	ANNEXURE A-(General Commercial Terms and Conditions)
	INSTRUCTIONS AND GENERAL CONDITIONS TO SUPPLIERS FOR QUOTING TENDERS
1	**PAYMENT TERMS**
	A. FOR INDIGENOUS (NON-MSE VENDORS ONLY) For Stores - Payment term is 100% direct EFT payment after 60 days from the date of receipt and acceptance of materials. For Site - Payment term is 100% direct payment after 60 days from the date of dispatch against site acknowledgement. **B.** Payment will be processed only after completion of entire quantity in a package (entire quantities in all PO's in a package, subject to the acceptable tolerance as per PO) in the cases of orders finalized on package basis. **C.** Payment to MSE vendors will be as per MSMED Act 2006. **D**. Payment Terms (Indigenous vendors- NON-MSE VENDORS ONLY) Any deviation in the above Payment Terms or any other payment term will not be accepted and offers are liable to be commercially rejected.
2	**Delivery term**: F.O.R / DESTINATION Basis: The quoted Rate shall be inclusive of Packing, Forwarding and Freight. (Ex-Works, Freight to pay basis is not acceptable to BHEL.) Insurance will be on BHEL scope.
3	**Validity**: 120 days from techno commercial bid opening date. Non-compliance of the same will result in offer being liable for rejection
4	**LIQUIDITY DAMAGES**
	a) Delivery of the goods specified in the purchase order should be made within the time prescribed. Failure to dispatch the materials in the time as per the delivery quoted in our Purchase Order would make the supplier liable to an un-conditional *LD at the rate of 0.5 % of the total purchase order value per week of the delay or part thereof subject to a maximum of 10 % of the total order value*. b) Loading Criteria on LD / Penalty: Any deviation on BHEL LD / Penalty clause, loading (Basic material Value) will be applied to the extent to which it is not agreed by the bidder. If LD for undelivered portion is only acceptable then a loading of 10% on Basic Material Value will be applied. c) In the event of PO, the reference date for LD calculation will be date of final inspection Agency's signed Inspection report / Test certificates for Ex-Works & FOB contracts. The reference date for F.O.R contracts will be Invoice date / Lorry way bill date LR date/ Railway Receipt date, whichever is later. **POINTS TO BE CONSIDERED FOR DELIVERY DATE EXTENSION:** • Technical datasheets/drawings, Quality Plan, Type Test Procedure/Type test reports (as applicable for the purchase order) to be submitted for BHEL review and approval within 14 days from the PO release date. Any delay from vendor side beyond 14 days will be considered as vendor delay only and the delay period will be deducted from calculated delivery date. • Type test (if applicable as per PO) to be conducted within 6 weeks from manufacturing clearance / document approval any delay beyond 6 weeks shall be considered as vendor delay only and the delay period will be deducted from calculated delivery date.

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	• Manufacturing clearance will be issued by BHEL, based on the approval of all type of required documents from customer / BHEL and delivery period will be calculated from the date of manufacturing clearance only. • Inspection notice period: Vendor shall raise inspection call to Third Party Inspection Agency / BHEL at least 1 day, prior to the proposed date of inspection. • After Joint / TPI inspection completion, complete inspection report to be submitted to BHEL for review & acceptance. Upon receipt of complete inspection documents, BHEL will issue the Despatch Clearance within 2 days (excluding the date of receipt). Any delay from inspection agency / TTR approval / issuing dispatch clearance by BHEL - further to the above will be considered for delivery date extension.
5	**RISK PURCHASE**
	Deviation is not allowed in this requirement. If any offer is submitted with deviation in Risk Purchase clause, Loading factor is not applicable and that offer will be rejected. If the supplier fails to deliver the goods within the delivery period specified in the Purchase Order, BHEL will be entitled to terminate the contract and to Purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or despatch within the delivery period mentioned in the Purchase Order. "Such Risk Purchase clause shall be operated as per the extant BHEL procedures" **Risk and Cost against Balance Work**: Risk & Cost Amount= **[(A-B) + (A x H/100)]** Where, **A**= Value of Balance scope of Work/ Supply (*) as per rates of new contract **B**= Value of Balance scope of Work/ Supply (*) as per rates of old contract being paid to the contractor/ supplier at the time of termination of contract i.e. inclusive of PVC & ORC, if any. **H** = Overhead Factor to be taken as 5 In case (A-B) is less than 0 (zero), value of (A-B) shall be taken as 0 (zero). ***(Balance scope of work/ supply)** Difference of Contract Quantities and Executed Quantities as on the date of issue of Letter for 'Termination of Contract', shall be taken as balance scope of Work/ Supply for calculating risk & cost amount. Contract quantities are the quantities as per original contract. If, Contract has been amended, quantities as per amended Contract shall be considered as Contract Quantities. Items for which total quantities to be executed have exceeded the Contract Quantities based on drawings issued to contractor from time to time till issue of Termination letter, then for these items total Quantities as per issued drawings would be deemed to be contract quantities. Substitute/ extra items whose rates have already been approved would form part of contract quantities for this purpose. Substitute/ extra items which have been executed but rates have not been approved, would also form part of contract quantities for this purpose and rates of such items shall be determined in line with contractual provisions. However, increase in quantities on account of additional scope in new tender shall not be considered for this purpose. **NOTE**: **Incase portion of work is being withdrawn, contract quantities pertaining to portion of work withdrawn shall be considered as 'Balance scope of work/supply' for calculating Risk & Cost amount.**

