



AN ISO 9001 COMPANY

## **Bharat Heavy Electricals Limited**

(Industrial Valves Plant)  
Goindwal Sahib-143423,  
Distt. Tarn Taran, Punjab, India  
PURCHASE/MM

### **COMMERCIAL TERMS AND CONDITIONS FOR SUBMISSION OF OFFER**

#### **1.0 QUOTATIONS**

Bidders shall submit the offer in **TWO INNER ENVELOPES** as indicated below thru Registered Post/in person/Courier (only TRACK ON courier service is available at Goindwal ) which shall be sealed in one outer envelope alongwith Earnest Money Deposit (EMD) of Rs. 10,000/- (Rupees ten thousand only).

**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 outer 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. **Separate envelop of EMD should be attached with the main envelop so as to consider the offer.**

The above offer should reach this office on or before **27.11.07 by 1500 Hrs (IST)**. Late offers will not be considered.

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

**MANAGER / MM  
BHARAT HEAVY ELECTRICALS LIMITED  
INDUSTRIAL VALVES PLANT  
GOINDWAL SAHIB-143423  
DISTT. TARN TARAN, PUNJAB, INDIA**

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

Offers should be in **ENGLISH** and accompanied by detailed technical literature, catalogue and detailed dimensional drawings in **ENGLISH** only.

**1.1 EARNEST MONEY:** The tenderer shall be required to deposit earnest money of Rs. 10,000/- (Rupees ten thousand only) through Demand Draft/Pay Order only payable at Goindwal Sahib/Amritsar.

As envelope containing EMD shall be attached clearly marked "EMD" and reference to Enquiry no. Part I bids of those tenderers only shall be considered who have attached EMD envelop.

Bidders from PSUs of Central Government/State Governments shall be exempted from submitting EMD provided that a certificate of ownership issued by concerned government department is submitted in the envelop of EMD.

EMD given by all unsuccessful tenderers shall be refunded normally within 30 days of PO/Contract to successful tenderer.

EMD shall not carry any interest.

EMD shall be forfeited in case of:

- a) Withdrawal/modification of an offer within the validity period.
- b) Successful tenderer does not owner PO/Contract. An acknowledgment of PO agreeing to all terms and conditions shall be sent immediately on receiving PO within the term specified in PO.

## **2.0 PART I (TECHNICAL & UN-PRICED 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 equipment have been supplied along with performance certificates to be enclosed.
- 2.1.4. Relevant catalogues to be attached
- 2.1.5. List of spares parts (with part numbers) for two years operation and maintenance should be attached.
- 2.1.6. Information on shipping weight and cubage (length, width & height) to be provided.
- 2.1.7. In case of foreign bidder offer, the Principal's technical offer only should be enclosed.

### **2.2 Un-Priced Commercial**

This part shall include / indicate the following :

- 2.2.1. Port of shipment / Station of despatch
- 2.2.2. Terms of payment
- 2.2.3 . FOB/FCA price along with freight charges upto Mumbai port (for foreign bidders). Ex-Works/FOR Dispatch station price along with freight charges upto BHEL, Goindwal (for Indian bidders)
- 2.2.4. Taxes, Service Tax & duties including cess applicable.
- 2.2.5. Delivery Schedule
- 2.2.6. Filled in check list to be enclosed
- 2.2.7. Offer validity
- 2.2.8. Country of origin

2.2.9. Percentage of agency commission if any along with a copy of Agency agreement. The FOB/FCA/CFR prices quoted shall include the agency commission.

2.2.10. 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 firm 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. **Bid currency:** Indian bidders should submit the prices only in Indian Rupees. Foreign bidders may submit their bid in their home currency, which should be clearly indicated in the un-priced commercial bid as well as in the price bid.

5.4. **Terms of Delivery:** Bidders are required to quote their best delivery period. BHEL desired delivery schedule is within 90 days from the date of issue of Letter of Intent. Foreign Bidders should submit their offer for net FOB / FCA - Nearest Sea Port / Air Port. Indian Bidders should submit their offer for **FOR Despatching station as well as FOR BHEL, Goindwal basis**. Freight charges from works to BHEL, Goindwal to be indicated separately. Delivery from the date of Letter of Intent to be mentioned in the offer.

5.5. **Taxes and Duties :** All Taxes and Duties payable as extra to the quoted price should be specifically stated in offers along with CST & TIN No / Tariff No. etc., failing which the purchaser will not be liable for payment of such Taxes and Duties. Our TIN No. is 03021035905 .

