FROM
Chief Engineer,
(Information Technology),
Room No: 421, ‘A’-Block,
TSTRANSCO, Vidyut Soudha,
Hyderabad-500082.

TO
M/s. Laser Inc,
#2-4-481/1/93, Friends Colony,
Upparapally, Rajendranagar,
Hyderabad - 500048.

Annual Rate Contract Award  Lr. No. CE(IT)/DE-ERP/F.Reloding 19-20/
P.O 01 /19,D.No: 92 /19, Dt:07-05-2019

Sir,

Sub: TSTRANSCO -IT.Wing-Annual Rate Contract award for Providing the
Service of Reloading/Recycling of Printer Toner Cartridges available
in Vidyut Soudha for FY 2019-20 at Vidyut Soudha, Khairatabad,
Hyderabad-Purchase Order-Issued.

Ref: 1.Enquiry.No.04/1/CE(IT)/DE/ERP/F.Reloding19-20/D.No.43/19,
dt:27.02.19
4.LOI-Letter.No.CE/IT/DE/ERP/F>Reloading19-20/D.No.72/19,
dt:22.04.19

*****

This has reference to your offer dated 14.03.2019 and 02.04.2019 for
providing the Service of Reloading/Recycling of Printer Toner Cartridges available
at Vidyut Soudha, Hyderabad for FY 2019-20 i.e from 15.04.2019 to 31.03.2020
which has been considered and Letter of Indent (LOI) issued vide reference (4)
cited, and upon fulfillment of LOI conditions, The Purchase Order is issued with
the following Terms and Conditions:
1. **Scope of contract:**

This Contract relates to providing the service of Reloading/Recycling of Printer Toner Cartridges available at Vidyut Soudha, Khairatabad, Hyderabad herein after called as ‘Services’ as described in clause no.2 and other clauses of this Purchase Order.

2. **Schedule of Reloading/Recycling Work (Replacement of all the required parts including Drum, PCR, Blades etc.) and Prices for Printer Toner Cartridges available in Vidyut Soudha:**

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Printer Make/Model No</th>
<th>Cartridge description</th>
<th>Qty (No.)</th>
<th>Unit Price(Rs.) (Excluding GST)</th>
<th>Total Price(Rs.) (Excluding GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>HP LJ 1010/1020/1020 Plus/1022, Canon LBP 2900 B/HP LJ M 1005</td>
<td>2612A (12A)</td>
<td>108</td>
<td>168</td>
<td>18,144</td>
</tr>
<tr>
<td>2</td>
<td>HP 1007/1008/1108/HP Laserjet M1136 MFP/HP LJ Pro MFP M128FN/HP LJ M1213nf</td>
<td>CC388A (88A)</td>
<td>199</td>
<td>168</td>
<td>33,432</td>
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<tr>
<td>3</td>
<td>Brother MFC-L2701DW</td>
<td>TN-2320 Cartridge</td>
<td>1</td>
<td>200</td>
<td>200</td>
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<tr>
<td>4</td>
<td>XEROX 106R01159</td>
<td>Xerox Phaser 3117</td>
<td>24</td>
<td>195</td>
<td>4,680</td>
</tr>
<tr>
<td>5</td>
<td>CANON LBP3108B</td>
<td>912 Starter</td>
<td>40</td>
<td>168</td>
<td>6,720</td>
</tr>
<tr>
<td>6</td>
<td>Samsung ML 2161</td>
<td>MLT-D101S</td>
<td>14</td>
<td>195</td>
<td>2,730</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Code</td>
<td>Qty</td>
<td>Unit</td>
<td>Amount</td>
</tr>
<tr>
<td>---</td>
<td>--------------------------------------------------</td>
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<td>-----</td>
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<td>---------</td>
</tr>
<tr>
<td>7</td>
<td>HPLJ 1606dn/HP Laserjet 1536 dnt MFP</td>
<td>78-A</td>
<td>40</td>
<td>168</td>
<td>6,720</td>
</tr>
<tr>
<td>8</td>
<td>Canon 6018b</td>
<td>925</td>
<td>19</td>
<td>168</td>
<td>3,192</td>
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<tr>
<td>9</td>
<td>Dot matrix printer - WIPRO/TVS</td>
<td>Ribbon</td>
<td>23</td>
<td>35</td>
<td>805</td>
</tr>
<tr>
<td>10</td>
<td>Samsung 3320nd</td>
<td>203S</td>
<td>115</td>
<td>440</td>
<td>50,600</td>
</tr>
<tr>
<td>11</td>
<td>Samsung Xpress M2830</td>
<td>D115-L</td>
<td>140</td>
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<td>31,500</td>
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<tr>
<td>12</td>
<td>HP LJ 1200</td>
<td>15A</td>
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</tr>
<tr>
<td>13</td>
<td>Canon image class Mf4750</td>
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<td>12</td>
<td>168</td>
<td>2,016</td>
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<tr>
<td>14</td>
<td>Canon image class Mf232W/ Canon MF226dn/ Canon Image Class MF 246 dn</td>
<td>337</td>
<td>30</td>
<td>168</td>
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<tr>
<td>15</td>
<td>HP LJ P MFP M227 fdn</td>
<td>CF2 30A</td>
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<td>3,024</td>
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<td>HP LJ P 2055dn</td>
<td>05A</td>
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<td>1,200</td>
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<tr>
<td>17</td>
<td>Canon Image Class LBP 6230 dn</td>
<td>326</td>
<td>6</td>
<td>168</td>
<td>1,008</td>
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<tr>
<td>18</td>
<td>HP LJ Pro MFP M435 nw</td>
<td>93A</td>
<td>6</td>
<td>650</td>
<td>3,900</td>
</tr>
</tbody>
</table>

