

Ref: BHE/PW/PUR/WR-QAE/1197/OJ /Corrigendum 01

Date 09/12/2013

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To

ALL BIDDERS

Sub: Corrigendum -01 Issue of Clarification & other conditions.

JOB: PROVIDING FIELD QUALITY ASSURANCE SERVICES IN THE FIELD OF CIVIL, STRUCTURAL, BOILER & AUXILIARIES, TURBINE & GENERATOR, PIPING, ELECTRICAL, AND C&I WORKS AT VARIOUS THERMAL/ GAS BASED POWER PROJECT SITES OF PSWR REGION ON RATE CONTRACT BASIS.

Tender Specification Number: BHE/PW/PUR/WR-QAE/1197/OJ

Bidders to kindly take note of the following:

AA) Clarification to Bidder's Queries.

Sl. No.	Reference clause of tender document	Existing provision	Queries	BHEL's Clarification
Technical Conditions of Contract				
1	Clause No. 3.15. Page No. 25	Each man day shall consist of 8 (eight hours) working hours excluding lunch break. However, at times work may continue round the clock including on Sundays and holidays and services of QAEs may be required beyond the normal working hours as decided by BHEL. No compensation, in any form, shall be given by BHEL for such over stays beyond normal working hours or working on Sundays and holidays.	Agreeable for the over time working is in isolated instances for about 2 hours and not regular. However if the over time working is regular or round the clock, there shall be provision of Compensatory off / short leave in lieu of Holiday working/ Overtime working OR Over time & Holiday working to be paid on pro rata basis. The man month shall be considered as normal working up to 8 hours per day (excluding lunch break) excluding weekly holidays and public holidays.	Tender conditions holds good.
2	Clause No. 3.24. Page No. 25	In case, the contractor fails to provide QAEs in time (due to absence of contractor's person, away from place of deployment); BHEL will have option to arrange the activities by other suitable agency. Additional cost of such agencies together with overhead charges as per BHEL policy will be borne by contractor, which shall be deducted from any sum payable to the contractor.	In the said conditions, we will try to depute man power within agreed timeline. However, there may be isolated instances due to unforeseen emergencies due to which the deputation of personnel may not be possible within agreed timeline. If BHEL hires other agencies, the cost of hiring other agencies is not acceptable to us. Hence the penalty clause may be suitably reviewed.	Tender Conditions holds good & binding on Contractor BHEL's decision in this matter will be final.

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3	Clause 4.1 of TCC (page 28 & 29)	Tentative site wise and area wise deployment of QAEs	As per the table of information given, the tentative quantity man months required is 732 when calculated as "No. of QAE required X Deployment period". Whereas, the quantity of man months required is specified as 538 in Vol-II-Price Bid-1197/OJ. Hence we are quoting for 732 man months. If the requirement is 732 man months, then the rate shall be on proarate basis.	The list of sites given is tentative only. Some projects may be eliminated on actual. Bidder has to quote as per our price bid only. If the quantity is added in later stage, same shall be paid as per existing Monthly deployment rate of contract.
Special Conditions of Contract				
4	Clause no. 4.2.1.1 , Page no.8	All T&Ps and MMEs excepting those specifically indicated in BHEL scope are to be provided by the Contractor. Contractor has to make his own arrangement at his cost for completing the formalities (including arrangement of Road permits, if any) if required with Sales Tax/VAT authorities, for bringing their materials, plants and equipments at site for the execution of work under this contract at	We understand that clause 3.5 of TCC (page 24) supersedes this clause and hence not applicable. PI confirm.	Clause 3.5 of TCC will prevail.
5	Clause no. 8.1.6, Page no.23	Contractor shall provide all measuring and monitoring equipments (MMEs) required for completion of work satisfactorily. These MMEs shall be of brand, quality and accuracy specified by BHEL engineer and should have necessary calibration and other certificates as per the certificates as per requirement of BHEL Engineer.	We understand that clause 3.5 of TCC (page 24) supersedes this clause and hence not applicable. PI confirm.	Clause 3.5 of TCC will prevail.
6	Clause no. 8.1.7, Page no.23	It is the responsibility of the contractor to prove the accuracy of the testing / measuring / calibrating equipments brought by him based on the periodicity of calibration as called for in BHEL's quality assurance standards / BHEL Engineer's instructions	We understand that clause 3.5 of TCC (page 24) supersedes this clause and hence not applicable. PI confirm.	Clause 3.5 of TCC will prevail.
General Conditions of Contract				
7	Clause No.2.7.2 , Page no.16	To terminate the contract or get any part of the work done through other agency or deploy BHEL's own/hired/otherwise arranged resources , at the risk and cost of the contractor after due notice of a period of two weeks by BHEL.	In the event of termination of contract for any reasons, BHEL may get the work done by own / hired / otherwise arranged resources.	

