

**ANNEXURE –II-B [FOREIGN VENDOR] Revision 01****Dtd 14.05.2020****COMMERCIAL TERMS AND CONDITIONS**

VENDOR SHOULD INVARIABLY ENCLOSE THIS FORMAT DULY FILLED TO THE QUOTATION. OTHER WISE, THE OFFER IS LIABLE TO BE REJECTED.

**BHEL HPVP REQUIREMENT****VENDOR  
COMMENTS**

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| <b>1.</b> | Vendor should categorically indicate confirmation of all the points of Technically delivered condition and commercial term and Condition with signature and stamped at the bottom of each document and submit the same along with Un-priced technical Bid. Offer of those who do not confirm compliance of all terms and condition are likely to be rejected.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                          |
| <b>2.</b> | Vendor should confirm that no deviations in the tech. specifications, delivery conditions etc., will be asked if order is placed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                          |
| <b>3.</b> | Vendor should confirm that the quoted prices should be firm without any variations till the end of complete execution of order. NO REVISION OF PRICES WILL BE ENTERTAINED AFTER TENDERS ARE OPENED.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                          |
| <b>4.</b> | <p>YOUR OFFER SHOULD INDICATE THE FOLLOWING:</p> <ol style="list-style-type: none"> <li>1. Price Basis: <b>CFR- Chennai</b> Sea Port. BHEL Shall pay only Delivery order charges and Container detention free period shall be 14 Days</li> <li>2. Packing &amp; Forwarding Charges (To be included in the offered Price)</li> <li>3. Documentation Charges (To be included in the offered Price)</li> <li>4. Testing Charges (To be included in the offered Price)</li> <li>5. Port of Loading &amp; port of Discharge to be indicated in the offer.</li> <li>6. Mill, Product make &amp; country of origin to be indicated in the offer.</li> <li>7. Quantity tolerance applicable is +5%. Beyond +5% quantity tolerance offer will be loaded accordingly. If any vendor agreed to supply the material in theoretical weight basis, offer will not be loaded.</li> <li>8. HSN CODE</li> </ol>                                                                                                                                                                                                                                                                                 | <ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> <li>4.</li> <li>5.</li> <li>6.</li> <li>7.</li> <li>8.</li> </ol> |
| <b>5.</b> | <p><b>PAYMENT TERMS:</b></p> <p>a) Payment will be made through CAD within 45 days from the date of receipt of documents at our Bank. Respective Bank Charges to respective Account.</p> <p>Any deviation in the above payment terms will attract LOADING as mentioned below.<br/>"Base rate of SBI (as applicable on the date of techno commercial bid opening) + 6% of basic value shall be considered for loading for the period of relaxation sought by bidder".</p> <p>b) <b>If insisted for LC</b>, only Usance LC with 120 days credit will be opened one month prior to material readiness. Hence supplier shall intimate the material readiness accordingly for opening of L.C. LC validity period will be 90 days and for any extension, applicable charges will be to supplier's account.</p> <p>Any deviation in the above payment terms will attract LOADING as mentioned below.<br/>"Base rate of SBI (as applicable on the date of techno commercial bid opening) + 6% of basic value shall be considered for loading for the period of relaxation sought by bidder".</p> <p>c) Bidders may please note that LC is not preferable and bidders are requested</p> |                                                                                                                                          |