Total Amount excluding GST for Reloading/Recycling of above Cartridges in Rs. 1,76,111/-

Grand Total value including GST@18% in Rs. 2,07,810.88/-

3. **Prices:**

The prices are firm and for delivery F.O.R. Destination Vidyut Soudha, Hyderabad. The prices are in Indian Rupees only.

4. **Taxes:**

The accepted prices are Inclusive of GST @ 18%.
5. **Income Tax:** Income tax will be deducted at source.

6. **Statutory Variations:**

6.1 Any variation up or down in Taxes or new levies introduced after tender calling date will be to the account of TSTRANSCO. Any variation up or down in taxes or new levies introduced subsequent to bid opening and before award will be considered. Any increase in statutory levies during the delivery period will be granted on production of documentary evidence of such increase by the service provider with the approval of Chief Engineer(IT) & FARCCA’s approval.

7. **Performance Security Deposit:**

7.1 The Performance Security for Rupees 10,391.00 (Rupees Ten thousand Three Hundred and Ninety One only) submitted by you vide DD No.875309, dt:02.05.2019, and at the rate of 5% of the contract value for proper fulfillment of the contract, which includes the warranty period, and completion of performance obligations including Warranty obligations is hereby accepted. The Performance Security will cover 60 days beyond the date of completion of performance obligations including Warranty obligations.

7.2 In the event of any correction of defects in service or replacement of defective material during the warranty period, the warranty for the corrected / replaced material shall be extended to a further period of 3 months and the Performance Bank Guarantee for proportionate value shall be extended to 60 days over and above the extended warranty period.

7.3 The performance security will be payable to the TSTRANSCO as compensation for any loss resulting from the Service Provider's failure to complete its obligations under the Contract.
7.4 The performance security will be discharged by the TSTRANSCO and returned to the Service Provider not later than sixty (60) days after the expiry date, at the request of the Service Provider.

7.5 Failure of the Service Provider to comply with the above requirement will be entailed for cancellation of the award of contract and forfeiture of the Performance Security deposit.

8. Collection and Delivery of Printer toner Cartridges:

8.1 The Service provider shall collect the Printer Toner Cartridges from Assistant Engineer/IT, Room No.426,'A' Block, Vidyut Soudha, Hyderabad (or) if the Service Provider wants to do in the premises of TSTRANSCO it may also be considered.

8.2 The Service provider shall deliver the Reloaded/Recycled Printer Toner Cartridges within two (2) days from the date of issue of Cartridges from TSTRANSCO.

