

BHARAT HEAVY ELECTRICAL LIMITED

(A Government of India Under taking)
Component Fabrication Plant
Rudrapur, Kichha Bypass Road, Rudrapur
Distt. Udhan Singh Nagar, Uttrakhand-263 153

ANNEXURE-A

GENERAL CONDITIONS OF CONTRACT:-

1.	SECURITY OF THE RAW MATERIALS ISSUED TO THE SUB CONTRACTOR: Only the raw materials will be issued by BHEL under the BHEL's Special Contingency Policy to the Contractor on loan basis (by weight) as per Central Excise rules, for which the contractor shall give the receipt. However, BHEL's special contingency policy does not absolve the contractor from the responsibility of safe custody and use of its material at their end. These raw materials will be returned by the contractor to BHEL, Rudrapur as finished goods (as per drawing against PO issued by BHEL), scrap, fresh material if any etc. Before issuing of material against PO, the Bank Guarantee at the following rates shall be submitted by the party towards the raw material issued by BHEL, valid till completion of supply and acceptance of items by BHEL quality.	
2.	<u>PSL value of material issued during the framework period</u>	<u>Value of BG</u>
	Above Rs. 1.4 lakhs	Rs. 0.35 lakh
	BG will be returned after successful completion of PO. Any deposit against PO shall not carry any interest.	
3.	Payment terms : 90% payment after receipt of finished material and Scrap by BHEL with documents like TC/GC, delivery challan original bills, within 45 days subject to acceptance from BHEL quality & 10% on submission of Excise Challan, submission and acceptance of material accountal statement by BHEL. Any deviation in payment terms will be loaded @ (SBI prime lending rate +2) % annual interest for comparing standing.	
4.	Late Delivery Penalty: The delivery of Job / Item shall be made strictly as per time limit specified as per PO delivery schedule. Failure to supply within this period will make the supplier liable to a penalty of ½% (half percent) of the price of the goods in arrears per	

Bidder's signature and seal

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	week subject to maximum of 10% of the order value for the reasons attributable to the party. However, for the reasons beyond the control of the party or any other unforeseen situation, the party should apply to BHEL in writing for delivery extension before expiry of the delivery date. No case of delivery extension will be considered after lapse of delivery period specified in individual PO.
5.	Deviation statement: Deviation from the tendered scope, terms & conditions, if any, shall be clearly mentioned by the bidder in the format 'Schedule of Deviation' at Annexure-III only as deviations mentioned elsewhere shall not be considered.
6.	BHEL reserves the following rights: (a) To reject or accept any or all tenders or part thereof without assigning any reasons thereof. (b) To terminate the PO by giving a notice of 15 days if the performance of the Vendor is found to be unsatisfactory, and cost of material shall be recovered from the BG submitted by the vendor.
7.	Inspection: Shall be done by BHEL quality department at Vendor's works before dispatch. Vendor should give the inspection call in writing at least one week in advance.
8.	No further subcontracting of BHEL job work shall be allowed. If at any point of time during the execution period of PO, it is found by BHEL that further subcontracting is being done by the vendor, the PO will be terminated with immediate effect & BHEL will delist and put hold future business.
9.	Delivery of finished items to BHEL Rudrapur shall be in the scheduled time as per PO from the date of receipt of raw material/drawings.
10.	The offer must reach to BHEL office on or before due date. Late offers shall not be considered received after due date even if posted by speed/register post before due date.
11.	Total Scope of work and details of work shall be as per Annexure-I
12.	The PO can be short closed / Terminated without mentioning any reasons thereof.
13.	For terms & conditions, other than mentioned above, vendor should go through the reverse of Enquiry form.
14.	2% process loss shall be allowed as a non-refundable scrap without any deduction and 98 % finished material with remaining off cut scrap or raw material shall be returned to BHEL

Bidder's signature and seal

