - State Bank of India (SBI), Nagpur Branch (for one crane) and Kolkata Branch (for two cranes) in India. The LC will be payable at SBI branch in the seller's country and will be freely negotiable. Seller shall submit the following listed documents to the seller's bank for negotiation of the LC.

- a.1) Three originals of commercial **invoice** indicating the 100% agreed price of the crane and the net claimed amount for 85% of agreed price.
- a.2) One original and two authenticated copies of **Draft at Sight** claiming payment for 85% of the agreed price of the crane.
- a.3) One original and two authenticated copies of clean **Bill of Lading** for all consignments of particular crane.
- a.4) Three originals of **Packing List**

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- a.5) One original and two authenticated copies of **Certificates of Origin** issued by the concerned Chamber of Commerce.
 - a.6) One original and two authenticated copies of **Certificate of Joint Inspection** conducted at the manufacturer's works signed by BHEL or BHEL's authorized inspection agency and Manufacturer **OR** inspection waiver by BHEL.
 - a.7) Three originals of seller's certificate confirming that **entire scope of supply** under the contract have been **completed**.
 - a.8) Three originals of seller's certificate confirming that the goods supplied are **new**.
 - a.9) Three authenticated copies of manufacturer's **Warranty Certificate** for the Crane.
- Seller shall courier one set of photocopy of all the aforesaid documents directly to respective BHEL offices (payment centres) immediately after dispatch of each crane for information.

A sample format of LC is being provided with this purchase enquiry for information and ready reference to the bidders. LC for payment in the present case will be in the same format.

- b) BHEL shall pay **5%** (five percent) of the agreed price after the seller commissions and load tests the crane successfully at ultimate destination and so certified by BHEL. The amount will be credited to the seller's bank account by telegraphic/electronic transfer within three weeks of receipt of commercial invoice accompanied with successful commissioning cum load test certificate of BHEL.
- c) BHEL shall pay the remaining **10%** (ten percent) of the agreed price of crane after passage of one year warranty period subject to the condition that the seller has discharged all his warranty obligations to BHEL's satisfaction. BHEL can make this payment earlier than this, but after successful completion of commissioning and load test at ultimate destination duly certified by BHEL, after receipt and acceptance of Bank Guarantee (BG) towards warranty obligation for equal amount and tenure. The BG format shall be with prior approval of BHEL and shall contain an additional claim period of three months beyond the warranty period. Payment mechanism will be same as in case of 'b' aforesaid.
- d) Seller shall furnish his bank account details (account number, name of bank, complete postal address, contact numbers, e-mail address and other relevant information) at the time of order acceptance.

11.2 Payment to Indian Suppliers:

- a) BHEL shall pay **85%** (eighty five percent) of the agreed price and **100% Duties and Taxes** by way of cheque payable at Nagpur/Kolkata or Demand Draft payable at sellers place/electronic transfer in seller's bank account three weeks after submission of the following -listed documents to respective BHEL offices. Bank charges for Demand Draft shall be to the seller's account.
 - a.1) One original and one authenticated copy of Commercial **VAT cum Excise invoice** indicating agreed sale price, Excise Duty percentage and amount, VAT percentage and amount and claim amount (85% of agreed sale price plus 100% Duties and Taxes).
 - a.2) Original Consignee Copy and one authenticated copy of **Lorry Way Bill** issued by transporters for all consignments of particular crane.

