

COMMERCIAL TERMS	
1. Payment terms:	
1. Payment terms: Indigenous Supplier: 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 erection & commissioning (E & C) charge will be paid after commissioning of equipment and on receipt of Performance Bank Guarantee (PBG) valid for 30 days beyond the warranty period by Supplier from any of the Consortium Banks of BHEL for 10% of total purchase order (P O) value in the prescribed Format. The PBG confirmation charges shall be borne by vendor. For foreign supplier: 80 % Payment of Supply value shall be made through USANCE L/C (1st) on 70th day of bill of lading date (B/L date) and balance 20% of supply value of purchase order plus 100% of erection & commissioning (E & C) charge will be paid through L/C (1Ind) after commissioning of equipment and on receipt of Performance Bank Guarantee (PBG) valid for 30 days beyond the warranty period by Supplier 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 . First L/C will be opened by CFFP BHEL before 2 months from scheduled delivery of PO and after receipt of Contract Execution Bank Guarantee and Order Acceptance. Second L/C will be opened 15 days prior to the scheduled and confirmed arrival of the technicians of supplier with their names and details for E&C at CFFP BHEL Haridwar. Note : Any deviation, in Payment Terms by bidder w.r.t. tender conditions following loading shall be applicable: (a) Base rate of SBI (as applicable on the date of bid opening: Techno commercial bid opening in case of two part bids) + 6 %, shall be considered for loading for the period of relaxation sought by bidders.. (b) On account of payment through LC, Bank charges shall also be loaded for the deviation in (i) opening of LC by BHEL and (ii) period and amount of LC w.r.t. above NIT terms.	
2. Contract Execution Bank Guarantee (CEBG) : Vendor has to submit Contract Execution Bank Guarantee for 10% of the total PO value (supply) in the currency of order within 30 days from the date of purchase order (but before LC opening in case of foreign vendors) in the form of Bank Guarantee in BHEL format from BHEL consortium bank or from a reputed bank and confirmed by any consortium bank of BHEL valid up to 30 days from the date of commissioning of equipment at CFFP / BHEL. If the supplier fails to submit the CEBG even within 60 days from the date of PO, BHEL reserves the right to cancel PO & forfeit the EMD given by the supplier. In addition, in such case, action will be initiated in line with BHEL's extant guidelines for Suspension of Business dealings with Suppliers. Note : In case of foreign vendors if some indigenous supply is involved then Contract Execution Bank Guarantee shall be of combined order value (Import order value + indigenous order value in foreign currency) and to be submitted by foreign vendor.	
3. PBG terms	
Submission of Performance Bank Guarantee (PBG) by Supplier in the prescribed Format value for 30 days beyond the warranty period, from one of the Consortium Banks of BHEL or from a reputed Bank and confirmed by Consortium Bank of BHEL for 10% of total PO value. The PBG confirmation charges shall be borne by vendor. Note : In case of foreign vendors if some indigenous supply is involved then Performance Bank Guarantee shall be of combined order value (Import order value + indigenous order value in foreign currency) and to be submitted by foreign vendor.	
4. CURRENCY OF PAYMENT FOR FOREIGN VENDORS : (Euro / Dollar / YEN & GBP)	
5 . For indigenous supply the currency shall be Indian Rupees	
6. ERECTION AND COMMISSIONING VALUE : E&C value should be quoted separately by bidders. In case where quoted value of E&C is less than 5 % of basic Equipment cost or separate E&C values are not mentioned in the offer, value for E&C portion shall be considered 5 % of basic Equipment cost & accordingly supply value will be adjusted from that quoted value and balance will be released as E&C payment.	
7. Time period for Supply and E&C :	
Delivery period of 3 Plate Slide Gate System required by BHEL - 3 Months from Purchase Order	
Erection & Commissioning period - 02 weeks	
8. ORDER ACCEPTANCE : Bank guarantee towards security deposit and order acceptance (ink-signed) will be submitted within 30 days from the date of PO.	