6	**GUARENTEE / WARRANTY PERIOD**
	Guarantee / Warranty Period: 18 months from the date of supply or 12 months from the date of actual put in use, whichever is earlier. **Loading Criteria:** No Deviation is permitted. If still vendor offered any deviation on the Guarantee / warranty period, it may lead to rejection of offer
7	**REVERSE AUCTION – (IF APPLICABLE AS PER NIT)**
	"BHEL shall be resorting to Reverse Auction (RA) (Guidelines as available on www.bhel.com) for this tender. RA shall be conducted among all the_techno-commercially qualified bidders. Price bids of all techno-commercially qualified bidders shall be opened and same shall be considered as initial bids of bidders in RA. In case any bidder(s) do(es) not participate in online Reverse Auction, their sealed envelope price bid along with applicable loading, if any, shall be considered for ranking".
8	**GOVERNMENT NOTIFICATIONS ON MSE VENDOR**
	i. If L1 vendor is an MSE vendor entire project package will be ordered on L1 vendor. *ii. If a Non MSE vendor is coming as L1, then L1 prices will be counteroffered on MSE vendor who is quoting price within the price band L1+15% and if they are agreeing purchase order will be awarded for full/complete supply of total tendered value to MSE.* *iii. If more than one MSE vendors are available in the L1+15% price band then lowest of the MSE vendor will be selected for counteroffering. If lowest MSE vendor is not accepting, it will be counteroffered to the next MSE vendor in the price band and so on.* *iv. Finally, if none of the MSE vendor in the price band is not accepting it will be ordered on L1 non MSE vendor.* *v.* Minimum 25% earmarked quantity for MSE vendors (which includes 3% & 6.25% quantity for MSE owned by women entrepreneurs and SC/ST entrepreneurs respectively) will not be followed, as the procurement quantity will be evaluated and ordered as single package MSE suppliers can avail the intended benefits only if they submit along with the offer, attested/notarized copies of either 1. EM II certificate having deemed validity (five years from the date of issue of acknowledgement in EM II) or 2. Valid NSIC certificate or EM II certificate along with original of CA certificate (Format enclosed) applicable for the year, certifying quantum of investment in plant and machinery within the permissible limits as per the act for relevant status (MICRO or SMALL) where the deemed validity of EM II is over. MSE suppliers can avail the intended benefits only if they submit along with the offer, attested/notarized copies of either 1. EM II certificate having deemed validity (five years from the date of issue of acknowledgement in EM II) or 2. Valid NSIC certificate or EM II certificate along with original of CA certificate (Format enclosed) applicable for the year, certifying quantum of investment in plant and machinery within

