

**Commercial Terms****Annexure: I**

Item - Diamond Wheel Refractory Brick Cutting Machine  
Qty - 01 No.

Confirmation/comments on the conditions given below are mandatory. Please confirm the following or else your offer is liable to be rejected.

| Sr. No. | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Vendor Confirmation |
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| 1       | Material shall be supplied as per enquiry no 201602671/3014 in all respects without any deviation. Point wise reply / confirmation of attached specification no. CFF/SMS/2012/01 Rev.02 is required to be submitted along with offer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                     |
| 2       | <b><u>PQC Required from SMS</u></b><br><b>(1) Vendor must have supplied minimum one number of Refractory brick cutting machine of drive motor capacity minimum 7.5HP within last 5 years from the date of tender opening.</b><br><b>(2) Vendor has to provide copy of Purchase Order/ Purchase agreement/ Invoice copy in support of Point (1)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                     |
| 3       | Equipment should be Guaranteed for good working for at least one year from the date of commissioning .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                     |
| 4       | Final Inspection will be done after receipt of material at CFFP,BHEL,Haridwar.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                     |
| 5       | <b><u>Delivery Term:</u></b><br><b>a) For Indian supplier:</b> FOR Destination basis, destination being Stores/CFFP/BHEL Haridwar.<br><b>b) For Foreign supplier:</b> Delivery CIF, Mumbai: - Date of B / L.<br><br>Quoted rate should be inclusive of the charges like freight, service tax on freight, insurance, packing & forwarding etc. for the delivery term given above or else proper loading.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                     |
| 6       | <b><u>Payment Terms:</u></b><br><b>Indigenous Supplier:</b> 80% payment of Supply value shall be made within 45 days from the date of receipt of material at CFFP, BHEL. Balance 20% of Supply value plus 100% of the erection & commissioning (E&C) charges will be paid against E&C certificate issued by BHEL and submission of Performance Bank Guarantee (PBG) valid for 30 days beyond the warranty period by Supplier.<br><b>For foreign supplier:</b> 80% payment of supply value shall be paid on dispatch through USANCE LC on 70th day of bill of lading date and 20% of supply value plus 100% of the erection & commissioning (E&C) charges will be paid through trunk transfer after receipt of Performance Bank Guarantee (PBG) valid for 30 days beyond the warranty period by Supplier. All bank charges shall be to vendor's account.<br><b>PBG</b> is required from any of the Consortium Banks of BHEL for 10% of total PO Value in the prescribed Format. The PBG confirmation charges shall be borne by vendor.<br><br>* Format and list of consortium bank is attached. |                     |
| 7       | <b><u>Currency of offer:</u></b><br><b>Indian Vendor:</b> Only in Indian Rupee.<br><b>Foreign Vendor:</b> Only in USD /EURO / POUND STERLING/YEN.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                     |
| 8       | Validity of offer: Minimum 180 days from tender opening date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                     |
| 9       | Prices shall be firm till execution of Order.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                     |

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| 10 | Provide name of contact person, mobile no. & email address.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |
| 11 | <p><b>LATE DELIVERY PENALTY CLAUSE (LD):</b> Penalty on delay in 'Supply' and/or 'E&amp;C' will be applicable to the delays attributed to vendor. Penalty will be considered separately for 'Supply' and 'E&amp;C'.</p> <ul style="list-style-type: none"> <li>- The rate of penalty for delayed Supply shall be @ 0.5% per week of delay of total PO value ( supply + E&amp;C) subject to a maximum of 10% of total PO value.</li> <li>- The rate of penalty for delayed E&amp;C shall be @ 0.5% per week of delay of total PO value (Supply +E&amp;C) in E&amp;C subject to a maximum of 10% of total PO value (Supply + E&amp;C).</li> <li>- Maximum penalty for delay in Supply and E&amp;C together shall be limited to 15% of total PO value (Supply + E&amp;C).</li> <li>- For calculating Late Delivery penalty delivery date shall be considered as per following: <ul style="list-style-type: none"> <li>a . Indigenous Suppliers: Delivery FOR Destination:- Date of receipt at BHEL Hardwar.</li> <li>b . Import Supply: Delivery CIF, Mumbai :- Date of B / L.</li> </ul> </li> </ul> <p>Note :</p> <ul style="list-style-type: none"> <li>- In case any bidder is not accepting the above penalty for delayed Supply and/or E&amp;C, the offer of bidder shall be loaded to the extent to which it is not agreed by the bidder.</li> <li>- In case, any shortage is noticed viz-a-viz PO requirement in the main equipment /spares, such shortages shall be replenished by supplier on FOR destination basis without any cost implication to BHEL i.e. Custom Duty and freight charges etc. up to destination for such short supplies shall be borne by the supplier.</li> </ul> <p>Supply period indicated by bidder should include reasonable time required for approval of drawings and other inputs from BHEL.</p> |  |
| 12 | E&C value should be quoted separately by bidders. In case where quoted value of E&C is less than 5.0 % of basic Equipment cost or separate E&C values are not mentioned in the offer, value for E&C portion shall be considered 5.0 % of basic Equipment cost & accordingly supply value will be adjusted from that quoted value.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
| 13 | Replica of price bid ( <b>without price part</b> ) required along with technical offer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
| 14 | <b>Disputes:</b> In event of any dispute arising out of contractual obligation, the order being finalized at Haridwar, India will be subject to Indian laws and falls under jurisdiction of the court of Law at Haridwar, India. The overseas supplier hereafter referred to as "Vendor" shall therefore abide by the verdict of court of Law at Haridwar, India.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
| 15 | <b><u>Delivery</u></b> of material will be required within <b><u>14 weeks from the date of purchase order.</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |
| 16 | <b><u>Time period for E&amp;C - 1 week from date of call for E&amp;C</u></b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |
| 17 | Early Delivery Acceptable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |
| 18 | For new vendors who are not registered with CFFP BHEL Haridwar, duly filled "Supplier Registration Form" (available at <a href="http://www.bhel.com">www.bhel.com</a> ) with all the supporting documents has to be submitted along-with techno-commercial bid of offer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |

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| 19 | BHEL will prefer to deal directly with foreign vendor/ original manufacturer. In case, vendor engages any Indian agent or take service of any Indian agent, copy of agent agreement required along with offer in line with Annexure-IV attached.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |
| 20 | <b>Risk Purchase:</b> In case of delayed/defective supplies or non-fulfillment of any other terms & conditions given in the purchase order, the purchaser may cancel the purchase order and may also make the purchase of such material at the risk & cost of supplier.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
| 21 | <b>Conditions for opening of Price :-</b><br>1. BHEL reserves the right to go for Reverse Auction (RA) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. All bidders to give their acceptance for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA.<br>2. In case BHEL decides to go for Reverse Auction, Only those bidders who have given their acceptance to participate in RA will be allowed to participate in the Reverse Auction. Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit „online sealed bid“ in the Reverse Auction. Non-submission of „online sealed bid“ by the bidder will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue.<br>3. In case BHEL decides to go for Reverse Auction, the H1 bidder (whose quote is highest in online sealed bid) may not be allowed to participate in further RA process. |  |
| 22 | - In case any column is left blank, it shall be deemed to be accepted by vendor.<br>- If any difference is found for any term and condition in the offer and this annexure “I”, the terms quoted in this annexure ‘I’ shall be deemed as final and binding on vendor.<br>- Evaluation shall be on the basis of delivered cost (i.e.) "total cost to BHEL".                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |