ABB SPECIAL TERMS AND CONDITIONS

FOR PURCHASE OF GOODS

Project: OIL India

Vendor Name \_

ABB General Terms and Conditions for purchase of goods and/or services (2019-1 INDIA) shall be applicable in addition to ABB Special Terms and Conditions

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| **Clause** | **Item** | **ABB Terms** | **Supplier acceptance** |
| 1.1 | Delivery | FOR Site    Detailed address shall be provided during the order execution. |  |
| 1.1.1 | Price Variation | Not Applicable. The prices agreed shall be firm & fixed till the complete execution of the order & no escalation / no variation whatsoever will be allowed on any ground. |  |
| 1.1.2 | Price for addition/deletion of quantity | 1. The prices agreed along with these terms & conditions shall be valid for any addition of quantity / deletion of quantity as required till completion of the project as per the scope and no additional payment will be made in this regard. 2. Any item required for completion and completeness of the solution shall be provided by Supplier as per agreed scope and issued enquiry document. No additional payment will be made for such items except for the change in scope from Buyer. 3. All items for which unit of measurement mentioned in the inquiry are lot, lump sum or set, Supplier shall confirm that they will have estimated the entire requirement as per technical specification and no quantity variation whatsoever shall be applicable in respect of such items except the change in layout or scope from buyer. 4. Any clause, conditions or terms or part thereof in Supplier’s offer repugnant to or inconsistent with the terms stated in tender shall be void and have no force and effect unless specifically approved and expressly modified by ABB 5. Any other deviations or exceptions, explicit or implicit, contained in Supplier’s bid or any subsequent communication shall automatically be deemed as withdrawn unless specifically agreed. |  |
| 1.1.3 | Technical compliance and supplier's responsibility | The material shall be manufactured & supplied meeting the technical specifications of enquiry without any deviations except mutually agreed ones & documented. All the supplied item will be as per EIL vendor list. The location should be registered as per EIL enlistment panel.  Supplier shall be fully responsible if the deviations are taken from their side / deviation observed from ABB/ customer/consultant after placement of order. In such case, supplier shall be responsible to supply the material in line with technical specifications of enquiry without any time and cost implications to ABB. |  |
| 2 | GST | Applicable and extra at actuals (% as per Govt.) |  |
| 3 | Sales Tax (CST / VAT) | Not applicable. |  |
| 4 | Price variation on Taxes and duties | Statutory variation applicable only within the contractual delivery period and is to the account of ABB Limited, beyond which any such implications shall be borne by supplier. |  |
| 5 | Payment Terms | 1. Supply invoice payment will be released as per the milestone given below and against the receipt of payment from End customer  * 80% of order value + 100% of applicable taxes & duties against receipted LR, photocopy of negotiable Consignee copy of LR [both sides] and * 10% payment will be against submission of Performance Bank Guarantee on order value till the warranty of the entire system supplied under this contract for a period of 36 months from the date of supply or 24 months from the date of commissioning whichever is earlier. * Balance 10% retention shall be paid after successful commissioning and User Acceptance Test, Sign off from ABB Project Manager/End customer. * In case of non-availability of site front from buyer beyond 180 days after agreed project completion period, this payment can be released against submission of additional 10% of retention bank guarantee valid upto additional project completion period.   All the above payments shall be through 180 days Bill discounting with interest charges to the supplier’s account. |  |
| 6 | Bank Guarantees | 1. 10% payment will be against submission of Performance Bank Guarantee on order value till the warranty of the entire system supplied under this contract for a period of 30 months from the date of supply or 15 months from the date of commissioning whichever is earlier |  |
| 7 | Packing & Forwarding | Inclusive in the FOR Price |  |
| 8 | Freight | Inclusive in the FOR Price. |  |
| 9 | Transit Insurance | By Supplier. |  |
| 10 | Contractual Delivery Date | 4 weeks from date of LOI/PO. |  |
| 11 | Proof Of Delivery | All materials to be sent directly on FOR site basis. Receipted L/R & Photocopy of negotiable Consignee copy of LR (both sides) to be submitted to ABB within 10 days from date of dispatch. |  |
| 12 | Penalty for Late Delivery | 1% or order value per week or part thereof subject to maximum 10% of the total order value. |  |
| 13 | Warranty | 24 months from the date of receipt of materials or 18 months from the date of commissioning, whichever is earlier. The supplier is to ensure that, all materials and components used in execution of the work shall be new and unused (not reconditioned) and of recent manufacture which shall be in no case be of a date of manufacture older than one year from date of delivery. Any replacements / repair during warranty period shall carry further warranty valid equivalent to original warranty period of equipment / material from date of successful replacement / repair.  All lodging, boarding, travelling, local conveyance, man day charges at site and relevant expenditure shall be included in Supplier’s scope. Buyer will not reimburse any amount for such expenses as incurred for successful commissioning of the supplied equipment and / or rectification of faults during the warranty period. |  |
| 14 | AMC prices | The supplier shall quote for 05 (five) years comprehensive on-site post warranty maintenance services for system / material supplied against this contract and as indicated in the MR.  Charges towards post warranty comprehensive maintenance support for 05 years shall be considered for evaluation purpose. |  |
| 15 | AMC price variation | The AMC prices agreed shall be firm & fixed till the completion of AMC period & no escalation / no variation whatsoever will be allowed on any ground. |  |
| 16 | Commissioning Services | The scope of supply shall be inclusive of commissioning of the supplied equipment with all expenses of your engineers included.  Supplier shall depute the engineers within 10 days from date of notice from ABB. |  |
| 17 | Training | The prices shall be inclusive of charges for the training as per MR. |  |
| 18 | Drawing & document Submission | The requisite Drawings, documents (technical datasheets, sizing sheets etc.) QAP etc. shall be submitted within 7 days from the date of Mail Confirmation / PO , whichever is earlier, in requisite number of sets as per MR.  Any delay in submission of above documents shall attract Liquidated Damage (LD) at 1% or order value per week or part thereof subject to maximum 10% of the total order value. |  |
| 19 | As built drawings | As built drawings & documents shall be submitted in requisite no of sets as per MR. If not specified in MR, supplier shall issue 1 original + 3 copies by default. |  |
| 20 | Inspection At Supplier Works | Inspection to be carried out by approved TPIA (list of TPIA will be informed to supplier) and also with by customer and consultant. The charges for the successful completion of inspection shall be to your account.  Inspection call letter to be given 15 days in advance and test reports to be furnished 7 days prior to inspection. Dispatch clearance will be only given after the clearance from end customer. In no case ABB will give the clearance without the clearance from end customer. |  |
| 21 | Documents for payment | - Signed Invoice & DC in triplicate  - Duplicate for Transporter Invoice [Cenvatable Invoice]  - Receipted LR – in duplicate  - Photocopy of negotiable Consignee copy of LR  - 10 % PBG(ABB Format)  - Consignee Copy of LR in original  - IRN (Inspection Release Note) issued by TPIA along with all Test certificates etc as mentioned in IRN in duplicate  - Warranty certificate from the supplier supported With back to back guarantee from OEM for the  Material supplied & invoiced in duplicate  - Packing list in duplicate  - Road Permit, duly filled-up & signed;  - DI(Dispatch Instruction) issued by ABB in duplicate  - O&M Manuals of the panel and major components as per MR. If not specified in MR, supplier shall issue 1 original + 2 copies by default.  - Soft copies in CD containing the above documents in 2 CDs.  NOTES :  1) The description of all the items, quantities and the unit rates mentioned in your invoice should match with those in the purchase order.    2) One set of scanned copy of above documents shall be sent by mail on the day of dispatch to the emails of SCM Dept. listed in the PO.  3)All the original documents shall reach us within 10 days from the date of dispatch to avoid delay in processing your payments. Any delay will cause delay in Payment.  In case of delay, beyond 30 days, in submission of the above documents all the commercial & financial implications arising out of this delay shall be debited to supplier’s account.  You shall send the invoice along with all necessary documents as mentioned above to the SCM contact address mentioned in the Purchase Order. |  |
