

BHARAT HEAVY ELECTRICALS LIMITED TIRUCHIRAPALLI
CAPITAL PURCHASE

Annexure-A.1

ACCEPTANCE OF COMMERCIAL TERMS AND CONDITIONS BY THE FOREIGN VENDORS.

(This should be essentially filled in and sent along with the techno-commercial offer without fail. If this check list is not filled and submitted along with techno-commercial offer (Part I) or if the vendor does not confirm acceptance to the terms and conditions proposed, BHEL reserves the right to reject such offer)

CHECK-LIST FOR FOREIGN VENDORS

SI No	DESCRIPTION
1.	❖ The Bidders shall submit their offer through E-Procurement website only https://bhel.abcprocure.com/EPROC. ❖ <u>Part I - Technical and Commercial Bid</u>: This should contain all the copies of technical bid together with un-priced commercial bid. ❖ <u>Part II - Price Bid</u>: This part should contain the schedule of price particulars and must be co-related to the technical details provided in Part I. Offers will be accepted & received till 14.00 Hr. on the due date. Therefore, Vendors shall ensure to submit the offers before this time. Late offers will not be considered. Bidders are requested to refer to “DSC Guidelines” & “Bidder Manual” for submission of e-tender through EPS portal. In case of any assistance, please Contact: +91-79-68136809/871/861/823/872. 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.	<u>OPENING OF TENDERS:</u> The Part I - Technical & commercial bid alone would be opened on the Tender opening date through EPS. The Part II - Price bid of technically suitable Bidders alone would be opened through EPS. The Technically Suitable Bidders would be informed about the Price Bid opening date through e-mail / EPS. Clarifications if any required by BHEL for Technical evaluation would be sought from bidders before opening of Part II - Price bid.
3.	<u>Taxes and Duties</u> All Taxes, Duties etc. as required to be paid in the country of export shall be included in the price quoted by the foreign vendor. All duties (like customs duty etc.) payable in India will be paid by BHEL (however, the same would be loaded to the offer during our evaluation process). For the supplies made from India taxes & duties payable shall be clearly mentioned in the offer, failing which such taxes and duties shall have to be borne by the vendor. Income Tax applicable: Any service charges payable towards supervision of E&C, training, performance prove-out etc., will be released after deduction of Income Tax as per Indian Income Tax Act / as per the Govt. of India rules and TDS certificate will be issued by BHEL for such deductions. The TDS certificate will be issued after 3 months from the date of E&C payment.
4.	<u>Currency of payment:</u> Indian bidders should submit the prices only in Indian Rupees. Foreign vendors should indicate the currency like Euro (€) / USD (\$) / GBP / JY etc. which should be clearly indicated in the un-priced commercial bid as well as in the price bid. In case the foreign vendor sources some components from India for direct supply to BHEL, the payment for those components shall only be in Indian Rupees.

