

Ref: BAP/ Commercial/ Invoice Compilation 2012/1

TENDER CONDITONS

Tender for Invoice Compilation



BOILER AUXILIARIES PLANT - RANIPET

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BHARAT HEAVY ELECTRICALS LIMITED, RANIPET

NOTICE INVITING TENDER (NIT)

Title – **INVOICE COMPILATION CONTRACT**
Name of Work – **Compilation of Invoices for BHEL Customers**
Tender Due Date & Time – **14.30 hrs. on 02.05.2012**

1. This is Notice Inviting Tender (NIT) for tender notification No. _____ dated _
_____ for Invoice Compilation.
2. Bidders shall read carefully the enclosed documents that comprise this Notice Inviting Tender:

Section A: Instruction to Bidders (ITB)

Section B: Contract

Corrigendum/ other communications

The Notice Inviting Tender, Section A (ITB) and Section B (Contract) and other documents referred above shall hereinafter be referred to collectively as “Tender Document”.

3. The sealed tenders will be received by the undersigned at his office at BAP Ranipet up to 14.00 hrs on the Tender Due Date. The bids shall be opened in presence of the Bidders or their authorized representatives (authorization letter required) who choose to be present.
4. During the course of finalization of Tender and Award of Contract, the Bidder shall
 - a. promptly and completely respond to all clarifications sought by the undersigned and
 - b. attend any meeting on the date and time called by the undersigned with written intimation to the Bidder.
5. Bids to be submitted by the Bidders shall be complete in all respects and shall be **unconditional** and unqualified and the Bidders would be deemed to have accepted all the terms and conditions of the Tender Document with all its contents including the ITB and Contract

6. Any conditional or incomplete Bid shall be regarded as non-responsive and would be liable to be rejected at the discretion of BHEL
7. Bids not in conformity with Section A (ITB) and Section B (Contract) and/or are not in the prescribed format will not be considered and are liable to be rejected.
8. Sealed Tenders shall be addressed to the undersigned and the envelope shall be super scribed with Tender Number, signature & stamp of the Bidder and the Tender Due Date.
9. BHEL reserves the right to accept or reject any bid and to annul the bidding process and reject all bids at any time without assigning any reason therefor.

Mailing Address:

**AGM (Commercial)
Commercial Department
Bharat Heavy Electricals Limited,
Ranipet- 632 406.**

BHARAT HEAVY ELECTRICALS LIMITED, RANIPET

SECTION A: INSTRUCTIONS TO BIDDERS

1. Bid

- a) Bidder shall furnish all the required information as per the instructions given in various sections of the Tender Document. The information furnished shall be complete in itself. The Bid shall consist of the Price Schedule format (see **Annexure II**) with prices filled in. Failure to mention prices in the format prescribed in **Annexure II** are liable to be rejected. Each and every page of the Tender Document shall be SIGNED, STAMPED AND SUBMITTED ALONG WITH THE Bid by the Bidder in token of complete acceptance thereof.
- b) Sealed envelope containing the Bid shall be super-scribed with Bidder's name, stamp & signature, the Tender Number on the left hand corner and **“Tender for Invoice Compilation”** at the centre.
- c) The sealed Bids shall be submitted on or before the time & date specified and shall be addressed to the official as mentioned. Tenders shall either be submitted in person or through RPAD/speed post/courier. The Bids shall be posted with due allowance for any transit delay. Tenders received after the Due Date and Time are liable to be rejected.

2. Right to Accept or Reject Bids and Other Rights

Notwithstanding anything contained in the Tender Document, BHEL reserves the right not to accept the lowest bid, to accept or reject any Bid and to cancel or withdraw the Bid process and reject all Bids, call for fresh Bids or restart the Bid process, to negotiate and conclude the contract with any Bidder, at any time without any liability or any obligation for such acceptance, rejection or annulment, without assigning any reasons.

3. Scope of Tender

- a) Scope of Work
 - i. Co-ordination with Contracting Officer at BHEL.
 - ii. Co-ordination with Dealing Departments of BHEL for collection of original documents as indicated in the **Annexure I**.
 - iii. Scanning of documents through BHEL Appliances.
 - iv. Handing over of original documents to the authorized officials of Designated Departments as listed in the Annexure
 - v. Making Invoice sets from online data as specified.
 - vi. Preparing, forwarding letter online, and after signature of the concerned commercial coordinator put in addressed sealed cover for onward transmission to BHEL customers through designated couriers /Post, any other mode.

- vii. Submission of the copy of the register as provided by the Contracting Officer where at respective project coordinators signatures recorded against handing over of complete set of invoices to Commercial. .
 - viii. Preparation of supply invoice copies and lists of invoices for the purpose of collection of C Forms from the customer. If required, the same is to be forwarded to BHEL customers for expediting C-Form collection.
 - ix. Handing over of Invoice sets to the Sales section of Accounts Dept where the collection for supply prorata payment is through LC arrangement with BHEL Banker.
 - x. Handing over of one set of invoice to the Sales section of Accounts Dept where the collection for supply prorata payment is through direct mode. Along with contractor bill the acknowledgement from Finance is to be enclosed.
 - xi. Feedback Report to the Contracting Officer of BHEL on interface issues.
 - xii. Deploying the required number of qualified persons as per Contract for carrying out the scope indicated in sl no i to xii
 - xiii. Any other activity/ work ancillary or incidental to the above.
- b) For the performance of the Work, the Contractor shall be provided with Three (3) heavy duty Scanners, Three Fat clients, Two Photo copiers/ heavy duty printers, reasonable office space, work table and required stationeries such as Xerox paper, wrappers, staplers which shall be used judiciously. Equipment provided shall be returned to BHEL in proper condition after the conclusion of the Contract.
- c) The Contractor shall abide by the working days and time of BHEL. BHEL normal days are from Monday to Saturday and normal hours of working are between 8.00 hrs to 16.30 hours. The contractor shall be present up to 18.00 hrs on all working days.
- d) The period of Contract shall be One (1) year from the date of award of Contract.

4 Eligibility

- a) Only those Bidders who come under any of the following categories shall be entitled to Bid:
- i. Any Practicing Chartered Accountant firm
 - ii. Any Practicing Cost accountant firm
 - iii. Retired employees of BHEL having commercial exposure at Ranipet/ other units of BHEL
 - iv. Similar experience holders dealing with public sectors / reputed private firms
 - v. Engineering consultancy firms having structured organization set up.
 - vi. Contractors who have already executed similar work for BHEL.
- b) The Bidders shall be registered under the service tax laws. Copy of the Service tax registration and PAN No. shall be annexed to the offer.

- c) The Contractor shall deploy a minimum of Six (6) assistants at BAP Ranipet, who shall have cleared Class Plus Two or its equivalent and shall be well-versed with basic computer operations and scanning of documents.

5. Prices

- a) Bidder shall indicate prices for all the items indicated in the Price Schedule (**Annexure II**). All Prices should be firm for the duration of the contract and no cost escalation is allowed on any account. All applicable duties and taxes shall be extra and clearly indicated in the Offer. The tariff rates as applicable on the date of bid shall be specified. Wordings like "Extra as applicable" or "as applicable at the time of dispatch", etc., will not be acceptable. The tenderer has to quote his rate for all individual items in the Price Schedule at Annexure II. If the tenderer has not quoted the rate for any item(s), it shall be deemed to be an incomplete Bid and the Bid shall be rejected.

- b) Rates quoted SHALL INCLUDE ALL royalties, terminal taxes, octroi, duties, central and provincial excise tax, sales tax / VAT and other taxes levied under the State or Central Government Rules excluding service tax which is to be quoted extra at the end of the Price Schedule, if service tax is applicable for this Work. BHEL will reimburse the service tax to the contractor, subject to service tax rules in force. The BHEL will not entertain any claim whatsoever in this respect after the issue of contract.

The total price for entire scope of Work, together with taxes and duties, including service tax, will be considered for bid evaluation purposes.

- b) The Bidder shall quote the PRICES in English Language and international numerals. These rates shall be entered in figures as well as in words.
- c) The quoted rates shall also include expenditures towards compliance with Applicable Laws (as hereinafter defined) including statutory payments like Provident fund, ESI payments, bonus etc for the labours & staff deployed in the Work. The quoted rate shall also include additional amount of Rs. 2,300 per person per month along with attendant cost on account of PF, ESI, bonus etc over and above the minimum wages. This additional payment is as per the present notification by BHEL. In case of any variation the same shall be paid by the contractor and BHEL will reimburse the variation at actuals.
- d) In case any indirect taxes and duties are imposed after submission of Bidder's offer, the Bidder shall convey its impact on the price, duly substantiated by documentary evidence in a sealed cover, before opening the Bids. Claim for any such impact after opening the Bids will not be considered by BHEL for reimbursement of tax or reassessment of offer.
- f) **Difference between Rates in Words and Figures:** In case of difference in rates between words and figures, THE LESSER OF THE TWO will be treated as valid for the purpose of the tender. In case of difference in (i) sum of the items and (ii) total indicated, the former will be considered. The metric system of units shall be used.

- g) In quoting the rates, the Bidders are advised to take into account all factors including nature of Work, facilities available at worksite, Applicable Laws, risks, any fluctuations in the market rates, increase in Taxes and Duties etc. No claim will be entertained on this account after acceptance of the tender or during the currency of the contract.
- h) The number of copies to be prepared for each invoice depends on the conditions of contract between BHEL and its Customers. Further, the number of sets indicated in Annexure II is tentative only and BHEL does not assure any minimum quantity. BHEL reserves the right to increase or decrease the quantities to any amount at its sole discretion. One set of master copies of invoices sl no wise is to be maintained and to be handed over monthwise with all annexures.

6. Evaluation

The Contract will be awarded to the Bidder which quotes the least considering all rates schedules cumulatively and in accordance with the terms and conditions of the Tender Document.

7. Erasures and Corrections:

All entries in the tender shall either be typed or be written in one ink. Erasures and overwriting are not permitted and may render such tenders liable to rejection. The Bidder shall duly attest all cancellations and insertions.

8. Incomplete/ Conditional/ Unsigned Tenders:

Conditional and unsigned tenders, tenders containing absurd or unworkable rates and amounts, tenders which are incomplete or otherwise considered defective and tenders not in accordance with the terms, conditions and specifications, mentioned in the Tender Document are liable to be rejected.

9. Mode of Signature

Tenders shall be signed by persons duly authorized / empowered to do so. Certified copies of such authority and relevant documents shall be submitted along with the tenders.

10. Change in Legal Status Etc.

Bidder shall intimate BHEL if there is any change in the legal status, within fifteen days (15) of such change. BHEL shall review the implications and take necessary action. In the event of the Bidder merging with or getting acquired by another company, or where there is a change in the structure of the Bidder entity, all obligations under the contract shall automatically get transferred to the acquiring company or the new entity, as the case may be. If the Bidder expires after submission of his tender, BHEL may be at its discretion cancel such Bid.

11. Compliance with Applicable Laws:

Bidders are required to comply with the provisions of all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications,

guidelines, policies, directions, directives, including amendments thereof and orders of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange and, if applicable, international treaties and regulations, and amendments thereof

12. Security Deposit (SD)

- a) Five Per Cent (5%) of each invoice shall be withheld by BHEL till the completion of the Contract and shall be released at the end of the Contract Period on satisfactory completion of the Contract.
- d) BHEL shall have the right to adjust from the SD any penalties or dues from the Contractor under this Contract or any other contract. SD shall be forfeited if the Contract is abandoned by the bidder during the Contract period.
- f) SD shall not bear any interest in any manner whatsoever.

13 Registration, Licences, Registers, Insurance etc

The Bidder shall possess adequate insurance, register with any authority and the procure licences as mandated by Applicable Laws for Work contemplated in this Tender Document.

14. Bid Clarifications

- a) Any response by BHEL to a Bidder's queries/ request for information, would be furnished as expeditiously as possible to all Bidders who have been issued the Tender Document. However, BHEL is not under any obligation to respond to any queries, clarification or request for information where so sought by a Bidder or to consider any amendment suggested by the Bidders.
- b) The Bidder shall closely peruse all the clauses, specifications indicated in the Tender Document before submission of their bid. Any clarifications on the tender specifications can be sought from the authority inviting the tender, up to 3 (Three) days before the Tender Due Date.
- c) Should a Tenderer find discrepancies or omissions in the Tender Document or should there be in doubt as to their meaning, the Tenderer should at once address the authority inviting the tender for clarification. Every endeavor is made to avoid any error which can materially affect the basis of the tender but the successful tenderer shall take up on himself to provide for the risk of any error which may be subsequently discovered and shall make no subsequent claim on account thereof.

15. Amendment to Tender Document

BHEL shall have the sole discretion at any time, either suo motu, or in response to a clarification sought by a Bidder, modify the bidding documents and communicate the said modification to all Bidders. For compliance of the requirements by the Bidder owing to the change, BHEL may, at its sole discretion change the Tender Due Date.

16. Validity of Offer

- a) The offer shall be kept open for acceptance for a minimum period of 90 days from the date of opening of Bid (such period shall hereinafter be called as “Bid Validity Period”).
- b) Notwithstanding the above, BHEL may instruct the Bidder in writing to extend the Bid Validity Period. The Bidder hereby consents to extension of the Bid Validity Period where instructions are given by BHEL.
- c) An extension of the Bid Validity Period, shall not entitle a Bidder to modify its Bid, unless specifically permitted by BHEL to do so.
- e) Bidders shall not be permitted to make changes in their Bids after bid submission, unless asked to do so by BHEL. Unsolicited clarifications are liable to be rejected.
- f) In case of minor changes in scope, technical specifications or commercial terms, having price implications, Bidders may be asked, at BHEL’s sole discretion, to submit their revised Bids in line with the revised scope and terms and conditions.
- h) In case BHEL calls for negotiations, such negotiations shall not amount to cancellation or withdrawal of the original offer, which shall be binding, on the Bidder. All expenses for attending such negotiations are to be borne by the Bidder.
- i) The successful Bidder is not permitted to off load part or whole of the Work to a sub-contractor, without the prior written consent of BHEL.

17. Award of Contract

The successful Bidder shall attend the office of the Official nominated by BHEL on the date fixed by the Official through a written intimation. The Bidder shall forthwith accept award of the contract and complete the execution of the agreement by signing all documents connected therewith.

18. Execution of Contract

- a) Upon the notification of the award of Contract to the successful Bidder, the Contractor shall execute a formal contract with BHEL as per the form of the Contract (SectionB) on a non-judicial stamp paper appropriate value. The cost of non-judicial stamp paper and other applicable stamp duty shall be borne by the Contractor.

- b) Till such time as the formal Contract is executed, the terms and conditions mentioned in the Tender Document together with all and amendments and any modifications thereto and/or there from shall be binding on the parties.

19. Confidentiality

- a) Bidder shall treat all information that is generated in connection with the work as strictly confidential. All information, and recommendations, both in the form of hard copy or on electronic media, will be the property of BHEL and the Bidders are prohibited from using such information etc for any purpose other than this Project.
- b) Further, the recipients of this Tender Document, undertake to hold in confidence the Tender Document, and not disclose the terms and conditions of the transactions contemplated hereby or the transaction itself to third parties

20. Late Bids

Any Bid received by BHEL after the deadline for submission of the Bids including any extension(s) hereof) will be declared “Late” and shall ordinarily be liable to be rejected.

21. Language of the Bid

The Bid prepared by the Bidder and all correspondence and documentation relating to the Bid, as maybe exchanged by the Bidder and BHEL shall be in English language.

22. Cost of Bid Preparation:

The Bidders shall bear all costs associated with the preparation and submission of the bid including any and all costs and expenses related to visits to the Site and any pre-bid meetings. BHEL shall in no case be liable for these costs regardless of the conduct or outcome of the process.

23. Conflict of Interest and Undue Influence

- a) Should a Bidder or, in the case of a Firm or Company, its Partner(s) / major Shareholder(s)/ Director(s) have relation(s) employed in BHEL, BHEL shall be informed of the fact along with the offer. Otherwise, BHEL may, at its sole discretion, reject the tender or cancel the contract at any stage of the Contract without any cost or any other adverse implications to BHEL.
- b) Any attempt by a Bidder to exert influence on BHEL during the process of bid evaluation or award of the contract, would make their bid liable for rejection.
- c) In case any Bidder gives false information in his Bid or creates conditions favorable for the acceptance of his tender, Bharat Heavy Electricals Limited reserves the right to reject the tender at any stage.

Annexure I

Dealing Departments

SOURCE DEPT.	DOCUMENT NAME	DESTINATION DEPT.
SHIPPING DEPT.	LWB/RR	COMMERCIAL/FINANCE
	EXCISE INVOICE	COMMERCIAL/FINANCE
OUTSOURCING DEPT.	ACF EXCISE INV. ORIGINAL	COMMERCIAL
	ACF LWB	COMMERCIAL
	ACF DECLARATION AND DC	COMMERCIAL
PURCHASE DEPT.	DTS MDCC	COMMERCIAL
MATERIAL PLANNING	DTS LWB,DTS DECLARATION	COMMERCIAL
Q.C. DEPT.	MDCC/COC/CHP	COMMERCIAL
FINANCE DEPT.	LC DOCUMENTS	SBI, M.R.PURAM
	MISC INVOICES	COMMERCIAL
COMMERCIAL DEPT.	TIME DOCKET	FINANCE
	COMPILED SETS OF INVOICES	DESIGNATED CUSTOMERS

**Annexure II
Price Schedule**

Category	Annexure	Qty in sets	Rate per set
I	<p><u>Supply Invoices & LC documents consists of</u> a)LWB/RR with one original & copies thereon. b)Excise Invoice with Original for buyer and copies thereon c)Packing Slip d)MDCC/Test certificate one original and copies thereon for NTPC Contracts and other contracts notified by contracting Officer. E)Insurance Certificate, guarantee certificate f)ED/ST certificate g) LC covering letter h) Other doc as specified</p>	6000	
II	MRC, freight invoices on rate/kg basis, ED/ST invoices, PVC invoices, service invoices and annexure of respective invoices	5000	
	Service tax as applicable will be payable as extra.		
	<p>Note: 1.The lowest offer will be decided based on the total amount arrived by calculating rate/set quoted multiplied by sets indicated for the above 2 categories 2. Rate quoted shall include all expenditure including minimum wages, additional payment and attendant costs etc. No reimbursement of any expenditure of whatsoever nature shall be made as extra other than the amount payable vide I & II above</p>		

ANNEXURE III

Format of Feedback Report on Interface Issues Report

SI No	Nature of Issue	Agency to resolve	Date of report	Resolved on

SECTION B: CONTRACT

[To be Printed on Stamp Paper of Appropriate Value]

This agreement (hereinafter “Contract”) is this [insert] day of [insert] 2011, at [insert], by and between:

M/s Bharat Heavy Electricals Limited, Unit: Boiler Auxiliaries Plant, Ranipet 632 406 having its Registered Office at BHEL House, Siri Fort, New Delhi-110 049 (hereinafter called BHEL) of the one part and

M/s _____ [insert the registered office of the Contractor] (Hereinafter called the Contractor) of second part.

Each of the BHEL and the Contractor may hereinafter be referred to individually as a “Party” and collectively as the “Parties”.

Recitals:

Whereas:

- A. The BHEL had invited tenders for Invoice Compilation (as detailed in Article 3 below). The Contractor had submitted tender for the said work and the same was found acceptable.
- B. BHEL had awarded the contract to the Contractor and the Contractor has agreed to perform the Work (as hereinafter defined) as per the terms and condition provided in this agreement.
- C. BHEL has agreed to pay consideration to the Contractor for the performance of Services as per the terms and conditions contained herein.

NOW THEREFORE, the Parties with the intent to be legally bound, hereby agree in good faith as follows:-

**Article 1
Definitions**

In this Contract, the following terms shall have the meaning hereby assigned to them, except where the context otherwise requires.

“Applicable Laws” shall include all statutes, enactments, Acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives, including amendments thereof and orders of any Governmental Authority, statutory authority, tribunal, board, court or recognised stock exchange and, if applicable, international treaties and regulations.

“Applicable Taxes” means any tax, charge, impost, tariff, duty, fee, cess or levy of any kind or nature (whether Central, State, or Local or otherwise) whatsoever and wherever and whenever charged, imposed or levied, directly or indirectly, by any governmental authority, including but without limitation any income tax, service tax, value added tax, sales tax, (including value added tax on Project contract), stamp duty, import duty, withholding tax (whether on dividends, interest payments, fees, equipment rentals or otherwise), tax on foreign currency loans or foreign exchange transactions, excise duty, property tax, registration fee or license, octroi tax or water tax together with any interest and penalties in relation thereto.

“BHEL Appliances” shall mean Three (3) heavy duty Scanners, Three Fat clients, Two Photo copiers/ heavy duty printers, reasonable office space, work table and required stationeries.

“BHEL Banker” shall mean State Bank of India, M.R.Puram, BHEL Township, Ranipet-632 406, or any other banker as notified by the Contracting Officer.

"Contract" shall mean this agreement, including any Annexure, and the terms and conditions in the Tender Document that are not inconsistent with this Contract (including all the Annexure)

“Contracting Officer” shall mean Shri _____, AGM (Commercial), Bharat Heavy Electricals, Boiler Auxiliaries Plant, Indira Gandhi Industrial Complex, Ranipet-632406, or any other officer as BHEL may designate.

"Contractor" shall mean the individual, firm or company whether incorporated or not, undertaking the Work and shall include the representatives of such individuals or the firm or Company or their successors of the firm and permitted assigns.

“Courier” shall mean couriers designated by BHEL and includes other couriers approved by the Contracting Officer on case to case basis.

"Day" means, the day of 24 hours (TWENTY FOUR) irrespective of the number of hours worked or not worked in that day. A reference to ‘Day’ shall mean a reference to a calendar day

“Dealing Departments” shall mean Commercial, Finance, Purchase, Outsourcing, Shipping, QC, Material Planning and any other department as the Contracting Officer may specify.

“Invoices” shall mean invoices including all annexure thereto (“Invoice Annexure”), such as, but not limited to, LWB/RR excise invoice, MCC/ Test Certificate, Insurance Certificates, Guarantee Certificates, ED/ST Certificates, Proof of Indicates, LC Sets, Computer Generated Statements, thereto. One (1) Set of Invoice shall mean One (1) original Invoice with copies to the extent required as per contract between BHEL and its customer or as instructed by the Contracting Officer.

“Work” shall mean the work pertaining to, associated with, and ancillary to the work described in the Contract, in individual work-orders as may be issued from time to time to the Contractor by BHEL and includes all notified or additional work and obligations instructed to be carried out as required for the performance of Contract.

Article 2 Duration of Contract

- a) The Contract shall be for the duration of One (1) Year from the date of award
- b) Time is of the essence of the Contract

Article 3 Scope of Work and Performance

- a) **Scope of Work**

- i. Co-ordination with Contracting Officer at BHEL.
 - ii. Co-ordination with Dealing Departments of BHEL for collection of original documents as indicated in the **Annexure I**.
 - iii. Scanning of documents through BHEL Appliances.
 - iv. Handing over of original documents to the designated officials as listed in the annexure for enclosing in the compilation under acknowledgement.
 - v. Making Invoice sets from online data as specified.
 - vi. Preparing forwarding letter online and after signature of the concerned commercial coordinator put in addressed sealed cover for onward transmission to BHEL customers through designated couriers /Post.
 - vii. Submission of the copy of the register as provided by the Contracting Officer where at respective project coordinators signatures recorded against handing over of complete set of invoices to Commercial. .
 - viii. Preparation of supply invoice copies and lists of invoices for the purpose of collection of C Forms from the customer. If required, the same is to be forwarded to BHEL customers for expediting C-Form collection.
 - ix. Handing over of Invoice sets to the Sales section of Accounts Dept where the collection for supply prorata payment is through LC arrangement with BHEL Banker.
 - x. Handing over of one set of invoice to the Sales section of Accounts Dept where the collection for supply prorata payment is through direct mode. Along with contractor bill the acknowledgement from Finance is to be enclosed.
 - xi. Feedback Report to the Contracting Officer of BHEL on interface issues.
 - xii. Deploying the required number of qualified persons as per Contract for carrying out the scope indicated in sl no i to xii
 - xiii. Any other activity/ work ancillary or incidental to the above.
- b) The Contractor shall abide by the working days and time of BHEL. BHEL normal days are from Monday to Saturday and normal hours of working are between 8.00 hrs to 16.30 hours. The contractor shall be present up to 18.00 hrs on all working days.
- c) The Contractor shall deploy a minimum of Six (6) assistants who shall have cleared Class Plus Two or its equivalent and shall be well-versed with basic computer operations and scanning of documents.
- d) BHEL shall provide consumables like Xerox paper, wrappers, staplers free of cost to the Contractor for the Work, which shall be used judiciously.
- e) The Contractor shall perform the Work as per instructions as may from time to time be given by BHEL.
- e) The Contractor shall be deemed to have satisfied himself with the scope of Work, nature of the site, local facilities of access, Applicable Laws, Applicable Taxes and all matters that may or are likely to affect the effective execution of the Work. No extra charges of

whatsoever nature will be allowed, notwithstanding any misunderstanding by the Contractor.

- f) The Contractor shall not be entitled to any escalation or extra payment for whatsoever reason.

Article 4 Interface Issues

- a) The contractor shall intimate to the Contracting Officer through Feedback Report on Interface Issues as per **Annexure III** on meeting the Dealing Departments for immediate resolution of any interface issues.
- b) The contractor shall desist from dealing in unauthorised issues with BHEL customers. Any financial implication on account of such issues is to the Contractor's account.
- c) In case of any system failure, the same shall be brought to the immediate notice of Contracting Officer in the Feedback Report on Interface Issues as per **Annexure III**, as any delay in invoice set making will adversely affect Commercial transactions of BHEL with its Customers.

Article 5 Terms of Payment

- a) Contractor shall submit the invoices in triplicate to the Contracting officer every month alongwith a list of Set of Invoices compiled category-wise made.
- b) Payment shall be made after certification issued by Contracting Officer regarding the satisfactory completion of work.
- c) Payments to be made to the Contractor under this contract shall be by electronic transfer for which the necessary details shall be furnished by the Contractor. BHEL may also choose to pay the Contractor by any other means at it may deem fit. In such cases, necessary details shall be furnished by the Contractor
- d) No advance payments will be made. BHEL shall not be liable for any reason whatsoever for out-of-pocket expenses or any other extra payments.

Article 6 Handling, Loss of Documents and Liability

- a) **Handling of BHEL Documents**
 - i) Dealing Departments will hand over the documents to the Contractor for the limited purpose of preparation of Invoice Sets in its presentable form. All the

original documents are important documents and shall be handed over immediately to Commercial and Finance Departments as per **Annexure I**.

- ii) The Contractor shall not use these documents for any other purpose. It shall not divulge the information without the authorization of the contracting officer in writing.
 - iii) The Contractor shall not carry the documents outside the campus of BHEL unless authorized by the Contracting Officer.
- b) The original documents collected from the Dealing Department by the Contractor are the property of BHEL and shall be held by the contractor as a Bailee with utmost care till compilation of invoices. During the closure of the contract the documents received but not compiled is to be listed chronologically and handed over to the Contracting Officer under acknowledgement. This is one of the conditions to release the Security Deposit..
 - c) Financial implications for unauthorized/ illegal use by the Contractor of BHEL documents shall be to the Contractor's account.
 - c) In case of any documents lost while handling, recovery will be made from the Contractor's bill an amount that will be decided by the Contracting Officer, whose decision is final and binding.

Article 7

Compliance with Applicable Laws

- a) The Contractor shall confirm to the provisions of Applicable Laws, including any laws relating to the Project, statutory compliances, tax, labour law. The Contractor shall be bound to give all notices required by Applicable Laws as aforesaid and to pay all fees and taxes payable to any authority in respect thereof. BHEL shall not be responsible for any reason whatsoever for the non-compliance by the Contractor of Applicable Laws.
- b) Apart from ensuring due compliance of all labour and industrial laws, including those related to minimum wages, PF, etc, the Contractor shall also pay additional amount of Rs. 2,300 per person per month along with attendant cost on account of PF, ESI, bonus etc.
- b) BHEL shall have the right, but not the duty, to demand any document, receipt etc relating to or showing the proof of compliance by the Contractor with any of the Applicable Laws.

Article 8

Taxes

- a) The Contractor shall duly pay Applicable Taxes to the statutory or governmental authorities. Notwithstanding anything to the contrary, BHEL shall not be liable for

payment of any fine, penalty, or interest or any other amount for delay in or failure by the Contractor to discharge statutory liabilities.

- b) Payments to Contractor will be subject to deduction of taxes at source as per Applicable Laws.
- c) Rate quoted shall be inclusive of all taxes and duties as applicable seven (7) days prior to the date of Tender opening except Service Tax, if any. If the Offer is silent then the normal service tax shall be deemed to have been included and BHEL will proceed to finalize the Tender accordingly. The Contractor is to produce tax invoices as per the provisions of the law to enable BHEL to avail CENVAT Credit. Non – compliance of the same will result in deduction of tax amount from the bills.
- e) In case the government (Centre/ State) imposes any new indirect taxes or upward revision of indirect taxes on the output services / work after the submission of Bid, the same shall be reimbursed to the Contractor by BHEL at actuals. All necessary documents as required by BHEL shall have to be provided by the Contractor. For the sake of clarity, the Parties agree that BHEL shall not be liable to reimburse any direct tax, whether present or in future to the Contractor.
- h) The Contractor shall submit the Service Tax Registration certificate to BHEL and claim the Service Tax from BHEL by submitting Tax invoice as per Rules & Regulations of Service Tax and the documentary evidence to BHEL's satisfaction.

Article 9 Confidentiality

The Contractor acknowledges that the documents handed over to BHEL are confidential. The Contractor shall keep the documents, information pertaining to the documents and any other information obtained during the performance of Work confidential.

Article 10 Security Deposit

- a) Five Per Cent (5%) of each invoice shall be withheld by BHEL till the completion of the Contract and shall be released at the end of the Contract Period on satisfactory completion of the Contract.
- d) BHEL shall have the right to adjust from the SD any penalties or dues from the Contractor under this Contract or any other contract. SD shall be forfeited if the Contract is abandoned by the bidder during the Contract period.
- c) In the event of this Security Deposit being deducted by reason of such deductions, the Contractor shall within Seven (7) Days thereafter, make good in cash or in securities endorsed as aforesaid, any sum by which the Security Deposit has been reduced. Without

prejudice to the above, BHEL shall have the discretion to ask the Contractor to make the payment to BHEL on demand

**Article 11
Instructions under the Contract**

All instructions, requests, notices etc. to be given under the Contract shall be in writing, type-script or printed and if sent by registered post to the address given in the tender of the Contract, shall be deemed to have been served on the date, when in the ordinary course they would have been delivered to him. The Contractor shall carry out without delay all orders given to him.

**Article 12
Force Majeure**

- a) Force Majeure means any cause which is beyond the control of the Contractor or BHEL, as the case may be, which they could not foresee or with a reasonable amount of diligence could not have foreseen and which substantially affects the performance of the contract, such as:
- i) Extreme Natural phenomena including, but not limited to, floods, droughts, earthquakes and epidemics;
 - ii) Drastic acts of government, domestic or foreign, including, but not limited to, war, declared or undeclared, priorities, quarantines, embargoes;

However Force Majeure shall not include the following circumstances:

- (i) Financial distress of Contractor or its subcontractor, lack of funds or the inability of the Contractor to make payments in the manner specified herein;
 - (ii) Absence of employees/ workers of Contractor
 - (iii) adverse weather conditions;
 - (iv) any event or circumstance that makes performance by the Contractor merely uneconomic or commercially impracticable including without limitation due to recession, depression, inflation, deflation, tax rate or law changes, exchange rate fluctuations, or changes in prices;
 - (v) the imposition of sanctions by any governmental authority due primarily to the failure of the Contractor to comply with any Applicable Laws.
- b) Either party shall within fifteen (15) days from the occurrence of Force Majeure notify the other in writing of such cause.
- c) The obligation stipulated in this Contract can only be suspended in the case of any particular item of work, in the event of Force Majeure or as the result of an agreement between the parties. In the event of Force Majeure, neither of the parties may be considered in default of its obligations under the terms of this Contract.

- d) If the Force Majeure circumstances mentioned in Article 15(a) above continue to exist for more than Fifteen (15) days, BHEL shall have the right to terminate the Contract forthwith.

**Article 13
Indemnities**

Contractor shall indemnify and keep indemnified BHEL, its other contractors and/or sub-contractors and its/their employees from all actions, proceedings, suits, claims, demands, liabilities, damages, losses, costs, charges, expenses judgments and fines arising out of or in the course of, or caused by the execution of work under the Contract or other obligations hereunder directly or indirectly associated herewith which may arise due to:

- a) breach of law by the Contractor, or any of its sub-contractor, or any of their respective employees.
- b) negligence or willful default by the Contractor, or any of its sub-contractor, or any of their respective employees.
- c) failure by Contractor to proceed with Work in accordance with the determinations, instructions and clarifications of Company pending disagreement, dispute, protest, request for arbitration/ court proceedings
- e) loss of property or death of any employee of BHEL or of its other contractors/ sub-contractors.

The above shall be without prejudice to any other remedy that may be available to BHEL whether as per law, contract, equity or otherwise.

**Article 14
Risk Purchase**

- a) If the Contract breaches any term of the Contractor or in case of any neglect or refusal or failure on the part of the Contractor to:
- i) commence the Work, or
 - ii) provide sufficient manpower for the Work or
 - iii) if in the opinion of Contracting Officer, the work done by the Contractor is not satisfactory, or
 - iv) carry out the Project as per the Contract or as per instructions of the Contracting Officer or officer authorized by him,

BHEL shall have the right to have the Work done by any means at the Contractor's sole risk and expenses.

The above shall be without prejudice to any other remedy that may be available to BHEL whether as per law, contract, equity or otherwise.

- b) In the event, the cost of the work so done (as certified by Contracting Officer which is final and conclusive) is less than the Contract cost, the advantage shall accrue to the

BHEL and if the cost exceeds the money due to Contractor under the Contract, the Contractor shall either pay the excess amount ordered by Contracting Officer or the same shall be recovered from the Contractor by other means.

**Article 15
Termination**

- a) In case the Contractor commits a breach of provisions of the Contract or if the Contractor unsatisfactorily performs the Work, BHEL shall have the right to terminate the Contract immediately by a written notice of termination. In such cases, BHEL shall have the right to invoke Risk Purchase in accordance with Article 14.
- b) Without prejudice to the above, BHEL shall have the right, for any reason whatsoever, to not require whole or any part of the Services to be carried out by the Contractor. BHEL shall give two (2) days' notice in writing of the termination to the Contractor. In such case, the Contractor shall have no claim to any sum or payment of compensation or otherwise howsoever on account of any profit or advantage which he might have derived from the execution of the work in full but which he did not derive in consequence of the fore-closing of the work
- c) The right of BHEL to terminate the Contract under this Article 15 shall be without prejudice to any other right or remedy which shall have accrued or which shall accrue thereafter to BHEL, and the Contractor shall be liable to make payment to BHEL for any loss or damage of whatsoever nature resulting from any such termination to the same extent as provided in the case of termination for default.

**Article 16
Governing Law, Arbitration and Jurisdiction**

- a) The contract shall be governed by the Indian Laws for time being in force.
- b) **Arbitration**
 - i) All disputes between the parties to the Contract, arising out of or relation to the Contract, other than those for which the decision of the Contracting Officer or any other person is by the Contract expressed to be final shall, after written notice by either party to the Contract to the other party be referred to the sole Arbitration of Unit Head of BAP, BHEL Ranipet or any designate nominated by the Unit Head of BAP, BHEL Ranipet in his sole discretion.
 - ii) The venue of Arbitration shall be Ranipet, Tamil Nadu. The arbitrator may hold meetings for convenience in such a place or places discretion.
 - iii) Award of the Arbitrator shall be final, conclusive and binding on both parties to the Contract.

- iv) The Contractor shall, notwithstanding any disagreement, dispute, protest, request for arbitration, court or other proceedings, continue to perform the Services in accordance with the determinations, instructions and clarifications of BHEL
- c) Subject to the above, the court at Ranipet, Vellore District shall have the exclusive jurisdiction over any dispute/issue arising out of or in connection with this Contract.

Article 17
Miscellaneous

- a) The Contractor shall not without the prior written approval of the BHEL, assign or transfer the contract or any part thereof, or any share, or interest thereon to any other persons. The Contractor shall not sub-contract any portion of the contract without the prior written approval of the BHEL.
- b) Failure by BHEL to insist upon strict performance of any terms or conditions of this Contract, or failure or delay to exercise any rights or remedies provided herein or by Applicable Laws, or failure to properly notify the Contractor in the event of breach, or the acceptance of or payment for Project or otherwise, shall not release the Contractor from any of the obligations under this Contract and shall not be deemed a waiver of any right of BHEL to insist upon strict performance hereof or any of its rights or remedies as to any prior or subsequent default hereunder nor shall any termination of Project under this Contract by BHEL operate as a waiver of any of the terms hereof.
- c) **Notices, Communication Etc.**

All communications by the Contractor pertaining to the Contract, unless expressly provided otherwise, shall be addressed to:

Shri S Anilkumar
AGM (Commercial)
Bharat Heavy Electricals Limited
Indira Gandhi Industrial Complex, Ranipet- 632 406

Phone: 04172- 284587
Fax: 04172-241158
Cell: 9443389050

Email
sanil@bhelrpt.co.in

- d) The terms and conditions of the Tender Document shall be deemed to have been incorporated into this Agreement. Wherever the Tender Document is repugnant to terms and conditions of this Contract, the terms and conditions of this Contract shall prevail.

- e) Neither the Security Deposit nor any amount owed or due to the Contractor under the Contract shall carry any interest.
- f) Contractor shall furnish any document or information as may be demanded by BHEL.
- g) Any amount due to BHEL under this Contract may be adjusted or set-off against any sum payable to the Contractor under this Contract or any other contract with the BHEL.
- h) **Interpretation**
- i) provisions of this Contract which, either expressly or by their very nature survive termination of the Contract, shall survive termination of the Contract.
- ii) In this Contract, unless the context otherwise requires, any reference to any statute or statutory provision shall include:
- all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);
 - such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Contract) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into under this Contract and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as from time to time amended, modified, re-enacted or consolidated) which the provision referred to has directly or indirectly been replaced;
- iv) A reference to any document, agreement, deed or other instrument (including, without limitation, references to this Contract), includes a reference to any document, agreement, deed or other instrument as may be varied, amended, supplemented, restated, novated or replaced, from time to time.

[Insert name of the Contractor]

Bharat Heavy Electricals Limited

Signature:

Signature:

Name & Designation:

Name & Designation:

Witness

Witness

Signature:

Signature:

Name & Designation:

Name & Designation:

Annexures:

Dealing Departments (Annexure I)

Price Schedule (Annexure II)

Format of Feedback Report on Interface Issues Report (as below)

Sl No	Nature of Issue	Agency to resolve	Date of report	Resolved on