5.6. **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) and **90 days (ninety days)** from the opening of price bid (Part II) whichever is later.

### **5.7. Terms of Payment :**

#### **5.7.1. Indian Bidders**

5.7.1.1. The preferred payment terms are indicated below :

5.7.1.2. 100% payment, within 45 to 90 days, after commissioning & acceptance of equipment at BHEL, Goindwal against submission of 10% Performance Bank Guarantee.

5.7.1.3 Payment shall be made through electronic mode only and the details for E-payment to be submitted along with the offer as per enclosed format.

Or

5.7.1.4. 80% payment against documents through bank within 45 to 90 days, (after pre-despatch inspection) and balance 20% payment after commissioning & acceptance of the equipment within 45 to 90 days, against submission of 10% Performance Bank Guarantee.

**5.7.2. Foreign Bidders**

An Irrevocable Letter of Credit shall be established for 80% net FOB (excluding Indian Agent's commission) 2 months prior to shipment and valid for 3 months for negotiation against shipment. Letter of Credit shall be opened through a branch of State Bank of India in the country where order shall be placed. In case, in the country where order is placed, State Bank of India is not there, Letter of Credit will be opened through our bankers or as permitted by Government of India. Letter of Credit will not be confirmed by foreign banker. Balance 20% of net FOB value shall be paid through sight draft on commissioning & acceptance of the goods at BHEL against submission of 10% Performance Bank Guarantee, which has to be valid for the guarantee period. All bank charges outside India are to supplier's account. Lump sum erection and commissioning charges, if any, shall be payable after satisfactory erection and commissioning of the equipment by sight draft against certificate issued by the competent authority.

**5.7.3 Common to both Indian & Foreign Bidders**

Erection & Commissioning (E&C) charges will be released after deduction of Income Tax as per the Govt. of India rules. The TDS certificate will be issued by BHEL. Applicable service tax on E&C charges will be payable extra. The liability of depositing the same to the Govt. will be of the supplier.

5.8. **DUNS** number (allotted by M/s DUN & Bradstreet) shall be mentioned in your offer.

5.9. **Warranty:** The equipment and accessories shall be guaranteed for proper operation and shall have warranty for all parts for a period of 24 months from the date of commissioning.

5.10. **Contract Execution Bank Guarantee (CEBG):** The successful tenderer shall furnish a Bank Guarantee for **5%** of the Letter of Intent value (FOR Dispatching station value- Excluding taxes, duties, freight & insurance- for Indian bidders) & (FOB/FCA value – Excluding freight & insurance – for foreign bidders) confirming that the order will be executed as per the terms and conditions and this should be **valid till the final dispatch date** (LR/GR/BL/AWB) with additional 2 months claim period. Purchase Order and Letter of Credit will be processed only after receipt of CEBG. CEBG is to be furnished within 3 weeks from the date of Letter of Intent.

5.11. **Performance Bank Guarantee (PBG):** The supplier shall furnish a Bank Guarantee from an Indian Bank approved by BHEL in the format enclosed, for 10% of the Purchase Order value (FOR Dispatching station value- Excluding taxes, duties, freight & insurance- for Indian bidders) & (FOB/FCA value – Excluding freight & insurance – for foreign bidders) valid for period of 24 months from the date of commissioning & acceptance of the equipment at BHEL, Goindwal, with additional claim period of 2 months.

The Performance Bank Guarantee shall be obtained from any one of the following banks that is a member bank in our consortium of banks preferably Punjab National Bank.

1) State Bank of India, 2) Punjab National Bank, 3) Standard Chartered Bank

5.12. **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.

5.13. **Risk purchase** : If the supplier fails to deliver the goods within the delivery specified in the Purchase Order, BHEL 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 delivery period mentioned in the Purchase Order.

5.14. **Indian Agent & Agency commission** : An Indian Agent can represent only one Foreign Manufacturer against a particular Enquiry. The FOB/FCA/CFR price quoted by the foreign bidder shall include the Agency commission however, the agency commission component payable to their Indian Agents, shall be shown separately in the Offer. This will be paid by BHEL in Indian Rupees, on satisfactory commissioning & acceptance of the equipment. Copies of current Agency Agreement / Authorization Letter in respect of Agency Commission shall be furnished along with offer. For calculation of Rupee equivalent of Agency Commission, exchange rate as prevailing on the date of Purchase Order will be taken.

