

SPECIAL COMMERCIAL TERMS & CONDITIONS - ENQ NO: K6A1U33150

S No	BHEL Standard Terms	BHEL COMMENTS	Supplier Confirmation
1	Terms of Delivery: for Indigenous Vendors & Foreign Vendors : Indigenous Vendors: Price shall be quoted on F.O.R, Site basis. FOR-Site means "FOR- Nabinagar Power Generating Co. Pvt Ltd (NPGCPL), Nabinagar, AURANGABAD (DIST.), Bihar, India Packing & Forwarding, Freight & Insurance are in Supplier's scope i.e. included in the quoted prices. If Extra, indicate in %. Unloading at BHEL Site would be to the account of BHEL only. Import Vendors: Foreign Vendors can quote on CIP Chennai basis. Further loading will be done for overseas insurance, customs duty, inland freight and insurance as per BHEL norms specified in ITB Rev10.	Please indicate the terms clearly. If any deviation is taken, loading will be done suitably. Comparison will be done on FOR- NPGCL Nabinagar 3X660MW basis only	
2	Delivery Period: To mention clearly the exact delivery period as it attracts contractual penalty on delays. To be indicated in days from date of receipt of Purchase Order for Mains (2 Sets), Mandatory Spares (1 Set), Liners (4 Sets) & Supervision of E&C (2 Sets). Evaluation shall be done on Lumsun basis only. Wet Ball mill liners (BA9789012020) are Shelf life items. They are to be quoted in days / months from th date of manufacturing clearance from BHEL / site readiness for Commissioning.	Please indicate clearly	
3	Payment Terms:		
3(a)	Terms of payment for Indigenous Suppliers - Alternative I: 90% of Main Supply payment will be made directly through EFT within 45 days for MSME vendors and 90 days for Non-MSME vendors as per BHEL/Customer approved billing schedule on Pro-rata basis, from the date of receipt and acceptance of materials at BHEL Site. Balance 10% of Main supply shall be paid against submission of PBG for the same amount, within 90 days (45 days for MSME) of submission of claim. PBG to be valid for 36 months from the date of supply. 100% Supervision charges will be paid within 90 days (45 days for MSME) on completion of Erection and Commissioning, based on site certification. 100% payment against Mandatory spares shall be made directly through EFT within 45 days for MSME Vendors and 90 days for Non-MSME vendors from the date of receipt and acceptance of materials at destination". Pro-rata / progressive payment schedules (Tentative): 1. Foundation Items, Mill Body Assembly, Mill Support Bearing - 20% 2. Girth Gear, Drive Pinion With Shaft, Main Reducer - 15% 3. Mill Circuit Tank, Circuit Agitator, Circuit Pump, Hydrocyclone - 10% 4. Weigh Feeder, Feeder Isolation Gates And Connecting Chutes, Pneumatic Diverter Piping - 10% 5. All Electrical And Instrumentation Items, Ball Charge Hopper, Material Inlet Complete, Material Outlet Complete - 15% 6. Grinding Media - 10% 7. After Completion of Total Supply - 20%	No loading shall be done on those vendors who opt these payment terms. Indigenous vendors claiming LC payment / advance will be liable for rejection.	
3(b)	Terms of payment for Foreign Suppliers - Alternative I: 90% of Main Supply payment will be made through irrevocable & unconfirmed LC payable in 90 days from the date of dispatch (less Agency Commission, if any) valid up to the PO delivery period and 15 days thereafter for negotiation. LC shall be established in 2-3 months prior to shipment. B/L date shall be considered for calculation of LD. Balance 10% of Main Supply shall be paid against submission of PBG for the same amount, through irrevocable & unconfirmed LC payable within 90 days of submission of claim. PBG to be valid for 36 months from the date of supply. 100% of Supervision for Erection and Commissioning will be made based on proforma, through irrevocable & unconfirmed LC payable in 90 days after completion of Erection and Commissioning based on site certification. 100% payment against Mandatory spares shall be made directly through irrevocable & unconfirmed LC payable in 90 days from the date of dispatch (less Agency Commission, if any) valid up to the PO delivery period and 15 days thereafter for negotiation. LC shall be established in 2-3 months prior to shipment. B/L date shall be considered for calculation of LD".	Pls accept payment terms. No loading shall be done on those vendors who opt these payment terms.	