	the permissible limits as per the act for relevant status (MICRO or SMALL) where the deemed validity of EM II is over. *Date to be reckoned for determining the deemed validity will be the last date of technical bid submission (Part 1 in case of two part bid).* Non submission of such documents will lead to consideration of their bid at par with other bidders and MSE status of such suppliers shall be shifted to NON MSE suppliers till the supplier submit this documents. Documents should be notarized or attested by a Gazetted officer. *Definitions of MSEs owned by SC/ST is under:* • *In case of proprietorship firm, proprietor must be SC/ST.* • *In case of partnership firm, the SC/ST partners must be holding at least 51% shares in the unit.* *In case of private limited companies, at least 51% share must be held by SC/ST promoters.* Authorised Offices to Issue SC/ST certificate. The caste/Tribe/Community certificate issued by the following authorities in the prescribed form for SCs/STs can be considered. • District Magistrate / Additional District Magistrate / Collector / Deputy Commissioner / Additional Deputy Commissioner / Deputy Collector / 1st class stipendiary magistrate / Sub divisional Magistrate / Taulka Magistrate / Executive magistrate / Extra Assistant commissioner. Chief Presidency magistrate / Additional chief presidency magistrate/Presidency magistrate. • Revenue Officer not below the rank of thasildar. • Sub-Divisional officer of the area where the individual and / or his family normally resides. *To avail the benefits of MSE under SC/ST category, the related documents as stated above should be submitted along with tender documents.* However, this will be made only if vendor submits original of CA certificate applicable for the immediately preceding financial year in the applicable format along with original notarized copies of NSIC/EMII certificates as listed above. Gazette Notification no. S.O. 2119(E) dated 26.06.2020 issued by Ministry of MSME regarding change in definition of Micro, Small & Medium Enterprises (MSMEs) applicable w.e.f. 01.07.2020 as follows: • Udyam Registration is a new process of MSME Registration launched by the Ministry of Micro, Small and Medium Enterprises on July 1, 2020. • All existing enterprises registered under EM–Part-II or UAM or any other registration issued by any authority under the Ministry of MSME are required to register again on the Udyam Registration portal (https://udyamregistration.gov.in). Such enterprises are required to apply and obtain Udyam Registration on or after 1st July 2020. • On registration, an enterprise is assigned with a permanent identity number, known as “Udyam Registration Number”. An e-certificate, namely, “Udyam Registration Certificate” will be issued on completion of the registration process. • The MSE status of existing enterprises registered prior to 30th June 2020 shall be valid only till 31st March 2021. (i.e.) Udyam Registration Certificate is mandatory for all MSME enterprises from 1st April 2021.

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7	**PUBLIC PROCUREMENT (PREFERENCE TO MAKE IN INDIA)** **IF APPLICABLE AS PER NIT**
	Preference to Make in India: "For this procurement, the local content to categorize a supplier as Class I local supplier/ Class II supplier /Non- Local supplier and purchase preference to Class I local supplier, is defined in Public Procurement (Preference to Make in India), Order 2017 dated 04.06.2020 issued by DPIIT. In case of subsequent orders issued by the nodal ministry, changing the definition of local content for the items of the NIT, the same shall be applicable even if issued after issue of this NIT, but before opening of Part-II bids against this NIT". Indigenous vendors to **submit Self-certification** in Letterhead indicating the percentage of Local content as per given format. **IMPORTANT NOTE - Both "MSMED Act 2006 & Public Procurement (Preference to Make in India) Order 2017, Amendment dt.04.06.2020" will be followed. In case of clash between these two guidelines, preference will be given to** **"Public Procurement (Preference to Make in India) Order 2017, Amendment dt.04.06.2020"**
8	**GST (For Indigenous Suppliers)**
	1. Response to Tenders for Indigenous supplier will be entertained only if the vendor has a valid GST registration No (GSTIN) which should be clearly mentioned in the offer. If the dealer is exempted from GST registration, a declaration with due supporting documents need to be furnished for considering the offer. Dealers under composition scheme should declare that he is a composition dealer supported by the screen shot taken from GST portal. The dealer has to submit necessary documents if there is any change in status under GST. 2. Supplier shall mention their GSTIN in all their invoices (incl. credit Notes, Debit Notes) and invoices shall be in the format as specified/prescribed under GST laws. Invoices shall necessarily contain Invoice number (in case of multiple numbering system is being followed for billing like SAP invoice no, commercial invoice no etc., then the Invoice No. which is linked/uploaded in GSTN network shall be clearly indicated), Billed to party (with GSTIN) & Shipped to party details, item description as per PO, Quantity, Rate, Value, applicable taxes with nomenclature (like IGST, SGST, CGST & UTGST) separately, HSN/ SAC Code, Place of Supply etc. 3. All invoices shall bear the HSN Code for each item separately (Harmonized System of Nomenclature)/ SAC code (Services Accounting Code). 4. Invoices will be processed only upon completion of statutory requirement and further subject to following: Vendor declaring such invoice in Form GST ANX-1 Receipt of Goods or Services and Tax invoice by BHEL 5. As the continuous uploading of tax invoices in GSTN portal (in GST ANX-1) is available for all (i.e. both Small & Large) tax payers under proposed new GST Return System, all invoices raised on BHEL may be uploaded immediately in GST portal on despatch of material /rendering of services. The supplier shall ensure availability of Invoice in GST portal before submission of invoice to BHEL.Invoices will be admitted by BHEL only if the invoices are available in GSTN portal (in BHEL's GST ANX-2). 6. In case of discrepancy in the data uploaded by the supplier in the GSTN portal or in case of any shortages or rejection in the supply, then BHEL will not be able to avail the tax credit and will notify the supplier of the same. Supplier has to rectify the data discrepancy in the GSTN portal or issue credit note or debit note (details also to be uploaded in GSTN portal) for the shortages or rejections in the supplies or additional claims, within the calendar month informed by BHEL. 7. In cases where invoice details have been uploaded by the vendor but failed to remit the GST amount to GST Department (Form PMT-08 or Form GST RET-01 to be submitted) within stipulated time, then GST paid on the invoices pertaining to the month for which GST return not

