



Bharat Heavy Electricals Ltd.,
(A Government of India undertaking)
Electronics Division
PB No.2606, Mysore road, Bangalore 560026

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Annexure - I

General Terms and conditions for supply of Capital items : (indigenous -Two part bid) SA-01

Bidders are required to read the general terms & conditions carefully and submit their quotation covering all the points. Any order resulting from this enquiry shall be governed by the general terms and conditions listed below.

1. **TWO PART BID:** Quotation shall be submitted in two part bid.

(a) Techno-commercial i.e., un priced Bid: Techno-commercial bid shall be submitted with complete description of the equipment, specification compliances to the enquired specification and all the commercial terms & conditions indicated in the **QUOTATION FORMAT** (Annexure I (b)) preferably in the same format. Samples if asked and any other enclosures, which the supplier wish to submit like product catalogue etc., in a sealed envelope super scribed clearly as **“TECHNO-COMMERCIAL BID” with RFQ No. and DUE DATE.**

Un priced copy of price bid shall be enclosed with the techno-commercial bid

Deviations to the specification / item description, if any shall be brought out clearly indicating **“DEVIATION TO BHEL SPECIFICATION”** without fail as a part of technical offer. Compliance / comments on all the clauses is essential.

Compliance to pre qualification criteria shall be part of Techno-commercial bid.

Manufacturer's name, their trade mark and brand if any should be invariably mentioned in the tender and illustrative leaflets giving technical particulars etc., are to be attached to the tender to facilitate consideration of the offer.

(b) Price Bid: Price bid should contain basic prices, discount if any, applicable taxes & duties, packing & forwarding charges (if applicable), Freight & insurances (if applicable) etc., in a sealed envelope super scribed clearly as **“PRICE BID” with RFQ No. and DUE DATE.** Erection and commissioning charges if any shall be included in the price bid.

Please indicate the rates in both figures and words. However in case of difference, the lowest of the two rates will be considered as correct.

Both these envelopes [(a) Techno-commercial i.e., un-priced BID (b) Price Bid] shall be kept in a single sealed envelope and super scribed clearly with **RFQ No. and DUE DATE.**

2. Tender (quotation) shall be submitted in a sealed envelope super scribed with **RFQ NUMBER / and DUE DATE** on it and the same must reach our office on or before the due date by **13:00 hrs.** Quotation can also be dropped in the respective day tender box (Monday / Wednesday / Friday) kept at reception area with caption **“M&C”**. Late quotations are liable to be rejected.

Tender shall be addressed to DGM / EM - Coml, Electronics Division, Bharat Heavy Electricals Ltd., Mysore road, Bangalore 560026.



3. The rates quoted against each item shall be in the same units stated in the enquiry. If the quotations are submitted in any other unit than specified, relationship between two sets of units must be furnished in the offer.
4. As far as possible, the quotations shall be free from corrections / overwriting. Corrections if any should be initialed with your seal and signature. Any typographical errors, totaling mistakes, currency mistakes, multiplication mistakes, summary mistakes observed in your priced bids, BHEL may consider whichever is beneficial to BHEL for evaluating of the lowest quote.
5. Please sign the offers. Unsigned bids/offers are liable for rejection.
6. All the bidders or their authorized representatives can witness opening of techno-commercial bid on the due date.
7. After evaluation of techno-commercial bids, price bids of only those who are technically accepted will be opened on a subsequent date, which will be intimated to the concerned in advance for witnessing of price bid opening.
8. The quantities in each item to be purchased may vary from quantities enquired according to the actual requirement at the time of placing the purchase order. Quantity discount if any should be mentioned in your offer.
9. BIDDERS shall indicate clearly Excise duty, Education cess, Sales Tax/VAT, Octroi, Entry tax, Service Tax as applicable for the quoted items. In the absence of clarity of these, any claim at a later date will not be entertained. Any changes in Taxes and duties after award of the contract will not be considered except such of those, which are imposed by Govt., notification within the contractual delivery. Seeking price amendments for change in Excise duty due to crossing of turnover limits will not be considered under any circumstances.