3(c)	Terms of payment for Indigenous Suppliers - Alternative II: 10% progress/stage/milestone payment of Main Supply payment against approval of Drawings in CAT-II and submission of Advance Bank Guarantee (ABG) for equal amount valid till the receipt and acceptance of materials at site. This payment to be released within 90 days (45 days in case of MSME) of submission of claim. 80% of Main Supply payment against receipt and acceptance of materials within 90 (45 days in case of MSME) days as per BHEL/Customer approved billing schedule on Pro-rata basis, from the date of receipt and acceptance of materials at site. Balance 10% of Main supply shall be paid against submission of PBG for the same amount, within 90 days (45 days for MSME) of submission of claim. PBG to be valid for 36 months from the date of supply. 100% Supervision charges will be paid within 90 days (45 days for MSME) on completion of Erection and Commissioning, based on site certification. 100% payment against Mandatory spares shall be made within 90 days (45 days in case of MSME) from the date of receipt and acceptance of materials at destination". Deviation if any, loading shall be done with 18% interest per annum to the extent of deviation as specified in ITB Rev10. Pro-rata / progressive payment schedules (Tentative): 1. Foundation Items, Mill Body Assembly, Mill Support Bearing - 20% 2. Girth Gear, Drive Pinion With Shaft, Main Reducer - 15% 3. Mill Circuit Tank, Circuit Agitator, Circuit Pump, Hydrocyclone - 10% 4. Weigh Feeder, Feeder Isolation Gates And Connecting Chutes, Pneumatic Diverter Piping - 10% 5. All Electrical And Instrumentation Items, Ball Charge Hopper, Material Inlet Complete, Material Outlet Complete - 15% 6. Grinding Media - 10% 7. After Completion of Total Supply - 20%	Vendors, those who opt for these payment terms, Loading shall be applicable (i.e. 18% interest per annum on 10% of Main supply value. 10% payment made prior to supply, assuming one year advance (9 months for supply/delivery period + 3 months for payment period). Indigenous vendors claiming LC payment / advance will be liable for rejection.	
3(d)	Terms of payment for Foreign Suppliers - Alternative II: 10% progress/stage/milestone payment of Main supply payment against approval of Drawings in CAT-II and submission of Advance Bank Guarantee (ABG) for equal amount valid till the receipt and acceptance of materials at site. This payment to be released in 90 days of submission of claim through irrevocable & unconfirmed LC. 80% through irrevocable & unconfirmed LC against delivery of materials in 90 days from the date of dispatch / shipment (less Agency Commission, if any) valid up to the PO delivery period and 15 days thereafter for negotiation. LC shall be established 2-3 months prior to shipment. B/L date shall be considered for calculation of LD. Balance 10% of Main Supply shall be paid against submission of PBG for the same amount, through irrevocable & unconfirmed LC payable within 90 days of submission of claim. PBG to be valid for 36 months from the date of supply. 100% of Supervision for Erection and Commissioning will be made based on proforma, through irrevocable & unconfirmed LC payable in 90 days after completion of Erection and Commissioning based on site certification. 100% payment against Mandatory spares shall be made directly through irrevocable & unconfirmed LC payable in 90 days from the date of dispatch (less Agency Commission, if any) valid up to the PO delivery period and 15 days thereafter for negotiation. LC shall be established in 2-3 months prior to shipment. B/L date shall be considered for calculation of LD". Deviation if any, loading shall be done with 18% interest per annum to the extent of deviation as specified in ITB Rev10.	Vendors, those who opt for these payment terms, Loading shall be applicable (i.e. 18% interest per annum on 10% of Main supply value. 10% payment made prior to supply, assuming one year advance (9 months for supply/delivery period + 3 months for payment period).	
3(e)	Deduction of Income Tax: (i) TDS shall be deducted, as applicable, for the supervision of Erection & Commissioning Charges.(ii) TDS return shall be filed and TDS certificates shall be issued by BHEL.		