filed by the vendor will be recovered from the vendor along with the applicable interest(currently 24% p.a) and all subsequent bills of the vendor will not be processed till filing of the GST return by the vendor.

8. In case GST credit is denied to BHEL due to non-receipt or delayed receipt of goods and/ or tax invoice or expiry of timeline prescribed in GST law for availing such ITC, or any other reasons not attributable to BHEL, GST amount claimed in the invoice shall be disallowed to the vendor.
9. Where any GST liability arising on BHEL under Reverse Charge (RCM), the vendor has to submit the invoices to BHEL well within the timeline prescribed in GST Law, to enable BHEL to discharge the GST liability. If there is a delay in submission of invoice by the vendor resulting in delayed payment of GST by BHEL along with Interest, then such Interest payable or paid shall be recovered from the vendor.
10. Under GST regime, BHEL has to discharge GST liability on LD recovered from suppliers/contracts. Hence applicable GST shall also be recoverable from suppliers/contractors on LD amount. For this Tax Invoice will be issued by BHEL indicating the respective supply invoice number.
11. GST TDS will be deducted as per Section 51 of CGST Act 2017 and in line with Notification 50/2018 – Central Tax dated 13.09.2018. GST TDS certificate which will be generated in GST portal subsequent to vendor accepting the TDS deduction in the GST portal, will be issued to the vendor.
12. Our GST No. 33AAACB4146P2ZL

BEFORE PURCHASE ORDER/ ENQUIRY STAGE

a. **QUOTING OF PRICES**

- Price shall be quoted for Tender specification (including all Annexures / documents). Price impact will not be allowed for the bidders after opening of technical bid within the validity period unless there is any change made by BHEL in the tender specification. Not quoting any of the items in a package specified in enquiry (in technical or price bid) will lead to summary rejection of offers.

b. **Document Submission: Along with the offer**:

- Sub-delivery enquiry deviation format.
- Signed Annexure-A- Commercial terms and conditions. Else, it will be considered that vendor has fully accepted BHEL's Commercial terms and conditions.
- Unpriced offer submitted through EPS shall contain minimum of above documents, without which offer will be summarily rejected.
- If MSE vendor, please attach UAM Copy along with latest FY CA Certificate or Udyam Registration Certificate. Vendors who have registered themselves as MSE, cannot claim the benefits unless they submit the above valid documents along-with the EPS offer for each tender; failing which vendor shall not claim MSE benefits. (N/A for Foreign vendors).
- All the technical documents which have been attached along with our enquiry i.e Specification, Drgs, QP, Packing Procedure, Data Sheet etc, signature to be endorsed on all pages with company seal.

c. **TECHNICAL DEVIATION**:

- Applicable Data sheet / technical / Quality documents / Testing requirements / Packing procedures as referred in the specification / Quality Plan relevant for this enquiry to be strictly followed.
- Any deviation on technical/QP/packing requirements shall specifically be indicated in the "subdelivery enquiry deviation format" attached along with the enquiry. Deviations / clarifications declared elsewhere will not be evaluated. Also, any deviations from the commercial terms and conditions shall be clearly spelt out in this format itself. Deviations / clarifications declared elsewhere will not be evaluated. Deviations taken, if any, by vendor as per our requirement above shall be clearly got accepted by BHEL in writing during enquiry stage itself.