5.15. **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, Goindwal, basis.

5.16. **Inspection & Testing**: All goods shall be subject to inspection by BHEL or its authorized representatives at supplier's works or at BHEL stores. 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, Goindwal.

5.17. **Operating and Maintenance manuals**: The Bidders shall clearly mention in their offer, that Operating Maintenance Manuals as called for in the Technical Specification, in the required number of copies will be provided at no extra cost.

5.18. **Cenvat & VAT 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 tenderer is availing Cenvat credit for his input materials, the effect of proforma credit should be passed on to the purchaser.

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

5.20. **Salient points of HSE** (Health Safety & Environment) that are to be considered while submission of offer are:

- 5.20.1 Consumption benchmarks related to output shall be provided wherever applicable for key input resources (energy/fuel/chemicals)
- 5.20.2 Competency requirements for operation, maintenance and calibration, if any, shall be communicated

- 5.20.3 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)
- 5.20.4 The noise level at operator level shall be within 90 dBA
- 5.20.5 OH&S (Occupational Health and Safety) control measures for safe working of machine as applicable shall be specified.
- 5.20.6 The machine / equipment shall be fitted with guard for rolling and moving parts and shall comply with applicable OH&S legislations and Factories Act 1948
- 5.20.7 The supplier shall submit the layout drawing of operating controls, displays etc. and operating instructions to enable ergonomics evaluation and approval
- 5.20.8 The recommended PPE (Personal Protective Equipment) for the equipment shall be furnished
- 5.20.9 Alarm system (both visual and audible) and Automatic switch off of the equipment shall be provided for any intrusion, overloading, short circuiting or any malfunctioning of the equipment
- 5.20.10 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).
- 5.20.11 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.
- 5.20.12 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.
- 5.20.13 Wherever industry specific standards are not available for control of pollutants, general emission standards shall be used.
- 5.20.14 Chemicals banned due to their negative impact on the environment shall not be used in the process
- 5.20.15 Fuels, consumables with sulphur content less than 0.05% shall be proposed
- 5.20.16 Details regarding nature of waste generated and appropriate disposal practices available shall be provided, along with the operation procedure of the plant / process.
- 5.20.17 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
- 5.20.18 Primary materials used in the equipment shall be specified and they shall be eco – friendly

**5.21. Evaluation of offers shall be on the basis of delivered cost (Net cash outflow to BHEL)**

5.22. BHEL also reserve its right to allow to the Public Sector Enterprises ordering and price preference facilities as admissible under the existing policy.

5.23. BHEL reserves its right to reject any tender due to unsatisfactory past performance in the execution of a contract at another project / unit.

5.24. BHEL shall be at liberty to reject or accept any tender, part or in full, at their own discretion and any such action is not liable for any question or claim against BHEL.

- 5.25 **Force Majeure:** If at any time during the execution of the order, the performance in which or in any part by either party of any obligations under the contract are prevented or delayed by reason of any war, hostilities, acts of public enemy, civil commotion, sabotage, fires, explosions, epidemics, quarantine restrictions, or acts of God (hereinafter referred to "an events" then provided the notice of happening of any such event is given by either party to the other within 21 days of the occurrence thereof, neither party shall by reason of such event be entitled to terminate the contract nor shall either party have any claim for damages against the other in respect of such non-performance and delay in performance and delivery under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. If the performance in whole or part of any obligation under the contract is prevented or delayed by reason of any such event, claims of extension of time shall be granted for periods considered reasonable by BHEL subject to prior notification by the vendor to BHEL of the particulars of the event and supply to BHEL, if required, of any supporting evidence. Any waiver of time in respect of partial installment shall not be deemed a waiver of time in respect of remaining deliveries.
- 5.26 **Disputes:** In the event of any dispute and/or difference arising between the Vendor and BHEL as to interpretation and/or execution of the contract and/or the respective rights and liabilities of the parties, such disputes and/or differences shall be referred to the sole arbitrator nominated by BHEL. The provisions of the Indian Arbitration Act and the rules thereunder shall apply to such arbitration. The award passed by the arbitrator shall be final and conclusively binding on all the parties.
- 5.27 **Jurisdiction:** The court of the place from where the purchase order is issued or is under execution during the contractual period shall alone have jurisdiction to decide any dispute arising out of or in connection with the purchase order.