| 22 | Risk Clause | If the supplier neglects to execute the work with due diligence or expedition or shall refuse or neglect to comply with any reasonable orders given to him in writing by the purchaser in connection with the work or shall contravene the provisions of the contract including timely delivery, the purchaser shall have the option to declare the contract as cancelled and get the balance portion from other sources at the risk and cost of the supplier. |  |
| 23 | Patents/Copy Right/Trade Marks | Seller shall indemnify and keep indemnified the buyer including his officers, Engineers ,Employees and authorized agents /Representatives and shall hold them harmless from any and all loss, damages, liability ,costs of litigation, counsel fees and other expenses arising out of any claim, or suit for alleged infringement of patents, copyright ,trade marks or trade names or brands relating to any of the stores, materials or equipment described in the contract or for the use or resale there of , and seller agrees to assume the defence of any and all such suits and to pay any and all costs and expenses incidental there to and any judgment awarded thereon.. |  |
| 24 | Confidentiality: | Any and all information which is received by the Seller directly or indirectly from the Buyer in connection with the performance under this Order will be held confidential by the Seller. This information will remain the property of the Buyer and will not be used by the Seller for any purposes other than those for which they have been supplied or prepared. The Seller will keep confidential the existence of this Order and the terms thereof and will not use for publicity purposes any photographs, drawings and/or materials relating to this Order or the acts done in performance of this Order without obtaining the prior written consent of the Buyer. Upon completion of the performance under this Order, the Seller will return all material received if so directed by the Buyer. |  |
| 25 | Billing Address | Will be intimated along with the dispatch instruction. |  |
| 26 | Delivery Address | To End customer Address( Project Site Address) to be intimated along with the dispatch instruction |  |
| 27 | Road Permit Request | Road permit request should be given along with inspection call with a clear indication of required road permits. The Supplier shall submit to the Purchaser a monthly reconciliation statement on utilization of Road Permits. In case Road Permits are not reconciled, no further Road Permits shall be issued to the Supplier. The Supplier shall be responsible and liable for any loss of Road Permits issued to him. In the event of loss of Road Permits, the Supplier shall immediately lodge a F.I.R. in the nearest police station and publish the information in local newspaper. The Supplier shall submit to the Purchaser one copy each of the F.I.R. filed and the newspaper publication. Unless this is done with respect to lost Road Permits, no fresh Road Permit shall be issued to the Supplier. Supplier shall compensate the Purchaser for any LOSS, COST, DAMAGE suffered by the Purchaser on account of loss of road permit/and non submission of required documents the demand levied by the Commercial Tax Department on the Purchaser. Supplier authorizes the Purchaser to recover the said amount of loss cost (any amount demanded by the Commercial Tax Department including penalty etc), damage from the pending bills of the Supplier. The Supplier undertakes to pay the Purchaser the same amount as indicated above by a cheque/demand draft in case no amount can be recovered from the pending bills of the Supplier. |  |
| 28 | Pre-information of Dispatch/Dispatch Instructions | Supplier has to give the pre-information before the dispatch of material. Seller shall comply with, in entirely, the 'Billing and Dispatch Instructions' issued by the purchaser, without any exception. The liability/cost arising out of noncompliance of 'Billing & Dispatch Instructions', if any, will be to the sellers account and the payment towards such invoices/bills or an amount equivalent to such liability/cost will be withheld or deducted by purchaser, accordingly.  The seller, while submitting their invoices for payment, shall attach a copy of the DI along with the Invoice. " |  |
| 29 | Supply of operation and maintenance Manual | Shall be supplied as per MR. If not mentioned in MR, 3 sets of Operation and maintenance manual shall be supplied by default. |  |
| 30 | Progress Report | Once in a Month is required with complete status, concerns and forecasts upto the dispatch of material. |  |
| 31 | Unpriced PO Copies | Suppliers has to submit the unpriced PO copies, including all terms & conditions, for similar major orders executed in last three years with complete address for their subsuppliers and delivery dates. |  |
| 32 | Proforma Invoice | Supplier has to submit the proforma invoice mentioning the basic price, excise duty and sale tax after acknowledgement of PO. This is required to take the approval of billing schedule from end customer. Supplier has to put the excise tariff heading/sub-heading for each product in the offer copy and proforma invoice. It should also give the indication of weight and tentative measurement of the final product. |  |
| 33 | Order acknowledgement | Order acknowledgement should be submitted within 2 days after receiving the PO by ABB. Submission could be either hard copy or soft copy on suppliers discretion. In case, we do not receive any reply from you on order acknowledgement within seven days of dispatch of the PO, it is assumed that all the terms & conditions of PO are accepted by you. |  |
| 34 | General | The Supplier shall be solely responsible and liable for his wrong assumptions/omissions/consideration of all applicable taxes and duties in the Contract price. In addition to above, taxes and duties, if any, which are prevailing on the date of issuance of Letter of Acceptance, as the case may be, but not considered by the Supplier in the Contract price, shall be borne and paid for by the Supplier.. |  |
| 35 |  | The Supplier shall be wholly responsible for any discrepancy, errors or omissions in the designs and drawings supplied by him, irrespective of whether such drawings and particulars have been approved by the Purchaser and the Engineer or not. The Purchaser shall recover from the Supplier any extra cost incurred by the Purchaser due to any alteration necessitated and/ or by reasons of any discrepancy, error or omissions in the designs and drawings supplied by the Supplier. |  |
| 36 | Dispute Resolution | If any dispute arises during the currency of this PO it shall be amicably settled failing which the same shall be settled through Arbitration in line with the provisions of Arbitration and Conciliation Act,1996.  The Venue of Arbitration shall be Bangalore and the language is English  The Governing Law of the PO shall be of India. |  |
| 37 | Force Majeure | Force Majeure shall mean an event beyond the control of the Supplier and not involving the Supplier's fault or negligence and not foreseeable, such as, but not restricted to wars (declared or undeclared), revolutions, civil wars, tidal waves, fires, major floods, earthquakes, epidemics and quarantine restrictions.  Force Majeure shall not include inclement or unforeseen weather, ~~strike or lock-out~~, shutdown, third party breach, delay in supply of material(s), transportation delays, delay in payment or commercial hardships, shutdown or idleness or other impediments in progress or completion of the work due to any reason whatsoever.  If Supplier is prevented or delayed in the performance of any obligations under this Order by circumstances of Force Majeure, the Supplier shall give written notice by letter thereof to ABB within three (3) days of the occurrence of the Force Majeure event full details of conditions (duly certified by the local Chamber of Commerce or statutory authorities) of Force Majeure, on commencement & on cessation of such circumstances. The Supplier shall also furnish necessary documentary evidence on prevalence of such conditions  Supplier shall diligently mitigate or remove the effect of Force Majeure. ABB shall upon receipt of the Notice of Force Majeure under the preceding Article shall confer promptly with the Supplier and agree upon, within fifteen days, a course of action to be adopted by the Supplier to remove or alleviate such effect(s), and shall seek reasonable methods of resuming full performance of Supplier’s obligations and achieving the objectives under the Order.  In the event of any force majeure cause, Supplier or ABB shall not be liable for delays in performing their obligations under this Order and the delivery dates will be extended without being subject to liquidated damage for delayed deliveries, as stated elsewhere.  For delays arising out of Force Majeure, the Supplier shall not claim extension in completion date for a period exceeding the period of delay attributable to the causes of Force Majeure and neither ABB nor Supplier shall be liable to pay extra costs or claim any damages or compensation in addition to or in lieu of extension in completion date.  The Supplier shall not be entitled for extension in completion / Delivery Date if the Force Majeure does not exceed 7 days. |  |
| 38 |  | Make (brand) and model no of all equipment/item to be supplied by the Supplier shall be as stipulated in the Technical Specification. |  |
