



COMMERCIAL TERMS AND CONDITIONS

Sl. No.	BHEL Standard Terms & Conditions	Supplier confirmation										
1.	<p>Tender Bid Submission – The Tender Quotations against the enquiry are invited in two parts i.e Two Part Bid system-</p> <p>1) Part I - Technical Bid with commercial conditions (Techno Commercial Bid / offer) - The Technical Bid shall contain covering letter, all enclosure documents as per check list in Technical specs like technical data, datasheets, drawings, Point wise confirmation to technical Specifications etc and all information as desired like PTR, quality plan, reference details and. List of items with quantities for each and unpriced in line with our enquiry. These agreed standard commercial terms & conditions should only be submitted along with technical bid for all enquiries and need not be submitted again along with Price bids</p> <p>2) Part II -Price bid / Priced offer The Price Bid shall contain the covering letter, Prices in BHEL price format (if applicable) Price bid should contain Itemised prices with details Like-</p> <table border="1" style="width: 100%;"><thead><tr><th style="text-align: left;"><i>Sl.No.</i></th><th style="text-align: left;"><i>Matl. Code.</i></th><th style="text-align: left;"><i>Item Description</i></th><th style="text-align: left;"><i>Qty</i></th><th style="text-align: left;"><i>Unit rate</i></th></tr></thead><tbody><tr><td colspan="5" style="text-align: center;">-</td></tr></tbody></table> <ul style="list-style-type: none">• These Bids shall be submitted in separate sealed covers super scribing Name of the Vendor, the nature of Bid (Technical or Price), BHEL Tender Enquiry No, Date, and Due date etc.• Techno-Commercial bid will be opened first and after freezing technical and commercial conditions only, price bids will be opened.• The date for the price bid opening shall be intimated to all the Techno-Commercially qualified bidders before the price bid is opened.• The bidder(s) will be informed , if their Techno-Commercial bid is not acceptable.• Revised offers will not be accepted with in the validity period of offers• Revised offer shall be accepted only if there is major change in Technical /Commercial requirements subjected to acceptance and Confirmation by BHEL. For any minor changes in Technical/ Commercial requirements only Price impact / implication are to be furnished subjected to acceptance and Confirmation by BHEL to submit this Impact price. This Impact Price are to be furnished like in original bids i.e. in sealed cover scribing Impact price/ Project Name / BHEL enquiry No / Submissions date etc. Such Impact prices shall be opened along with main prices.	<i>Sl.No.</i>	<i>Matl. Code.</i>	<i>Item Description</i>	<i>Qty</i>	<i>Unit rate</i>	-					
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2.	Offer validity should be 90 days minimum from date of price bid opening											
3.	The quoted prices must be on firm basis till the execution of order.											
4.	• All Bids shall be submitted in original, duly signed by the authorized											

	<p>signatory.</p> <ul style="list-style-type: none"> • Correct Enquiry number should be mentioned on all pages. The name of the vendor and due date are to be correctly mentioned and the offers are to tender box/email before 11.00AM. In case the offer is sent through mail, PDF document should be in correct format and only one offer is to be included in a mail. • Offers only from Principals / OEMs (Original Equipment Manufacturer) will be considered. • <u>Indian Agents are not permitted to submit offer on behalf of their principals.</u> In case of any bonafide Indian agent desires to submit offer on behalf of their principal, the offers shall be supported by valid MOU between Indian Agent and Principal. • Indian Agent on behalf of the Principal / OEM and Principal / OEM itself cannot simultaneously participate. • No Indian agent shall represent more than one Principals / OEMs in the same tender / item. <p>Non conformance of the above, offers stands disqualified.</p>	
5.	<p>Payment Terms:</p> <p><u>For Indian Vendors:</u> 100% payment with in 90 days (45 days incase of SSI units) from invoice date after receipt and acceptance of material.</p> <p>In case of DD items: Material Receipt Certificate from site is required for release of payment incase freight and insurance are in Vendor's scope.</p> <p><u>For Foreign Vendors:</u></p> <ul style="list-style-type: none"> a) 100% payment against irrevocable Letter of Credit.(Letter of Credit will be opened 30 days prior to dispatch schedule and validity of the LC must be for 90 days from the date of opening of LC). <p style="text-align: center;">(Or)</p> <ul style="list-style-type: none"> b) 100% payment on CAD basis. c) India Agent commission if any will be paid in Indian Rupees as per CVC guidelines.(Tax deducted at source if any will be applicable as per Indian Income Tax act). <p><u>Deviation from BHEL Standard Payment Terms:</u> 2% of purchase order value per month will be loaded incase BHEL standard payment terms are not acceptable.</p>	
6.	<p>Packing :and Forwarding charges if shall be included in the offer</p>	
7.	<p>Penalty:</p> <ul style="list-style-type: none"> a) Penalty @ ½% per week or part thereof subjected to a maximum of 10% of the Purchase order value if the evaluation of the offer is done on overall L1 basis. b) Penalty @ ½% per week or part thereof subjected to a maximum of 10% of the undelivered portion of Purchase order value if the evaluation of the offer is done item wise. <p>The total deviation from the BHEL standard penalty clause will be loaded incase vendor is not agreeing for BHEL standard penalty clause.</p>	
8.	<p>Guarantee: The guarantee period shall be as per the specification. Otherwise, minimum guarantee for a period of 12 months from date of commissioning or 18 months from the date of dispatch whichever is earlier is to be confirmed.</p>	

9.	<p>Third Party Inspection: The vendor shall submit the test procedure and quality plan for approval immediately on placement of order. Based on the quality plan Inspection of the items shall be done by BHEL/BHEL nominated inspection agency (Third Party)/End customer. The Inspection agency name will be furnished in the purchase order.</p> <p><u>For Foreign Vendors:</u> Inspection by M/s Lloyds/Bureau Veritas/DNV/TUV and charges for inspection are to be included in the price quoted. The TPI agency name is subject to customer approval which shall be intimated in the enquiry.</p> <p><u>For Indian Vendors:</u> Inspection by M/s Intertek or M/s Lloyds Inspection charges will be paid by BHEL. Hence inspection charges are to be excluded in the offers by Indian Vendors.</p> <p>Vendor shall raise inspection call through website cqr.bhel.in only with an advance notice of at least 7 days.</p>	
10.	<p>Terms of Delivery: The items are to be quoted on FOR Site/BHEL Basis for Indian Vendors. The destination will be mentioned in the enquiry i.e Freight & Insurance Charges shall be to vendor account.</p> <p>Deviations from BHEL Standard Terms of Delivery: In case vendor does not accept for FOR Site/BHEL basis, vendors offer will be loaded by 3% while evaluating the offer.</p> <p>The items are to be quoted on CIF basis for Foreign Vendors.</p> <p>Deviations from BHEL Standard Terms of Delivery: In case vendor does not accept for CIF basis, 5% of the po value will loaded for air freight.</p>	
11.	<p>Delivery is the essence of contract. Delivery time shall be quoted in weeks for each project from date of PO (Zero date). Vendor to quote the minimum delivery possible with respect to our enquiry i.e Meeting the delivery required as per specific Project. Please note that Open ended delivery is not acceptable i.e. conditional delivery linked to Drg. Approval /QAP approval is not applicable. Delivery time shall be quoted in weeks from the date of PO and delivery will be reckoned from the date of PO only.</p> <p>However due to some reason if delay is attributable to BHEL delivery period shall be extended for the corresponding period .</p> <p>Please note that this delivery period includes Time for TPI, Packing& forwarding and dispatching the material to site. Material Receipt certificate date will be the date for LD purposes in case freight and insurance are in Vendor's scope for Indian Vendors and Air Way Bill for Foreign Vendors.</p>	
12.	<p>a) Price Bids Shall be evaluated on landed cost basis i.e., TOTAL COST TO BHEL (after considering CENVAT or VAT benefit, if any) and w.r.t the finalized Technical Scope and Commercial conditions only.</p> <p>b) Offer of foreign vendors (other than Indian Vendors) will be loaded for evaluation purpose with prevailing tariff of Customs Duty as applicable for MERIT /</p>	

