



Corrigendum regarding payment terms

(NOTE: This revised payment terms is Tender Specific and is applicable only if response to the tender becomes global otherwise not applicable)

S/N	BHEL Standard Terms	Supplier Confirmation	Deviation
03	Payment Terms & Security Deposit: Offer with deviations to BHEL Payment Terms will be loaded @ 1.5% per month for deviated amount for deviated period for the purpose of evaluating the lowest bidder. Offers with non-acceptance of Security Deposit and insistence of advance payment are liable to be rejected. In no case BHEL shall accept liability towards interest. Payment terms mentioned here under are for Indigenous and Foreign Offers, in case the responses become global.		
(a)	Terms of payment for Indigenous Offer of global response:		
(i)	Dispatch of Goods on door delivery basis only. All payments will be made through letter of credit. The payment terms for the supply will be 80% against receipt of goods in BHEL and 20% + E&C Charges if any, after commissioning of the equipment at BHEL.		
(II)	An irrevocable unconfirmed domestic LC will be opened for 24% of the supply value after receipt of security deposit / Contrat Execution Bank Guarantee.		
(iii)	The above LC would be enhanced to 80% of the supply value, 2 months before dispatch date. This LC can be negotiated after receipt of the equipment in BHEL against a certificate jointly signed by BHEL and the vendor (for safe and complete receipt of goods) and such other documents as mentioned in P.O. This LC will be valid for a period extending 21 days beyond the receipt (in BHEL) date for negotiation of documents.		
(iv)	The balance 20% of the supply Purchase Order value plus 100% of the E&C Charges if any, will be paid directly to the vendor after commissioning of the equipment in BHEL against commissioning certificate jointly signed by BHEL and the vendor and submission of 10% PBG.		
(b)	Terms of Payment for Foreign Offers:		
(i)	All payments will be made through letter of credit. 80% payment will be against dispatch and 20% + E&C Charges if any, on commissioning.		
(ii)	An irrevocable unconfirmed LC will be opened for 24% of the supply value after receipt of Security Deposit / Contrat Execution Bank Guarantee		
(iii)	The above LC will be enhanced to 80% of the supply value, 2 months before dispatch date. This LC can be negotiated after shipment against submission of shipping documents and such other documents as mentioned in P.O. This LC will be valid for a period extending 21 days beyond the shipment date for negotiation of documents.		

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(iv) The Second letter of credit for 20% of supply value + 100% of E&C charges if any, will be opened 15 days prior to the arrival of the foreign technicians for E&C in BHEL. The validity of the L/C would be sufficient to cover the service period. This L/C can be negotiated after commissioning of the equipment in BHEL against joint commissioning protocol signed by BHEL and the vendor and submission of Performance Bank Guarantee for 10% of the Purchase Order value.

(v) When ever there is an Indian Agent to represent a Supplier, it is essential to give the details of services to be rendered by Indian Agent and / or the details of agreement between