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- a.3) One original and one authenticated copy of **Packing List**.
- a.4) One original and one authenticated copy of **Certificate of Joint Inspection** conducted at the manufacturer's works signed by BHEL or BHEL's authorized inspection agency and Manufacturer **OR** inspection waiver by BHEL.
- a.5) One original and one authenticated copy of seller's certificate confirming that **entire scope of supply** under the contract have been **completed**.
- a.6) One original and one authenticated copy of seller's certificate confirming that the goods supplied are **new**.
- a.7) One original and one authenticated copy of manufacturer's **Warranty Certificate** for the Crane.
- b) BHEL shall pay **5%** (five percent) of the agreed price after the seller commissions and load tests the crane successfully at ultimate destination and so certified by BHEL. The amount will be credited to the seller's bank account by telegraphic/electronic transfer within three weeks of receipt of commercial invoice accompanied with successful commissioning cum load test certificate of BHEL.
- c) BHEL shall pay the remaining **10%** (ten percent) of the agreed price of crane after passage of one year warranty period subject to the condition that the seller has discharged all his warranty obligations to BHEL's satisfaction. BHEL can make this payment earlier than this, but after successful completion of commissioning and load test at ultimate destination duly certified by BHEL, after receipt and acceptance of Bank Guarantee (BG) towards warranty obligation for equal amount and tenure. The BG format shall be with prior approval of BHEL and shall contain an additional claim period of three months beyond the warranty period. Payment mechanism will be same as in case of 'b' aforesaid.
- d) Seller shall furnish his bank account details (account number, name of bank, complete postal address, contact numbers, e-mail address and other relevant information) at the time of order acceptance in case of opting for telegraphic/electronic transfer mode of payment.

11.3 Authentication of Payment Related Documents

All authenticated documents required for payment as aforesaid shall be endorsed as 'attested true copy' duly certified by seller's authorized signatory and stamped with seller's official seal.

12.0 Delivery Schedule:

BHEL prefers that seller to dispatch all the three cranes within **nine months** from the date of Purchase Order (P.O.) acceptance by seller. Bidders shall confirm the realistic delivery schedule in the Technical cum Commercial bid. BHEL may not accept unusually long delivery schedule offered by bidders and ask such bidders to improve upon the same.

13.0 Delay in Delivery and Consequence:

Seller shall dispatch the cranes according to the agreed delivery schedule. In case of delay in dispatch attributable to the seller, BHEL will have the rights to impose Liquidated Damages @ 0.5% of the agreed sale price for delay of every week or part thereof. The LD will be limited to 5% of the agreed sale price.

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Date of the Bill of Lading (for foreign suppliers) or Lorry Way Bill (for Indian suppliers) as recorded in case of the last of all consignments for a particular crane shall be reckoned as the date of dispatch for the concerned crane for this purpose.

14.0 Indian Agent & Agency Commission:

An Indian Agent can represent only one foreign supplier in response to this enquiry. Bidder shall furnish authenticated copy of the currently valid Agency Agreement / Authorization Letter with the offer. BHEL will not pay any agency commission to the Indian Agents.

15.0 Taxes and Duties:

15.1 For Foreign Suppliers:

Seller shall include in his price all applicable taxes & duties in his country. BHEL will pay all applicable taxes and duties in India.

15.2 For Indian Suppliers:

BHEL will pay all Taxes and Duties extra as applicable on the actual date of dispatch. Bidder shall furnish the VAT/CST and ECC registration numbers in the invoices, failing which BHEL will not be liable to pay such Taxes and Duties. Seller shall submit to BHEL Excise Duty invoice as specified elsewhere in this specification to enable BHEL avail input credit under CENVAT rules. In case the Bidder does not agree to furnish the aforesaid Excise Duty invoice, the amount of such Duty shall be loaded for evaluation of total cost to BHEL.

16.0 Bank Guarantees:

Seller shall furnish Bank Guarantees as applicable at appropriate stages. Seller shall ensure that all BGs are sent to BHEL directly from seller's bank and not through the seller. BHEL will confirm acceptance of the BG to the seller after its verification. Seller shall bear all expenses associated with the BGs. All Bank Guarantees shall be payable in India at any one of the following listed eleven banks.

1) State Bank of India, 2) State Bank of Hyderabad, 3) State Bank of Travancore, 4) ICICI Bank, 5) Canara Bank, 6) Bank of Baroda, 7) Punjab National Bank, 8) Deutsche Bank, 9) HDFC Bank, 10) Standard & Chartered Bank, 11) Citi Bank N.A, 12) IDBI Bank, 13) HSBC Bank and 14) ABN Amro Bank.

The 'agreed price' for the purpose of all BGs shall be the sale price exclusive of Duties, Taxes, Freight, Port Clearance Charges in India and Insurance etc. all of which are either payable extra by BHEL or in scope of BHEL.