No row shall be left blank. Please indicate NA, in case the item is "Not Applicable"		Vendor's confirmation
5.	Validity: Validity of the offer should be 120 days from the date of tender opening.	
6.	Release of Purchase Order: - Purchase Orders will be released on successful L-1 vendor on single package basis. - Separate orders for supply & service will be released on the successful L-1 vendor. (Service order released only in the case of, Installation / erection / commissioning portion are applicable on tender scope & quoted separate charge for same by vendor).	
7.	Payment Terms: Supply Portion: BHEL Payment term is 80% payment on CAD basis after 60 days from the date of receipt of documents, specified in PO, at BHEL bank. Respective bank charges to respective account. Balance 20% will be paid thru TT within 45-90 days after Minutes of Meeting for I&C shall be issued on satisfactory completion of interfacing, commissioning, job proving, performance tests, training to operators etc. as envisaged in PO against submission of PBG for 10% of total order value for 18 months' period. Interfacing & Commissioning Portion (if applicable only): 100% of the Interfacing & commissioning charges (in case contract involves interfacing & commissioning) shall be paid only on completion of such interfacing & commissioning at BHEL thru TT payment. Any deviation in the above payment term will attract loading as mentioned below: - If supplier insists for LC, only Usance LC with 60 days' credit will be opened one month prior to material readiness, further loading @ 1.5% on the offered value will be considered. Hence supplier shall intimate the material readiness accordingly for opening of LC. LC validity period will be 90 days and for any extension, applicable charges will be to supplier's account. - Normally CAD at sight and Confirmed LCs are liable for rejection.	
8.	Payment Terms for Indian agent: Indian Agency Commission, if any, shall be clearly specified in the offer and the same will be paid in Indian Rupees against acceptance of the materials.	
9.	Liquidated Damages (LD): The delivery of the goods specified in the purchase order should be made within the prescribed time. LD for delay in 'Supply' and/or 'I&C' will be applicable to the delays attributed to vendor. LD will be considered separately for 'Supply' and 'I&C'. The rate of LD for delayed Supply shall be @ 0.5% per week of delay of total PO value in supply subject to a maximum of 10% of total PO value. The rate of LD for delayed I&C shall be @ 0.5% per week of delay of total PO value (Supply + I&C) in E&C subject to a maximum of 10% of total PO value (Supply + I&C). For staggered delivery schedule, LD shall be 0.5% of the undelivered portion per week of the delay or part thereof subject to a maximum of 10% of the total order value. Any deviation from the above LD clause, loading will be applied to the extent to which it is not agreed by the bidder (at offered value). (For the purpose of Imposing LD, the delivery (B/L date) shall be considered).	
10.	Risk Purchase: 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 from the best and the nearest available substitute. The supplier shall be liable for any loss which the Purchaser may sustain by reason of such risk purchases in addition to penalty at the rate mentioned in our LD clause.	
11.	Delivery Terms and Evaluation process: Bidders are required to quote their best delivery period. Foreign vendors should quote for delivery on CFR-Chennai Sea Port / FOB (nearest airport) or Ex-Works basis with detailed price breakup for ocean freight/air freight etc. Also kindly note the followings in case of containerised shipment: 1. Place of delivery INTVT6 – CONCOR ICD should be clearly specified in the Bill of Lading. 2. 14 free days for Container Detention is applicable & same to be endorsed in Bill of Lading. The bidder has to quote charges for 'Supply' and 'Interfacing & Commissioning' separately. The evaluation of tender shall be on the basis of "NET CASH OUTFLOW VALUE (total cost to BHEL). For evaluation, exchange rate (TT selling rate of State Bank of India) as on scheduled date of tender opening (Part - I in case of Two Part Bid) shall be considered. Evaluation of offers shall be on the basis of delivered cost (Net cash outflow to BHEL)	
12.	If offers are received from both OEM/ Manufacturer and authorized Dealer/ Agent, then offer submitted by OEM/Manufacturer will only be considered, offer of Dealer/ Agent will be ignored.	
13.	Guarantee: Vendors shall provide a guarantee for a period of 12 months from the date of commissioning of the equipment or 18 months from date of supply, whichever is earlier. The date of B/L or AWB shall be taken as the date of supply. Normally No deviation permitted and the deviated offers are liable for rejection.	
14.	Short shipment / Warranty replacement: In case, any shortage is noticed vis-a-vis PO requirement in the main equipment / spares, such shortages shall be replenished by supplier on DDP - Incoterms 2012 basis without any cost implication to BHEL i.e. Custom Duty and freight charges etc. up to destination for such short supplies shall be borne by the supplier. Warranty Replacements during Guarantee period at supplier's cost on DDP - Incoterms 2012 basis.	