10. TOTAL COST TO BHEL: Lowest Bid (L1) is determined on the basis of the total cost to BHEL. Total cost to BHEL = Total basic value + Packing & forwarding charges + Excise duty + Education cess + sales Tax/VAT + Octroi / Entry tax+ Freight + Insurance (as per BHEL Insurance premium) + Service Tax (as applicable) + Loading factors for deviations to commercial terms & conditions.

Purchase order will be placed on Lowest bidder (L1) only.

11. **FIRM PRICE:** Rates quoted should be firm and no enhancement in the rates and changes in the techno-commercial terms will be allowed once the quotation is accepted and order placed.

If Erection & Commissioning is in supplier's scope, then the price shall remain FIRM till commissioning & handing over of the complete system. PVC clause is not acceptable.

12. **TERMS OF PAYMENT:** The terms of payments are as follows.

(a) 90% within 30 days from the date of acceptance of equipments & balance 10% against submission of PBG.

- (b) In case where 90 % & 10% payment terms are opted instead of PBG, 90 % Payment will be released within 30 days of acceptance. Balance 10% payment will be paid against submission of supplementary invoice after 12 months of warranty period + 6 months claim period.

13. **ADVANCE PAYMENT:** Quotations with payment terms of “Advance” or “Inland letter of credit” will not be considered and such offers are liable for rejection commercially.

14. **PENALTY:** Failure to supply the item within the delivery date specified in the purchase order will make the supplier liable to an unconditional penalty of ½% (One half percent) of the value (basic material cost) of the goods in arrears per week subject to a maximum of 10%.

If pre-shipment inspection is involved, date of issue of pre-shipment call by the vendor along with test certificates / test reports / certificate of conformance / calibration reports as proof of completion will be treated as date of dispatch for penalty calculation.

In the absence of reports stated above, actual date of inspection will be considered as date of dispatch for penalty calculation.

15. **PBG:** Performance Bank Guarantee (PBG) to be submitted as per the BHEL prescribed format (Annexure I (c)) for 10% of the basic equipment value obtained from any BHEL member banks.

PBG shall be valid for 12 months + 6 months claim period (totally 18 months) from the date of dispatch.

16. **WARRANTY:** Goods dispatched shall have warranty period of 18 months from the date of dispatch or 12 months from date of commissioning, whichever is earlier.

17. **TERMS OF DELIVERY:**

For Vendors in Bangalore jurisdiction : Equipment shall be delivered free at EDN / BHEL, Bangalore, inclusive of packing & forwarding charges.

All other vendors : 1. Packing shall be Road / Air / Rail worthy, to take care of any transit damages.

2. Dispatch the consignments through EDN/BHEL approved transporters (Annexure I (a))

3. Small consignments can be dispatched through M/S First Flight Couriers Ltd or any other carrier approved by BHEL.

18. **DELIVERY PERIOD:** Equipment shall be delivered as per the requirement of specific R F Q / tender. Offers such as ex-stock subject to prior sale or delivery at the earliest will not be entertained.

15 days time will be granted for giving order acknowledgement beyond which it will be treated as delay and considered as penalty zone if overall delivery does not take place in agreed delivery period.

19. **VALIDITY:** Quotation should remain valid for a period of **90 days** from the due date of tender.