The following two types of Bank Guarantees are applicable for this contract.

16.1 Contract Performance Bank Guarantee (CPBG):

The successful bidder shall furnish a Bank Guarantee for **5% of the agreed price** confirming that the order will be executed in conformance to the terms and conditions of the P.O. The BG shall remain valid till the acceptance of the machine/equipment (i.e., after successful commissioning and load test at the ultimate destination duly certified by BHEL). In case of foreign supplier, BHEL will open LC after receipt and acceptance of CPBG.

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16.2 Performance Bank Guarantee (PBG):

In case the seller opts to receive the last **10% of the agreed price** before the warranty period, he shall furnish a Bank Guarantee payable in India in any of the banks approved by BHEL, at no extra cost in the format prescribed by BHEL (which shall be sent along with the order), for an amount equivalent to **10% (Ten percent)** of the value of the contract. The PBG shall be valid for period of **18 months** from the date of dispatch or **12 months** from the date of BHEL's acceptance of the equipment whichever is later, with additional claim period of three months.

17.0 Risk Purchase:

In case the seller fails to dispatch the ordered goods or any replenishment or replacement, either in whole or any part, within the agreed delivery period, BHEL will be entitled to terminate the contract and purchase the same from alternative source at seller's risk and cost. If the same goods were not available, the best and the nearest available substitute will be purchased. The seller shall be liable for any loss, which the Purchaser may sustain by reason of such risk purchases.

18.0 Short Shipment / Warranty Replacement:

In case of any short shipment in the main supplies or replacements or replenishments, the seller shall deliver the same at the ultimate destination within the shortest possible time at his cost.

19.0 Warranty/Defect Liability:

The main equipment shall be covered under warranty against design defects and manufacturing defects for a period of twelve (12) months from the date of BHEL's acceptance of the crane after successful Load Testing at destination.

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Formats for Bank Guarantees

1) CONTRACT PERFORMANCE BANK GUARANTEE

THIS DEED OF GUARANTEE made this _____ day of _____, 200__
by M/s _____ (hereinafter
called the 'bank') in favour of M/s Bharat Heavy Electricals Limited, having its
registered office at BHEL House, Asian Games Village, Siri Fort, New Delhi – 110 049
(hereinafter called the Principal), through its office of BHEL, Power Sector-Western
Region, Nagpur – 440001 (Maharashtra).

WHEREAS M/s _____
(hereinafter called the 'Seller') proposes to enter into a contract arising out of
purchase order reference number _____ dated _____ addressed
by the principal to the Seller for _____ (brief
description of contract) (hereinafter called the said 'Agreement').

AND WHEREAS the said agreement provides that the Seller shall pay a sum of INR /
US\$ / EURO (Amount in figures as well as in words) to be made in the
form and manner therein specified towards satisfactory performance of the
agreement.

AND WHEREAS the Seller have approached the Bank and their request and in
consideration of the agreement arrived at between the Seller and the Bank, the Bank
has agreed to give such guarantee as hereinafter mentioned to the Principal.

NOW, therefore these presents witnesses that we the Bank by the hand of
Mr. _____, its lawfully duly constituted attorney to hereby
undertake to pay to the Principal a sum of INR / US\$ / EURO (Amount in
figures as well as in words) without demur on demand being made by the Principal
and keep to the Principal indemnified to the extent of INR / US\$ / EURO
(Amount in figures as well as in words) by virtue of this guarantee against any loss or
damage caused to or by the aforesaid Seller of any of the terms and conditions,
stipulation or undertaking of any one of them contained in the said Agreement and for
the payment of any money or monies payable by the said Seller to the Principal under
the terms and conditions of the said Agreement (the decision regarding the breach,
loss, damage or payment due being solely in the discretion of the Principal).

