

Terms and Conditions

A. General Requirements

1. Salient Points

Materials used for manufacturing shall conform to applicable standards meeting BHEL drawing and Quality requirements with relevant Test certificates from BHEL/NTPC approved sources. Manufacturing shall be as per BHEL drawings and NTPC approved Quality Plan.

- a) Finished items are to be dispatched to-
 - a. Import Vendors- To Chennai port on CIF basis.
 - b. Indigenous Vendors- To NTPC Barh site at Bihar on 'FOR' basis. Responsibility of packing, forwarding and transportation to site will be with the supplier.
- b) Vendors shall have adequate capacity in procuring, handling, receipt of materials and usage etc. for carrying out the jobs in the most fitting manner to meet the expectations of Industry standards.
- c) The jobs are to be offered to IBR, BHEL & NTPC or their authorized agencies as called for in Quality Plan.
- d) The nature of work may be clearly analyzed by reading the relevant drawings, Quality Plan and other quality documents before submitting the offer.

2. Technical Conditions

Fabrication shall strictly conform to the dimensions and tolerances indicated in the respective drawing. Changes for individual DU lengths cannot be accommodated as a matter of right except under special circumstances acceptable to BHEL. Manufacturing process should be as detailed out in the approved Manufacturing QP and BHEL drawings. Care must be taken to strictly adhere to the notes indicated in the drawing, QP etc. Punching, painting, marking & identification shall be done as per Quality Plan and BHEL drawing. Construction of the Pipes and Fittings shall be as per drawings, applicable standards and codes.

3. General

- a) BHEL reserves the right to negotiate the L1 rate arrived thro' Reverse Auction/Price Bid opening
- b) BHEL reserves the right to negotiate or refloat the tender opened if L1 price is not acceptable to BHEL.
- c) All vendors shall maintain quality system and organization as per BHEL requirement.
- d) The representative of the bidder who desires to witness the tender opening may have to produce the Authorization Letter as before opening of the Tender. The representatives without Authorization Letter will not be allowed to participate in the Tender. Only one representative from each bidder will be allowed to participate in the Tender opening.
- e) If, in the price structure quoted for the required goods/ services/ works, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price will be corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.
- f) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total will be corrected.
- g) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject of (a) and (b) above.
- h) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date upto which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored.

Vendors may furnish the most competitive offer after thoroughly understanding the technical requirements and confirm to meet the same. Any Technical and Commercial clarification may please be obtained before submission of the offer and Price Bid.

Both Techno-Commercial Bid and Price Bid each sealed in a separate cover, clearly mentioning "Part I- Techno Commercial Bid", "Part II- Price Bid" on the envelop, shall be put in a main sealed outer cover indicating Enquiry No and Date with offer due date and to be addressed to-

**T.Varadharajan,
DGM / Purchase,
BHEL Piping Centre,
No 80, GN Chetty Road,
T Nagar, Chennai, India 600 017**

B. Terms and Conditions of Work

1. Delayed Execution, Failure & Termination of Contract

If any work has been executed with unsound, imperfect or bad workmanship or with materials of inferior quality, the vendor shall on demand in writing from BHEL specifying the work, materials/articles complained of notwithstanding that the same may have been passed, certified and paid for, forthwith, rectify the work so specified in whole or in part as the case may require, at their own cost and in the event of his failure to do within reasonable period, BHEL will rectify or remove and re-execute the work at the risk and expense of the vendor.

BHEL shall have general supervision and direction over the work. BHEL has the authority to stop the work, whenever such stoppage may be necessary to ensure the proper execution of the contract. BHEL shall also have the authority to reject all the work which do not conform to the specification.

In case of Indigenous vendors, all the statutory obligations such as ESI, PF, Labour Acts, Factory Act etc will have to be taken care of by the vendor. BHEL will have no liability on them. Notwithstanding the above, if any demand notice is served by the concerned statutory authorities for recovery of any of their dues on BHEL, the same would be paid without notice to the Vendor and recovered as a due from any pending / future bills.

All safety precautions and use of safety equipment's are to be followed while carrying out the fabrication and dispatch of the same. Vendor must have proper tools and handling equipment's. There should always be a responsible persons available to oversee the operation and compliance of safety regulation etc.