9. Submission of Bank Guarantee :	
All bank guarantees i.e CEBG as well as performance bank guarantee should be from one of the BHEL consortium banks (annexure-III) and the bank guarantees should be in the proforma as prescribed by BHEL (annexure-II). BGs shall be from one of the Consortium Banks of BHEL or from a reputed Bank and confirmed by any Consortium Bank of BHEL. All bank charges on account of issuance and confirmation of CEBG whether incurred in India or outside India will have to be borne by the vendor.	

10. Penalty for delay in Supply and Erection and Commissioning (E&C) : Penalty on delay in 'Supply' and/or 'E&C' will be applicable to the delays attributed to vendor. Penalty will be considered separately for 'Supply' and 'E&C'. - The rate of penalty for delayed Supply shall be @ 0.5% per week of delay of total PO value (supply + E&C) subject to a maximum of 10% of total PO value. - The rate of penalty for delayed E&C shall be @ 0.5% per week of delay of total PO value (Supply +E&C) in E&C subject to a maximum of 10% of total PO value (Supply + E&C). - Maximum penalty for delay in Supply and E&C together shall be limited to 15% of total PO value (Supply + E&C). - For calculating Late Delivery penalty delivery date shall be considered as per following: a . Indigenous Suppliers: Delivery FOR Destination:- Date of receipt at BHEL Hardwar. b . Import Supply: Delivery CIF, Mumbai :- Date of B / L. Note : - In case any bidder is not accepting the above penalty for delayed Supply and/or E&C, the offer of bidder shall be loaded to the extent to which it is not agreed by the bidder. - 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. Supply period indicated by bidder should include reasonable time required for approval of drawings and other inputs from BHEL. <i>In the Techno-Commercial Bid, the bidder shall submit milestones for various activities in co-relation with Supply and E&C period quoted by him.</i>	
11. Settlement of Disputes: For Foreign Vendors: Settlement of disputes through arbitration shall be in accordance with Arbitration Rules of Conciliation and Arbitration of the ICC, Paris. The venue of arbitration shall be Delhi. The courts of Delhi shall have exclusive jurisdiction. For Indigenous Source: The venue of arbitration shall be Haridwar Courts, which will have exclusive jurisdiction	
12. Inspection will be done at BHEL, CFFP, Haridwar after receipt after receipt of equipment.	
13. Drawing / data approval : Any drawing / data approval required from BHEL after placement of order Shall be the responsibility of the vendor and any delay on account of the same shall be the responsibility of the vendor and have no bearing on the penalty applicable.	
14. Drawing / design / information use: The vendor will have to give an undertaking that the drawing / design / information enclosed with the enquiry / proposed order will not be parted to any other agency and will also not be used for manufacturing for any other customer.	
15. Delivery of the equipment: For Foreign Vendors: Delivery must essentially be CIF Mumbai Sea port Nahava Seva for import . Sea freight charges for import and freight charges for indigenous items must essentially be quoted and indicated separately in price bid. For Indigenous Vendors: Delivery must essentially be FOR BHEL Haridwar for indigenous. Quoted rate should be inclusive of the charges like freight, service tax on freight, insurance, packing & forwarding etc. else proper loading.	
16. O&M Manual: Operation & Maintenance Manual shall have to be supplied along with the equipment. Final payment will be released only after receipt of the required documentation.	
17. Training: Vendor shall provide required training to BHEL personnel free of cost.	
18. Details of Contact person Name, Designation, Department complete postal, E-mail address & Fax no, phone, Mobile no. to be mentioned.	