We further undertake to pay without demur the aforesaid amount in a lump sum
on demand or such part thereof as the Principal may demand from time to time
irrespective of the fact whether the Seller admits or denies such claim or questions its
correctness in any Court, Tribunal or Arbitration proceedings or before any authority.
The aforesaid guarantee will remain in force and we shall be liable under the same
irrespective of any concession or time being granted by the Principal to the Seller in or
for fulfilling the said Agreement between the Seller and the Principal and the
guarantee will remain in full force irrespective of any change of terms, conditions or
stipulations or any variation in the terms of the said Agreement irrespective of whether
notice of such change or variation is given to us or not.

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The Guarantee herein contained shall not be determined or affected by the liquidation or winding up or insolvency of or change in the constitution of the Seller but shall in all respects and for all purposes binding and operative until all payments of all money due or that may hereafter become due to the Principal in respect of any liabilities or obligations of the Seller under the said Agreement.

We, the Bank further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all dues of the Principal under or by virtue of the said Agreement have been fully paid and the Agreement has been fully and properly carried out by the said Seller and accordingly discharges the guarantee, subject however that the Principal shall have no rights under the guarantee after the expiry of _____ (at least three months beyond the agreed date of completion of the said Agreement) unless this guarantee is extended by mutual consent.

Any claim or dispute or disputes arising under the terms of this document shall be enforced or settled in the Courts at Nagpur only.

And lastly the bank undertakes not to revoke this guarantee during its currency except with the previous consent of the principal in writing.

The Bank hereby declares that it has powers to issue this guarantee under the Bank's Memorandum and Articles or Association and undersigned has full powers to do so on its behalf under the power of attorney to him by the proper authorities of the Bank.

DATED:

(Name of the Bank)

SEAL

SIGNATURE & DESIGNATION OF THE AUTHORISED
PERSON SIGNING THE GUARANTEE

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Formats for Bank Guarantees

2) PERFORMANCE BANK GUARANTEE (IN RESPECT OF SUPPLIED EQUIPMENT).

This deed of guarantee made this _____ day of..... (Month), 200.... (year) by _____ (bank) in favour of Bharat Heavy Electricals Limited, having its registered office at BHEL House, Asian Games Village, Siri Fort, New Delhi – 110049, India (hereinafter called the 'Principal'), through BHEL, Power Sector - Western Region, Nagpur-440001, Maharashtra, India.

Whereas M/s..... having its registered office at (Address) (Hereinafter called the 'Seller') have entered into a contract with the first party for the supply of (Brief description of goods and services) vide purchase order reference number dated (Hereinafter called the said 'Agreement').

AND WHEREAS the said Agreement provides that the Seller shall furnish the Principal a Performance Bank Guarantee for INR / US\$ / EURO (Amount in figures as well as in words) for the due performance of the equipment to be supplied under the above referred agreement and for the fulfilment of all the obligations of the agreement.

We (Indicate name of the Bank) (Hereinafter referred to as the 'Bank') at the request of (Seller) do hereby undertake to pay the Principal an amount not exceeding INR / US\$ / EURO (Amount in figures as well as in words) against any loss or damage caused to or suffered or would be caused to or suffered by the Principal by reason of any breach by the said Seller of any of the terms and conditions contained in the said Agreement.

We (indicate name of the Bank with full address), do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the Principal stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Principal by reason of breach by the said Seller of any of the terms and conditions contained in the said Agreement or by the reason of the Seller's failure to discharge the obligations in accordance with the said Agreement. Any such demand on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding INR / US\$ / EURO (Amount in figures as well as in words).

We undertake to pay unconditionally to the Principal any money so demanded notwithstanding any dispute(s) raised by the Seller in any suit, or proceedings pending before any Court or Tribunal or Arbitration or before any other authority relating thereto our liability under this present being absolute and unequivocal. The payment under this guarantee would not wait till the disputes have been decided by any Court or Tribunal or in the arbitration proceedings or by any other authority. The payment so made by us under this Bond shall be a valid discharge of liability for payment there under and the Seller shall have no claim against us for making such payment.

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Formats for Bank Guarantees

We (indicate name of the Bank), further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of the Principal under or by virtue of the said Agreement have been fully paid and its claim satisfied or discharged or till the Principal certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said Seller and accordingly discharges this guarantee.