8.3 The Service Provider shall deliver the material at Vidyut Soudha, Hyderabad.

8.4 The responsibility for collecting the material from Vidyut Soudha, transportation of material, delivery of material at Vidyut Soudha and proper handling of material solely rests with the service provider and responsible for any damage.

8.5 The TSTRANSCO reserves the right to vary the quantity under contract by +/- 25% during the execution of the Contract.

9. Warranty and Quality:

9.1 The Reloaded/Recycled cartridges shall be guaranteed for satisfactory working for a period of 3 months from the date of receipt of material in good condition. The materials (Cartridges) given for rectification shall be guaranteed for satisfactory operation upto the next reloading/recycling of the Cartridge and the Cartridges given for reloading/recycling shall be guaranteed for neat printing of average 80% of the New original cartridge.
9.2 During the period of guarantee, if any of the materials are found defective, such materials shall be repaired or replaced at free of cost to TSTRANSCO. Quality should be maintained till the end of the Contract for the reloaded/recycled Cartridges and the print should be clear without any lines and marks with the above reloaded Cartridges.

9.3 The use of recycling/reloading services shall not invalidate the printer warranty. If any damage caused to a printer that can be traced back to the fault of recycling services, the cost of such repair shall be reimbursed by the service provider to TSTRANSCO.

10. Risk:
The risk in the property is entirely on Service Provider till the goods are received in good condition at destination.

11. Packing:
All the Cartridges shall be securely packed in such a manner so as to withstand to rough handling during transit to site.

12. Loss or Damages:
External damages or shortages that are prima-facie, the results of rough handling in transit or due to defective packing will be intimated to Service Provider within 3 days on receipt of material. Internal defects, damages or shortages of any internal parts which cannot ordinarily be detected on a superficial visual examination, due to bad handling in transit or defective packing or other reasons would be intimated within 20 days from the date of receipt of the materials. In either of the cases, the defective or damaged materials should be replaced by the Service Provider at free of cost to TSTRANSCO.
13. **Terms of Payment:**

13.1 The Service Provider shall furnish Invoices in duplicate on monthly basis to the Chief Engineer(IT)/TSTRANSCO for the cartridges reloaded/recycled during the previous month. Depending on the quality and quantity, monthly payment will be arranged by Pay Officer/ TSTRANSCO within 30 days from the date of receipt of the Invoice.

13.2 If the Service Provider has received any over payments by mistake or if any amounts are due to the TSTRANSCO due to any other reason, when it is not possible to recover such amounts under the Contract resulting out of this specification, the TSTRANSCO reserves the right to collect the same from any other amounts available in the form of Bank Guarantees given by the Service Provider to the TSTRANSCO.

13.3 When the Service Provider does not fulfill his obligations promptly to the satisfaction of the TSTRANSCO, the TSTRANSCO reserves the right not to accept the bills against subsequent services made by the Service Provider.

14. **Penalty for delay in delivery:**

14.1 The time and dates for delivery mentioned in the contract will be deemed to be the essence of the contract. Subject to force majeure, if the Service provider fails to deliver any or all of the Services within the period(s) specified in the Contract, the TSTRANSCO, without any prejudice to its other remedies under the Contract will deduct from the Contract Price, as liquidated damages, a sum equivalent to 0.5% per week on the undelivered portion subject to a maximum of 5% of the total value of the contract. Once the maximum is reached the TSTRANSCO may consider termination of the contract.

14.2 The penalty specified above will be levied and would be adjusted against subsequent pending bills.
15. **Force Majeure:**

15.1 The Service provider shall not be liable for forfeiture of its performance security, penalty for late delivery or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

15.2 For purposes of this clause, "Force Majeure" means an event beyond the control of the Service provider and not involving the Service provider's fault or negligence and not foreseeable. Such events may include, but are not restricted to, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

15.3 If a Force Majeure situation arises, the service provider shall promptly notify the TSTRANSCO in writing of such condition and the cause thereof. Unless otherwise directed by the TSTRANSCO in writing, the Service provider shall continue to perform its obligations under the Contract as far as is reasonably practice, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

16. **Jurisdiction:**

16.1 All and any disputes or differences arising out of or touching this contract will be decided by the Courts or Tribunals situated in TSTRANSCO's Headquarters only. No suit or other legal proceedings will be instituted elsewhere.