- 20 **EARNEST MONEY DEPOSIT** : EMD as per the requirement of specific tender shall be submitted in the form of DD along with the bid. EMD in the form of DD only is acceptable and any other form is not acceptable and the bid is liable for rejection. EMD amount doesn't carry any interest. The same will be converted as Security Deposit for the successful bidders and for unsuccessful bidders the same will be refunded after finalization of the order. For successful bidders EMD will be refunded after submission of PBG.
21. **RISK PURCHASE**: The purchaser at his discretion may also make purchase of the materials **NOT** supplied in time at the **RISK & COST** of the supplier. In this event, it will be obligatory on the part of the supplier who fails to supply the goods in time to make good to BHEL any loss due to such risk purchase.
22. BHEL reserves the right to RE-FLOAT/REJECT/CANCEL this TENDER ENQUIRY (RFQ) without assigning any reason or cause thereof. Quotes received against this TENDER ENQUIRY are subject to and governed by all these terms and conditions. BHEL's decision will be final in awarding of the contract and binding on all vendors.
23. **REVERSE AUCTION** : BHEL reserves the right to go for reverse auction at any point of time before opening of price bid.
24. BHEL reserves the right to Accept / Reject the offer in full or part there off depending on BHEL's requirement.
- 25 **POST ORDER REQUISITS**:
- (a) Pre-shipment inspection at your works, if required, will be done by BHEL. Required assistance to be provided at the time of pre-shipment inspection.
 - (b) Test certificates and warranty certificates as stipulated at the time of ordering shall be furnished.
 - (c) Items shall be dispatched with road/air/sea worthy packing. Any rejection due to poor packing shall be to supplier's account.
 - (d) Any rejection should be made good or replaced immediately without any extra cost to BHEL.
 - (e) Wherever commissioning is involved, it shall be carried out on a turnkey/supervisory basis. Scope of work includes design, fabrication, supply, installation, commissioning and trial run till satisfactory performance level is reached as certified by the user department.
 - (f) Copies of operation & instruction manuals to be supplied along with the equipment or before as per specification.
 - (g) BHEL will not be responsible for any loss, damage or injuries to staffs sustained during erection/commissioning. Supplier shall ensure compliance with all statutory requisites as laid down by local bodies, state & Central Government.



(h) Original invoice (2 copies) to be submitted at the office of DGM / EM -Coml for arranging payment.

(i) As BHEL is also making payment through EFT, banker details in the prescribed format to be submitted.

(j) Performance Bank Guarantee to be executed on Rs.100/- non-judicial stamp paper as per BHEL prescribed format (Annexure –I (c)).

26 . **PAST SUPPLIES / PERFORMANCE:** Detailed list of past supplies of quoted equipments for the last three years shall be enclosed along with the bid indicating customer, quantity supplied and year of supply. Performance certificate issued by customers may also be enclosed along with the bid.

27 Any dispute arising out of this shall be referred to the sole arbitration of Head of Materials Management, SA - EDN, Bangalore or any other officer nominated by him and his decision shall be final and binding on the parties. The venue of the arbitration in all cases shall be Bangalore.

28. All suits in respect of this lie in the court of Bangalore only.

29 LOADING FACTORS:

Loading factors as detailed below will be added to the quoted price (basic) to evaluate the lowest quote for non compliance of BHEL standard commercial terms.

A. For non compliance of BHEL standard Terms of payment:

Sl. No.	BHEL standard term	If you quote	Loading factor in % for non-compliance
1	100% within 30 days from the date of acceptance (credit payment)	Payment through bank	2 %
		Payment against proforma invoice	1.25 %
2	90% within 30 days from the date of acceptance + 10% against PBG (wherever PBG is involved)	Payment through bank	2 %
		Payment against proforma invoice	1. 25 %
		100% within 30 days from the date of acceptance & PBG	Nil

B. For non compliance of Penalty clause:

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	Penalty of 0.5% per week subject to max. of 10% on the value of the items not supplied / delayed	Not agreed	10 %
		5% max., agreed	5%
		Other than the above	10% - agreed max. %



C. For non compliance of Performance Bank Guarantee (PBG):

Sl. No.	BHEL standard term	If you quote	Loading factor for non-compliance
1	PBG for 10% of the basic material cost shall be furnished in the BHEL prescribed format	Not agreed	10 %
		5% agreed	5 %
		Other than the above	10% - (minus) agreed max. %

D.Non conformance to delivery requirement of BHEL

BHEL requires the delivery of items within 4 months from the date of commercially clear PO. Delivery quoted more than 4 months will be subjected to a loading factor of 0.5 % per week as under:

Sl. No.	BHEL standard term	If you quote	Loading factor in % for non-compliance
1	4 months form date of PO	5 months	2 %

However, any delivery quoted beyond 5 months is liable for rejection.