Unless a demand or claim under this agreement is made on us in writing on or before the (At least three months beyond the agreed date of completion of the warranty / defect liability period) we shall be discharged from all the liabilities under this guarantee thereafter. But where such claim or demand has been preferred by the Principal with the Bank before the expiry of the said date, the claim shall be enforceable notwithstanding the fact that the said enforcement is effected after the said date. For this purpose, any letter making demand on the Bank by the Principal dispatched by Post or courier or by any electronic media addressed to the aforesaid address of the Bank shall deem to be the claim/demand in writing referred to above irrespective of the fact as to whether and when the said letter reaches the Bank, as also any letter containing the said demand or claim is lodged with the Bank personally.

We (indicate name of the Bank), further agree with the Principal that the Principal shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Agreement or to extend time of performance by the said Seller from time to time or to postpone for any time or from time to time any of the powers exercisable by the Principal against the said Seller and to forbear or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by any reason of any such forbearance, act or omission on the part of the Principal or any indulgence by the Principal to the said Seller or by any such matter or thing whatsoever which under the law relating would, but for this provision, have effect of not so relieving us.

This guarantee will not be discharged due to the change in the constitution of the Bank or the Seller.

It shall not be necessary for the Principal to proceed against the Seller before proceeding against the Bank and the guarantee herein contained shall be enforceable against them notwithstanding any security, which the Principal may have obtained or obtain from the Seller shall, at the time when proceedings are taken against the guarantor hereunder be outstanding or unrealised.

Any claim or dispute arising under the terms of this document shall only be enforced or settled in the Courts at Nagpur.

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The Bank hereby declares that it has power to execute this guarantee and the executants have full powers to do so on its behalf under the proper authority granted to them by the guarantor.

We (Indicate name of the Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Principal in writing.

DATED:

(Name of the Bank)

SEAL

**SIGNATURE & DESIGNATION OF THE AUTHORISED
PERSON SIGNING THE GUARANTEE**

BHARAT HEAVY ELECTRICALS LIMITED
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SAMPLE LETTER OF CREDIT

Report Id: 20060225140635

Date: 2006/02/25 14/6/05

IFSC:SBIN0000432

OUTGOING MESSAGE	
Message Sender Reference	
Sender Sequence Number	
Message Type	(Issue of Doc. Credit)
Receiver Address	(State Bank of India (Antwerp Branch) USA / UK / GERMANY/JAPAN ETC.
Message User Reference (MUR)	Non-Delivery Warning Requested
Non- Delivery Warning Requested	No
Delivery Notification requested	
Obsolescence Period (hh:mm)	
Message Status	ACKNOWLEDGED
Creator's User ID	
Verifier's User ID	
Authorizer's User ID	
27 Sequence of Total	
Number	1
Total	1
40A Form of Documentary Credit	
Type	Irrevocable
20 Transaction Reference Number	
Documentary Credit Number	
31C Date of Issue	
Date	yyyy/mm/dd
Place	USA/UK/GERMANY / JAPAN ETC
50 Applicant	BHARAT HEAVY ELECTRICALS LTD., POWER SECTOR – WESTERN REGION (HQ) 345, Kingsway, NAGPUR – 440 001, INDIA
59 Beneficiary	M/S. XYZ INC New York USA
32B Currency Code, Amount Currency Amount	USD <Amount in Figures >
41D Available with... By.... Name & Address Code	ANY BANK IN USA BY NEGOTIATION
42C Drafts at Narrative	At Sight

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SAMPLE LETTER OF CREDIT

42 A Drawee	
BIC	SBININBB239 STATE BANK OF INDIA NAGPUR MAIN MUMBAI
43 P Partial Shipments Narrative	Allowed
43T Transshipment Narrative	PROHIBITED
44A Loading on Board / Dispatch NarrativePORT
44B For Transportation to NarrativePORT
44C Latest Date of Shipment Date	yyyy/ mm/ dd
45A Description of Goods and / or Services Narrative	
46A Documents required Narrative	<as listed in enquiry document>
47A ADDITIONAL CONDITIONS NARRATIVE	ALL DOCUMENTS MUST MENTION LC NO. AND NAME OF THE ISSUING BANK PORT CONSIGNEE
	Address
	ULTIMATE CONSIGNEE
	Address
71B Details of Charges Narrative	ALL CHARGES OUTSIDE INDIA ARE TO THE BENEFICIARY'S ACCOUNT
48 Period for Presentation Narrative	DOCUMENT TO BE PRESENTED WITHIN 21 DAYS FROM THE DATE OF CLEAN BILL OF LADING

