



An ISO 9001
Company

Bharat Heavy Electricals Limited

(Seamless steel Tube Plant)

Tiruchirappalli – 620014, TAMIL NADU, INDIA

TITLE Supply of Carbon Steel Hollows as per TDC:HOL:GEN:CA:05 Rev 01 dated 06/02/2008.	Phone: +91 431 257 8480 Fax : +91 431 2520464 Email : Insekar@bheltry.co.in Web : www.bhel.com
---	--

Reference Number: SSTP / 9510021E dated 04/01/2012	Date:06/01/2012	Due date for submission of quotation: 27/01/2012
You are requested to quote the Enquiry number date and due date in all your correspondences. This is only a request for quotation and not an order		

BHEL / Trichy is looking for additional vendors for supply of **Carbon Steel Hollows as per Annexure-E of the tender documents and as per TDC: HOL: GEN:CA:05 Rev 01 dated 06/02/2008**. Manufacturers alone need to be quote for this tender. The details are as follows:

Size of Hollows	Specification	Quantity in MT	Delivery required quantity and period.	Approx. Value of the tender in Rs. Lakhs
Please Refer Annexure-E of the Tender Documents (21 sizes)	ASME SA 210 Gr A1 / SA 210 Gr C	10000	Delivery required in 3 Lots as per Annexure-E of the Tender Documents. Also refer the FOOT Note to Enquiry the applicable Loading Factors for delivery, payment terms and LD etc.,	5500.00

Sr.Manager / Purchase /SSTP

Phone: 0431-257 8480

Fax: 0431-252 0464.

Mail: Insekar@bheltry.co.in.

**BHARAT HEAVY ELECTRICALS LTD**

(A GOVERNMENT OF INDIA UNDERTAKING)

SEAMLESS STEEL TUBE PLANT

TIRUCHIRAPPALLI - 620 014

TAMIL NADU

Refer Foot Note For
Contact Details

TIN : 33243560005

CST No. : 239383

Dated : 11.06.1991

PURCHASE ENQUIRY

VENDOR CODE

ENOURY NUMBER

ENQUIRY DATE ENQUIRY DUE DATE No. OF ITEMS

9 510021 E

04-01-12

27-01-12

21

Office Copy**IMPORTANT POINTS :**

1. Tender Closing Time - 14.00 Hrs.
2. Tender Opening Time - 15.00 Hrs.
3. Tender Should be Submitted In a sealed Cover duly indicating Enquiry No., Enquiry date & Enquiry Due date on the cover.
4. Offers received through Courier Services ater 14.00 Hrs. On Enquiry Due Date will not be considered
5. Late Tender(s) is / are liable for rejection.
6. Offer shall be valid for 60 days from Enquiry Due Date.
7. Offer(s) in Vendor's Letter - Head shall contain
 - a) Offer No. and Date
 - b) Delivery Period
 - c) Delivery Terms
 - d) Excise Duty with Tariff Heading Sales Tax (agaonst form- XVII/Form -C,Etc
 - e) Payment Terms
 - f) Excise Regn. No. and SSI Regn. No.

Kindly arrange to submit your **Competitive Offer** for the following item(s)
If you are not in a position to submit your Offer, Kindly arrange to send **Regret Letter**.

THIS IS ONLY A REQUEST FOR OFFER AND NOT AN ORDER

Sl. No	Material Code and Description	Unit	Requirement	
			Quantity	Delivery
	BHEL Material Code : SY1024857051			
1	Carbon Steel Hollow Size : 48.30 x 5.70 x 10200 mm Specification : SA 210 Gr A1 TDC ref : TDC:Hol:GEN:CA:05 Rev 01 dt 06/02/2008	KILOGRAM <i>TRD</i>	600000.000	30/06/12
	BHEL Material Code : SY1025465046			
2	Carbon Steel hollows Size : 54.00 x 6.50 x 9200 mm Specification : SA 210 Grade A1 TDC Ref. : TDC:HOL:GEN:CA:05 Rev.01 dt.06/02/2008	KILO GRAM	400000.000	30/06/12
	BHEL Material Code : SY1025462044			
3	Carbon steel hollow import Size : 54.00 x 6.20 x 8800 mm Specification : SA 210 Gr A1 TDC Ref : TDC:Hol:Gen:CA:05 Rev 01 dt 06/02/2008	KILO GRAM	400000.000	30/06/12
	BHEL Material Code : SY1076067046			
4	Carbon steel hollow Size : 60.30 x 6.70 x 9200 mm Specification : SA 210 GrC TDC ref : TDC:Hol:Gen:CA:05 Rev 01 dt 06/02/2008	KILO GRAM	200000.000	30/06/12
	BHEL Material Code : SY1076078044			
5	Carbon steel hollow Size : 60.30 x 7.80 x 8800 mm Specification : SA 210 GrC	KILO GRAM	500000.000	30/06/12