Annexure – I(a)

BHEL / EDN, BANGALORE APPROVED TRANSPORTERS

1. M/s Awagaman Road Carriers Ltd., Bangalore. (AWG)
2. M/s BLR India pvt., Ltd., Bangalore. (BLR)
3. M/s Delhi Assam Roadways corporation Ltd., Bangalore. (DRL)
4. M/s Indo Arya Central transport Ltd., Bangalore. (IACT)
5. M/s Prakash parcel Services, Bangalore. (PPS)
6. M/s Road Carrier of India, Bangalore. (RCI)
7. M/s Union Roadways Ltd., Bangalore. (URL)

Annexure – I(b)
QUOTATION FORMAT PART – A TECHNICAL BID (INDIGENOUS)

Sl. No.	Particulars	Bidder's confirmation
1	Price basis: Firm i.e., from the date of PO to completion of supply (Price Variation Clause not acceptable)	Acceptable / Not acceptable
2	Excise duty & Education cess: If applicable indicate %.	Applicable / Not applicable ED: _____ % Edu. Cess _____ %
3	Sale tax: If applicable indicate %	Applicable / Not applicable (a) VAT _____ % (b) CST _____ % against form C
4	Payment terms: (a) 90 % basic + 100% taxes, duties & freight charges within 30 days from the date of acceptance of equipment & balance 10% against submission of PBG. (b) Deviation if any please specify Note: As per clause 12	(a) Acceptable / Not acceptable (b)
5	BHEL's penalty clause: (a) Delay in delivery as per PO delivery date will result in penalty of 0.5 % per week subject to maximum of 10% on the value of the items not supplied/delayed. (b) Deviation if any Please specify	(a) Acceptable / Not acceptable (b)
6	Performance Bank guarantee (PBG): PBG for 10% of the basic material cost shall be furnished in the BHEL prescribed format as per clause 15.	Yes / No
7	Terms of delivery: (a) Ex EDN / BHEL, Bangalore (Free delivery to EDN/BHEL Bangalore including packing & forwarding charges) (b) Deviation if any Please specify	(a) Acceptable / Not acceptable (b)
8	Warranty: (a) 12 months from the date of acceptance /commissioning (b) Deviation if any Please specify	(a) Acceptable / Not acceptable (b)
9	Delivery period: Indicate number of weeks from the date of issue of Purchase order	_____ Weeks
10	Validity: (a) Quotation should remain valid for a period of 90 days from the due date (b) Deviation if any Please specify	(a) Acceptable / Not acceptable (b)

Signature of tenderer / with stamp

**PERFORMANCE BANK GUARANTEE
(FOR INDIGENOUS PURCHASE ORDERS)**

ANNEXURE-I(c)

**Note: 1) To be executed in Rs 100/- Non-Judicial stamp paper.
2) To be submitted to purchase Dept. directly.
3) Do not enclose with Bank document.**

**PERFORMANCE GUARANTEE
(PROFORMA OF BANK GUARANTEE)**

THIS DEED OF GUARANTEE made and executed on the _____ day of _____ (year), by the _____ (Bank), registered under the Companies Act 1956/Nationalised Bank constituted under the Banking Companies (acquisition and transfer of undertakings) Act constituted under the State Bank of India Act / Subsidiary Banks Act, having its registered / head office at _____ represented herein by its Branch Manager / authorised representative Sri. _____ & Sri. _____ (Hereinafter called 'guarantor ' which term shall mean and include its successors and assigns)

IN FAVOUR OF BHARAT HEAVY ELECTRICALS LIMITED

_____ (Buyer's Name), a company registered under the companies Act, 1956 having its registered office at BHEL House at Siri Fort , New Delhi-100 049 and its Electronics Division at Mysore road, Bangalore-26 (hereinafter referred to as the 'Company' Which term shall include its successors and assigns):

Whereas the company has placed an order on _____ (State the name of the company / firm and its address) (hereinafter referred to as the 'Supplier' which term shall mean and include its liquidators, successors and assign) for the supply of system under order / Contract No _____ Dt _____.

