



Bharat Heavy Electricals Limited, Jhansi

(A Govt. of India Undertaking)

GENERAL TERMS & CONDITION FOR PURCHASE ORDER

Purchase Order is subjected to the conditions given in the tender against which this PO is placed and the conditions given hereunder, unless otherwise specified and directed.

1. ORDER ACKNOWLEDGEMENT: It must reach PO signing authority within 4 weeks 01 issue. Failure to do so would be deemed 10 mean that order has been accepted.

2. PACKING:

- Supplier shall securely protect and pack the goods against loss, damage of or corrosion on transit Packing shall allow for easy removable/checking on site and comply with carriers conditions of packing or established trade.
- Cases and packing material shall be supplied free of charge unless otherwise agreed.
- One set of Test Certificates. Packing Lists and Non-Negotiable copy 01 Invoice (duly signed) shall invariably be kept inside the packing case.

3. MARKING: Each box, package, bundle or reel must be clearly marked with the consignee name/address, BHEL PO No., Gross & Net Weights, dimensions in centimeters, brief item description and consignor all markings for safely, handling and protection are to be clearly marked as per Indian Standards.

4. CONSIGNEE UNLESS: Unless otherwise mentioned all goods shall be consigned as below:

- Rail/Road/Post/Air Parcel: In charge CRX BHEL Jhansi - 284129
- In case of Rail, goods must be consigned to KAHJRAHA station for full wagon/rack load while in case of part/small load it must be booked to JHANSI STATION only. Any expenditure and/or demurrage or what age incurred in respect of wrong consignment will be recovered from consignor, suppliers not complying with above instructions shall do so at their own risk and cost.

5. PRICE: Unless specifically agreed to otherwise, all prices shall be treated Firm and FOR delivery BHEL.

6. TERMS OF PAYMENT: Payment terms shall be as specified in PO it is, however made clear that BHEL Jhansi works/Siding shall not accept any interest liability and Bank Stores charges.

7. DOCUMENTATION: Supplier shall forward set of documents as under:

	Purchase	Finance/ Bank	Stores
a) Invoice Payment through Bank	Third Original	1 st and 2 nd Original	Excise Invoice
b) Payment through SRV	Third Original	1 st and 2 nd Original	Once Copy
c) Challan / Dispatch Advice	1 Copy	1 Copy	2 Copy
d) Test/Inspection Certificate	1 Copy	1 Copy	1 Copy
e) Material Account Sheet (In case of free issue materials)	1 Copy	1 Copy	1 Copy
f) LR/RR If payments thro Bank	1 Copy	Consignee Copy	1 Copy
g) LR/RR if through SRV/DRS	1 Copy	1 Copy	Consignee Copy

Notes:

- Include LR/RR Consigned copy in the stores set; commercial invoice in the Finance set.
- Invoice shall be pre-receipted with Revenue Stamp affixed as applicable.

3. All documents must quote BHEL PO No. & Date positively.
4. C-Form will be issued directly to supplier on completion of full Supply or Once in a financial year only NQ. C form shall be exchanged with documents through bank.
5. All LR/RR/FWB must be consigned to consignee only and not on self basis.
6. Any demurrage/loss due to late / non receipt on documents shall be to supplier account.

8. MATERIAL ACCOUNTING:

- a) Material Accounts Statement for free items must be submitted along with each invoice to Finance, duly certified by the concerned BHEL, Purchase Officer.
- b) Final raw material accounting i.e. return of raw material, components, pieces, cut bits, scrap etc. is to be settled before the issue of final invoice, failing which the amount shall be charged from supplier.

9. EXCISE DUTY:

- a) Original Excise Invoice or equivalent document indicating Tariff item No drawn in favors of BHEL Jhansi for each Consignment shall accompany the transporter in case of road dispatches or with RR in case of Rail dispatches in case of any other mode of dispatch (such as registered Post Parcel/Air Parcel etc.) the same be forwarded to in charge CRX, BHEL, Jhansi by registered post or hand delivery Excise Invoice must be kept inside the packing case No. Excise duty shall be paid in absence of above document.
- b) Wherever BHEL Material is issued on free issue basis as Per Excise remark finished job should be returned to BHEL, within 180 days otherwise suitable time extension shall be applied process off-cats/scrap is to be returned to BHEL.

10. SALES TAX: Our CST No. is JS 5050232/01.04.87 and UPST No. JS-0089875/01.04/87.

Concession: 1C-Form will be issued for CST payment Form-3B/3D for UPST. Out new excise control code No./registration No. (ECE) is AAACB4146pxm001.

11. INSURANCE: Wherever specifically agreed to and directed, the supplier will ensure at his Cost the goods for the transit risks including 60 days storage risk from the date of delivery of the goods at the final destination. In all cases supplier must furnish particulars of dispatch for each consignment in quadruplicate by Regd. Post to Sr.Manager MM BHEL Jhansi immediately after dispatch. Failure to do so will make supplier responsible for making goods loss, if any, it is to be noted that insurance by BHEL, does not absolve the supplier from the responsibility of defective/bad packing or short wrong supply.

12. INSPECTION: All goods and work are subjected to our inspection including by our clients where stipulated, either at your works or after delivery as may be agreed. Decision of BHEL, Jhansi shall be final Rejected goods shall be returned to supplier at his cost including freight, inspection at your shall not absolve from your responsibility of providing acceptable products nor shall it preclude the subsequent rejections.

13. TEST CERTIFICATE: Certificates called in the specification / drawing of order must be send by Regd. Post BHEL may test any goods supplied and its decision shall be final irrespective of supplier's Certificate, If test/Guarantee Certificates are not received along with documents, BHEL reserves the right to get the material tested and recover the expenses from the supplier without waiting for his confirmation.

14. GUARANTEE: All goods shall be free from any defect due to facility design, material and for workmanship/erection where called for it will be guaranteed for a period of 12 months from the date of commissioning of the goods of 24 months from the date of dispatch, whichever is earlier. However for any "Type Defects" supplier will be responsible even after 24 months if failure occurs due to same wherever contracts stipulates submission of Performance Bank Guarantee, supplier shall gets its

validity extended from the bank as and when required failing which it will be treated as breach of terms of contract and the contract would be cancelled and loss suffered by BHEL be recoverable from the supplier.

15. BANK GUARANTEE: For raw material/components issued by BHEL for reprocessing the supplier has to execute Bank Guarantee (BG) for the value equal to the value of material being taken by supplier on Non-Judicial Stamp paper of Rs.100/- as per BHEL Performa BG shall be valid till one month after delivery.

16. REJECTION: If any goods are rejected BHEL shall be at liberty to take action as follows at supplier's risk and cost.

- a) Allows the supplier, wherever mutually agreed, to rectify rejected goods at BHEL'S works within reasonable time as fixed by BHEL.
- b) Allow the supplier to make free replacement within a specified period. Rejected goods can be lifted by the supplier thereafter.

OR Allow the supplier to refund full amount paid to him by BHEL through Demand Draft before lifting the rejected goods. Fresh replacement shall be regularized as per terms and conditions of the original PO.

OR Take alternate procurement action from elsewhere and recover the difference in cost, if any incurred by BHEL in this regard from the supplier. The supplier shall not be entitled to any gain on repurchase.

- c) Terminate the contract either in part or in whole at BHEL discretion and recover loss if any from the supplier.
- d) Any goods rejected by BHEL must be removed by the supplier after making Payment through Demand Draft within 45 days from the date of intimation of rejection or 30 days after the receipt of intimation of rejection whichever is earlier. If the goods are not removed within the period as stipulated above as stipulated, the goods shall be sold by BHEL and the proceeds thereof shall be adjusted storage charge and/or other dues.

17. STOCK VERIFICATION: BHEL reserves the right to verify BHEL material any time lying with subcontractors. For verification of BHEL material, it should be stocked at one place with identification tags on each item proper stock records of BHEL materials held with them shall be maintained and same shall be provided to BHEL at the time of verification.

18. DRAWINGS, PATTERNS & TOOLS: All drawings, patterns and tools supplied by BHEL or made at BHEL expenses are BHEL's property. These cannot be used or referred to any other party and must only be used in the execution of BHEL's orders. BHEL liberty to call back such drawing patterns tools etc. any time Tools/gauges supplied by BHEL on load basis must be returned within 15 days after the work order is completed, failing which cost of such tools/ gauges shall be recovered from the supplier.

19. INDEMNITY: Supplier shall indemnify BHEL against the following:

- a) Any claims for infringement of letters patent or registered design by use of any article or material supplied to BHEL and against all cost and damages, which may incur in any action for such infringement to for which BHEL becomes liable in any such action.
- b) All claims for injury or damages caused by supplier's negligence or the negligence of suppliers employee or arising from any defect in the goods supplied or on work carried out the supplier and
- c) All claims for injury or damage caused by supplier's employees or agent's employees while on BHEL premises.

20. VARIATION OF ORDERS: No variation to this order is permitted unless authorized in writing and signed by or on behalf of purchase executive of BHEL Jhansi.

21. LIQUIDATION DAMAGE: Failure to affect supply by the time specified in the order of period of extension granted in writing by BHEL will make the supplier liable to pay unconditional/penalty of ½% (Half Percent) of the price of the goods in arrears per week subject to maximum 10% of the order value.

For LD calculation, Following shall be the criteria.
For Jhansi-DRS/L SC Date, whichever is earlier.
Ex-works-LR/Invoice date, whichever is later.

22. RISK PURCHASE: If the materials is not supplied with stipulated time, BHEL shall be within their to cancel the contract and purchase material from any other source at the risk and cost of any supplier in such an events shall be obligatory on defaulting supplier to make good any loss suffered by BHEL.

23. ADJUSTMENT OF RECOVERY OF AMOUNT PAYABLE BY THE SUPPLIER: Any amount payable by the consigner/supplier under any of the condition of the contract shall be liable to be adjusted against any amount payable to the consigner/supplier under any other order/works/contract awarded to him. This is without Prejudice to any other action as may be deemed fit by BHEL.

24. DELISTING: Supplier's/Contractor's name shall be deleted from the vendor list subject to the following:

- a) Supplier/contractor not being found reliable.
- b) Supplier's contractor not being found to the entire satisfaction of the company and
- c) Any event of breach of any of the terms and conditions of the contract.

25. JURISDICTION: Suits of any matter arising out of this PO shall be settled in Jhansi Courts.

26. ARBITRATION: In all case of disputes emanating from and in reference to this purchase order the matter shall be referred to BHEL arbitration of the sole arbitration of the Group General Manager BHEL, Jhansi or any other person (including an employee of BHEL, even through be had to deal with the matter relating this PO in any manner) nominated by the said Group General Manager to act as sole Arbitrator the arbitration shall be under "THE ARBITRATION AND CONCILIATION ACT OF 1996 and the rules there under. The arbitrator many from time to time with the concern of the parties enlarge the time for making and publishing the award.

27. FORM 31: Readiness of material is to be intimated about 15 days in advance to enable us to send Form-31 for Road Transport Correct invoices no. Amount PO No. party name etc. shall be written in appropriate column only. All invoices copies must bear Form 31 No. any strong information in Form-31 will result in consignment seizure for which party shall be wholly responsible unutilized Form-31 shall be returned to BHEL immediately.

28. TRANSPORTERS: If by road, transporters listed in PO remarks only should be used for dispatch of material otherwise extra expenditure incurred will be supplier's account.

29. " The vendor shall maintain, and ensure necessary safety measures as required for inspection and tests like HV test, Pneumatic test, Hydraulic test, Spring test, Bend test etc. to enable inspection Agency for performing inspection, if any test equipment is found not complying with proper safety requirements then the inspection Agency may withhold inspection, till such time the desired safely requirements are met".

30. HEALTH, SAFETY & ENVIRONMENT MANAGEMENT PROGRAMME: The supplier's are requested to follow the requirement of ISO 14001 and OHSAS-18001 respectively as under

- a) Supplier to comply with the Central Govt. rules for manufacture storage and import Hazardous chemicals (1989) and amendments rules - 2000.
- b) Comply with the applicable motor - vehicle rules (1989) for transportation of Hazardous Chemicals, Oils and Industrial gases.
- c) To comply with the Gases cylinder rules 1981.

d) Also suppliers shall mention in MSDS all the safely precautions to be taken while handling storage and use of chemicals supplied by them.

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