

	ANNEXURE-II TO PO PW/PE/PG/TAN/P-298/17 DATED 08.01.2018 THE FOLLOWING COMMERCIAL TERMS AND CONDITIONS SHALL FORM PART OF PURCHASE ORDER	
1	Terms Of Payment	
	a) Supply	As per clause no-9.1 of GST related Corrigendum to GCC rev 06.
	b) Supervision of E & C/ PG test/ Demonstration Test	NA
	c) E&C	NA
2	Prices	Firm till completion of Contract
3	Terms Of Delivery	F.O.R Despatch Station
4	Delivery	Delivery Schedule: Delivery shall be completed within four (04) months from date of approval of drawings/documents in Cat-1. Drawings/documents submission and resubmission schedule is as per cl no-8.0 of technical specification no. PE-TS-423-165-N005 (REV 00). Delay in submission/ resubmission of drawings/documents shall be reduced from delivery period.
5	Contract Performance Bank Guarantee	Not applicable as per clause no 11.1 of General Commercial Terms and Conditions of GCC Rev 06.
6	Liquidate Damage	As per clause no-16.0 of GST related Corrigendum to GCC rev 06.
7	Guarantee Terms	Refer GCC Rev- 06 Clause No-12 except 12.2 (b)
8	Integrity pact applicable	N
9	Any other special major condition	NA
10	All other terms and conditions shall be as per GCC Rev 06 including GST related Corrigenda, SCC Rev 01, NIT & MOM/agreements/clarifications/all corrigendas issued till date.	

Netrapal Singh
SR ENGR/PG-II

BANK GUARANTEE FOR PERFORMANCE SECURITY

Bank Guarantee No:

Date:

To

NAME

& ADDRESSES OF THE BENEFICIARY

Dear Sirs,

In consideration of the Bharat Heavy Electricals Limited ¹ (hereinafter referred to as the 'Employer' which expression shall unless repugnant to the context or meaning thereof, include its successors and permitted assigns) incorporated under the Companies Act, 1956 and having its registered office at _____ through its Unit at.....(name of the Unit) having awarded to (Name of the Vendor / Contractor / Supplier) having its registered office at _____ ² hereinafter referred to as the 'Contractor/Supplier', which expression shall unless repugnant to the context or meaning thereof, include its successors and permitted assigns), a contract Ref No.....dated³ valued at Rs.....⁴ (Rupees -----)/FC.....(in words.....) for⁵ (hereinafter called the 'Contract') and the Contractor having agreed to provide a Contract Performance Guarantee, equivalent to% (.... Percent) of the said value of the Contract to the Employer for the faithful performance of the Contract,

we,, (hereinafter referred to as the Bank), having registered/Head office at and inter alia a branch at being the Guarantor under this Guarantee, hereby, irrevocably and unconditionally undertake to forthwith and immediately pay to the Employer a maximum amount Rs ----- (Rupees -----) without any demur, immediately on a demand from the Employer, .

Any such demand made 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. _____.

We undertake to pay to the Employer any money so demanded notwithstanding any dispute or disputes raised by the Contractor/ Supplier in any suit or proceeding pending before any Court or Tribunal relating thereto our liability under this present being absolute and unequivocal.

The payment so made by us under this Guarantee shall be a valid discharge of our liability for payment thereunder and the contractors/supplier shall have no claim against us for making such payment.

We thebank further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Contract and that it shall continue to be enforceable till all the dues of the Employer under or by virtue of the said Contract have been fully paid and its claims satisfied or discharged.

We BANK further agree with the Employer that the Employer 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 Contract or to extend time of performance by the said Contractor/Supplier from time to time or to postpone for any time or from time to time any of the powers exercisable by the Employer against the said Contractor/Supplier 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 reason of any such variation, or extension being granted to the said Contractor/Supplier or for any forbearance, act or omission on the part of the Employer or any indulgence by the Employer to the said Contractor/Supplier or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

The Bank also agrees that the Employer at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Contractor and notwithstanding any security or other guarantee that the Employer may have in relation to the Contractor's liabilities.

This Guarantee shall remain in force upto and including.....⁶ and shall be extended from time to time for such period as may be desired by Employer.

This Guarantee shall not be determined or affected by liquidation or winding up, dissolution or change of constitution or insolvency of the Contractor/Supplier but shall in all respects and for all purposes be binding and operative until payment of all money payable to the Employer in terms thereof.

Unless a demand or claim under this guarantee is made on us in writing on or before the⁷we shall be discharged from all liabilities under this guarantee thereafter.

We, BANK lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Employer in writing.

Notwithstanding anything to the contrary contained hereinabove:

- a) The liability of the Bank under this Guarantee shall not exceed.....⁸
- b) This Guarantee shall be valid up to⁹
- c) Unless the Bank is served a written claim or demand on or before¹⁰ all rights under this guarantee shall be forfeited and the Bank shall be relieved and discharged from all liabilities under this guarantee irrespective of whether or not the original bank guarantee is returned to the Bank.

