

**STANDARD TERMS & CONDITIONS (FOREIGN ENQUIRY)**

1. The quotations and any order resulting from this Enquiry shall be governed by BEL's conditions of contract and the supplier quoting against this Enquiry shall be deemed to have read and understood the same.
2. Where counter Terms and Conditions of business have been offered by the supplier, we shall not be deemed to be governed by those unless BEL's specific written acceptance thereof has been given.
3. No Conditions and Terms, notice of which has not been given by the supplier while submitting quotations, will be considered by BEL, if put forward in subsequent correspondence.

**4. Quotations:**

The vendors should quote their minimum price. Negotiations, if any, will be held with L1 only in select cases, if necessary.

**e-Procurement :** The supplier shall submit their offer in the e-Procurement portal. Any additional information can be attached in the notes and documents section.

**Non e-Procurement:**

The suppliers should submit their offer against this Enquiry. Additional information, if any, should be furnished by the suppliers in a covering letter. The quotation should be sent in a sealed envelope indicating there on Enquiry / Tender no. and closing date and the same must reach BEL's office on or before the closing date. The late quotations will not be considered. Fax / e-mail offers are acceptable. Against each enquiry / tender. in case of two bid system, Techno-commercial and price bids should be submitted simultaneously, in separately identifiable sealed covers, both put in another envelope, giving reference to RFQ.

The vendors / authorised representatives who wish to be present during the tender opening are welcome to be present in cases other than e-tendering.

**5. Specifications:**

- a) Materials should be offered strictly conforming to BEL's specifications. The deviations in specifications, if any, should be clearly indicated by supplier in their quotation. The supplier should also indicate Make/Type Number of the materials offered and catalogues, technical literature and samples, wherever necessary, should be forwarded by the supplier.
- b) All items should conform to Government/statutory regulations with regard to Safety, handling & environment as applicable.
- c) Please mention the details, if you are a certified company under Quality System Standards ISO 9000 and Environmental Management System Standards ISO 14001.

**6. Certificate of Compliance:**

For Electronics components, certificate of compliance / test certificate should be sent by the supplier for each item along with the consignment.

**7. Terms of Price:**

- a) Quotation should be submitted on `F.O.B/F.C.A Inco-terms 2000, basis indicating the Air or Sea port of shipment. The prices should be firm and not subject to alteration on any account.
- b) For Ex-Works Quotation, Packing and F.O.B charges inclusive of Inland freight charges should be indicated by the supplier in their quotation.

- c) The net weight and gross weight of the materials should be indicated by the supplier.

**8. Validity:**

The quotation must remain valid for a minimum period of 60 days from the closing date.

**9. Shipping Instructions:**

- a) Sea-Freight: Consignment should be shipped through BEL's Forwarding and shipping agents whose names will be indicated in BEL's Purchase order, and actual sea freight charges will be payable by BEL in Rupees in India.
- b) Air-Freight: Consignment of Electronic items including Electronic Equipments should be dispatched to Airport through BEL's forwarding agents, whose names will be indicated in BEL's Purchase Order.
- c) Airmail Post Parcel: All small parcels weighing upto 10 Kgs (except hazardous materials) should be dispatched by Registered Airmail Post Parcel and the Postal charges should be prepaid by the supplier and included in their invoice.

**10. Insurance:**

The Insurance will be covered against BEL's open Policy on receipt of declaration letter regarding C & F value of the consignment from the supplier and the Insurance premium charges will be paid by BEL in Rupees in India.

**11. Delivery Date:**

The supplier must indicate the firm delivery date by which the materials will be dispatched by them from the date of receipt of BEL's order. Should the supplier fail to deliver the stores or any consignment thereof within the period prescribed for such delivery, BEL shall be entitled at their option:

- a) To recover from the supplier agreed liquidated damages, and not by way of penalty of sum of 0.5% (2.5% in case of purchase orders placed on time preference basis) of the value of any stores not supplied in time for each week of delay or part of a week with a ceiling of 10% (25% in case of purchase orders placed on time preference basis) , or
- b) To purchase elsewhere, at the risk and cost of the supplier, the stores not delivered, or.
- c) to cancel the Purchase Order.

In the event of action being taken under b) & c) the supplier shall be liable for any loss which BEL may sustain but the supplier shall not be entitled to any gain on repurchase made against default.