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SAMPLE LETTER OF CREDIT

49	Confirmation Instructions Instruction	WITHOUT.
53A	Reimbursing Bank BIC	BRANCH USA/ UK / GERMANY/ JAPAN
78	Instructions to the Paying / Accepting Bank	
	Narrative	FORWARD THE DOCUMENTS IN TWO SEPARATE LOTS BY COURIER DIRECT TO US, QUOTING OUR LC NO. AND DATE AND CERTIFYING THAT ALL THE CREDIT TERMS HAVE BEEN COMPLIED WITH ADDRESS
		STATE BANK OF INDIA,
		INTERNATIONAL BANKING DEPT.
		NAGPUR BRANCH, KINGSWAY
		NAGPUR – 440 001
		INDIA.
72	Sender to Receiver Information	
	Narrative	/TELE/UNLESS OTHERWISE SPECIFIED.
		// THIS DOCUMENTARY CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDIT (REVISION 1993) INTERNATIONAL CHAMBER OF COMMERCE (PUB 500)

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Procedure for On-Line Bidding (Reverse Auction)

Part - I

GENERAL TERMS AND CONDITIONS OF REVERSE AUCTION

Against this enquiry for the subject item / system with detailed scope of supply as per enquiry specifications, BHEL may resort to “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 of 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 format (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 of BHEL” like Packing and forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services and loading factors (for non-compliance to BHEL standard Commercial terms & conditions) for each of the vendor to enable them to fill in the price and keep it ready for keying in during the Auction.
7. Reverse auction will be conducted on scheduled 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 Auction without fail.
10. 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 vendor to conduct business with BHEL as per prevailing procedure.

BHARAT HEAVY ELECTRICALS LIMITED
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Section-VII (Page 2 of 6)

Procedure for On-Line Bidding (Reverse Auction)

11. 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.

Part-II

Event Information

The “BHEL” has contracted _____ (Name of Service Provider) to conduct this online bidding even. **Service Provider** shall answer all questions relating to the bidding process and conduct of the Reverse Auction Event.

1. Scheduled Date & Time of the event :

Date :
Start Time :
Close Time :

Any change in the schedule time will be duly informed to you in advance..

2. Contact information

“BHEL”

General Contact related Queries

Name :

Designation:

Tel. Nos. :

E-mail ID :

“Service Provider”

Software Related Queries / Process related Queries	
Name : Designation : Tel. Nos. E-mail ID :	

**BHARAT HEAVY ELECTRICALS LIMITED
POWER SECTOR - WESTERN REGION – NAGPUR**

Purchase Enquiry No. WC/HQR/06036

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Procedure for On-Line Bidding (Reverse Auction)

Part – III

(Typical)

Process Compliance Form

To

Service Provider,

Sub: Agreement to the Process related Terms and Conditions

Dear Sir,

This has reference to the Terms & Conditions for the Reverse Auction mentioned in the RFQ document for _____ (Items) against BHEL enquiry / RFQ no _____.

This letter is to confirm that :

1. The undersigned is authorized official of the company.
2. We have studied the Reverse Auction Terms & Conditions and the Business rules governing the Reverse Auction as mentioned in your letter and confirm our agreement to them.
3. We also confirm that we have taken the training on the auction tool and have understood the functionality of the same thoroughly.

We, hereby confirm that we will honour the Bids placed by us during the auction process.