15.	Performance Bank Guarantee (PBG): The bidder in the event of an order, should furnish a Bank Guarantee from an Indian Bank approved by BHEL, at no extra cost in a format prescribed by BHEL, along with the order, for an amount equivalent to 10% (Ten percent) of the value of the contract. The PBG shall be valid for a period of 18 months from the date of despatch or 12 months from the date of receipt / acceptance / commissioning of equipment at BHEL, Tiruchirappalli whichever is more, with a claim period of two months. The Performance Bank Guarantee shall be obtained from any one of the following banks which is a member bank in our consortium of Banks: List of Consortium Banks DEUTSCHE BANK AG, HDFC BANK, CITI BANK NA, STANDARD CHARTERED BANK, ICICI BANK LTD, THE HONGKONG & SHANGHAI BANKING CORPORATION LTD, JP MORGAN, AXIS BANK, THE FEDERAL BANK LTD., KOTAK MAHINDRA, INDUSIND BANK, YES BANK. List of Nationalised Banks ALLAHABAD BANK, ANDHRA BANK, BANK OF BARODA, CANARA BANK, CENTRAL BANK, CORORATION BANK, INDIAN BANK, INDIAN OVERSEAS BANK, ORIENTAL BANK OF COMMERCE, PUNJAB NATIONAL BANK, PUNJAB & SINDH BANK, STATE BANK OF INDIA, SYNDICATE BANK, UCO BANK, UNION BANK OF INDIA, UNITED BANK INDIA, VIJAYA BANK, IDBI. <u>If PBG is issued by foreign counter part of the BHEL consortium Indian Bank, in case of claim against the PBG, it will be lodge in any one of the Indian counters of the Foreign Bank which issued the PBG.</u>	
16.	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, Trichy.	
17.	Test certificates / Operating and Maintenance manuals: The Bidders shall clearly mention in their offer, that Test Certificates and Operating Maintenance Manuals, etc., as called for in the Technical Specification, in the required number of copies will be provided at no extra cost	
18.	BHEL will consider the ranking after the loading is applied as referred above wherever deviations are observed.	
19.	ARBITRATION: Except as provided elsewhere in this Contract, in case amicable settlement is not reached between the parties, in respect of any dispute or difference; arising out of the formation, breach, termination, validity or execution of the Contract; or, the respective rights and liabilities of the Parties; or, in relation to interpretation of any provision of the Contract ; or , in any manner touching upon the Contract, then, either Party may , by a notice in writing to other Party refer such dispute or difference to sole arbitration of an arbitrator appointed by Head of the BHEL Units/Region/Division issuing the Contract. The Arbitrator shall pass a reasoned award and the award of the Arbitrator shall be final and binding upon the parties. Subject as aforesaid, the provision of Arbitration & Conciliation Act 1996 (India) or statutory modification or re-enactment thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceeding under this clause. The seat of arbitration shall be the place from which the Contract is issued. The cost of arbitration shall be borne as per the award of the Arbitrator. Notwithstanding the existence or any dispute or difference and/or reference for the arbitration, the Contractor shall proceed with and continue without hindrance the performance of its obligation under this Contract with due diligence and expedition in a professional manner except where the Contract has been terminated by either Party in terms of this Contract.	
20.	➤ Prices shall be quoted item wise only as per the model format enclosed. An unpriced copy shall be submitted along with technical bid where in the applicable Taxes and Duties Shall be clearly specified ➤ Equipment offered shall be "New". Re-built / Re-conditioned / Used equipments will not be accepted. Incomplete offers will not be considered for further processing. ➤ 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. ➤ The Supplier shall arrange for securely protecting and packing the stores to avoid loss or damages during transit.	

	➤ BHEL reserves its right to reject a tender due to unsatisfactory past performance in the execution of a contract at any of BHEL projects / units. ➤ 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. ➤ All Equipments / Services including concern Personal for carrying out the erection and commissioning of the Equipment shall be arranged by the vendor. If any Services is availed from BHEL, it is only on chargeable basis unless otherwise specified. ➤ 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	
21.	Company Details & Contact	
	Full Address of the company:	
	Company Email ID:	
	Phone No.:	
	Name of the contact person:	
	Mobile No.:	
	e-mail ID	
22.	TO BE CONFIRMED BY VENDOR	
	Country of origin:	
	Station of dispatch/Port Of Shipment	
	Delivery Terms (FOR Destination or Ex-Works / FOB / CFR as per clause 11)	
23.	Price break-up details like FOB price, Ocean Freight/ Air Freight etc. should be indicated in the offer.	
24.	Delivery from the date of Letter of Intent / Purchase Order. (This should be inclusive of Order acceptance, drawing approval and time period required for dispatch (B/L or AWB date) etc.,	
	Period for completion of the Erection & Commissioning work at BHEL shall be clearly specified in the offer (if available in enquiry scope only).	
25.	Weight & Cubage of package: Approximate Net weight of the total consignment: Approximate Gross weight of the total consignment: Approximate volume of the total consignment:	
For any queries / clarifications the bidders may contact us through our FAX NO. +91 431 2520719 or through e-mail < shijulal@bhel.in >		

NOTE:-

- a) Your specific acceptance to our Payment terms, LD & Risk Purchase Clause, 10% PBG are essential for consideration of your offer. Otherwise your offer is liable for rejection.
- b) No row shall be left blank. Please indicate NA, in case the item is "Not Applicable"

Declaration:-

We have gone through and understood the 'General guidelines & instructions to bidders for submitting offer' enclosed as a part of the Tender and confirm that our offer has been made in line with the same.

(AFFIX OFFICIAL SEAL HERE)

Signature with date:

Name:

Designation:

Department:

(PLEASE AFFIX YOUR SIGNATURE WITH SEAL ON EACH PAGE)