**12. Inspection:**

Material on its arrival at BEL's factory / site will be inspected by BEL's Inspection Department and their decision in the matter will be considered final and Copy of Inspection Report will be forwarded to the supplier in case of rejections. The rejected materials will be returned to the supplier for replacement and all charges on same will have to be borne by the supplier. The pre-despatch inspection can be made by BEL / nominated agency / certifying agency or by vendor himself if he is specifically authorised for self inspection. Payment of pre-despatch inspection charges will be as mutually agreed.

**13. Payment:**

The payment will be made on presentation of shipping documents through BEL's bankers, mentioned in BEL's Purchase Order either on Sight Draft basis or under Letter of Credit through a Foreign Bank.

In case of LC confirmation, the cost of confirmation shall be borne by the supplier. Normally no request for Advance Payment is entertained. However, where Advance Payment is considered in select cases, the same may be allowed as per BEL terms, subject to furnishing Bank Guarantee from a first class Bank (verified by State Bank of India) for an amount equal to 110% of the advance released or the advance released plus estimated interest amount on the advance (calculated at the SBI PLR rate) for the period of advance likely to remain with the Supplier, whichever is higher. Release of advance will be subject to the prevailing RBI guide lines.

**Penal Interest:**

If the payment terms involves grant of advance, then penal interest (equivalent to 2% above the prevailing SBI PLR rate) on advance will be charged in cases where the supplier is unable to execute the order for whatever reason resulting in cancellation / short-closure of the order / delay in supplies. The delayed period will be calculated with reference to scheduled date of supplies / completion of milestones as per the purchase order.

**14 Evaluation of L1**

Cost to BEL and compliance to RFQ conditions like delivery requirements, packing, etc. would be the basis while evaluating L1. Payment terms including advances, if any, will be considered while working out cost to BEL.

**15. Phytosanitary Certificate:**

The Wood packaging material including dunnage used in packing of the article is to be appropriately treated as per ISPM -15 and a Phytosanitary Certificate to be attached to the shipping documents.

**16.** Packing instructions as mentioned in BEL's Corporate Standards / Drawings to be complied.

- 17.** In case of shelf life items, please indicate the same.
- 18.** BEL reserves the right to accept or reject any quotation or part of the quotation without assigning any reasons. BEL reserves the right of ordering part quantities without assigning reasons and the supplier shall supply the ordered quantity at accepted rates.
- 19.** BEL may exercise an option of placing repeat order for a maximum quantity up to 120% of the original order quantity within 18 months from the date of original order at the same terms and conditions of the original order.
- 20.** Price Preference to Central Public Sector Undertakings / Small Scale Sector / Others will be applicable as per the Government order in force
- 21.** Vendors are liable for de-registration / suspension / banning from the business as per the rules of the company in force.
- 22.** The tendered rate against each item indicated in the RFQ should be indicated both in words and figures. In case of any clerical error between the rates indicated in figures and word, the rates quoted in words would prevail. If there is any inconsistency between the rate and the value extended (after multiplication with the tender quantity), the rate quoted shall be taken to prevail.
- 23. Purchase Preference to Indian Micro, Small Enterprise (MSE) :**

As per the government guidelines 20% of the order shall be placed on eligible MSE. Non-MSE "L1" vendor shall agree to accept the order for 80% of RFQ quantity. If the firm is MSME and not yet registered the credential with BEL, please visit URL : <http://webportal.bel.co.in/supplier-payinfo/msmereg> and upload your MSME credential.

Following process will be adopted to place order on MSE under purchase preference for MSE :

If following conditions are met :

- a) L1 vendor is Non MSE
- b) Vendor(s) other than L1 is / are MSE
- c) Price quoted by MSE vendor is with L1+15% of L1
- d) Purchase preference : 20% of the order quantity will be ordered on MSE vendor matches the L1 price. If 20% of the order quantity is fractional, the lower whole number will be considered.
- e) If MSE vendor do not accept the quantity on L1 price, 100% order will be placed on L1 vendor. If more than one MSEs are in range of L1+15%, all such MSEs will be given an opportunity and quantity will be shared proportionately(subject to order quantity being adequate for this purpose)

**24. Integrity Pact and Bank Guarantee:**

The supplier at their own cost is required to sign the integrity Pact with BEL and provide Bank Guarantee for an amount as per BEL purchase policy based on the intimation given by the Purchase department. Also the Supplier should agree to sign the integrity pact as and when changes are made in the purchase policy as intimated by purchase department.

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**STANDARD TERMS, CONDITIONS & INSTRUCTIONS TO PURCHASE ORDER  
(Foreign)****1. Acknowledgement:**

An acknowledgement of this Purchase Order should be sent to BEL by the supplier confirming their agreement regarding specifications, quantity, prices, terms of payment and delivery schedule as indicated in BEL's Purchase Order, within 3 days of its receipt by the supplier. If no confirmation is received from Supplier within 10days from the date of despatch of the Purchase Order, it shall be presumed that the terms and conditions of the Purchase Order are acceptable to the Supplier.