### Check List

Bidders's acceptance to BHEL's Standard Commercial Terms & Conditions

#### Applicable for Indian bidders

(to be submitted along with Offer – please do not change the format)

<b>BHEL Tender No. &amp; Date:</b>	<b>Bidder's Confirmation / Response</b>
Technical confirmation to BHEL's Specification	Furnished/Not Furnished
Prices have been quoted on "FIRM PRICE" basis only	Yes / No
EMD of requisite amount by mode specified has been enclosed and envelop marked as required.	
Validity of offer (We require a minimum period of 120 days from the date of Tender opening part-I & 90 days from part-II– <b>please specify</b> )	
Delivery period from the date of Letter of Intent has been mentioned in the offer (We require within 90 days - <b>please specify</b> ).	
Liquidated damages (we require acceptance to @ ½% per week subject to a maximum of 15% - <b>please specify</b> ).	
Risk Purchase as per clause 5.13.	Acceptable / Not Acceptable
Payment terms ( <b>Please specify</b> ) {Preferred terms are 100% payment, within 45 to 90 days, commissioning & acceptance of equipment at BHEL, Goindwal, against submission of 10% Performance Bank Guarantee as per clause 5.7.1.2. Or 80% payment against documents through bank within 45 to 90 days, (after pre-despatch inspection) and balance 20% payment after commissioning & acceptance of the equipment within 45 to 90 days, against submission of 10% Performance Bank Guarantee as per clause 5.7.1.3.	
E-payment format filled and attached with offer	Furnished/Not Furnished
Contract Execution Bank Guarantee (CEBG) as per clause 5.10.	Will be provided/Will not be provided
Performance Bank Guarantee (PBG) as per clause 5.11.	Will be provided/Will not be provided
Warranty (We require for a minimum period of 24 months from the date of commissioning & acceptance – <b>please specify</b> )	
Approximate Net weight of the total consignment ( <b>please specify</b> )	
Approximate Gross weight of the total consignment ( <b>please specify</b> )	



**Signature & Office Seal of the bidder****Check List**

Bidders's acceptance to BHEL's Standard Commercial Terms &amp; Conditions

**Applicable for Foreign bidders**

(to be submitted along with Offer – please do not change the format)

<b>BHEL Tender No. &amp; Date:</b>	<b>Bidder's Confirmation / Response</b>
Technical confirmation to BHEL's Specification	Furnished/Not Furnished
Prices have been quoted on "FIRM PRICE" basis only	Yes / No
EMD of requisite amount by mode specified has been enclosed and envelop marked as required.	
Validity of offer (We require a minimum period of 120 days from the date of Tender opening part-I & 90 days from part-II– <b>please specify</b> )	
Currency in which quoted ( <b>please specify</b> )	
Port of Loading ( <b>please specify</b> )	
Country of origin ( <b>please specify</b> )	
Delivery period from the date of Letter of Intent has been mentioned in the offer ( We require within 90 days- <b>please specify</b> ).	
Liquidated damages (we require acceptance to @ ½% per week subject to a maximum of 15% - <b>please specify</b> ).	
Risk Purchase as per clause 5.13.	Acceptable / Not Acceptable
Payment terms ( <b>Please specify</b> ) {Preferred terms are :- An Irrevocable Letter of Credit shall be established for 80% net FOB (excluding Indian Agent's commission) 2 months prior to shipment and valid for 3 months for negotiation against shipment. Letter of Credit shall be opened through a branch of State Bank of India in the country where order shall be placed. In case, in the country where order is placed, State Bank of India is not there, Letter of Credit will be opened through our bankers or as permitted by Government of India. Letter of Credit will not be confirmed by foreign banker. Balance 20% of net FOB value shall be paid through sight draft on commissioning & acceptance of the goods at BHEL against submission of 10% Performance Bank Guarantee, which has to be valid for the guarantee period. All bank charges outside India are to supplier's account. Lump sum erection and commissioning charges, if any, shall be payable after satisfactory erection and commissioning of the equipment by sight draft against certificate issued by the competent authority as per clause 5.7.2.	
Agency Commission	Acceptable / Not Acceptable
Epayment format filled and attached with offer	Furnished/Not Furnished
Contract Execution Bank Guarantee (CEBG) as per clause 5.10.	Will be provided/Will not be provided

