



An ISO 9001 Company

Bharat Heavy Electricals Limited
(High Pressure Boiler Plant)
Tiruchirappalli-620014, Tamil Nadu, India
CAPITAL PURCHASE/MM/MANUFACTURING

COMMERCIAL TERMS AND CONDITIONS FOR SUBMISSION OF OFFER

1.0 QUOTATIONS

Bidders shall submit the offer in **TWO INNER ENVELOPES** as indicated below which shall be sealed in one outer envelope.

Envelope I This sealed envelope should contain all the copies of technical bid together with un-priced commercial bid. This envelope should be clearly marked **"Part I - Technical and commercial bid"**, indicating Enquiry No., Due Date and Address & Reference of the Bidder.

Envelope II This sealed envelope should contain **price details**. This envelope should be clearly marked **"Part II - Price bid"**, indicating Enquiry No., Due Date and Address & Reference of the Bidder.

Both the envelopes (Part I & II) shall be put in one cover, duly sealed, superscribing as Part I and Part II of Enquiry No., due date of opening and the address and reference of the Bidder.

The above offer should reach this office on or before the due date by 14.00 Hrs (IST). Late offers will not be considered.

Tender should not be addressed to any Individual's name but only by designation to:

**Sr.DGM / CAPITAL PURCHASE / MM / MANUFACTURING
BHARAT HEAVY ELECTRICALS LIMITED
HIGH PRESSURE BOILER PLANT
TIRUCHIRAPALLI - 620 014
TAMIL NADU, INDIA**

Tenders should be free from **CORRECTION AND ERASURES**, Corrections if any, must be attested. All amount 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.

Offers should be in **ENGLISH** and accompanied by detailed technical literature, catalogue and detailed dimensional drawings in **ENGLISH** or otherwise, the offers will not be considered.

2.0 PART I (TECHNICAL & COMMERCIAL BID)

2.1 Technical

This part shall include / indicate the following :

2.1.1. Offer should contain complete scope of supply with all technical details, specifications, delivery and other commercial terms and conditions.

2.1.2. Point by point confirmation for the Technical Specification enclosed is to be provided. If there are any deviations, the same should be clearly specified. Offers received without confirmation to our specification will be rejected.

2.1.3. List of customers to whom same or similar items have been supplied along with performance certificates to be enclosed.

2.1.4. Relevant catalogues to be attached

2.1.5. Information on shipping weight and cubage (length, width & height) to be provided.

2.2 Commercial

This part shall include / indicate the following :

2.2.1. Station of despatch

2.2.2. Terms of payment

2.2.3. Taxes & duties applicable.

2.2.4. Delivery Schedule

2.2.5. Offer validity

2.2.6. A copy of "Un-Priced Part II" i.e., a copy of the Price Bid **without the price details** to be enclosed.

3.0 PART II (PRICE- BID)

This part should contain the schedule of price particulars and to be co-related to the technical details provided in Part I.

4.0 OPENING OF TENDERS

The Part I - Technical & commercial bid alone would be opened on the Tender opening date.

The Part II - Price bid of Technically suitable Bidders alone would be opened. The Technically suitable Bidders would be informed about the tender opening date. Clarifications if any required by BHEL for Technical evaluation would be sought from Bidders before opening of Part II - price bid.

5.0 GENERAL

5.1. Incomplete offers will not be considered.

5.2. **Fixed price:** Prices quoted by the bidder shall be fixed and not subject to any escalation whatsoever during the period of bid validity and execution of the Purchase Order. A bid submitted with an adjustable price will be treated as non-responsive and rejected. Prices shall be written in words and figures. In the event of difference, the price in words shall be valid and binding. Unit prices shall be considered correct in the event of any discrepancy with regard to total price.

5.3. **Terms of Delivery:** Bidders are required to quote their best delivery period. Bidders should submit their offer for **FOR Despatching station**. Delivery shall be counted from the date of Letter of Intent.

5.4. **Taxes and Duties :** All Taxes and Duties payable as extra to the quoted price should be specifically stated in offers along with CST & VAT No / Tariff No. etc., failing which the purchaser will not be liable for payment of such Taxes and Duties. Our TNGST No. 356005 Dt. 04-04-1995, CST. No. 239383 Dt. 11-06-1991.

5.5. **Validity** : The offers for main equipment and spares shall be kept open for acceptance for **120 days (one hundred and twenty days)** from the date of opening of the tender (Part I).