IMPORTANT NOTE

For and on behalf of

BHARAT HEAVY ELECTRICALS LTD

[Signature]
4/11/2012
PURCHASE EXECUTIVE

**BHARAT HEAVY ELECTRICALS LTD**

(A GOVERNMENT OF INDIA UNDERTAKING)

SEAMLESS STEEL TUBE PLANT

TIRUCHIRAPPALLI - 620 014

TAMIL NADU

Refer Foot Note For
Contact Details

TIN : 33243560005

CST No. : 239383

Dated : 11.06.1991

Fax : 0431-2520464/383

PURCHASE ENQUIRY

VENDOR CODE

ENQUIRY NUMBER

ENQUIRY DATE

ENQUIRY DUE DATE

No. OF ITEMS

9 510021 E

04-01-12

27-01-12

21

Office Copy**IMPORTANT POINTS:**

1. Tender Closing Time - 14.00 Hrs.
2. Tender Opening Time - 15.00 Hrs.
3. Tender Should be Submitted In a sealed Cover duly indicating Enquiry No., Enquiry date & Enquiry Due date on the cover.
4. Offers received through Courier Services after 14.00 Hrs. On Enquiry Due Date will not be considered.
5. Late Tender(s) is / are liable for rejection.
6. Offer shall be valid for 60 days from Enquiry Due Date.
7. Offer(s) in Vendor's Letter - Head shall contain
 - a) Offer No. and Date
 - b) Delivery Period
 - c) Delivery Terms
 - d) Excise Duty with Tariff Heading Sales Tax (against form- XVII/Form -C, Etc)
 - e) Payment Terms
 - f) Excise Regn. No. and SSI Regn. No.

Kindly arrange to submit your **Competitive Offer** for the following item(s)
If you are not in a position to submit your Offer, Kindly arrange to send **Regret Letter**.

THIS IS ONLY A REQUEST FOR OFFER AND NOT AN ORDER

Sl. No	Material Code and Description	Unit	Requirement	
			Quantity	Delivery
	BHEL Material Code :			
TDC ref	: TDC:Hol:Gen:CA:05 Rev 01 dt 06/02/2008			
	BHEL Material Code : SY1078295046			
6	carbon steel hollow Size : 82.50 x 9.50 x 9200 mm Specification : SA 210 GrC TDC ref : TDC:Hol:Gen:CA:05 Rev 01 dt 06/02/2008	KILO GRAM	300000.000	30/06/12
	BHEL Material Code : SY1075462044			
7	Carbon steel hollow Size : 54.00 x 6.20 x 8800 mm Specification : SA 210 GrC TDC Ref : TDC:Hol:Gen:CA:05 Rev 01 dt 06/02/2008	KILO GRAM	100000.000	30/06/12
	BHEL Material Code : SY1075467048			
8	Carbon steel hollow Size : 54.00 x 6.70 x 9600 mm Specification : SA 210 GrC TDC ref : TDC:Hol;Gen:CA:05 Rev 01 dt 06/02/2008	KILO GRAM	200000.000	30/06/12
	BHEL Material Code : SY1077078047			
9	Carbon Steel Hollows Size : 70.00 x 7.80 x 9800 mm Specification : SA 210 Gr c TDC Ref : TDC:Hol:Gen:CA:05 Rev 01 dt 06/02/2008	KILO GRAM	300000.000	30/06/12