All documents of BHEL made available to the vendor should be kept in strict confidence and under no circumstance be made available to others or allow others to make use of them. The secrecy of clause is binding on the employees of the vendor also. Any contravention will be viewed seriously. Such documents should not be disposed of / destroyed without the prior approval of Purchase Department, BHEL Piping Centre, Chennai.

In addition to the above terms and conditions, the enclosed General Conditions of Contract will also apply in as they are not repugnant to the terms and conditions, specifically brought out above in this contract.

C. General Conditions of the Contract

1. Definition

Throughout these conditions and in the specifications, the terms:

- a. 'The Contractee'/'BHEL' means Bharat Heavy Electricals Ltd, acting through Addl. General Manager, Material Management, Piping Centre, Chennai, unless the contract otherwise provides.
- b. 'The Vendor'/'Fabricator'/'Sub Vendor' means the person, firm or company with whom the order for fabrication is placed and shall be deemed to include the vendor's successor (as approved by the Contractee), representatives, heirs, executors and administrators as the case may be unless excluded by the term of contract.
- c. 'Drawings' means the drawings exhibited or issued for the guidance of the vendor.

2. Execution

The whole contract is to be executed in the most approved substantial and workman like manner to the entire satisfaction of NTPC/BHEL or the Inspecting Officer, who shall have power to reject any of the fabrication of which he may disapprove and his decision thereon and on any question as to the true intent and meaning of the specifications of drawing or of the work necessary for the proper completion of the contract shall be final and conclusive. BHEL may require alterations if any to be made during the progress of fabrication/machining and should these alterations be such that either party to the contract considers an alteration in the charges is justified, such alterations shall not be carried out until amended cost of fabrication/machining charges have been submitted by the vendor and accepted by BHEL. Should the vendor proceed to fabricate and without obtaining the consent of the BHEL in writing to an amended cost of fabrication/machining charges, the vendor shall be deemed to have agreed to execute fabrication at such charges as may be considered reasonable by the BHEL.

3. Force Majeure

If at any time during the continuance of this contract the performance in whole or part by either party of any obligation under this contract shall be prevented or delayed by reason of war, hostilities, acts of public enemy, civil commotions, sabotage, fire, flood, explosion, epidemic, quarantine restrictions or acts of God (here in referred to as events), then provided the notice of the happenings of any such event is given by either party to other party within 21 (twenty one) days from the date of occurrence thereof, either party shall reason of such event, not be entitled to terminate this contract nor shall either party have any claim for damages against other in respect of such non-performance and delay in performance and delivery under the contract shall be resumed soon as practicable after such event has come to an end or ceased to exist and the decision of the BHEL as to whether the deliveries, have been so resumed or not shall be final and conclusive. If the performance in whole or part of any obligation under the contract is for extension of time shall be granted for periods, considered reasonable by the Vendor to the BHEL subject to prompt notification by the Vendor to the BHEL of the particulars of the events and supply to the BHEL if required of any supporting evidence. Any waiver of time in respect of particular part and thereof shall not be deemed to be a waiver of time in respect of remaining deliveries.

4. Termination of Contract

If as a result of difficulty in procurement of raw materials or due to force majeure reasons or any other reasons whatsoever the vendor is unable to keep the delivery schedule of BHEL the extension of time may be granted by the BHEL to the extent considered necessary. Should there be delay in supply beyond the extended date of delivery, it shall be open to the BHEL to terminate the contract in part or full and make other arrangements for executing fabrication elsewhere at the cost and risk of the vendor.

5. Interpretation

Any dispute or difference of opinion in respect of interpretation, effect of application of this particular condition of the Vendor of the amount recoverable hereunder from the vendor shall be decided by the BHEL and decision shall be final conclusive.

6. Set of Clauses

Payment shall be subject to the deduction of any amount for which the vendor is liable under this contract.

7. Laws Governing the Contract:

- a. The contract shall be governed by the Laws of the Government of India in force.
- b. Irrespective of the place of execution of the contract, place of delivery, place of payment under the contract, the contract shall be deemed to have been made at the place at which the acceptance of the tender has been issued.

8. Jurisdiction of the Court

The Courts Chennai, India alone will have jurisdiction to decide any dispute arising out of or in respect of the contract.