We, _____ Bank, have power to issue this Guarantee under law and the undersigned as a duly authorized person has full powers to sign this Guarantee on behalf of the Bank.

For and on behalf of
(Name of the Bank)

Dated.....

Place of Issue.....

¹ NAME AND ADDRESS OF EMPLOYER I.e Bharat Heavy Electricals Limited

² NAME AND ADDRESS OF THE VENDOR /CONTRACTOR / SUPPLIER.

³ DETAILS ABOUT THE NOTICE OF AWARD/CONTRACT REFERENCE

⁴ PROJECT/SUPPLY DETAILS

⁵ BG AMOUNT IN FIGURES AND WORDS

⁶ VALIDITY DATE

⁷ DATE OF EXPIRY OF CLAIM PERIOD

⁸ BG AMOUNT IN FIGURES AND WORDS.

⁹ VALIDITY DATE

¹⁰ DATE OF EXPIRY OF CLAIM PERIOD

Note:

1. Units are advised that expiry of claim period may be kept 2/3 months after validity date.
2. In Case of Bank Guarantees submitted by Foreign Vendors-
 - a. **From Nationalized/Public Sector / Private Sector/ Foreign Banks (BG issued by Branches in India)** can be accepted subject to the condition that the Bank Guarantee should be enforceable in the town/city or at nearest branch where the Unit is located i.e. Demand can be presented at the Branch located in the town/city or at nearest branch where the Unit is located.
 - b. **From Foreign Banks (wherein Foreign Vendors intend to provide BG from local branch of the Vendor country's Bank)**
 - b.1 In such cases, in the Tender Enquiry/ Contract itself, it may be clearly specified that Bank Guarantee issued by **any of the Consortium Banks only** will be accepted by BHEL. As such, Foreign Vendor needs to make necessary arrangements for issuance of Counter- Guarantee by Foreign Bank in favour of the Indian Bank (BHEL's Consortium Bank). It is advisable that all charges for issuance of Bank Guarantee/ counter- Guarantee should be borne by the Foreign Vendor. The tender stipulation should clearly specify these requirements.
 - b.2 **In case, Foreign Vendors intend to provide BG from Overseas Branch of our Consortium Bank** (e.g. if a BG is to be issued by SBI Frankfurt), the same is acceptable. However, the procedure at **sl.no. b.1** will required to be followed.
 - b.3 The BG issued may preferably be subject to Uniform Rules for Demand Guarantees (URDG) 758 (as amended from time to time). In case, of Foreign Vendors, the BG Format provided to them should clearly specify the same.
 - b.4 The BG should clearly specify that the demand or other document can be presented in electronic form.

Price Variation Formulae for cables –Annexure-I

1. Prices shall be variable as per price variation formulae given below (basis-IEEMA). The price variation shall be limited to + 10% of total ex-works price actually supplied (cable size wise) and -ve price variation shall be unlimited. Rates for working out price variation shall be as per rates published by IEEMA for the factors given below:-

Sl no.	FORMULAE	Table Ref	Remarks
1.	$P = P_o + AIF(AL - A_o) + CCFAI(CC - CCo) + FeF(Fe - Fe_o)$	As per Annexure-II	Steel strip armouring
2.	$P = P_o + AIF(AL - A_o) + CCFAI(CC - CCo) + FeW(Fe - Fe_o)$		Round wire steel armouring
3.	$P = P_o + CuF(Cu - Cu_o) + CCFCu(CC - CCo) + FeF(Fe - Fe_o) + ALF(Al - A_o)$		Steel strip armouring
4.	$P = P_o + CuF(Cu - Cu_o) + CCFCu(CC - CCo) + FeW(Fe - Fe_o) + ALF(Al - A_o)$		Round wire steel armouring

Note:

- i) Formula at sl. no. 1 & 3 are as per circular no. IEEMA (PVC)/CABLE/2007 dtd 01/01/2007
- ii) Formula at sl. no. 2 & 4 are as per circular no. IEEMA (PVC)/CABLE/2007 dtd 01/01/2007 & table P3 (revised) of circular no. 50/PVC/CLAR/02 dtd 07/03/2012.
- iii) For formulae at sl. no. 1 & 2: for unarmoured cable FeF & $FeW = 0$
- iv) For formulae at sl. no. 3 & 4: $FeF=0$; if Al armouring is there, $ALF = 0$; if steel armouring is there. For unarmoured cable ALF & $FeF=0$.

2. Base date for prices :

Initial Price (As per IEEMA) for- A_o , Cu_o , CCo & Fe_o :

Base Month-October 2017

Final Price (as per IEEMA) for- Al, Cu, Cc & Fe:

The first working day of month, one month prior to the date on which cable is notified as being ready for inspection i.e TPIA inspection call raise date on web portal.

3. Variation factor value for ALF , CuF , $CCFAL$, $CCFCu$, FeF & FeW , as applicable shall be as per Technical Specification.
4. PVC shall be payable within contractual delivery period (including any extension thereto).

Notul

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THM