



Annexure - B to tender BAP/CAP/2013-14/OT-08
STANDARD COMMERCIAL TERMS & CONDITIONS [FORMAT TO BE FILLED-UP BY THE SUPPLIER]

S No.	BHEL Standard Terms	Supplier Confirmation
01	Price: Supplier shall be quoted on " FIRM PRICE " basis only. No price variation clause will be entertained.	
02	Terms of Delivery: FOR - Destination means FOR - BHEL Stores, Ranipet [Packing & Forwarding, Freight & Insurance are in Supplier's scope i.e. included in the quoted prices.	
03	Delivery Period: To mention clearly the exact delivery period as it attracts contractual penalty on delays through penalty clause. To be indicated in weeks from date of receipt of Letter of Intent (LoI). Delivery period shall not be more than three (03) weeks from LOI.	
04	Penalty: Supplier should quote a definite delivery period and any delay in delivery beyond the P.O delivery date will attract Penalty of 0.5% per week subject to a max. of 10% of order value. Date of despatch is considered for calculating penalty. Loading Factor for non-acceptance of Penalty Clause: Will attract maximum 10% loading on the offer and accordingly proportionate percentage will be loaded for accepting lesser percentage of penalty clause. Example: If the Supplier has accepted for maximum 5% penalty clause, then balance 5% will be loaded for evaluating lowest bidder.	
05	Payment Terms: Offer with deviations to BHEL Payment Terms will be loaded at the Base Rate of SBI + 2% for the period of relaxation sought by bidder for deviated amount for the purpose of evaluating the lowest bidder. Offers with advance payment are liable to be rejected. Payment through Electronic Fund Transfer mode only.	
(i)	80% payment will be made within 45 days from the date of receipt of material. Balance 20% + Erection & Commissioning (E&C) charges will be made after successful commissioning of the equipment.	Not Applicable
(ii)	In case if there is NO Erection/Installation and Commissioning involved for the item the following payment term would be considered. 100% payment within 45 days from the date of acceptance of the materials by BHEL at BHEL Ranipet.	
06	Guarantee Period: Guarantee regarding workmanship, materials used, design and performance should be for a period of 12 months from the date of commissioning & prove out of the equipment or 18 months from the date of supply which ever is earlier. Non acceptance of Guarantee Period / lesser period than specified: Will attract disqualification of the offer.	
07	Erection & Commissioning (E & C) Charges: Supplier to specify clearly the E & C Charges if any in their bid.	BHEL's scope
08	Validity: Supplier to mention clearly the validity date of the offer. [Minimum 180 days from the technical bid opening date]	
09	Risk Purchase: Supplier specific confirmation is required for this clause - 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, the best and the nearest available substitute therefor. 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 "Penalty" clause.	
10	Taxes & Duties:	
(i)	Excise duty in % (for Indigenous supplier): To be indicated by supplier. ED invoice is required for availing Cenvat benefit	
(ii)	Sales tax in % (for Indigenous supplier): VAT / CST to be indicated by the supplier.	
(iii)	Service Tax for services: To be indicated by supplier.	Not Applicable
11	Test Certificate: To be submitted.	
12	O & M Manual: 3 sets in English language.	
13	Training: Wherever required training shall be given by the supplier at no extra cost either at suppliers works or at BHEL works or both. After completion of training, necessary training completion certificate shall be obtained by the vendor from concerned BHEL authorities.	Not Applicable
14	Pre-Despatch Inspection (PDI): BHEL will have the option to pre-inspect the equipment at Supplier's works by BHEL's own inspector or by third party agency appointed by BHEL before despatch. Inspection call for carrying out the inspection shall be given 15 days before for indigenous supplies from the scheduled contract delivery date.	
	The above Commercial Terms and Conditions are confirmed by us for this tender. In case there is a variance between the conditions confirmed above and the main offer, we certify that the Commercial Terms and Conditions given in this shall take precedence. Such Commercial Terms and Conditions in the main offer may be considered null and void by the Purchaser and this is accepted by us.	