Performance Bank Guarantee (PBG) as per clause 5.11.	Will be provided/Will not be provided
Warranty (We require for a minimum period of 24 months from the date of commissioning & acceptance – <b>please specify</b> )	
Approximate Net weight of the total consignment ( <b>please specify</b> )	
Approximate Gross weight of the total consignment ( <b>please specify</b> )	

**Signature & Office Seal of the bidder**

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) Point to Point Confirmation for acceptance to all the Techno Commercial Terms & Conditions is required especially confirmation of Payment terms, LD, Risk Purchase Clause & Submission of CEBG & PBG are mandatory and essential for consideration of offer. In light of this you are requested to sign each page of the Techno Commercial Terms & Conditions and submit them along with your offer.

### **Formats for execution of Bank Guarantees:**

**Note:- The Bank Guarantee bonds (BG) are to be submitted on non-judicial stamp paper of Rs. 100/- and should be only from any one of the below mentioned Banks preferably Punjab National Bank.**

**1 )State Bank of India, 2) Punjab National Bank, 3) Standard Chartered Bank**

#### **A. CONTRACT EXECUTION BANK GUARANTEE**

This deed of guarantee made this ..... day of ..... 200.. by the ..... in favour of **Bharat Heavy Electricals Limited, Goindwal** having its registered Office at New Delhi with its Unit Office at Goindwal (Hereafter called the first party) where as M/s..... having its registered office at ..... (hereafter called the contractor) have entered in to contract with the first party for the supply of ..... vide purchase order No ..... dated .....

**And** whereas the contractor M/s ..... have approached the ..... for a guarantee and at their request and in consideration of the arrangement arrived at between the contractor and the BHEL Goindwal the said ..... has agreed to give such guarantee as herein after mentioned to the aforesaid first party.

**Now** therefore, these present witness that we the ..... do hereby undertake to the first party a sum of Rs ..... (Rupees ..... only) without demur/on demand being made by the said first party and to keep the first party indemnified to the extent of Rs ..... (Rupees ..... only) by virtue of this guarantee against any breach in execution of contract without giving prior information to the party of the same (the decision in this respect being solely the discretion of the first party). We further undertake to pay ..... the aforesaid amount in the lump sum on demand without demur or such part thereof as the first party may demand from time to time, irrespective of he fact whether the said contractor admits or denies such claim or questions its correctness in any court tribunal of arbitration proceedings or before any authority.

**The** aforesaid guarantee will remain in full force and we shall be liable under the same irrespective of any concession for time being granted by the said first party to contractor M/s ..... in or for fulfilling the said agreement between the contractor M/s ..... and the first party and the guarantee will remain in full force till ..... irrespective of any change of terms, conditions or stipulation or any variations in the terms of said agreement irrespective of whether notice of such change or variation is given to us or not and claim to receive such notice of any change and/or variation of the terms and/or conditions of the said agreement is hereby specifically waived by us.

**Further** we shall not be released from this guarantee by any forbearance or the exercise or non exercise of any of the power or rights under the said agreement by the said first party against the contractor irrespective of whether notice of such forbearance enforcement or non-enforcement of any power or rights, modifications or changes made in the said agreement or concessions shown to contractor M/s ..... by the first party is given to us or not.

**The guarantee** herein contained shall not be determined or affected by the liquidation of winding up or insolvency of or change in the constitution of the contractor M/s

..... but shall in all respects and for all purposes binding and operative until all payments of all moneys dues or that may hereafter becomes due to the said first party is paid in respect of any liability or obligation for the contractor under this guarantee subject to however that the first party shall have no right under this guarantee after expiry of six months from the date of completion of the contract unless this guarantee is extended by mutual agreement.

**And** lastly we ..... undertake not to revoke this guarantee during its currency except with the previous consent of the first party in writing. The ..... hereby declares that it has power to issue this guarantee under the Company's memorandum and article of association and the undersigned has full power to do so on its behalf under the power of attorney dated ..... granted to him by the proper authorities of the Company.

**Notwithstanding** anything contained here in before, our liability under this guarantee is restricted to Rs ..... (Rupees ..... only). Our guarantee shall remain in force till ..... unless a claim in writing is presented to us and if unpaid a suit or action to enforce such claim is filed against within 6 months from the date, all your rights under this guarantee shall be forfeited and we shall be released and discharged from all liability there under.