17. **Risk Purchase:**

17.1 In case the service provider not adhered to the delivery schedule, TSTRANSCO reserves the right to take the services for the balance quantity of work/service from the open market and recover the extra expenditure thus incurred from the service provider. This is in addition to the other rights of the TSTRANSCO mentioned in the specification.
18. **Special Terms and Conditions:**

18.1 Best Quality material available in the market should be used for Reloading/Recycling i.e. replacement of Toners, Blades, PCR, Drums etc.

18.2 The prints taken through the Reloaded/Recycled cartridge should be neat and free from unwanted black spots, lines, black shading etc.,

18.3 Replaced items should be returned along with Reloaded/Recycled cartridge duly attaching to it.

18.4 Sample prints along with expected yield quantity for the reloaded/recycled cartridges should be enclosed to each Reloaded/Recycled cartridge.

18.5 Complaint received from the cartridge users on Print Quality will be recorded every month and a penalty of Rs. 1000/- will be deducted from the bill for improper Reloading/Recycling of more than 5 cases in a month, in addition to Reloading/Recycling of the same cartridge at free of cost, as mentioned under warranty and Quality clause in General Terms and Conditions mentioned in tender specification.

18.6 Repeated improper Reloading/Recycling may lead to Termination of Contract.

19. **Extension of Annual Rate Contract:**

19.1 The Annual Rate Contract will be initially awarded for a period of one year (i.e. for FY 2019-20) and may be further extended for another year in accordance with the requirement of TSTRANSCO with the same terms and conditions and same rates, provided TSTRANSCO is satisfied with the services in the previous year.

20. **Termination for Default:**

20.1 The TSTRANSCO, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Service provider, may terminate this Contract in whole or in part:
i. If the Service provider fails to deliver any or all of the Services within the period(s) specified in the Contract, or within any extension thereof granted by the TSTRANSCO.

ii. If the Service provider fails to perform any other obligation(s) under the Contract.

iii. If the Service provider, in the judgment of the TSTRANSCO has engaged incorrect or fraudulent practices in competing for or in executing the Contract.

20.2 In the event the TSTRANSCO terminates the Contract in whole or in part, the TSTRANSCO may avail the services, upon such terms and in such manner, as it deems appropriate, the services similar to those undelivered, and the Service provider will be liable to the TSTRANSCO for any excess costs for such similar Services. However, the Service provider shall continue performance of the Contract to the extent not terminated.

21. **Termination for Insolvency:**

21.1 The TSTRANSCO may at any time terminate the Contract by giving written notice to the Service provider if the Service provider becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the service provider, provided that such termination will not prejudice or not affect any right of action or remedy, which has accrued or will accrue thereafter to the TSTRANSCO.

22. **Termination for Convenience:**

22.1 The TSTRANSCO, by written notice sent to the Service provider, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination will specify the termination is for the TSTRANSCO's convenience, the extent to which performance of the service provider under the Contract is terminated, and date upon which termination becomes effective.
23. **Notices:**

23.1 Any notice given by one party to the other pursuant to this Contract will be sent to the other party in writing or by fax confirmed in writing to the other party's address.

23.2 A notice will be effective when delivered or from the notice's effective date, whichever is later.

24. **Acknowledgement:**

i) All general and technical correspondence shall be addressed to the Chief Engineer/(IT), Room No.421, A-Block, TSTRANSCO, Vidyut Soudha, Hyderabad - 500082.

ii) Unless otherwise specified, Service Provider shall abide by all the terms and conditions specified in the contract award letter.

iii) Please acknowledge the receipt of this contract award letter with confirmation of its acceptance and return the additional copy enclosed with your signature as token of acceptance.

We accept all the terms and conditions of the purchase order.

Signature and Date:

Seal of the Company:

**Copy to the:**
Pay Officer/TSTRANSCO/Vidyut Soudha/Hyderabad.