

TERMS AND CONDITIONS FOR

(Tender Enquiry No. 1213-001 Dated 04.04.2012)

1. INVITING TENDERS:

Two-part sealed quotations are invited for manufacturing and supply of **tubes** as per enquiry list at following terms and conditions. Submission of two parts shall be as follows:

Bid	Bid description	Superscribing on envelope	*** Should contain ***
Part I	Techno- Commercial Offer	Part-I (Techno-Commercial) bid against tender enquiry no: 1213-001 dated 04.04.2012 due for opening on 11.04.2012	(Preferred is submitting signed
Part II	Price Bid	Part-II (Price) bid against tender enquiry no: 1213- 001 dated 04.04.2012	Price bid in the format attached. Except prices, nothing else mentioned in the price bid format is valid.

Both the sealed envelopes should be put in outer sealed envelope superscribing all details.

Quotations shall reach by 1000 Hrs and Part-I shall be opened at 1100 Hrs on due date 11.04.2012. Late offers are liable to be rejected, so please ensure to send the quotation well within due date.

BHEL may decide to open price bids of bidders who qualify from techno-commercial evaluation, on the same day at 1630 hrs. If not opened on the same day, all qualifying bidders shall be notified for date of opening of Price bids.

Sealed Tenders can be dropped in the tender box labeled as 'Tender box for MM contracts'. This tender box is located at the entrance of Admin block BHEL Goindwal.

2. PRICE QUOTATION

Price bid in the format attached. Preferably the price bid envelop should contain ONLY the price bid.

No Other format shall be used for submitting the price bid. Any variation in Unit of Supply other than that mentioned in the Price bid format shall not be accepted.

Anything other than price mentioned in the price bid shall be considered invalid.

Duties shall be payable extra against ED Gate Pass valid for CENVAT benefit.

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Price quoted shall be firm and not subject to any escalation during the contract execution. Price should be quoted on FOR Destination Goindwal Sahib basis. If not mentioned, it shall be concluded that the offer is on FOR Destination Goindwal Sahib basis. In case rates are Ex-Works basis, loading of expenses i.e., freight, transit insurance shall be done by BHEL at its discretion to arrive at Landed prices. Comparison shall be done at Landed cost to BHEL. All amounts shall be indicated both in words as well as figures. Where there is difference between amount quoted in words and figures, amount quoted in words shall prevail.

Tenders should be free from CORRECTION AND ERASURES. Corrections if any must be attached.

3. VALIDITY OF OFFERS:

The offers shall be valid for 30 days from the date of opening of the tender. In case of extension of tender opening date, the validity shall be suitably revised.

4. SCOPE OF SUPPLY:

Material shall be supplied as per the applicable latest Material Standard requirements/Drawing/Technical Delivery Conditions attached and other requirement as given in the Purchase Order. National & International material Standards shall have to be arranged by vendors themselves.

5. DELIVERY SCHEDULE:

Supplies shall commence and completed as per schedule mentioned in the POs. All POs are to be completed within 10 days period from placement of PO. Further, BHEL may release delivery schedule from time to time based upon our requirement. Vendor shall be required to complete the order as per the PO/schedule requested.

6. REPLACEMENT OF REJECTION:

If the material is rejected due to defective workmanship during inspection or at the time of actual use, the rejected material shall be replaced by the supplier. Corresponding quantity shall be treated as unsupplied against respective purchase order till replacement is received at BHEL. If the material is found defective and rejected during use for which payment has already been released the rejected quantity shall be supplied free of cost by the vendor within a month of intimation of the rejection by BHEL.

7. ACCESS TO MANUFACTURING PREMISES:

While Purchase Orders placed on the vendor are under execution, authorized representatives of BHEL shall be allowed free access to the manufacturing facilities for the purpose of inspection or monitoring the progress of purchase orders. This access will also be extended to representatives of BHEL's customers accompanying the authorized representative/s of BHEL (which shall be intimated in advance), if our contractual requirements with our customers call for the same.

8. TERMS OF PAYMENT:

a. Due payment against supplies received shall be made within 30-45 days of receipt and clearance of material and receipt of following dispatch documents.



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BHEL releases the payment through eft mode, to make the payment realization faster. It is advised to suppliers to submit details, if already not submitted.

- i. Commercial invoice (in duplicate)
- ii. Excise invoice (in duplicate) valid for claiming CENVAT credit
- iii. Original VAT invoice valid for claiming input tax credit, if applicable
- iv. Material Test Certificates (MTC) and
- v. Compliance Certificate.
- b. Above documents should include your Registration numbers such as ECC no, PAN no, CST no, TIN/ VAT nos. etc.
- c. It is mandatory to mention proper material codes in the invoices and separate invoices to be raised for different POs.
- d.BHEL releases payment through EFT mode ONLY. Necessary details may please be submitted by filling required format before release of payment.

9. INSPECTION:

- a. All required tests shall be carried out by vendor at no extra cost. Relevant TCs shall accompany the consignment. BHEL may decide to inspect itself/arrange third party inspection at vendors' works itself as and when necessary with prior intimation to the vendor. No additional charges shall be claimed for such inspections.
- b. Vendor will give information of readiness of material sufficiently in advance considering the delivery period stipulated in the purchase order.
- c. Latest applicable revisions of standards/procedures to be referred.
- d. Any inspection carried out before supply by vendor/incoming stage at BHEL not withstanding, if any defect/non-conformity is noted during processing, the same shall be attended/replaced by vendor at no extra cost.

10. **GUARANTEE:**

Vendor shall give a guarantee against manufacturing defects of 18 months from the date of dispatch or 12 months from use, whichever is earlier.

11. **PENALTY FOR LATE DELIVERY**:

'Time is the essence of the contract'. As such, delivery of goods specified in the Purchase Orders released under the scope of this contract shall be made within the time limit prescribed therein. Liquidated damages clause will be applicable for delayed supplies @ 0.5% per week or part thereof subject to a maximum of 5.0 %.

12. **RISK PURCHASE:**

BHEL shall be entitled to terminate the contract/pending POs at any stage and to purchase elsewhere at the risk and cost of the vendor, either the whole of the goods or any part thereof which the supplier has failed to deliver or dispatch within the time stipulated as aforesaid. Vendor shall be liable for the losses, which BHEL may sustain by way of such risk purchase in addition to aforesaid penalty for delayed delivery.

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13. **SUB-CONTRACT**:

The purchase order or any part thereof shall not be sub-contracted, assigned or otherwise transferred without previously obtaining the BHEL's consent in writing.

14. **FORCE MAJEURE:**

If at any time during the continuance of the contract, the performance in which or in any part by either party of any obligations under the contract are prevented or delayed by reason of any war, hostilities, acts of public enemy, civil commotion, sabotage, fires, explosions, epidemics, quarantine restrictions, or acts of God (hereinafter referred to "an events" then provided the notice of happening of any such event is given by either party to the other within 21 days of the occurrence thereof, neither party shall by reason of such event be entitled to terminate the contract nor shall either party have any claim for damages against the other in respect of such non-performance and delay in performance and delivery under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. If the performance in whole or part of any obligation under the contract is prevented or delayed by reason of any such event, claims of extension of time shall be granted for periods considered reasonable by BHEL subject to prior notification by the vendor to BHEL of the particulars of the event and supply to BHEL, if required, of any supporting evidence. Any waiver of time in respect of partial installment shall not be deemed a waiver of time in respect of remaining deliveries.

15. **DISPUTES:**

In the event of any dispute and/or difference arising between the Vendor and BHEL as to interpretation and/or execution of the contract and/or the respective rights and liabilities of the parties, such disputes and/or differences shall be referred to the sole arbitrator nominated by BHEL. The provisions of the Indian Arbitration Act and the rules there under shall apply to such arbitration. The award passed by the arbitrator shall be final and conclusively binding on all the parties.

16. **JURISDICTION:**

The court of the place from where the purchase order is issued during the contractual period shall alone have jurisdiction to decide any dispute arising out of or in connection with the purchase order.

17. **MSME Certification**:

If the bidder is registered as any of Micro/Small/Medium enterprise as defined in Micro Small and Medium Enterprises Development Act, 2006; a copy of registration certificate to be attached.

18. **BANNED FIRMS:**

The offers of the bidders who are on the banned list as also the offer of the bidders, who engage the services of the banned firms, shall be rejected. The list of banned firms is available on BHEL website www.bhel.com.





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19. Clarifications:

The correspondence exchanged against the tender from both tenderer and BHEL through email are considered as valid document legally though it is not signed. It is treated as valid confirmations made on behalf of the respective company and very much comes under the legal ambit of the business transaction and hence it is binding on both the parties to the business. Any transaction pertaining to the tender from both the parties of business done round the clock irrespective of the office or business hours of the companies, are valid legally and binding on both the parties. This applies to the extent only in such cases where deadline time for transaction is not specifically declared by either or both the patties to the business.

20 LOI (Letter of Intent):

BHEL may issue LOI prior to the PO for any reason whatsoever. The LOI in such cases is to be treated as PO for all practical purposes and all the Terms & Conditions of the tender shall be applicable from the date of issue of LOI.

21. **GENERAL:**

- a) BHEL will not be bound by any power of attorney granted by the vendors or by changes in the composition of the firm made subsequent to the execution of the contract. They may, however, recognize such power of attorney and changes after obtaining proper legal advice, the cost of which will be chargeable to the vendor concerned.
- b) BHEL reserves the right to extend the due date of opening, which shall be informed. Bidder cannot revise his offer, if already sent, Validity of offer shall be deemed to be revised accordingly.
- c) BHEL reserves the right to accept or reject any part or whole of the offer by assigning a valid reason thereof. BHEL reserves the right to cancel the tender without assigning any reason thereof and without any obligation before any commitment.
- d) Acceptance of all terms and conditions should be submitted along with quotations. If nothing is mentioned, it will be assume that all the terms and conditions are accepted.
- e) Deviation to any of the tender terms and conditions, if finally considered by BHEL shall attract loading on quoted prices at the discretion of BHEL depending upon various factors involved in the criteria deviated.