19. Import Supply: a. Phyto-sanitary Certificate essential for packages (Wooden) b. Country or origin certificate: Vendor to furnish the country of origin certificate from Chamber of Commerce with dispatch documents	
20. Validity: Validity of the offer should be 180 days from tender opening date.	
21. Bank Charges: Bank Charges on either side or your prices will be loaded suitably.	

22. REVERSE AUCTION: (i) BHEL reserves the right to go for Reverse Auction (RA) instead of opening the sealed envelope price bid/ Price bid in e-portal, 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 for RA. Detailed guidelines available at our site www.bhel.com. (ii) 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. . Online sealed bid during reverse auction must be same or lower than the price quoted for the tender. In case rate found higher, BHEL will take action against vendor as per company policy. Non-Submission of 'online sealed bid' by the bidder will be considered as tempering of the tender process and will invite action by BHEL as per extant guidelines in vogue. (iii) Highest bidder during online sealed bid will not be permitted to participate further in Reverse Auction of the tender enquiry for respective items.	
23. L1 price will be decided on- Landed cost net of Cenvat at CFFP, BHEL basis. Equipment cost , recommended mandatory spares and tools & tackles along with E & C, training, proving etc will form part for deciding L1 price. ** For evaluation, exchange rate (TT selling rate of SBI) as on scheduled date of tender opening (part –I bid in case of two part bid) shall be considered in case of foreign supplier.	
24. Price bid should clearly indicate separately the basic cost of Equipment, Spare , Tools & Tackels for E&C, E&C charges and applicable taxes and duties etc. Replica of price bid will be as as per point no. 13 of Tech Spec. SMS/SP/29 Rev 00 (copy of price bid without price part) to be submitted alongwith techno commercial bid.	
25. Beneficiary of PO: Please confirm the beneficiary of PO along with the complete address	
26. Foreign Suppliers: Dispatching port & Country to be mentioned essentially	
27. Total weight - Gross / Net in Kg, package size essentially should be indicated (if not exact then approximate.)	
28. Risk Purchase Clause: In case of delays in supplies / defective supplies or non-fulfillment of any other terms and conditions given in the Purchase Order the purchaser may cancel the purchase order in full or part thereof, and may also make the purchase of such material from elsewhere / alternative source at the risk and cost of the supplier.	
29. Performance Guarantee/ Warranty : The supplier shall provide full and complete guarantee for trouble free performance for at least one year from the date of commissioning. If instrument remains out of order during this period, guarantee period will stand extended for the corresponding period. If any manufacturing defect is noticed during guarantee period, it will be rectified free of cost even after completion of guarantee.	
30. Unregistered vendors have to fill the SRF (Supplier Registration Form) of their company online at our website www.bhel.com or www.bhelhwr.co.in .They can fill the SRF of their company at this link: https://supplier.bhel.in/	
31. Foreign suppliers and their Indian agent (If any) must comply with the terms and condition given in annexure -IV.	
32. a) Intending vendor must submit/deposit the requisite EMD of Rs 200000.00/- (Rupees Two Lakh Only) in the form of Cash (as permissible under Income Tax Act) / Pay Order / Demand draft / e-payment (in case of foreign bidders) only (Cheque / Bank Guarantee are not acceptable) while submitting the tender documents as detailed in "Instruction to Bidders".	
b) Supplier must enclose scanned copy of (Cash receipt/ Pay order/ Demand Draft or E-payment transaction detail) submitted as EMD drawn in favour of CFFP / BHEL Hardwar, at e-procurement portal with their offer and hard copy of Cash receipt/ Pay order/ Demand Draft or E-payment transaction detail shall be submitted by vendor to CFFP,BHEL, Haridwar , before techno-commercial bid (part-1 bid) tender opening date.	
c) All Central/State -PSUs / Govt. departments / Micro and Small Enterprises are exempted from submission of EMD.	
d) EMD by the Tenderer will be forfeited if, the successful bidder/vendor refuses to honour the Order after award of the same on him and/or withdraws his bid and /or unilaterally changes the offer and/or any of its terms & conditions within the validity period.	
e) EMD given by all unsuccessful Tenderers shall be refunded on acceptance of award / LOI/PO by successful Tenderer. The EMD of successful bidder shall be returned after acceptance of Purchase Order & after submission	
f) EMD shall not carry any interest.	
Note: Attach separate sheet for additional information if necessary. The above terms & condition supersedes the terms & conditions found contradictory written else where in the tender enquiry	