

COMMERCIAL TERMS AND CONDITIONS (For Indigenous Suppliers)

SL. NO.	DESCRIPTION	BHEL REQUIREMENT	SUPPLIER CONFIRMATION
1	PAYMENT TERMS	<p>a) Micro & Small Enterprises (MSEs)-- 45 Days from date of material acceptance(CRAC) / Work completion (Installation Job)</p> <p>b) Medium Enterprises ---60 Days from date of material acceptance(CRAC) / Work completion (Installation Job)</p> <p>c) Non MSME ---90 Days from date of material acceptance(CRAC) / Work completion (Installation Job)</p> <p>All Bank Charges if any to Vendor account only.</p> <p>However, GST portion of invoice shall be released only upon</p> <ol style="list-style-type: none"> 1. Vendor declaring the invoice in his GSTR-1. 2. Receipt of Goods and Tax Invoice by BHEL. 3. Confirmation of payment of GST thereon by vendor on GSTN Portal. <p>Note: Offer with Payment against Proforma Invoice / Advance payment / LC are not acceptable</p>	
2	DELIVERY PERIOD	The acceptable Delivery period shall be within 56 days from the date of PO. to Invoice/LR date	
3	DELIVERY BASIS/LOCATION	FOR BHEL HPVP Visakhapatnam	
4	FREIGHT CHARGES	<p>Included.</p> <p><u>Transportation up to delivery location is in Supplier Scope.</u></p>	
5	TRANSIT INSURANCE	<p>Included</p> <p><u>Transit Insurance up to delivery location is in Supplier Scope.</u></p>	
6	PACKING & FORWARDING	Included.	
7	INSPECTION CHARGES	Not Applicable	
8	OFFER VALIDITY	90 days from the date of Technical bid opening.	
9	L.D.CLAUSE	<p>In the event of your failure to dispatch the materials within the delivery period, Liquidated Damages shall be at the rate of 0.5% of the total supply order value per week of delay or part thereof subject to maximum of 10% of the total supply order value.</p> <p>LD shall be reckoned from the date of LR/Invoice whichever is later.</p> <p>Any deviation from the above LD clause, loading shall be applied to the extent of relaxation sought to which it is not agreed by the bidder at offered basic value.</p> <p>In case of LD recovery, the applicable GST shall also be recovered from the supplier.</p>	

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10	ARBITRATION	Notwithstanding anything contained in any document whatsoever, 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 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 Head of the Unit as aforesaid. The arbitrator shall give his reasoned award. It is a term of this contract that no person other than a person appointed by such Head of the Unit as aforesaid , shall act as arbitrator and if for any reason that is not possible, the matter is not to be referred to arbitration 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 the parties to the contract.	
11	JURISDICTION	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.	
12	RISK PURCHASE	The delivery period stated shall be realistic and shall be strictly adhered to. If the deliveries are not maintained and if on the account, this company is forced to buy the materials elsewhere to avoid any loss or damage that the company may sustain thereby the purchaser is entitled to procure the material at the risk and cost of the seller, which shall be recovered from them out of due of this PO / Contract, any other PO / Contract with BHEL and balance amount if any shall be required to be deposited by the vendor	
13	REJECTION REPLACEMENT	Rejected material, if any, after receipt of material at our end, shall be replaced by you immediately free of cost and also on freight paid basis, failing which Bank Guarantee can be encashed by BHEL.	
14	GUARANTEE CERTIFICATE	Vendor should guarantee the material against all design and manufacturing defects and for performance for a period of 18 months from the date of last dispatch or 12 months from the date of commissioning whichever is earlier. If any defect is noticed during the above period, the same shall be rectified / replaced free of cost on FOR Destination basis within a reasonable time.	
15	FIRM PRICE	Price should be firm till execution of order.	