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|            | to accept the payment terms at 5a.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |
|            | d) In case of foreign supplier insisting for LC payment, TWO sets of original TCs to be submitted prior to dispatch and a certificate to that effect from BHEL should form a part of the documents to be negotiated. If this condition is not complied by the vendor, the offer is liable for rejection.                                                                                                                                                                                                                                                                                                                                                                     |  |
|            | <b>Note: Payment terms as Performa Invoice/Advance Payment /LC at sight and confirmed LC shall be rejected.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
| <b>6.</b>  | <p><b>DELIVERY PERIOD:</b> The acceptable Delivery period shall be within <b>13 weeks</b> from the date of P.O to the Final entry date of IGM (Import General Manifest) Bidders to agree the above delivery to meet the project schedule.</p> <p><b>LOADING FACTOR:</b> The offers which do not confirm to <b>13 weeks</b> of delivery period shall be loaded for the delayed delivery beyond <b>13 weeks @ 0.5%</b> per week or Part thereof on the offered basic value.</p> <p>If any other date (such as Material Readiness Date, MTC date, B/L date etc) is quoted offer shall be loaded @1% per week for the differential period for bringing it to specified date.</p> |  |
| <b>7.</b>  | <b>VALIDITY OF QUOTATION:</b> Quotation shall be valid for 60 Days from the Technical (Part-1) Bid Opening. If Revised Price Bid/Impact bid is asked by BHEL, the validity of the same shall be 45 days from the price bid opening OR 60 days from the day of part -1 bid opening, whichever is later 60 Days from the Technical Bid opening.                                                                                                                                                                                                                                                                                                                                |  |
| <b>8.</b>  | <p>BHEL HPVP reserves the right to Reduce / Increase the quantities of items of any lot mentioned in the enquiry. Vendor shall agree to accept reduced/increased qty of each Lot.</p> <p>No Minimum order quantity (MOQ) of any items or any lot insisted by bidders are accepted and offers received with minimum order quantity is likely to be rejected.</p> <p>Partial quotation in any lot will be liable for rejection for that particular lot.</p>                                                                                                                                                                                                                    |  |
| <b>9.</b>  | <b>Price Impact:</b> Bidders will be allowed to submit the impact on their quoted prices due to changes in technical scope, specifications, commercial terms/conditions as specified in NIT and in the opinion of BHEL such changes warrant changes in prices. BHEL at its sole discretion may also invite revised prices if there are major changes in scope. Revised price bids/impact price will not be accepted after opening of technical bids unless otherwise specifically asked by BHEL.                                                                                                                                                                             |  |
| <b>9.</b>  | BHEL HPVP reserves the right to cancel the Enquiry / Tender at any stage without assigning any reasons thereof. And BHEL HPVP reserves the right to reject or accept one or any offer without assigning any reason. BHEL reserve the right to negotiate and Refloat the tender if the lowest offered price is not found competitive.                                                                                                                                                                                                                                                                                                                                         |  |
| <b>10.</b> | <p><b>Pricing Terms:</b> Bidder's quoted rates/ price for supply part of the contract shall remain firm throughout the contract including extension, if any, for any reason whatsoever and no escalation is admissible for this contract. Offers with Price Variation Clause will be not be accepted.</p> <p><b>In case of order, Price should be firm till execution of order.</b></p>                                                                                                                                                                                                                                                                                      |  |
| <b>11.</b> | <p><b>L.D. CLAUSE:</b> Delivery is the essence of this contract. In the event of your failure to ship the materials within the stipulated delivery period, LD @ 1 % per week of delay subject to a max of 10% on total order value will be applicable. Date of <b>IGM (Import General Manifest)</b> shall be considered for LD calculation purpose. In case of delay, the supplier should deduct applicable L.D and negotiate the documents for balance amount only.</p> <p><b>Any deviation from the above LD clause, loading shall be applied to the extent of relaxation sought</b></p>                                                                                   |  |

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|            | <b>OR to which the LD is not agreed by the bidder at offered basic value.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |
| <b>12.</b> | <b>RISK PURCHASE:</b> The delivery period stated shall be realistic and shall be strictly adhered to. If the delivery period is not maintained and if on that account, BHEL is forced to buy the materials from elsewhere to avoid any loss or damage that BHEL may sustain, then BHEL is entitled to procure the material at the risk and cost from the seller, either the whole of the goods or any part which the supplier has failed to deliver, and the cost shall be recovered from the seller out of due of this PO / Contract, any other PO / Contract with BHEL and balance amount if any shall have to be required to be deposited by the vendor.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |
| <b>13.</b> | <b>ARBITRATION:</b> Not withstanding anything contained in any document what so ever, all questions, matters, disputes and claims relating to and arising out of this contract, shall be referred to sole arbitrator, who shall be appointed by the Head of the Unit, BHEL HPVP, Visakhapatnam at his sole discretion. Such appointment of arbitrator shall not take place unless and until a written request for appointment of arbitrator from any of the parties to the contract has been received by the Head of the Unit as aforesaid. The arbitrator shall give his reasoned award.<br>It is a term of this contract that no person other than a person appointed by Head of Unit as aforesaid should act as arbitrator and if for any reason that is not possible, the matter is not to be referred to arbitrator at all. The venue of arbitration shall be such place as may be fixed by the arbitrator at his sole discretion. The award of arbitrator shall be final, conclusive binding on all parties to the contract.                                                                                                                  |  |
| <b>14.</b> | <b>JURISDICTION:</b> Not out of this contract including that arise out of arbitration and bank guarantees, shall be initiated, filed and tried only in the courts, tribunals and forums, situated at and having territorial jurisdiction over Visakhapatnam even though such jurisdiction also vests in courts, tribunals & forums situated elsewhere in the country .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
| <b>15.</b> | <b>Force Majeure:</b> The supplier shall not be considered in default if delay occurs due to causes beyond his control such as Acts Of God, Natural Calamities, Fire, Frost, Flood, Civil War, Strikes, Civil Commotion, Riot, Government Restrictions, Lockout that are not in control of supplier or Acts Of Unsurpassed Power. Only those causes that have duration of more than seven days shall be considered cause of force/ calendar/ majeure. Notification to this effect duly certified by local chamber of commerce/ statutory authorities shall be given by the supplier to BHEL by registered letter. In the event of delay to such causes the delivery schedule shall be extended for a length of time equal to the period of Force Majeure or at the option of BHEL the order may be cancelled in mutual consent with vendor. Such cancellation would be without any liability whatsoever on the part of BHEL. In the event of such cancellation the supplier shall refund any amount advanced or paid to the supplier by BHEL and delivery back any material issued to him by BHEL and release facilities, if any, provided by BHEL. |  |
| <b>16.</b> | As per the Instructions from Government of India Ministry of Industry vide Ref.No:6(3) / 89 – Fin – III Dated.11 April 1989, the Indian agent of Foreign suppliers should furnish a copy of valid agreement with the supplier indicating the details of commission payable either in foreign currency or in Indian Rupees.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |
| <b>17.</b> | <b>INSURANCE:</b> Insurance from port of loading to Chennai port will be arranged by us against our open policy already taken with M/S: THE NEW INDIA ASSURENCE Co. Ltd, DELHI LARGE CORPORATE OFFICE-311800 HEMKUNT CHAMBERS ,2ND FLOOR,89, NEHRU PLACE, NEW DELHI -110019 TEL. NOS +911126441396/26419838/26439104 AND FAX NO.+911126416339.<br>Once the shipment is made, scanned copies of NND documents (Bill of Lading, commercial invoice, packing list, country of origin, MTC & details of discharge Port agent/freight forwarder shall be submitted by Seller to Purchaser by e-mail                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |
| <b>18.</b> | Supplier Should guarantee against all design and manufacturing and for performance for a period of 18 month from the date of Last dispatch or 12 months                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |

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|            | from date of Commissioning whichever is earlier.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |
| <b>19.</b> | <p><b>Right to Reject:</b> The competent authority reserves all rights to reject the goods if the same are not found in accordance with the required description / specifications/quality.</p> <p>Rejected materials if any after receipt of material at our end shall be replaced by Supplier at free of cost immediately without any extra shipping charges on freight paid basis.</p>                                                                                                                                                                                          |  |
| <b>20</b>  | The documents to be couriered complete in all respects immediately after loading the consignment along with copy of Bill of Lading / Air way bill.                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
| <b>21.</b> | <b>No overdue Interest</b> , whatsoever the reason, will be payable by BHEL to either supplier or His Bankers.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
| <b>22.</b> | Dimensions of the consignment (LXWXH)/Gross WT/Net weight to be indicated. You may enclose separate sheet if space is not adequate.                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
| <b>23.</b> | <b>Shipment:</b> Transshipment permitted but shipment of material to be made in one lot. Material shipment arrangement by sea will be made by supplier.                                                                                                                                                                                                                                                                                                                                                                                                                           |  |
| <b>24.</b> | <p><b>Documentation:</b> Immediately after shipment, the documents (In English) as listed below shall be submitted by supplier.</p> <ul style="list-style-type: none"> <li>a) Bill of Lading (B/L)</li> <li>b) Invoice &amp; Packing list</li> <li>c) Original TPI release note &amp; Six copies of Works/Mill TCs indicating Test Results &amp; Heat treatment detail attested by TPI.</li> <li>d) Intimation letter about detail of shipment to Insurance agent</li> <li>e) Certificate of Origin</li> <li>f) Guarantee certificate</li> </ul>                                  |  |
| <b>25.</b> | <p>As original "bill of lading" is required to clear the consignment at Sea Port, all the Dispatch/Shipping documents along with B/L shall be submitted within 7 days after the date of B/L in all respect to applicable bank/BHEL so as to reach well before shipment reaches the port, with mail intimation to BHEL attaching the scan copies of same.</p> <p>Demurrages charges, container detention charges and other fees, if any, aroused due to delay in submission of shipping document, will be in bidders account and shall be deducted by from supplier's invoice.</p> |  |
| <b>26.</b> | <b>i) In case of foreign suppliers representing through their Indian/foreign agents, AGENCY AGREEMENT should be submitted, along with offer documents else offer is liable for rejection.</b>                                                                                                                                                                                                                                                                                                                                                                                     |  |
|            | <b>ii) Service charges, commission charges and any other incidentals will NOT be paid extra.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |  |
|            | <p>iii) One Indian agent can represent one foreign principal only and submit one offer for these tender items.</p> <p>In order to maintain sanctity of the tender system it is mandatory that one agent cannot represent two suppliers or quote on their behalf in a particular tender enquiry. If any agent represents more than one supplier all such offers will be rejected.</p>                                                                                                                                                                                              |  |
| <b>27.</b> | <b>Duty benefits for Import Vendors</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |
|            | <p>i) In case CEPA or any other agreement/treaty between respective Governments/Countries exists for the enquired Items/tender, which entails concessional custom duty or any other benefits for importing the same in India, supplier shall declare/ mention it in their offer.</p> <p><b>Bidder to confirm whether any such concessional duty for importing in India is applicable or not</b></p>                                                                                                                                                                               |  |

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|            | ii) For such cases, pls mention the Concessional Customs Duty (% of Basic custom duty) for the offered item/s. Please mention in percentage only.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |  |
|            | iii) Documentary proof for the applicable Concessional Customs Duty (e.g. CEPA or other agreement) shall be submitted along with the Part-1 bid.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |
|            | iv) Relevant documents to avail the above concessional duty benefits by BHEL shall be submitted by the supplier along with dispatch documents.<br><b>Bidder to confirm acceptance.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |  |
|            | v) In the event of seller failing to provide appropriate documents along with dispatch documents for purchasers to avail disclosed concessional duty benefits in India, financial loss, so incurred, will be to the seller's account.                                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|            | <b>Note:</b> Evaluation of the Price bids will be based on the above details. Unless specifically mentioned/furnished by the supplier in the offer document, Customs Duty benefit may not be applied for evaluation purposes.                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |
| <b>28.</b> | <b>Anti-dumping duty (ADD)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |
|            | i) With respect to Antidumping Duty (ADD), declaration by Import Supplier's Mill/principal (only) is to be submitted for the applicability of ADD for each item with size detail.<br><b>Bidder to indicate the quantum ADD, If ADD is applicable.</b>                                                                                                                                                                                                                                                                                                                                                                                                                |  |
|            | ii) Anti-dumping duty, if any declared by Import Mill/principal as per (a) above, will be loaded for arriving at landed cost.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |
|            | iii) In case any new ADD comes into effect at the time of execution of order, BHEL may short close the balance quantity with mutual consent                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |  |
| <b>29.</b> | <b>Reverse Auction:</b> As per RFQ Clause No. 7 of Special Terms and condition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |
| <b>30.</b> | <b>Inspection: Bidders to engage Third Party Inspection agency (TPIA) right</b> from the raw material identification & visual inspection, Review of heat treatment charts, witness of mechanical tests and chemical tests, dimensional inspection etc till final testing at supplier works in order to get the material certificates in line with <b>EN 10204 Type 3.2.</b><br><b>Bidders shall engage any of the following approved TPIAs for inspections: Lloyd register, Bureau Veritas, CEIL, TUV-Nord/TUV Sud, DNV.</b><br><br>Inspection charges to be included in the offered Price. Inspection clearance to be obtained from us before dispatch of material. |  |
| <b>31.</b> | Supplier/Stockiest/traders to confirm the submission of valid mill TCs and traceability of material during supply of material (if L1). <b>In case of inability of supplier to furnish such documents along with supplies, the consignment shall be deemed to be defective and may be rejected.</b>                                                                                                                                                                                                                                                                                                                                                                   |  |
| <b>32.</b> | Test Certificates (TCs) shall take care of all the test requirement mentioned in approved QAP and Technical delivery conditions (TDC). Respective TDC Nos shall also to be mentioned in the TC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |
| <b>33.</b> | <b>Material certificates shall confirm to EN 10204 Type 3.2</b><br>This involves witness inspection of a Third Party Inspection agency (TPIA) right from the raw material identification & visual inspection, Review of heat treatment charts, witness of mechanical tests and chemical tests, dimensional inspection etc at supplier works.                                                                                                                                                                                                                                                                                                                         |  |
| <b>34.</b> | Manufacturing QAP shall be submitted along with offers, indicating all the stages of witness to qualify to <b>EN 10204 Type 3.2 certification</b> as per TDC.<br>Quality plan shall be frozen preferably before price bid opening to avoid delay in manufacturing after placement of PO.<br>Non submission of QAP /incomplete/inaccurate QAP copy may lead to technical rejection of offers.<br><i>Bidder to note that any additional stage inspection, if any, aroused during execution stage, shall be complied without and addition time and cost.</i>                                                                                                            |  |