IMPORTANT NOTE

For and on behalf of

BHARAT HEAVY ELECTRICALS LTD

[Signature]
4/1/2012
PURCHASE EXECUTIVE

**BHARAT HEAVY ELECTRICALS LTD**

(A GOVERNMENT OF INDIA UNDERTAKING)

SEAMLESS STEEL TUBE PLANT

TIRUCHIRAPPALLI - 620 014

TAMIL NADU

Refer Foot Note For
Contact Details

Fax :0431-2520464/383

TIN : 33243560005

CST No. : 239383

Dated : 11.06.1991

PURCHASE ENQUIRY

VENDOR CODE

ENOURY NUMBER

ENQUIRY DATE

ENQUIRY DUE DATE

No. OF ITEMS

9 510021 E

04-01-12

27-01-12

21

Office Copy**IMPORTANT POINTS :**

1. Tender Closing Time - 14.00 Hrs.
2. Tender Opening Time - 15.00 Hrs.
3. Tender Should be Submitted In a sealed Cover duly indicating Enquiry No., Enquiry date & Enquiry Due date on the cover.
4. Offers received through Courier Services ater 14.00 Hrs. On Enquiry Due Date will not be considerd
5. Late Tender(s) is / are liable for rejection.
6. Offer shall be valid for 60 days from Enquiry Due Date.
7. Offer(s) in Vendor's Letter - Head shall contain
 - a) Offer No. and Date
 - b) Delivery Period
 - c) Dlivery Terms
 - d) Excise Duty with Tariff Heading Sales Tax (agaonst form- XVII/Form -C,Etc
 - e) Payment Terms
 - f) Excise Regn. No. and SSI Regn. No.

Kindly arrange to submit your **Competitive Offer** for the following item(s)
If you are not in a position to submit your Offer, Kindly arrange to send **Regret Letter**.

THIS IS ONLY A REQUEST FOR OFFER AND NOT AN ORDER

Sl. No	Material Code and Description	Unit	Requirement	
			Quantity	Delivery
	BHEL Material Code : SY1075485055			
10	Carbon steel hollows Size : 54.00 x 8.50 x 11000 mm Grc Specification: SA 210 Grc TDC ref : TDC:Hol:Gen:CA:05 Rev 01 dt 6.2.2008	KILO GRAM	4000000.000	30/06/12
	BHEL Material Code : SY1022137051			
11	Import of Carbon Steel hollows Size : 21.30 x 3.70 x 6000 mm Specification : SA 210 Grade A1 TDC Ref. : TDC:HOL:GEN:CA:05 Rev.01 dt06/02/2008	KILO GRAM	300000.000	30/06/12
	BHEL Material Code : SY1022642050			
12	Carbon Steel hollows Size : 26.70 x 4.20 x 6000 mm Specification : SA 210 Grade A1 TDC Ref. : TDC:HOL:GEN:CA:05 Rev.01 dt.06/02/2008	KILO GRAM	200000.000	30/06/12
	BHEL Material Code : SY1023345051			
13	Carbon Steel hollows Size : 33.40 x 4.50 x 6000 mm Specification : SA 210 Grade A1 TDC Ref. : TDC:HOL:GEN:CA:05 Rev.01 dt.06/02/2008	KILO GRAM	200000.000	30/06/12
	BHEL Material Code : SY1072130370			
14	Carbon Steel Hollows Size : 21.30 x 3.70 x 6000 mm Specification ; SA 210 GrC TDC ref : TDC;Hol:Gen:CA:05 Rev 01 dt 06/02/2008	KILO GRAM	400000.000	30/06/12

IMPORTANT NOTE

For and on behalf of

BHARAT HEAVY ELECTRICALS LTD

PURCHASE EXECUTIVE

**BHARAT HEAVY ELECTRICALS LTD**

(A GOVERNMENT OF INDIA UNDERTAKING)