**Dated** ..... the ..... by its constituted attorney.

## **B. PERFORMANCE BANK GUARANTEE**

1. In accordance of M/s Bharat Heavy Electricals Limited (A Government of India undertaking, a Company incorporated under the Companies Act 1956 having its Registered Office at 'BHEL House", SIRI Fort, New Delhi 110 049) through its High Pressure Boiler Plant Division located at Goindwal 143423 (hereinafter called "the Company") having entered into a contract with ..... hereinafter called "the said contractor" which term includes 'suppliers' for the purpose of this Bond and under the terms and conditions of the Contract No: ..... dated ..... between BHEL, Goindwal and as per the contract, the contractor/supplier is to furnish a Performance Bank Guarantee for Rs ..... for the due performance of the equipment to be supplied under the above referred contract and for the fulfilment of all the terms and conditions of the contract. We ..... (indicate the name of the Bank) (herein after referred to as the Bank) at the request of ..... (contractor(s)) do hereby undertake to pay the Company an amount not exceeding Rs ..... against any loss or damage caused to or suffered or would be caused to or suffered by the Company by reason of any breach by the said contractor (s) of any of the terms and conditions contained in the said agreement.
2. We ..... (indicate the 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 Company stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Company by reason of breach by the said Contractor(s) of any of the terms and conditions contained in the said Agreement or by the reason of the contractor(s) 'failure to perform' 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 Rs .....
3. We undertake to pay unconditionally to the Company any money so demanded notwithstanding any dispute(s) raised by the Contractor 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 Contractor (s) shall have no claim against us for making such payment.
4. We ..... (indicate the name of Bank), further agree that the guarantee herein contained shall remain in full force and effect during the period that would betaken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of the Company under or by virtue of the said Agreement have been fully paid and its claim satisfied or discharged or till ..... Office/Department/Division of the Company certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said Contractor(s) and accordingly discharges this guarantee.
5. (i) Unless a demand or claim under this agreement is made on us in writing on or before the ..... we shall be discharged from all the liability under this guarantee thereafter. But where such claim or demand has been preferred by the Company 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.

- (ii) For the purpose of this clause, any letter making demand on the Bank by M/s BHEL will be dispatched by Registered Post with Ack. Due or by Telegram or by any Electronic media addressed to the above mentioned address of the Bank shall be deemed 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.
6. We ..... (indicate the name of the Bank), further agree with the Company that the Company 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 Contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Company against the said Contractor (s) 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 Company or any indulgence by the Company to the said Contractor(s) 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.
7. This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s)
8. It shall not be necessary for the Company to proceed against the contractor before proceeding against the guarantor-Bank and the guarantee herein contained shall be enforceable against them notwithstanding any security, which the Company may have obtained or obtain from the Contractor shall, at the time when proceedings are taken against the guarantor hereunder be outstanding or unrealised.
9. Any claim or dispute arising under the terms of this document shall only be enforced or settled in the Courts at Tarn Taran/Amritsar.
10. The guarantor hereby declare that it has power to execute this guarantee and the executant has full powers to do so on its behalf under the proper authority granted to him/them by the guarantor.
11. We ..... (indicate the name of Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Company in writing.

In witness whereof we ..... (indicate the name of Bank) have hereunto set out Bank Seal the ..... Day ..... month 200.

**FORMAT TO RECEIVE E-PAYMENT THROUGH EXISTING ACCOUNT WITH  
SEFT/RTGS ENABLED BANK BRANCH**

Sub: E-payments vide SEFT/RTGS – Reg.

VENDOR NAME AS PER BANK RECORDS	:	
ACCOUNT TYPE	:	
BANK ACCOUNT NUMBER	:	
NAME & ADDRESS OF THE BANK	:	
BRANCH CODE	:	
BRANCH RTGS CODE	:	
BRANCH MICR CODE	:	
NAME OF THE AUTHORISED SIGNATORY	:	

I/We confirm that I/We will bear the charges, if any levied by my/our bank for the credit of SEFT/RTGS amounts in our account.

For .....

**SIGNATURE**

(Authorized signatory)

Date:

We confirm that we are enabled for receiving SEFT/RTGS credits and we further confirm that the account number, the signature of the authorized signatory, branch code, RTGS code and MICR code of our branch mentioned above are correct.

**BANK VERIFICATION**

(Manager's/Officer's signature under bank stamp)

Date: