

Memorandum of Understanding

M/s BHEL TBG, Noida

And

M/s é . é .. é . é . é . é .

(Vendor Code: é é é é)

For supplying

TMT bars

MOU No. : MOU/TBMM/Reinforcement Steel/TMT/19-20

Dated : 21/08/ 2019

MOU Valid upto : 30-09-2020

TBMM / BHEL

Vendor

Contents

Standard Section

- 1.0 Technical Terms & Conditions
- 2.0 Commercial Terms & Conditions

SCOPE

The specification is bifurcated in two broad sections; one is the "Technical terms" another is "Commercial Terms"

By this MOU, the standard section of the specifications, commercial and general conditions are mutually agreed and applicable for the Rate Contracts finalized on Quarterly basis / tenders during the period of validity of this MOU.

The MOU shall form the basis for all the tenders for procurement of TMT bars floated by BHEL, TBG for all Technical and Commercial conditions. No deviation shall be taken on this MOU during the validity period.

In case of any addition/inclusion of new items by Supplier and BHEL, the MOU will be revised suitably for addition of the same without changes to the commercial terms of this MOU. The said MOU shall also be extended for a period of another one year on mutual acceptance with no changes in the agreed specifications and term and conditions.

TBMM / BHEL

Vendor

Techno Commercial MOU 2019-20 (Valid till Sep 2020)

Vendor Name		
Vendor Code		
Vendor Address		
Vendor Mill Address		
Material Covered	TMT bars (Spec IS 1786)	
Technical Terms & Conditions		
Details	BHEL Requirements	Supplier Capability
General Conditions		
Technical specs	IS 1786 Fe 500/500D	
Supply Length	10-12 meter	
Conversion Route Supplies	Conversion route i.e. manufacturing and supplies through third party conversion agent is not acceptable. Only supplies of material manufactured from vendor's mill and with valid BIS license is acceptable.	
Packing	In bundled condition (10MT max.)	
TMT IS 1786 Fe 500/500D (Straight Form)	Dia 8, 10, 12, 16, 20, 25, 32, 36mm	
TMT IS 1786 Fe 500/500D (Straight Form) Corrosion Resistance TMT	Suitable for Marine environment with Micro Alloying Combination Cu+Cr > 0.4% on Product analysis Dia 8, 10, 12, 16, 20, 25, 32, 36mm	

TBMM / BHEL

Vendor

Techno Commercial MOU 2019-20 (Valid till Sep 2020)

Vendor Name		
Vendor Code		
Vendor Address		
Vendor Mill Address		
Material Covered	TMT bars (Spec IS 1786)	
Commercial Terms & Conditions		
Details	BHEL Requirements	Supplier Acceptance
Basic Price	Basic Price item wise to be quoted inclusive all quality excess	
Freight	Firm Freight per MT for transportation to be quoted exclusive of GST. Quantities will be provided for each tender. No ODC charges are payable by BHEL.	
GST	To be indicated separately as percentage to the Basic Price / Freight quoted or in amount per MT. GST to be stated separately in Invoice	
Octroi, Entry tax and duties	Not Applicable. Any other charge to be indicated in offer and is payable extra only on submission of documentary proof.	
Delivery Condition	Delivery should be made in bundled condition only. Proper packing and dunnage is to be ensured. Loading shall be done over wooden logs placed above trailer bed to facilitate easy unloading.	
Transit Insurance	Supplier shall insure the Materials at their cost for transportation and is not payable by BHEL	
Payment terms	a) After 60days from date of receipt of consignment along with Invoice (Duplicate for transporter), TC & LR copy (duly endorsed by BHEL site representative for receipt) free from errors	

Vendor Name		
Vendor Code		
Vendor Address		
Vendor Mill Address		
Material Covered	TMT bars (Spec IS 1786)	
Commercial Terms & Conditions		
Details	BHEL Requirements	Supplier Acceptance
	b) In case the standard payment term in clause (a) above is not acceptable, alternately 120 days Usance LC (irrevocable) reckoned from the date of submission of documents at Beneficiary bank, subject to loading of 1.5% on the quoted price for evaluation. Opening charges and retirement charges to BHEL's account. LC will be normally opened within 20 days from the date of PO and negotiation period will be 14 days from the date of PO and negotiation period will be 14 days. Validity of LC i.e., last shipment date shall be linked to PO delivery date. For LC amendment i.e., validity extension after delivery date, charges shall be to supplier's account and amendment will be done in 5-7 days from request	
Note: Any deviation (like payment period other than mentioned above, Usance period less than 120 days, sight LC, interest for delayed payment, advance payment etc.) to the above payment terms will not be considered.		
Ordering Quantity Tolerance	+30, -10% of tendered quantity	
Supply Quantity Tolerance	If mentioned otherwise in the PO, the supply tolerance shall be +/- 3% for each item in PO	
Liquidated Damages for	0.5% of un-dispatched goods ex-works value per week upto max 10% un-	

Vendor Name		
Vendor Code		
Vendor Address		
Vendor Mill Address		
Material Covered	TMT bars (Spec IS 1786)	
Commercial Terms & Conditions		
Details	BHEL Requirements	Supplier Acceptance
delayed delivery beyond the delivery period	dispatched goods ex-works value. Dispatch document (Invoice/LR) date will be utilised for LD calculation.	
Risk Purchase Clause	Alternatively the purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or dispatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute thereof. The supplier shall be liable for any loss, which the Purchaser may sustain by reason of such risk purchases. In case the finalised L-1 vendor fails to serve the requirement of BHEL, the same will be viewed seriously and the above clause will be applicable. Further such vendors will not be considered for any future requirements for entire BHEL units and suitable penal action will be imposed as per standard BHEL conditions.	
Offer Validity	Tendering will be done in alignment with the Financial Quarter and the terms, conditions, prices of the contract will remain valid for the whole period of that Quarter.	
Delivery Term	FOR destination i all over India	

Vendor Name		
Vendor Code		
Vendor Address		
Vendor Mill Address		
Material Covered	TMT bars (Spec IS 1786)	
Commercial Terms & Conditions		
Details	BHEL Requirements	Supplier Acceptance
Delivery Period	30-45 Days from placement of PO.	
Material Warrantee	Free replacement of whole material in case of notification of defect in material within the period of One year from TC/Invoice date	
Ordering	Ordering will be done throughout the whole period of the Financial Quarter/valid contract period. Order acceptance cum expected delivery schedule shall be provided by the supplier within 7 days from the date of purchase order/Lol.	
Pre Despatch Inspection	If required BHEL will have pre despatch inspection .	
Documents required with materials for unloading at Destination	Duplicate for Transporter copy of Invoice + LR copy + weighment slip + gate pass + Test Certificate and additionally one full set photocopy of all the above documents	
Invoice	Invoice for the material supplied shall reflect the base price, freight as finalised (Rupees / MT) and GST as applicable. Invoices with pricing other than this will be rejected / returned back. Only error free Invoices shall be considered for payment processing. Supplier shall submit Original for buyer + 2extra copies of the same and 2 original TC copy, 2 LR/Gate pass copy annexed with it. If	

Vendor Name		
Vendor Code		
Vendor Address		
Vendor Mill Address		
Material Covered	TMT bars (Spec IS 1786)	
Commercial Terms & Conditions		
Details	BHEL Requirements	Supplier Acceptance
	required supplier shall also submit Commercial Invoice	
Unloading of Materials	Unloading of the materials is in the scope of BHEL. However, Demurrages on account of delay in unloading due to improper packing, non-availability of proper dunnage, not adhering to the tender conditions and other reasons attributable to supplier shall be on suppliers account only. Prior despatch clearance shall be obtained from BHEL.	
Weighment	BHEL or BHEL approved third party weighment is final. No of pieces shall be indicated in Invoice/TC.	
Defective Material replacement	Supplier shall replace the defective material free of cost (inclusive of freight, material cost, taxes etc.) up to destination within one month from notification of defect.	
Basis of Arriving at L1 (lowest bidder)	The L1 (lowest) bidder for each item/tender shall be decided solely based on the Total cost of the material. Total Cost = Basic Price/ MT (exclusive of all taxes/GST) + Freight/MT(exclusive of all taxes/GST). GST compliant Invoice shall be submitted to enable BHEL avail input credit, accordingly, Taxes (GST) will not be considered for arriving at Total Cost.	

Vendor Name		
Vendor Code		
Vendor Address		
Vendor Mill Address		
Material Covered	TMT bars (Spec IS 1786)	
Commercial Terms & Conditions		
Details	BHEL Requirements	Supplier Acceptance
Evaluation Criteria for Rate Contract	Rate Contract will be finalised with L-1 vendor item wise as tendered. Request for technical deviation or withdrawal of offer by the tenderer will not be accepted after entering into contract with that vendor. In that case risk purchase clause will be invoked.	
Ex-works/ Stations of despatch	Likely stations of despatch namely Manufacturing Units, stockyards, warehouse etc.	
Rights of BHEL	BHEL does not guarantee ordering of any specific quantity. BHEL reserves the right to negotiate or re-float the tender if the lowest offered price is not found competitive.	
Test Certificates	To be provided as per BHEL requirements (normally 3 copies) and extra if demanded by BHEL without any extra cost.	
Single point of contact for BHEL TBG Order processing	To be provided with mail ID, Address, Phone No. etc.	

TBMM / BHEL

Vendor