5.6. **Terms of Payment** :

The preferred payment terms are indicated below :

Payment terms shall be 90% payment (within 45 to 90 days) against supply of materials at BHEL site along with test certificate and guarantee certificate and the balance 10% will be released on completion of guarantee period.

5.7. **Liquidated damages** :

It is clearly understood among the parties to the contract the **" Time is the essence of the contract "**. Therefore, the delivery of the goods specified in the purchase order should be made within the time prescribed. Failure to dispatch the materials in the time as per the delivery quoted in our Purchase Order would make the supplier liable to an un-conditional penalty at the rate of 1/2% of the value of goods for each week of delay subject to a maximum of 15% of the order value.

5.8. **Risk purchase** : Alternatively the purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or despatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute therefor. The supplier shall be liable for any loss, which the Purchaser may sustain by reason of such risk purchases.

5.9. **Short shipment / Warranty replacement**: In case of any short shipment in the main equipment / spares, customs duty levied on such supplies, shall be borne by the supplier. Any warranty replacement during the warrantee period shall be on FOR., BHEL, Tiruchirappalli, basis.

5.10. **Inspection & Testing**: All goods shall be subject to inspection by BHEL or its authorized representatives at supplier's works or at BHEL stores or at any other place in India indicated by BHEL as the case may be. The supplier will not charge for the facilities provided for inspection of goods. In case of machine tools, the machine would be inspected and proved at supplier's works prior to dispatch however, final inspection and acceptance of the machine will be carried after installation of the machine at BHEL, Tiruchirappalli.

5.11. **Test certificates** : The Bidders shall provide Test Certificates along with despatch.

5.12. **Modvat credit** : (for Indian Bidders only) The quotation must indicate Tariff item number and rate of Excise Duty applicable. The original Excise Duty Gate Pass will be required to be furnished in case charged to us. If the tender is availing **MODVAT** credit for his input materials, the effect of proforma credit should be passed on to the purchaser.

5.13. **Packing:** The Supplier shall arrange for packing suitably in all respects considering the peculiarity of the material involved for normal transport by sea / rail / road and suitably protected against effect of tropical salt laden atmosphere in the event of shipment being delayed at ports.

(Check List - to be filled and submitted along with Offer)

BHEL Commercial Terms and Conditions applicable for Indian bidders	Bidder's Confirmation (Yes / No) / Comments
Technical confirmation to BHEL's Specification as called for in BHEL Format is furnished.	
Prices have been quoted item wise only as per the model format enclosed.	
Prices have been quoted on "FIRM PRICE" basis only. The prices are on FOR/Dispatching Station basis inclusive of Packing & Forwarding charges if any. Applicable % of ED, Sales Tax & any other taxes have been mentioned.	
Validity of offer is for a minimum period of 120 days from the date of Tender opening	
Delivery period from the date of Letter of Intent has been mentioned in the offer.	
Confirmation for acceptance of Liquidated damages @ ½% per week subject to a maximum of 15% of the order value has been given in the offer.	
Confirmation for acceptance of the following Risk Purchase clause is available in the offer: The Purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or dispatch within the time stipulated or if the same were not available, the best and the nearest available substitute therefore. The supplier shall be liable for any loss, which the Purchaser may sustain by reason of such risk purchases.	
Confirmation for acceptance of Payment terms is available in the offer: Payment terms shall be 90% payment (within 45 to 90 days) against supply of materials at BHEL site along with test certificate and guarantee certificate and the balance 10% will be released on completion of guarantee period.	
Confirmation that any warranty replacement during warranty period shall be supplied free of charge on FOR BHEL, Tiruchirappalli basis is available in the offer.	
Confirmation that all Equipment ordered will be inspected and proved at vendor's works prior to dispatch. However final inspection and acceptance of equipment will be after installation at BHEL, Tiruchirappalli.	
Confirmation that the product shall be guaranteed for a period of 12 months from the date of acceptance or 18 months from the date of dispatch whichever is earlier	
Confirmation that the vendor shall provide necessary drawings, Test Certificates and Operating Maintenance Manuals etc., as called for in the Technical Specification, in the required number of copies at no extra cost.	

NOTE:-

- a) It is confirmed that all the terms and conditions stipulated in the Enquiry have been fully understood by us and all clarifications & details have been obtained.
- b) Confirmation for acceptance to Payment terms, LD, Risk Purchase Clause & Submission of PBG are mandatory and essential for consideration of offer.

Signature & Office Seal of the bidder