4	Indian Agent: Whenever there is an Indian Agent to represent a Foreign Supplier, it is mandatory to give the details of services to be rendered by Indian Agent and/or the details of agreement between Supplier and Agent.Supplier to indicate the Agency Commission payable. Indian Agency Commission will be paid only in Indian Rupees, calculated at the rate of exchange prevailing on the date of price bid opening.This is payable on satisfactory completion of the contract. Agency agreement copy shall be submitted without fail. Note: 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 Suppliers all such offers will be rejected.	Please indicate, if applicable	

5	Offer Validity: offer shall be valid for a period of 90 days from the date of bid opening or 60 days from the date of the Reverse Auction/Price bid opening date, whichever is later.	Pls confirm	
6	Contract Execution Bank Guarantee (CEBG): The Supplier shall submit a BG for 2% of the contract value valid for the agreed delivery period + 3 Months and shall be extended from time to time for such period as may be desired by BHEL. Attached CEBG Format is to be signed and submitted along with this Special Commercial Terms & Conditions as a token of acceptance. Note: Suppliers who are all already registered with BHEL and having a vendor performance rating of A or A+ grade would be exempted from submission of CEBG.	Pls accept, otherwise offer is liable for rejection.	
7	Clientele List: Supplier to submit detailed Clientele list with their full address including detail of contact person with phone no., fax no. & e-mail ID (if any) to whom the same / similar items are supplied in the past two years. The date of supply may also be indicated, against each client.	Pls furnish	
8	Reverse Auction (RA): Reverse Auction shall be conducted for this requirement.	Pls confirm	
9	Taxes : GST in % (for Indigenous supplier): Please indicate the exact percentage of GST/SGST/UTGST/IGST (whichever is applicable) is quoted as per the existing tariff on the date of the offer and all benefits as per existing laws have been considered. It is the responsibility of the seller to issue the Tax Invoice strictly as per the format prescribed under the relevant applicable GST law (CGST Act/SGST Act/UTGST Act/IGST Act). Vendor to indicate the proper GSTIN Registration/ HSN code.		
10	Test Certificate: To be submitted with Chemical and Mechanical properties and dimensions as per Standards and our Technical Delivery Conditions.	Pls confirm	
11	Guarantee: Guarantee shall be as per clause 18 of Technical Specification No: BA89012 Rev01 i.e. BIDDER TO GUARANTEE POWER CONSUMPTION LESS THAN or EQUAL TO 1254 KW FOR ENTIRE WET BALL MILLING SYSTEM. In case power consumption more than 1254 KW bidder shall be loaded by 1,74,178 INR per KW. Adjustment factor for excess power consumption in INR = (GPC-1254) X PL X 1 No. of Working WBM. GPC- Guaranteed Shaft Power Consumption quoted by bidder in KW. PL- Power Loading @ 1,74,178 INR/KW	Pls confirm.	
12	PERFORMANCE BANK GUARANTEE (10% OF ORDER VALUE): The performance guarantee for 10% of Order value is to be submitted, valid for 36 months from the date of supply.	Pls confirm. If not agreed, offer is liable for rejection.	
13	Inspection before despatch: Inspection before despatch at supplier's works by BHEL/authorised agency for indigenous supplies at BHEL cost and the inspection charges at actuals incurred by BHEL will be loaded to compare with foreign suppliers. In case of foreign supplies, vendor shall engage and appoint any internationally reputed third party inspection agencies at their cost and send the inspection report for BHEL/customer's review and clearance/acceptance. List of inspection agencies will be informed later by BHEL.	Pls refer Annexure-Q and confirm	
14	Penalty on delayed supply: In the event of delay in supply of goods, penalty of 0.5% per week or part there of shall be levied on the undelivered portion subject to a maximum of 10% of the order value. Penalty amount so determined along with applicable GST thereon shall be recovered.	Pls confirm acceptance. Loading is applicable for deviation, if any	
15	Liquidated Damages on Power Consumption / Performance Guarantee: As per CL19 of Technical Specification BA89012 Rev01 (Spec attached), if the actual power Consumption during prove out (or) PG Test operating at the duty point exceeds the value guaranteed by the bidder, liquidated damages for shortfall in performance shall be deducted from contract price (Main supply) as per the formula given below: Liquidated damage deductible in INR per WBM = (APC-GPC) X P X 1 No. of Working WBM Where * GPC- Guaranteed Shaft Power Consumption quoted by bidder in KW * APC- Actual Shaft Power Consumption in KW * P- Penalty @1,74,178 INR per KW	Liquidated damages ceiling is subjected to a max. 10% of supply amount.	
16	Product warranty period shall be thirty-six (36) months from the date of supply (or any part thereof) or twenty-four (24) months from the date of commissioning (or any part thereof), whichever first occurs, as per CL.20 of Tech. Specification.	Please confirm	
17	Offer of a supplier for further consideration such as price bid opening / RA shall be subject to Customer approval only.	For information	
18	Risk Purchase Clause (as per clause-53 of ITB Rev10) (Supplier Confirmation Required)	Pls accept the terms. Otherwise, liable for rejection	
19	Firm Price: Prices shall be kept firm till completion of supplies.	Offers with firm price only will be considered.	
20	All the prospective new bidders those who are not in the approved/registered vendor list of the BHEL Hyderabad, Pulverisers Division, will have to apply online by filling-up the Vendor Registration Format that is available on the BHEL Website (www.bhel.com) along with all the required attachments. All the foreign vendors shall submit a report from a reputed third party business rating agency like Dun & Bradstreet, Creditreform etc. or third party business rating agency empanelled by BHEL.	Reqd for new vendors	
21	MSE / Non MSE Status with proof MSE Proof to be submitted. Otherwise, it will be treated as Non- MSE.	Please furnish	
22	For Foreign Offers: (i) Manufacturers' Name and address: (ii) Country of Origin: (iii) Agency Agreement (iv) Approximate weight and cubage of the consignment.	Pls furnish Pls furnish Pls furnish Pls furnish	
23	Acceptance to our Instructions to Bidders (ITB Rev10)	Pls furnish	
24	Signed copy of Annexure Q (Quality Requirements) to be submitted	Pls furnish	
25 (a)	Applicability of Integrity Pact: The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory) along with techno-commercial bid (Part-I, in case of two/three part bid). Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification. Please refer Section-8 of IP for Role and Responsibilities of IEMs. In case of any complaint arising out of the tendering process, the matter may be referred to the IEM(s). All correspondence with the IEMs shall be done through email only. IP is a tool to ensure that activities and transactions between the Company and its Bidders/ Contractors are handled in a fair, transparent and corruption free manner. A panel of Independent External Monitors (IEMs) on the present panel have been appointed by BHEL with the approval of CVC to oversee implementation of IP in BHEL. Following IEMs have been appointed by BHEL: 1. Shri Arun Chandra Verma, IPS (Retd.) Email Id: acverma1@gmail.com 2. Shri Virendra Bahadur Singh, IPS (Retd.) Email Id: vbssinghps@gmail.com	Pls furnish with Offer & Signed copy of integrity pact to be submitted. Original in Bond shall be given in the event of ordering.	
25 (b)	No routine correspondence shall be addressed to the IEM (phone/ post/ email) regarding the clarifications, time extensions or any other administrative queries, etc on the tender issued. All such clarification/ issues shall be addressed directly to the tender issuing (procurement) department's officials whose contact details are provided below: For all clarifications/ issues related to the tender, please contact: Name: (1) (2) Dep't: Address: Phone:(Landline/Mobile) (1) (2) Email: Fax: Integrity Pact are applicable for all the BHEL enquiries whose estimated value is equal to or more than Rupees 05 Crores. Copy of Integrity Pact with applicable nominated IEM is attached along with the tender documents for ready reference of Suppliers.	For information	

26	<u>Post-order submission of documents for approval:</u> In the event of the release of Letter of Intent (LoI) / Purchase order/s (PO) against this tender, Bidders have to submit the applicable documents as called for in the tender / LoI / PO/s, such as drawings, data sheets, design calculations etc. These documents for approval have to be submitted within the agreed timelines between BHEL and Bidder. Normally the time period for submission for approval is 15 days from the date of receipt of the LoI / PO by the supplier. The actual time period within which the documents have to be submitted for approval would be specified in the LoI / PO. Such documents would be subjected to evaluation and approval by BHEL and / or by BHEL's customer / Consultant / Customer's Consultant. Bidders have to give their specific acceptance for this. List containing indicative vendor list and the pool of items is not exhaustive but only indicative. Items / vendors may be included or deleted by BHEL/Customer at any point during documents review. After approval of such documents and after getting clearance from BHEL, only the items ordered can be taken up for manufacture. Any changes required by BHEL / Customer etc. in the documents submitted for approval shall be incorporated by the Bidder and no extra cost would be payable by BHEL for such changes. In the event that the Bidder does not carry out the required corrections, then the LoI / PO would be liable for cancellation by BHEL and BHEL would resort to alternate purchase action at the risk and cost of the Bidder under the Risk Purchase Condition of the Purchase Order. <u>Note:</u> After receiving the LoI / PO, supplier shall also forward the acknowledgement / acceptance of the LoI / PO by signing and returning the second copy of the LoI / PO as the token of acceptance.	Please indicate the details.	