| 39 |  | Supply of special tools required for specific Equipment for commissioning, normal repair and maintenance including special instruments required for calibration, programming etc will be included in scope of supply without any extra cost. |  |
| 40 |  | Supply of Spares parts manufactured by supplier or used by supplier should be available for next 10 years at a reasonable price. |  |
| 41 |  | Supplier (and his sub-suppliers) shall supply all equipment in his scope, compliant to positively isolate energy source during commissioning/maintenance/breakdown. Supplier and his suppliers shall also identify such equipment/devices in the drawings with its identification number. These equipment/devices shall physically bear such numbers for easy identification with respect to drawings, at work site/place.  The Supplier will be required to implement Purchaser’s Positive Isolation Policy at his work site/place, which will be in force during the entire contractual period. |  |
| 42 | Project Special Instructions | * Supplier has ascertained that the BOQ is comprehensive in terms of items & quantities. Therefore they will accordingly modify the BOQ as per their assessment and shall quote on the basis of the same. Supplier owns the responsibility for their BOQ and issued BOQ with tender shall not be considered as base for such discussion for amendment of items. Any other items required for completion of the job for given scope shall be estimated by Supplier and no price for such items will be paid other than agreed amount except for the change in scope from buyer. * Site construction power is not available, water, site store and its operation, watch and ward (only space will be provided for store by buyer), design, engineering, manufacture, assembly, inspection, testing at manufactures works and at site, packing , dispatch , transit insurance & transportation, lodging & boarding expense of Supplier (& sub-Supplier/ sub-contractor), unloading, handling, watch and ward, storage cum erection insurance including, transportation to the site of installation, preparation of good for construction drawings for Installation, supply, installation, testing, commissioning and handing over of system is included in the scope of Supplier. |  |
| 43 | Special Instructions | 1) The items shall be manufactured and supplied as per scope of supply and scope of work and complying to the approved technical specification /datasheets/ drawings. Supplier shall obtain the written manufacturing clearance from the purchaser (ABB ltd.) Before proceeding with the production.  2) Supplier shall dispatch & invoice the goods as per the detailed dispatch and billing instructions only, issued by ABB's project manager. No discrepancies are acceptable in this regard and invoices with discrepancies are liable for rejection.  3)The supplier's invoice shall be strictly in line with material code/description, qty and unit rate of the purchase order. No discrepancies are acceptable in this regard. Invoices with discrepancies might result in either ~~indefinite~~ delay in payment or rejection of invoice.  4) Supplier to comply to all the applicable documents as specified in MR without any deviations except mutually agreed ones.  5) Deviation raised by supplier are subject to approval from Consultant/EPC .And the final ownership of getting it approved will be on the supplier without any cost & time implication.  6) Final responsibility of getting the drawings, QAP, data sheets approved from customer / Consultant is on the supplier and however total support will be given by ABB in getting the document approved.  7) The prices shall remain firm for any variation in ordering quantity +/- 10%  8) Part shipment is allowed only with prior written confirmation from ABB based on project delivery requirements. Supplier shall ship the goods in such circumstance without any price & delivery implications.  9) For the supplies made by you, in case any problem arises, you shall depute your representative immediately to our site to attend and resolve the problem free of cost to ABB.  10) The manufacturing clearance and dispatch clearance shall be issued in multiple phases, if the project schedule calls for and suppliers shall execute the the job accordingly without any cost and time implications to ABB. In such case of staggered manufacturing clearances delivery shall be extended suitably. |  |

**CONTACT DETAILS**: Please contact the below concerned in case of queries/issues related to commercial, project execution, procurement and Engineering.

**ABB Procurement & Logistics / SCM :**

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| **Supplier Name & Address:** |  |
| **Name, designation & Signature of authorized person :** |  |
| **Date:** |  |