**2. Reference:**

The Purchase Order No. and date should always be quoted in all correspondence, Packing Notes, Bills / Invoices etc. All communication should be addressed to the Purchase Order Issuing Authority.

**3. Price:**

The price indicated in the Purchase Order is firm and not subject to alteration on any account unless specified otherwise in the terms and conditions of Purchase Order.

**3.1** BEL may exercise an option of placing repeat order for a maximum quantity upto120% of the original order quantity within 18 months from the date of original order at the same terms and conditions of the original order.

**4. Delivery Schedule:**

Time is the essence of the contract and the materials against this Purchase Order must be despatched by the Supplier according to the delivery schedule indicated in the Purchase Order. In case of any change, the supplier should inform BEL in advance and obtain the approval for the revised delivery schedule.

Should the supplier fail to deliver the materials or part thereof as per the agreed delivery schedule, BEL shall be entitled at BEL's option either to recover from the supplier as agreed, liquidated damages a sum equivalent to 0.5% (2.5% in case of purchase orders placed on time preference basis) of the value of materials not supplied in time for every week's delay or part thereof subject to maximum of 10% (25% in case of purchase orders placed on time preference basis) or to cancel the Order and purchase materials elsewhere at the risk and cost of the supplier.

LD Charges as applicable shall be deducted for the delayed period of delivery without communication to the supplier unless communication is received from the supplier / Purchase Department for not deducting the LD charges with due justification for the delay on the account of BEL supported with Purchase Order amendment..

## **5. Packing:**

**5.1** The supplier shall pack the stores securely and properly for tropical storage and for transport by rail, road, sea or air so as to ensure their being free from loss or damage on arrival at their destination. The packing and marking of packages shall be done by and at the expense of the supplier. Packing shall allow for easy removal and checking on site and comply with carrier's conditions of packing or established trade practices.

A copy of packing note should be placed in a prominent place on the package and also inside. In case one consolidated Packing Note is prepared for materials packed in more than one package, copies of same should be placed in all packages identifying the items packed in that particular package. The package should bear vendor's and BEL's full name and address and the Purchase Order number, case markings, gross weight etc. Payment of demurrage charges etc. resulting out of inadequate details on the packing is liable to be reimbursed by the Supplier.

**5.2 Phytosanitary Certificate:** The Wood packaging material including dunnage used in packing of the article is to be appropriately treated as per ISPM -15 and a Phytosanitary Certificate to be attached to the shipping documents

**6. Insurance:**

Insurance will be covered against Buyers open policy. However beneficiary should inform the value of the Invoice by a letter / fax / e-mail to the Insurer ..... (Name and details to be furnished by BEL) and a copy of the letter / fax / e-mail shall be sent along with the negotiating documents for payment.

**7. High Sea sale:**

If the sale of item is agreed on the basis of 'High Sea Sales', the supplier shall provide the original dispatch document from their foreign counterpart with endorsement on the reverse as 'Title transferred to BEL'. The Indian supplier is required to sign high sea sale agreement with BEL at their cost after the date of despatch from the origin country.

**8. Inspection:**

Material on its arrival at BEL / site will be inspected by the Inspection Department and their decision in the matter will be final and Copy of Inspection Report will be forwarded to the supplier in case of rejections. The pre-despatch inspections, if any, as agreed will be made by BEL / nominated agency / certifying agency or by vendor himself if he is specifically authorized for self-inspection. Payment towards pre-despatch inspection charges will be as mutually agreed upon. In case of rejection, the supplier has to send a letter of recall / RMA (Return Material Authorization) to BEL as soon as the receipt of rejection report from BEL.

**9. Integrity Pact and Bank Guarantee:**

The supplier at their own cost is required to sign the integrity Pact with BEL and provide Bank Guarantee for an amount as per BEL purchase policy based on the intimation given by the Purchase department. Also the Supplier should agree to sign the integrity pact as and when changes are made in the purchase policy as intimated by purchase department.