27	If any Supplier attempts to bribe, or pay commission, gift or any advantage or bring in undue influence either by himself or on his behalf any one including a stranger to the tender, in addition to instituting legal proceedings as per the extant laws prevailing, will disqualify the supplier from this tender and all future tenders of BHEL. Decision of the Purchaser would be final in this matter.	For information	
28	The laws governing this transaction shall be the laws in India.	For information	
29	Wherever not specified, Incoterms 2010 shall be used to interpret the Commercial terms and conditions.	For information	
30	<u>Arbitration Provision:</u> Shall be as per ITB Annexure II.	For information	
31	<u>Cut-off period for Performance Test:</u> All out efforts shall be put to complete the PG test within the warranty period. However, supplier to co-operate BHEL in case of any delays in schedules considering business relationship with BHEL.	For information & Confirmation	
32	<u>Limitation of Liability:</u> (i) Notwithstanding anything contrary contained in the Contract, neither Party shall be liable to the other Party for any special, incidental, indirect or consequential loss or damage or for any loss of profit, loss of use, loss of production, loss of business opportunities, damage to reputation or for any financial or economic loss whatsoever that may be incurred by the other Party or by any other party whose claim for such compensation or damages derives from a Party to this Contract. (ii) The Supplier's maximum aggregate liability for loss or damage arising under or resulting from this Contract, whether such liability arises from any one or more claims or actions for breach of contract, tort (including negligence), shall be limited to hundred percent (100%) of the Contract Price, and all of Supplier's liability shall terminate upon the expiry of the Warranty Period under the Contract.	For information & Confirmation	
33	<u>Conditions for rejection of offers:</u> BHEL reserve the right to reject one or all offers without assigning any reason. The decision of BHEL will be final in this regard. 1. If the offer fails to meet the technical requirements/specifications of the tendered item/s. 2. If the offer does not meet the commercial terms & conditions, such as but not limited to Delivery terms, payment terms, Liquidated damages, Risk Purchase, cancellation clause etc., including the load factors specified in the tender. 3. If the bidder fails to respond to clarification sought, within a reasonable period. In case of doubts / lack of clarity on the technical and commercial offer of the bidder, BHEL will seek clarifications. 4. Failure to sign & accept the Integrity Pact (where applicable). Bidders are hereby informed that the contents of the Integrity Pact are firm and fixed and cannot be changed. 5. If any of the conditions listed below are applicable to the bidder, the offer is liable to be rejected: a. Debt recovery / Winding up Proceedings are initiated against the Company in Courts / Debt Recovery Tribunals (DRTs), b. Proceedings are there against the Company in National Company Law Tribunal (NCLT) with respect to Insolvency and Bankruptcy Code (IBC) or otherwise, Any proceedings are there against the Company under the "Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, c Any restructuring proceedings are underway for the Company under Corporate Debt Restructuring (CDR), Strategic Debt Restructuring (SDR) or otherwise, Divestment / demerger proceedings are underway for the Company under the Companies Act. d If action under guidelines of suspension of business dealings (Ref AA/MM/SB/01 Rev 02 dt 22.07.2016) and its latest revisions has been initiated against the company/bidder.	For information & Confirmation For information & Confirmation For information & Confirmation For information & Confirmation For information & Confirmation	