

	ANNEXURE 'B'		
	BHEL's TERMS AND CONDITIONS FOR INDIGENOUS ITEMS	TO BE CONFIRMED BY VENDOR	REMARKS
1.0	All Bank Guarantees shall be strictly as per BHEL's formats. No deviation will be accepted.		
2.0	PAYMENT TERMS: 80% payment of supply value shall be made within 45 days from the date of receipt of material at BHEL, Bhopal. Balance 20% of supply value plus 100% of the E & C charges will be paid against (a) Erection & Commissioning certificate issued by BHEL and (b) submission of Performance Bank Guarantee (PBG) for 10% of total PO value by supplier in the prescribed format from one of the consortium banks of BHEL . PBG shall be valid for 30 days beyond the warranty period.		
	E & C certificate shall be issued on satisfactory completion of erection, commissioning, job proving, performance tests, training to operators, etc., as envisaged in PO.		
	List of consortium banks of BHEL is given below:		
	State Bank of India, CITI Bank N A, Deutsche Bank AG, The Hongkong and Shanghai Banking Corporation Limited, Standard Chartered Bank, Allahabad Bank, Andhra Bank, Bank of Baroda, Canara Bank, Corporation Bank, Central Bank, Indian Bank, Indian Oversea Bank , Oriental Bank of Commerce, Punjab National Bank, Punjab and Sindh Bank, State bank of Hyderabad, Syndicate Bank, State Bank of Travancore, UCO Bank, Union Bank of India, United Bank of India, Vijaya Bank, IDBI , Axis Bank, The Federal Bank Ltd., HDFC , Kotak Mahindra Bank, ICICI Bank Ltd., Indusind Bank,,J P Morgan,Yes Bank.		
2.1	Bank Guarantee and loading due to non – acceptance of BHEL's payment terms:		
	If payment terms as mentioned by BHEL are not agreed by bidder, such bidder shall have to submit Bank Guarantee at the time of payment in the prescribed format for the amount, exceeding 80% of the PO value, valid till issue of E & C Certificate for the equipment. However, in no case, payment against dispatch shall exceed 90% of the PO value.		
	Additionally, for deviation sought including as mentioned above, in payment terms by bidder w.r.t. tender conditions, following loading shall be done:		
	(a) Base Rate of SBI as applicable on the scheduled date of tender opening + 6%, for the amount & period of relaxation sought by the bidder.		
3.0	Contract Execution Bank Guarantee (CEBG):		

	The successful vendor will have to furnish a contract execution bank guarantee (CEBG) for 10% of the total PO value in the prescribed format within 30 days from the date of PO. CEBG shall be from one of the consortium banks of BHEL.		
	CEBG shall be kept valid until 30 days after the date of E & C certificate, which will be issued on completion of erection & commissioning of equipment which includes erection, commissioning, job proving, performance tests, training to operators etc. as prescribed in PO.		
	If the vendor fails to submit the CEBG even within 60 days from the date of PO, BHEL reserves the right to cancel PO and forfeit the EMD given by the supplier. In addition, in such case, action will be initiated in line with extant guidelines for Suspension of Business dealings with Suppliers.		
4.0	Vendor to quote price FOR BHEL, Bhopal basis. Transit insurance will be by Vendor.		
5.0	Delivery shall be counted from the date of Purchase Order.		
6.0	Time period for supply and E & C:		
	a. Bidder should quote time period separately for supply and E & C of equipment.		
	b. Bidders should quote their earliest schedule for supply and E & C against the schedule indicated in the enquiry sheet. BHEL, however, reserves the right to accept an offer not meeting the schedule mentioned in the enquiry.		
	c. Bidders should clearly indicate the period required to start E & C from the date of receipt of E & C call from BHEL.		
7.0	Penalty for delay in supply and E & C:		
	Penalty for delay in 'supply' and / or 'E & C' will be applicable for the delays attributed to the vendor. Penalty will be considered separately for 'supply' and 'E & C'. The rate of penalty for delayed supply shall be @ of 0.5% of total PO value (supply + E & C) per week of delay in supply subject to a maximum of 10% of total PO value (supply + E & C).		
	Rate of penalty for delay in E & C shall be @ of 0.5% of total PO value (supply + E&C) per week of delay in E & C subject to a maximum of 10% of total PO value (supply + E & C).		
	Maximum penalty for delay in supply and E & C together shall be limited to 15% of total PO value (supply + E & C).		

	For the purpose of penalty for delay in E & C of the equipment, the duration of E & C activities will be reckoned from the date of intimation by BHEL to vendor regarding readiness of site. Total E & C period quoted by the vendor will be equal to the period indicated by the vendor to start E & C from the date of receipt of E & C call from BHEL plus the period indicated for E & C activities from the date of start of E & C at BHEL.		
7.1	Loading on account of non-acceptance of penalty for delay in supply and / or E & C shall be as under:		
	In case any bidder is not accepting above penalty clause, the offer of bidder shall be loaded to the extent to which it is not agreed by the bidder.		
8.0	Entire material should be despatched in one lot. Part despatches not permissible.		
9.0	Prices shall remain FIRM till execution of the contract. The offer shall be valid for 120 days from the date of tender opening.		
10.0	Machine / equipment will be inspected and proved, if required, at vendor's works prior to dispatch. However, final inspection and acceptance of machine / equipment will be after installation at BHEL, BHOPAL.		
11.0	Applicable service tax shall be paid extra by BHEL against invoice.		
12.0	Income tax deduction as per Govt. Guide line shall be deducted at source for which TDS certificate will be issued.		
13.0	BHEL has option to conduct reverse auction for the tendered item.		
	Confirmation of Other Terms & Conditions		
14.0	Taxes	Vender to confirm	
	(a) GSTIN Certificate enclosed	Yes/No	
	(b) HSN Code, GST % on supply given	Vender to specify	
	(c) SAC, GST % on E&C given	Vender to specify	
15.0	Authorisation Letter given	Yes/No	
16.0	(a) Delivery period	Vender to specify	
	(b) Period of Start of E&C from call from BHEL	Vender to specify	
	(c) E&C Period	Vender to specify	

Note: All other clauses of 'General Terms and Conditions of Enquiry' are also applicable.