**10. Despatch of Material:**

- a) Despatch / Shipment by aircrafts / vessels calling at ports in Pakistan-Prior to Indian Ports and flying Pakistani Flag and or manned by Pakistani crew is prohibited.
- b) The despatch of material should be routed through BEL's approved freight forwarder only as indicated in the Purchase Order.
- c) The despatch details such as Airway Bill / Bill of lading / Invoice copies should be faxed / e-mailed to the Authority issuing Purchase Order.
- d) Test Report / C of C (certificate of conformance) / manufacturer's certificate / manuals etc. wherever necessary should be sent along with the material and a copy of the above should be sent along with negotiating documents for payment.
- e) Normally material should not be sent by courier services. However, consignment less than 10 kg may be despatched by Air Post Parcel / EMS (Speed Post) provided it is indicated in the Purchase Order.
- f) The supplier shall not use non-biodegradable plastics for packing. The supplier shall ensure adherence to phytosanitation certification if applicable. The supplier shall ensure marking on the consignment relevant instructions for storage and handling of Acids, Alkalies, Medicines like Pethidine Injection, PCB Laminates, Items requiring cold storage condition, etc. The supplier shall provide appropriate MSDS for such items as deemed necessary.

**11. Warranty:**

- a) Any material / equipment supplied should be free from any defects arising from faulty material, design, workmanship or manufacturing defects and should be warranted for quality / satisfactory performance for a minimum period of 12

calendar months (or as specified) from the date of receipt and acceptance of materials / satisfactory installation and commissioning or 15 months (or as specified) from the date of despatch. During his warranty period, if any defects develop arising from faulty material, design, workmanship or manufacturing defects the supplier shall remedy such defects at his own cost. If it becomes necessary, the supplier should replace any defective portion of the goods or replace the material / equipment as a whole.

- b)** To and fro freight charges including insurance charges to be borne by the supplier for replacement or re-export of the rejected item within the warranty period.

## **12. Force Majeure:**

Force Majeure means an event beyond the control of the supplier and not involving the supplier's fault or negligence and which is not foreseeable. Such events may include, but are not restricted to, acts of the purchaser either in its sovereign or contractual capacity, wars or revolutions, hostility, acts of public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes, lockouts, and freight embargoes. If there is delay in performance or other failures by the supplier to perform its obligation under its contract due to event of a Force Majeure, the supplier shall not be held responsible for such delays / failures. If a Force Majeure situation arises, the supplier shall promptly notify the purchaser in writing of such conditions and the cause thereof within twenty-one days of occurrence of such event. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event. If the performance in whole or in part or any obligation under this contract is prevented or delayed by any Reason of Force Majeure for a period exceeding sixty days, either party may at its option terminate the contract without any financial repercussion on either side. There may be a Force Majeure situation affecting the purchase organization only. In such a situation the purchase organization is to take up with the supplier on similar lines as above for further necessary action.

**13. Appropriation:**

Whenever under this contract any sum of money is recoverable from and payable by the supplier, BEL shall be entitled to recover such sum by appropriating in part or whole by deducting any sum then due or which at any time thereafter may become due to the supplier in this or any other contract entered by BEL as a whole, including its Units and Offices etc., with the supplier alone or in partnership with others. Should this sum be not sufficient to cover the full amount recoverable, the supplier shall pay to BEL on demand the remaining balance due.

**14. Indemnity:**

The supplier shall at all times indemnify BEL against all claims which may be made in respect of materials for infringement of any right protected by Patent, Registration of Design or Trade Mark and shall take all risk of accident or damage which causes a failure of the supply.

**15. Mode of Settlement**

Mode of settlement of disputes / differences, if any, shall be through Arbitration. However, when a dispute / difference arises, BEL and the supplier shall first try to resolve the same amicably by mutual consultation. If the parties fail to resolve the dispute by such mutual consultation within twenty-one days, then, depending on the position of the case, either BEL or the supplier shall give notice to the other party of its intention to commence arbitration.

The supplier has the option to choose either Indian Arbitration and Conciliation Act,1996 or Arbitration in accordance with the provision of UNCITRAL (United Nations Commission on International Trade Law) Arbitration Rules.

**Venue of Arbitration**

The venue of arbitration shall generally be the place from where the contract has been issued except when the supplier opts for Arbitration, in accordance with the provision of UNCITRAL, Arbitration Rules, the venue can be a neutral country.

**16. Jurisdiction:**

This order shall be governed by the Laws of Indian Union in force. Only competent courts shall have the jurisdiction as provided under the Indian Laws.

**17. Contract:**

It is expressly understood and agreed by and between the supplier and Bharat Electronics Limited that Bharat Electronics Limited (the Indian Public Sector Undertaking) is entering into this agreement solely on its own and not on behalf of any other person or entity. In particular, it is expressly understood and agreed that the Government of India is not a party to this agreement and has no liabilities, obligations or rights hereunder.