SEAMLESS STEEL TUBE PLANT

TIRUCHIRAPPALLI - 620 014

TAMIL NADU

Refer Foot Note For
Contact Details

Fax :0431-2520464/383

TIN : 33243560005

CST No. : 239383

Dated : 11.06.1991

PURCHASE ENQUIRY

VENDOR CODE

ENQUIRY NUMBER

ENQUIRY DATE

ENQUIRY DUE DATE

No. OF ITEMS

9 510021 E

04-01-12

27-01-12

21

Office Copy**IMPORTANT POINTS :**

1. Tender Closing Time - 14.00 Hrs.
2. Tender Opening Time - 15.00 Hrs.
3. Tender Should be Submitted In a sealed Cover duly indicating Enquiry No., Enquiry date & Enquiry Due date on the cover.
4. Offers received through Courier Services after 14.00 Hrs. On Enquiry Due Date will not be considered
5. Late Tender(s) is / are liable for rejection.
6. Offer shall be valid for 60 days from Enquiry Due Date.
7. Offer(s) in Vendor's Letter - Head shall contain
 - a) Offer No. and Date
 - b) Delivery Period
 - c) Delivery Terms
 - d) Excise Duty with Tariff Heading Sales Tax (agaonst form- XVII/Form -C,Etc
 - e) Payment Terms
 - f) Excise Regn. No. and SSI Regn. No.

Kindly arrange to submit your **Competitive Offer** for the following item(s)
If you are not in a position to submit your Offer, Kindly arrange to send **Regret Letter**.

THIS IS ONLY A REQUEST FOR OFFER AND NOT AN ORDER

Sl. No	Material Code and Description	Unit	Requirement	
			Quantity	Delivery
	BHEL Material Code : SY1072148030			
15	Carbon steel hollows Size : 21.30 x 4.80 x 6000 mm Specification : SA 210 GrC TDC Ref : TDC:HOL:GEN:CA:05 Rev 01 dt 06/02/2008 BHEL Material Code : SY1072640030	KILO GRAM	100000.000	30/06/12
16	Carbon steel hollows Size : 26.70 x 4.00 x 6000 mm Specification : SA 210 GrC TDC Ref : TDC:HOL:GEN:CA:05 Rev 01 dt 06/02/2008 BHEL Material Code : SY1072670556	KILO GRAM	200000.000	30/06/12
17	Carbon steel hollows Size : 26.70 x 5.56 x 6000 mm Specification: SA 210 Grc TDC : TDC:Hol:Gen:CA:05 Rev 01 dt 6.2.2008 BHEL Material Code : SY1073340338	KILO GRAM	50000.000	30/06/12
18	Carbon steel hollows Size : 33.40 x 3.38 x 6000 mm Specification : SA 210 Grc TDC ref : TDC:Hol:Gen:CA:05 Rev 01 dt 6.2.2008 BHEL Material Code : SY1073340450	KILO GRAM	50000.000	30/06/12
19	Carbon steel Hollows Size : 33.40 x 4.50 x 6000 mm Specification : SA 210 GrC TDC ref : TDC:Hol:Gen:CA:05 Rev 01 dt 6/2/2008	KILO GRAM	50000.000	30/06/12

IMPORTANT NOTE

For and on behalf of

BHARAT HEAVY ELECTRICALS LTD

[Signature]
A/1/2012
PURCHASE EXECUTIVE



BHARAT HEAVY ELECTRICALS LTD
(A GOVERNMENT OF INDIA UNDERTAKING)
SEAMLESS STEEL TUBE PLANT
TIRUCHIRAPPALLI - 620 014
TAMIL NADU

Refer Foot Note For
Contact Details

TIN : 33243560005

Fax : 0431-2520464/383

CST No. : 239383

Dated : 11.06.1991

PURCHASE ENQUIRY

VENDOR CODE

ENQUIRY NUMBER

ENQUIRY DATE

ENQUIRY DUE DATE

No. OF ITEMS

9 510021 E

04-01-12

27-01-12

21

Office Copy

IMPORTANT POINTS :

1. Tender Closing Time - 14.00 Hrs.
2. Tender Opening Time - 15.00 Hrs.
3. Tender Should be Submitted In a sealed Cover duly indicating Enquiry No., Enquiry date & Enquiry Due date on the cover.
4. Offers received through Courier Services after 14.00 Hrs. On Enquiry Due Date will not be considered
5. Late Tender(s) is / are liable for rejection.
6. Offer shall be valid for 60 days from Enquiry Due Date.
7. Offer(s) in Vendor's Letter - Head shall contain
 - a) Offer No. and Date
 - b) Delivery Period
 - c) Delivery Terms
 - d) Excise Duty with Tariff Heading Sales Tax (against form- XVII/Form -C, Etc)
 - e) Payment Terms
 - f) Excise Regn. No. and SSI Regn. No.