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8	Clause no.2.7.3, Page no.16	To meet the expenses including BHEL overheads on the differential cost at 5%, over and above the Liquidated damages/penalties arising out of "Risk & Cost" as explained above under SI.No.2.7.2. BHEL shall recover the amount from any money due from Contractor, or from any money due to the Contractor including Security Deposit, or by forfeiting any T&P or material of the contractor under this contract or any other contract of BHEL or by any other means or any combination thereof	However, we are not agreeable for any over heads, the risk and cost in completing the work by others as stated.	Tender conditions holds good.
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BB) Issue of Tender Conditions –(Broad Terms & Conditions of Reverse Auction)

The following Conditions shall be applicable for the referred tender & to be read as part of NIT, Annexure-4 – 'Important information'.

In continuation to Clause 19.0 of NIT (Notice Inviting Tender) following are the broad terms and conditions of Reverse Auction:

7.0 Broad Terms & Conditions of Reverse Auction

7.1. BHEL reserves the right to go for Reverse Auction (RA) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. All bidders to give their acceptance for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids. In case BHEL decides to go for Reverse Auction, only those bidders who have given their acceptance to participate in RA will be allowed to participate in the Reverse Auction. Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit „online sealed bid" in the Reverse Auction. Non-submission of „online sealed bid" by the bidder will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue.

7.2. The philosophy followed for reverse auction shall be English Reverse (No ties). English Reverse (No ties) is a type of auction where the starting price and bid decrement are announced before start of online reverse auction. The interested bidders can thereupon start bidding in an iterative process wherein the lowest bidder at any given moment can be displaced by an even lower bid of a competing bidder, within a given time frame. The bidding is with reference to the current lowest bid in the reverse auction. All bidders will see only the current lowest quoted price. The term „No ties" is used since more than one bidder cannot give an identical price, at a given instant, during the reverse auction. In other words, there shall never be a tie in the bids.

7.3. Technically and commercially acceptable bidders only shall be eligible to participate.

7.4. BHEL will engage the services of a service provider who will provide all necessary training and assistance before commencement of on line bidding on internet. Business rules for Reverse Auction and other information like event date, time, bid decrement, extension etc. also will be communicated through service provider for compliance.

7.5. After receipt of "online sealed bids" by the participating bidders, start price & bid decrement will be decided by BHEL, before the online Reverse Auction. Only those bidders who have submitted the "on-line sealed bid" within the scheduled time shall be eligible to participate further in RA process. **However, the H1 bidder (whose quote is highest in online sealed bid) may not be allowed to participate in further RA.** Once participating bidders have given 'Online Sealed Bid' and 'start price' & 'bid decrement' is decided by BHEL, Bidding for RA will start as per RA schedule specified in business rules.

भारत हेवी इलेक्ट्रिकल्स लिमिटेड
पावर सेक्टर- पश्चिमी क्षेत्र
श्रीमोहिनी कॉम्प्लेक्स, 345 - किंग्सवे
नागपुर- 440 001



Bharat Heavy Electricals Limited
Power Sector-Western Region
Shreemohini complex, 345 - Kingsway
Nagpur -440 001

फोन / Phone 0712- 3048600 TO 604 फेक्स FAX: 0712- 3048698- 699/ 3048605 www.bhelpswr.co.in

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Bidders may then submit their bids (current L-1 price(s) lowered by multiple decrements). If the 'start price' decided by BHEL is same as the 'Online Sealed Bid' price of any bidder, then that bidder shall be reckoned as current L1 automatically at the start of Reverse Auction and no acceptance of that price is required i.e (RA shall deemed to have started at this stage for further bidding).

7.6. If the Bidder or any of his representatives are found to be involved in Price manipulation/ cartel formation of any kind, directly or indirectly by communicating with other bidders, action *as per extant BHEL guidelines*, shall be initiated by BHEL and the results of the RA scrapped/ aborted.

7.7. The Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party.

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All other Terms and conditions of the Tender Specification shall remain unaltered unless expressly amended by BHEL in writing.

Bidders are requested to submit a copy of this corrigendum duly countersigned by the authorized signatory and stamped with the Official seal as a token of Bidder's unqualified acceptance of this corrigendum.

This letter is hosted as file titled "Corrigendum-01" against NIT-15703 in BHEL web page (www.bhel.com→Tender Notifications → View Corrigendum).

Thanking you,
Yours faithfully,

AGM (Purchase)