AND WHEREAS the supplier has agreed to supply the materials and carryout the works as detailed and in accordance with the terms set out in the said order/contract.

AND WHEREAS the company is not required to pay to the supplier a sum of Rupees _____ being the 10% of the value of the goods supplied / Works performed / Services rendered under the said order / contract between the supplier and the company, till the company is satisfied with the mechanical Warranties and the performance standards stipulated in the said order / contract between the company and the supplier has been duly fulfilled, except against a Bank Guarantee for the said sum of Rs _____ in favour of the company by reputed Bank, in which case the company has agreed to make payment to the supplier of the said sum of Rupees _____ being (...%) of the value of the goods supplied / Works performed / Services rendered under the agreement between the supplier and the

company and the Guarantor has at the request of the supplier, agreed to furnish this Guarantee subject to the terms and conditions stated below:

NOW THIS DEED WITNESSES THAT IN pursuance of the above said agreement, the guarantor hereby agrees and covenants With company is as follows :-

- 1) That during the period this contract of Guarantee remains effectual, the guarantor shall be liable in respect of the amount due and owing to the company in respect of the payments to the extent of Rs _____ (in words) _____ against any loss or damage caused to or suffered by the company by reasons of any breach of the terms of the said order / contract / Agreement by the supplier.**
- 2) The Guarantor hereby undertakes to pay the amounts due and payable under this guarantee without any demur, merely on demand from the company intimating that the amount claimed is due by way of loss or damage caused to or suffered or would be caused or suffered by the supplier of any terms contained in the said order / contract. Any such demand made on the guarantor shall be conclusive as regards the amount due and payable by the Guarantor irrespective of the fact whether the Contractor / supplier admits or denies.**
- 3) The Guarantor further agrees that the agreement herein contained shall remain in force and effect till all the supplies to be made / Works to be performed / Services to be rendered under the said order / contract / agreement are completed to the entire satisfaction of the company or till company certifies that the terms and conditions of the said order / contract / agreement have been fully and properly carried out by the said supplier and accordingly discharges the Guarantee. Unless a demand or claim under this guarantee is made on the guarantor in writing on or before the expiry of claim period indicated in clause 6 below , the guarantor shall be discharged from all the liability under this guarantee thereafter.**
- 4) The guarantor further agrees with the company that the company shall have the fullest liberty without the consent of the guarantor and without effecting in any manner the obligations of the guarantor hereunder to vary any of the terms of the said order / contract / agreement or extend the time of performance by the said supplier from time to time or refrain from exercising the power exercisable by the company against the said supplier or to forebear or omit to enforce any of the terms and conditions relating to the said order / contract / agreement, and the guarantor shall not be relieved of its liability in whole or in part , by reason of any act, commission or forbearance on the part of the company or by reason of any such variation, or extension being granted to the said supplier or by reason of any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving the guarantor.**
- 5) The guarantor undertakes not to revoke this guarantee during its currency except with the previous consent of the company in writing.**
- 6) Notwithstanding anything herein above contained, the liability of the guarantor under these presents is restricted to Rs _____. The guarantee shall be in force till its expiry on _____ unless a demand is made on the guarantor**

within SIX months from the date of expiry, all the liability of the guarantor under this guarantee shall stand fully discharged. The decision of the claimant in regard to breach of contract is final and binding on the Bank.

IN WITNESS whereof, the guarantor, acting through its authorised representative has executed this deed of Guarantee on the day, month and year first above written.

(Seal of the Bank to be affixed)

WITNESS

1.

2.