	• Requirement as above will be binding on all suppliers who submits offers and comments/ deviations on this clause will not be allowed. Deviations on this requirement will lead to rejection of offer itself. • In the event of an order no deviations, unless accepted clearly by BHEL in writing during enquiry stage will be entertained and all other techno-commercial requirements will be binding on successful bidder and failure to execute the terms will lead to disciplinary action by BHEL against the said bidder. d. Any query during enquiry stage shall be replied within 7 days. e. Technical / commercial clarification, if any, will be initiated through EPS / email. Vendor to respond to the clarifications **within 3 working days**. If the vendor fails to respond, even after **three reminders**, then the vendor will be considered as non-responsive and is liable to be rejected. Please note that EPS generates auto email whenever clarification / tender event is scheduled. Vendor to keep track and respond immediately. If it is observed that vendor gives confirmation to commercial terms & conditions specified in this Annexure and gives different terms & conditions in the unpriced bid / offer documents, which will not be accepted. Only Annexure-A will be considered.
10	**AFTER PURCHASE ORDER**
	1. PO Acknowledgement: Within 5 days from the date of receipt of scanned PO copy through email. 2. Technical datasheets/drawings, Quality Plan, Type Test Procedure/Type test reports (**as applicable for the purchase order**) to be submitted for BHEL review and approval **within 14 days** from the PO release date. 3. Any routine/acceptance/type tests (**if applicable as per PO**) have to be conducted by vendor as per enquiry specification / QP requirements, then the same has to be conducted (at facilities as specified in specification/QP, witnessed by Customer/BHEL/BHEL inspection agency) within **6 weeks** from the approval of datasheet, QP and Type Test Procedure without any commercial / Delivery impact on BHEL and report to be submitted for BHEL/Customer review and approval. Any comment in the documents by BHEL / Customer to be replied / revised (as applicable) within **5 days.**
11	**FORCE MAJEURE**
	Notwithstanding anything contained in the Contract, neither the Seller and nor the Purchaser shall be held responsible for total or partial non-execution of any of the contractual obligations, should the obligation become impossible due to occurrence of a 'Force Majeure' which directly affect the obligations to be performed by the Purchaser or the Seller. Such events include war, military operations of any nature, revolutions, quarantine restrictions, floods, earthquake, or acts of God, restrictions by Govt. authorities over which the Seller or the Purchaser has no control. Seller and Purchaser shall endeavour to prevent, overcome or remove the causes of force Majeure. The party claiming to be affected by Force Majeure shall notify the other party in writing without delay, within two weeks on the intervention and on the cessation of such circumstance. The notifying party shall specify the matter constituting Force Majeure, explaining to what extent contractual obligations will thereby be prevented or delayed and the further period for which it is estimated that such prevention or delay will continue. Extension of time sought by the Seller along with supporting evidence and so granted by the Purchaser for the supply/ work affected, if any, shall not be construed as waiver in respect of remaining deliveries. Notwithstanding above provisions, Purchaser shall reserve the right to cancel the order/ Contract, wholly or partly, in order to meet the overall project schedule and make alternative arrangements for completion of deliveries and other schedules.

12	**FRAUD PREVENTION POLICY**
	Bidder along with its associate/collaborators/sub-contractors/sub-vendors/consultants/service providers shall strictly adhere to BHEL Fraud Prevention Policy displayed on BHEL website http://www.bhel.com and shall immediately bring to the notice of BHEL Management about any fraud or suspected fraud as soon as it comes to their notice.
13	**SUPPLIER REGISTRATION FORM** **(Applicable only for Non Registered vendors with BHEL Trichy)**
	Vendors who are not registered as a permanent vendor in BHEL Trichy should submit online Supplier registration Form (SRF) in all respect via our Link https://supplier.bhel.in/ ->New Registration and furnish the SRF application number along with the offer. Or else there offer will be rejected. Also Only those non PMD vendors who qualifies through SRF route will be considered for price bid opening along with technically acceptable BHEL PMD vendors. In case SRF is not accepted by MISCC or SRF is not submitted, their offer will be rejected. Please visit our web site : "http://supplier.bhel.in/" or http://suppliers.bheltry.co.in/ and fill in the necessary data for registration. For help regarding completing and submitting the application for registration, you may contact Mrs.Nalini Subramanian, Officer/SDC – 0431-2577301 (nalini.s@bhel.in).

Note: By signing this Annexure, the vendor consents that the terms & conditions accepted, in this Annexure-A alone, shall be binding between BHEL and the Vendor; Other than the above mentioned terms quoted by the vendor elsewhere in the Offer / Quotation shall not be considered / accepted by BHEL.

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