

**Annexure A****COMMERCIAL TERMS AND CONDITIONS FOR ENQ 1802000529**

| Sl.   | Terms and conditions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Vendor confirmation |
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| 1     | <b>Payment terms:</b><br>100% after 60 days from the date of receipt of material at BHEL/Trichy stores.<br>Any deviation in the above payment terms, any other conditions in payment terms or any other payment terms may <b>not</b> be accepted and may lead to rejection of offer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                     |
| 2(a)  | <b>Liquidated damages:</b><br>Liquidated damages shall be 0.5% of the total order value per week or part thereof subject to a maximum of 10% of the total order value.<br><b>(Indigenous)</b><br>Date of LR will be considered as supply completion date for LD calculation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                     |
| 2 (b) | Loading Criteria<br>(i) LD / Penalty: Loading of deviation in LD clause shall be to the extent to which it is not agreed by bidder on offered value.<br>(ii) For <b>undelivered portion</b> LD clause claimed by bidder, loading will be 10% of material value.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                     |
| 3 (a) | <b>Guarantee / Warranty Period</b> Guarantee clause 18 months from the date of supply or 12 months from the date of actual put in use, whichever is earlier.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                     |
| 3 (b) | Loading Criteria<br>Guarantee / Warranty Period: No Deviation is permitted. If still vendor offered any deviation on the Guarantee / warranty period it may leads to rejection of offer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                     |
| 4     | <b>General Condition:</b><br>"Sub delivery enquiry deviation format" attached to be signed & sealed and submitted with deviations listed / by writing " No deviation."<br>Any deviation on technical/QP/packing requirements shall specifically be indicated in the "sub-delivery enquiry deviation format" attached along with the enquiry. Deviations / clarifications declared elsewhere will not be evaluated.<br>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.<br>Deviations taken, if any, taken by vendor as per our requirement above shall be clearly got accepted by BHEL in writing during enquiry stage itself. Acceptance of priced bid opening / reverse auction without the above will be deemed as summary withdrawal of such unaccepted deviations, if any.<br><br>In the event of an order, deviations, unless accepted clearly by BHEL in writing during enquiry stage itself 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.<br><br>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.<br><br>BHEL reserves the right to change the required tender quantity at any stage of tender. |                     |
| 5     | <b>Reverse Auction:</b> <del>"BHEL reserves the right to go for Reverse Auction (RA) (Guidelines as available on www.bhel.com) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. Bidders to give their acceptance with the offer for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA. Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit 'Process compliance form' (to the designated service provider) as well as 'Online sealed bid' in the Reverse Auction. Non-submission of 'Process compliance form' or 'Online sealed bid' by the agreed bidder(s) will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines for suspension of Business dealings with suppliers/ contractors (as available on www.bhel.com). The bidders have to necessarily submit online sealed bid less than or equal to their</del>                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>N/A</b>          |

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|    | <p>envelope sealed price bid already submitted to BHEL along with the offer. The envelope sealed price bid of successful L1 bidder in RA, if conducted, shall also be opened after RA and the order will be placed on lower of the two bids (RA closing price &amp; envelope sealed price) thus obtained. The bidder having submitted this offer specifically agrees to this condition and undertakes to execute the contract on thus awarded rates.</p> <p>If it is found that L1 bidder has quoted higher in online sealed bid in comparison to envelope sealed bid for any item(s), the bidder will be issued a warning letter to this effect. However, if the same bidder again defaults on this count in any subsequent tender in the unit, it will be considered as fraud and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/contractors (as available on <a href="http://www.bhel.com">www.bhel.com</a>)."</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |     |
| 6  | <b>Item-wise evaluation will be done ranking purpose.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |     |
| 7  | <p><b>Supplier registration form</b></p> <p><del>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 <a href="https://supplier.bhel.in/">https://supplier.bhel.in/</a> -&gt;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.</del></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | N/A |
| 8  | <p><b><u>Customer approved vendors</u></b></p> <p><del>Vendors approved by BHEL but not approved by Customer need to submit the credentials for getting Customer approval. Their price bids will be opened along with other customer approved vendors only if customer approves your company. In Case Customer not approves your company, your offer will be rejected.</del></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | N/A |
| 9  | <p><b>Third party Non-Disclosure agreement</b></p> <p><del>Vendor needs to submit duly filled "Third party Non-Disclosure agreement" along with their offer. Vendors who are not submitting duly filled "Third party Non-Disclosure agreement" along with the offer will be rejected from the tender.</del></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | N/A |
| 10 | <p>Clause: Special Provisions (benefits) for Micro and Small Enterprises (MSE):</p> <ol style="list-style-type: none"> <li>1. 25% of the tendered quantity is earmarked for MSE suppliers in this tender.</li> <li>2. Out of the 25% tendered quantity reserved for MSE suppliers, 6.25% shall be earmarked for procurement from MSE owned by SC / ST entrepreneurs and 3% shall be earmarked for procurement from MSE owned by Women entrepreneurs.</li> <li>3. In tender, participating MSE suppliers quoting price within price band of L1+15 per cent shall also be allowed to supply a portion of requirement by bringing down their price to L1 price in a situation where L1 price is from someone other than a MSE supplier and such MSE shall be allowed to supply up to 25% of total tendered value. In case of more than one such MSE, the supply shall be shared proportionately.</li> <li>4. MSE suppliers can avail the intended benefits only if they submit along with offer, attested copies of either EM II certificate having deemed validity (Five years from the date of issue of acknowledgement in EM II) or valid NSIC certificate or EM II certificate along with CA certificate (Format enclosed) applicable for the year, certifying quantum of investment in plant and machinery within the permissible limit as per the act for relevant status (Micro or small) where the deemed validity of five years for EM II is over. Date to be reckoned for determining the deemed validity will be the last date of technical bid submission. Non submission of such documents will lead to consideration of their bids at par with other bidders. No benefits shall be applicable for the enquiry if any deficiency in the above required documents are not submitted before price bid opening. If the tender is to be submitted through e-procurement portal, then the above required documents are to be uploaded on the portal. Documents should be notarized or attested by a Gazetted officer.</li> </ol> <p>Since, 6.25% shall be earmarked for procurement from MSE owned by SC / ST entrepreneurs and 3% shall be earmarked for procurement from MSE owned by Women entrepreneurs, so all MSEs owned by SC/ST/Women entrepreneurs are encouraged to submit supporting documents to claim 6.25% / 3% of tendered quantity respectively.</p> |     |

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|    | <p>The definition of MSEs owned by women entrepreneurs are clarified as under:</p> <ol style="list-style-type: none"> <li>In case of proprietary MSE, proprietor shall be women.</li> <li>In case of Partnership MSE, the women partners shall be holding at least 51% share in the unit.</li> <li>In case of Private limited companies, at least 51% share shall be held by women promoters.</li> </ol> <p>Non-submission of documents as per point no 4 above will disallow provisions under MSE clause mentioned above. These documents shall be submitted along with the techno-commercial/unpriced bid.</p> <p>5. The above provision (25% for MSE) is applicable only for line-items and for packages, the entire package will be considered for MSE vendor who is coming in the price band L1 + 15% subject to the acceptance of BHEL counter offer rate.</p> <p>Note: As per Gazette Notification no. S.O. 2119(E) dated 26.06.2020 issued by Ministry of MSME regarding change in definition of Micro, Small &amp; Medium Enterprises (MSMEs) applicable w.e.f. 01.07.2020, you are hereby requested to obtain 'UDYAM Registration' and submit the same.</p> <p><b>Note for MSE vendors.</b></p> <ol style="list-style-type: none"> <li>Udyam Registration is a new process of MSME Registration launched by the Ministry of Micro, Small and Medium Enterprises on July 1, 2020</li> <li>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 (<a href="https://udyamregistration.gov.in">https://udyamregistration.gov.in</a>). Such enterprises are required to apply and obtain Udyam Registration on or after 1st July 2020.</li> <li>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.</li> <li>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.</li> </ol> |  |
| 11 | <p><b>Vendors who are not submitting required document along with offer will be considered as Non MSME vendor.</b></p> <p><b>Payment for MSE Indigenous vendors will be as per MSMED act, 2006</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |
| 12 | <p><b><u>NIT clause for Suspension of Business Dealings with Suppliers/ Contractors</u></b></p> <p>Suppliers who are involving in fraudulent practices or delayed supply or Non-Supply will be dealt with provisions as indicated in "Guidelines for Suspension of Business Dealings with Suppliers/ Contractors" which is hosted on BHEL web site <a href="http://www.bhel.com">www.bhel.com</a>.</p> <p>The offers of the bidders who are under suspension as also the offers of the bidders, who engage the services of the banned firms, shall be rejected. The list of banned firms is available on BHEL web site <a href="http://www.bhel.com">www.bhel.com</a>.</p> <p>1.0 Integrity commitment, performance of the contract and punitive action thereof:</p> <p>1.1. Commitment by BHEL:</p> <p>BHEL commits to take all measures necessary to prevent corruption in connection with the tender process and execution of the contract. BHEL will during the tender process treat all Bidder(s) in a transparent and fair manner, and with equity.</p> <p>1.2. Commitment by Bidder/ Supplier/ Contractor:</p> <p>1.2.1. The bidder/ supplier/ contractor commit to take all measures to prevent corruption and will not directly or indirectly influence any decision or benefit which he is not legally entitled to nor will act or omit in any manner which tantamount to an offence punishable under any provision of the Indian Penal Code, 1860 or any other law in force in India.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |  |