With regards,

Signature with company seal

Name –

Company / Organization –

Designation within Company / Organization -

BHARAT HEAVY ELECTRICALS LIMITED
POWER SECTOR - WESTERN REGION – NAGPUR

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Procedure for On-Line Bidding (Reverse Auction)

Reverse Auction Terms & Conditions

1. **LOG IN NAME & PASSWORD:** Each Bidder is assigned a Unique User Name & Password by Service Provider. The Bidders are requested to change the Password and edit the information in the Registration Page after the receipt of initial Password from Service Provider. All bids made from the Login ID given to the bidder will be deemed to have been made by the bidder.
2. **BIDS PLACED BY BIDDER:** The bid of the bidder will be taken to be an offer to sell. Bids once made by the bidder cannot be cancelled. The bidder is bound to sell the material as mentioned above at the price that they bid. Should any bidder back out and not make the supply as per the rates quoted, BHEL and / or Service Provider shall take action as appropriate.
3. **LOWEST BID OR A BIDDER :** In case the bidder submits more than one bid, the lowest bid will be considered as the bidder's final offer to sell.
4. **AUCTION TYPE :** English No Ties reverse (Refer Bidder Manual)
5. **VISIBILITY TO BIDDER :** The Bidder shall be able to view the following on his screen along with the necessary fields :
 - Leading Bid in the Auction
 - Bid Placed by him
6. **AUCTION WINNER :** At the end of the Reverse Auction, BHEL will evaluate all the bids submitted and will decide upon the winner.
7. **GENERAL TERMS & CONDITIONS :** Bidders are required to read the "Terms and Conditions" section of the auctions site _____ using the Login ID passwords given to them.
8. **OTHER TERMS & CONDITIONS :**
 - The Supplier / Bidder shall not involve himself or any of his representatives in Price manipulation of any kind directly or indirectly by communicating with other suppliers / bidders.
 - The Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party.
 - BHEL's decision on award of Contract shall be final and binding on all the Bidders
 - BHEL along with Service Provider can decide to extend, reschedule or cancel any Auction. Any changes made by BHEL and / or Service Provider after the first posting will have to be accepted if the Bidder continues to access the site after that time.

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Procedure for On-Line Bidding (Reverse Auction)

- Service Provider shall not have any liability to Bidders for any interruption or delay in access to the site irrespective of the cause.
- Service Provider is not responsible for any damages, including damages that results from, but are not limited to negligence. Service Provider will not be held responsible for consequential damages, including but not limited to systems problems, inability to use the system, loss of electronic information etc.

N.B:

- All the Bidders are required to submit the Agreement Form duly signed to Service Providers By _____ (date). After the receipt of the Agreement Form, Log in ID & Password shall be allotted to the suppliers (bidders).
- After the completion of the Auction event, all the Bidders have to submit the Price Break up immediately to Service Provider for further proceedings.

Business Rules for Reverse Auction

1. MATERIAL FOR BID : Item to Procured with specifications
2. SCHEDULE FOR REVERSE AUCTION : The Reverse Auction is scheduled on dd/mm/yy.
 - Auction Start Time : Hrs.
 - Auction Close Time:Hrs.
3. AUCTION EXTENSION TIME : If a bidder places a Bid in the last –minutes of Closing of the Auction, the auction shall get extended automatically for another 10 minutes. In case, there is no Bid in the last 10 minutes of closing of Auction, the Auction shall get closed automatically without any extension.
4. BID PRICE : The Bidder has to quote the Total cost to BHEL for the items specified.

Calculation sheet to arrive at the Total cost to BHEL will be provided by BHEL.
5. BIDDING CURRENCY AND UNIT OF MEASUREMENT : Bidding will be conducted in Indian Rupees per _____ (Unit) of the item.
6. OPENING PRICE : Shall be provided before the start of the event.
7. BID DECREMENT : Shall be provided before the start of the event.

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Procedure for On-Line Bidding (Reverse Auction)

8. The Technical & Commercial terms are as per BHEL Enq. No.dtd..... Vendors technical and commercial bid and subsequent correspondences / mutual agreement between BHEL and the vendors regarding commercial terms & conditions.
9. VALIDITY OF BIDS : The Bid Price shall be firm for a period of 90 days and shall not be subjected to any change whatsoever.
10. POST AUCTION PROCEDURE : BHEL will proceed with the Lowest Bid in the Reverse Auction as per the normal procedure.