	<p>PROJECT IMPORT / DEEC. However, as per present tariff of maximum Custom Duty (7.5%), CVD (12%), Additional CVD (4%), Air Freight (5%) and inland freight, handling charges, incidentals (3%). However, the tariff may change from time to time as per the Government of India Policy</p> <p>If the prices are quoted in foreign currency, the exchange rate at the time of opening of technical bid will be considered for evaluation of the bid.</p>	
13.	<p>Dispatch Documents: Following Dispatch documents are to be immediately sent to purchaser on dispatch through courier and soft copies through email.</p> <p>For Indigenous vendors</p> <ul style="list-style-type: none"> • Original Tax/Excise Invoice in duplicate • Copy of LR / Proof of Receipt at Site (i.e. MRC-Material Receipt Certificate) • Copy of Delivery Challan / Packing List • Insurance Certificate • Guarantee Certificate • All test reports & Third Party Inspection Reports <p>For Imported Vendors:</p> <ol style="list-style-type: none"> 1) Bill of Lading/Airway Bill 2) Invoice 3) Packing List 4) Guarantee Certificate 5) Test Reports <p>Country of Origin Certificate</p>	
14.	BHEL Reserves the right to increase/decrease the quantity indicated and cancel the item(s) in the enquiry.	
15.	BHEL reserves the right to reject offer which is having deviations to BHEL standard terms and conditions.	
16.	The Tender received after 11.00AM on the due date will be treated as late bids and same will not be considered	
17.	Supply should strictly confirm to BHEL drawings / specifications. All tests should be carried out as per BHEL drawings / specifications. All Test certificates, guarantee certificates and Pre inspection reports (PIR) should be furnished along with dispatch documents	
18.	Excise Duty : Extra - Vendor to indicate for each project while quoting applicable percentage/value the same shall be paid/reimburse on submission of Excise duty gate pass / relevant document to claim MODVAT/CENVAT benefit Vendor to indicate this for each project while quoting. Project details will be intimated in the enquiry	
19.	CST: against "C" form Extra (indicate applicable%/value). OR	

	VAT (indicate applicable%/value).- Vendor to furnish relevant document to claim MODVAT/CENVAT benefit Vendor to indicate this for each project while quoting. Project details will be intimated in the enquiry	
20.	Any other taxes/duties if applicable shall be specified in terms of percentage wherever applicable. Vendor to indicate this for each project while quoting	
21.	Vendors shall submit offers within the due date. If, no communication is received from any vendor within the due date, it will be deemed that the vendor can not meet our delivery / technical requirements.	
22.	BHEL reserves the right to finalize the tender through Reverse Auction (RA).Kindly convey your acceptance and furnish the following details: i) Name of the participating person: ii) Telephone number: iii) Fax Number: iv) E-mail address: v) Mobile Number:	

NOTE TO VENDORS:

a) Vendors to indicate their response to each of the above clauses either by 'YES' or "NO' in the Supplier confirmation column.

b) Vendors , if taking deviations from the specified conditions , may indicate the same clearly in deviation column and if needed on a separate sheet, with reasons for such deviation and in such a case BHEL reserves the right to reject the offer summarily or load the vendor suitably as indicated at 10(b) – solely at its discretion and in its interests.

c) Tender covers shall be sent only to :

The Purchase Officer / CMM

Purchase Co-ordination Cell

Bharat Heavy Electricals Limited

R.C Puram, Hyderabad – 502 032.

Who ever desires to send offers on their own risk (complete in all respect) via E-mail have to send the **scanned copies** of offers duly signed and stamped, to the common E-mail address – tenderbox@bhelhyd.co.in. Offers sent to any other E-mail ID or in-complete offers or offers without signature and stamp of the vendors shall be treated as un-solicit and will not consider for evaluation purpose.

d) Commercial Conditions quoted in any place other than this format , including stated in Vendor's General Terms and conditions enclosed, if any , shall be summarily ignored and be invalid for evaluation of the Preferred Bidder.

e) *Vendors to note that the above are specific Terms & conditions only , and in respect of other terms and conditions, BHEL's General Terms & conditions will apply and the same can be obtained upon making a request.*

f) *Indian Agents are not permitted to submit offer on behalf of their principals. In case or any bonafide Indian agent desires to submit offer on behalf of their principal, the offers shall be supported by MOU between Indian Agent and Principal. Non conformance of the above, offers stands disqualified.*

g) *Risk procurement action will be made applicable, in case of the following:*

a. *Not honoring your own offer or any of its conditions, within the validity period.*

b. *Not adhering the purchase order conditions either in full or part.*

SIGNATURE

DATE

SEAL