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|    | <p>1.2.2. The bidder/ supplier/ contractor will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract and shall adhere to relevant guidelines issued from time to time by Govt. of India/ BHEL.</p> <p>1.2.3. The bidder/ supplier/ contractor will perform/ execute the contract as per the contract terms &amp; conditions and will not default without any reasonable cause, which causes loss of business/ money/ reputation, to BHEL.</p> <p>If any bidder/ supplier/ contractor during pre-tendering/ tendering/ post tendering/ award/ execution/ post-execution stage indulges in mal-practices, cheating, bribery, fraud or and other misconduct or formation of cartel so as to influence the bidding process or influence the price or acts or omits in any manner which tantamount to an offence punishable under any provision of the Indian Penal Code, 1860 or any other law in force in India, then, action may be taken against such bidder/ supplier/ contractor as per extant guidelines of the company available on www. bhel.com and/or under applicable legal provisions”.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |  |
| 13 | <p><b><u>Tender terms for GST:</u></b></p> <p><u>For Indigenous suppliers:</u></p> <ul style="list-style-type: none"> <li>• Response to Tenders for Indigenous supplier will be entertained only if the vendor has a valid GST registration no which should clearly have mentioned in the offer. If any specific exemption is available, a declaration with due supporting documents need to be furnished for considering the offer.</li> <li>• Supplier shall mention their GSTN registration number in all their invoices 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), item description as per PO, Quantity, Rate, Value, applicable taxes with nomenclature (like IGST, SGST, CGST &amp; UTGST) separately, HSN/ SAC Code, etc.</li> <li>• All invoices shall bear the HSN Code for each item separately (Harmonized System of Nomenclature)/ SAC code (Services Accounting Code).</li> <li>• A declaration to the effect that all invoice particulars are/were uploaded in the GSTN network/ portal &amp; all tax liability as per GST rules and regulations have been and will be discharged, shall be mentioned in the invoice. If not mentioned in the invoice, a separate declaration shall be submitted as per the requirement of BHEL.</li> <li>• All documents like Mill Test Certificate, LR copy, Guarantee/Warrantee certificate, work completion certificate, any other document mentioned in PO, shall be sent along with the vehicle/consignment. For all consignments received within the calendar month, input credit will be availed within that month in line with monthly returns filing cycle. In case of any discrepancy in the document or non-submission of documents mentioned in the PO, then BHEL will not be able to accept or account the material, in such case availing of tax credit will be deferred to next month or so.</li> <li>• In case of discrepancy in the data uploaded by 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 (details to be uploaded in GSTN portal) for the shortages or rejections in the suppliers, within the calendar month notified by BHEL.</li> <li>• For any such delay in availing of tax credit for reasons attributable to supplier (as mentioned above), interest (calculated @ SBI Base Rate + 6%) along with penalty if any will be deducted for the delayed period i.e. from the month of receipt till the month tax credit is availed, from the running bills.</li> </ul> <p><b><u>BHEL Trichy GST registration Number</u></b></p> |  |

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|  | <p>Please find the following GST registration details of BHEL Trichy:</p> <p>GST registration no.: 33AAACB4146P2ZL<br/>Application reference no. (ARN): AA3306170074586</p> <p>BHEL, Trichy is the nodal agency for all units and sites in Tamil Nadu and the above registration no. is common for all Tamil Nadu units and sites.</p> |  |
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