Kindly arrange to submit your **Competitive Offer** for the following item(s)
If you are not in a position to submit your Offer, Kindly arrange to send **Regret Letter**.

THIS IS ONLY A REQUEST FOR OFFER AND NOT AN ORDER

Sl. No	Material Code and Description	Unit	Requirement	
			Quantity	Delivery
	BHEL Material Code : SY1023835011			
20	Carbon steel hollow Size : 38.10 x 3.50 x 11100 mm Specification : SA 210 Gr A1 TDC ref : TDC:HOL:GEN:CA:05 Rev 01 dt 06/02/2008 BHEL Material Code : SY1023844030	KILO GRAM	1000000.000	30/06/12
21	Carbon Steel Hollows Size : 38.10 x 4.40 x 6000 mm Specification : SA 210 Gr A1 TDC Ref : TDC:HOL:GEN:CA:05 Rev 01 dt 06/02/2008	KILO GRAM	450000.000	30/06/12

Foot Note :

1. Please refer the following Annexures attached with this tender:

- a. Foot Note to Enquiry No: 9510021E dtd 04/01/2012
- b. TDC: HOL:GEN:CA:05 Rev 01 dtd 06/02/20008
- c. Annexure A - Important Note to tenderers.
- d. Annexure B - Special Terms & Conditions (For Overseas Suppliers)
- e. Annexure B1- Special Terms & Conditions (For Indigenous Suppliers)
- f. Annexure C - General Condition of Contract
- g. Annexure D - PBG Format
- h. Annexure E - Hollows Sizes, Quantity and Delivery Lot Details
- i. Annexure F - Specimen copy of Integrity pact.

2. This tender will be monitored by an Independent External Monitor (IEM) by name
Shri J M Lyngdoh, IAS.

IMPORTANT NOTE

For and on behalf of
BHARAT HEAVY ELECTRICALS LTD

[Signature]
4/1/2012
PURCHASE EXECUTIVE

FOOT NOTE to ENQUIRY NO: 9510021E dated 04/01/2012 for supply Carbon Steel Hollows:

1. The Hollows shall be as per TDC:HOL:GEN:CA:05 Rev 01 dtd 06/02/2008.
2. All suppliers shall enter into the “**Integrity Pact**” as per specimen attached with the tender documents. Any supplier not willing to enter into the “Integrity Pact”, then their offer shall not be considered for further evaluation. **Original signed copy of Integrity Pact shall be attached with the Technical bid.**
3. The tendered Hollows size and specification are tentative. However, a confirmation may be required from the supplier to change the OD & WT by + / - 0.5 mm by the purchaser to suit their end product. This provision will be used in case of need before finalisation.
4. The tender is in TWO-PART BID system. Important Note to Tenderers (Annexure -A), Special Terms & Condition (annexure -B), General condition of Contract (Annexure -C), Confirmed PBG (Annexure -D), Size and Qty details of CS hollows (Annexure –E), Specimen copy of Integrity pact (Annexure –F), TDC & details required to be furnished in the Mill test certificates are enclosed.
5. The Price Bid shall contain FOB & CFR rates per MTon. All suppliers are requested to quote CFR – Chennai Sea port basis and CFR – Karaikal sea port basis (Break bulk cargo only) which is preferable for BHEL / SSTP. The Sea freight charges shall be indicated separately for 40 feet containers as well as break bulk cargo also. The prices shall be in Rate per MT only.
6. In case of Break bulk cargo, each hollow in the bundle shall be covered with suitable end caps to avoid heavy rusting in ID of the hollows.
7. Payment Terms:
 - a) For Indigenous suppliers, the applicable payment terms shall be “100% payment within 45 days from the date of invoice subject to acceptance of materials at SSTP (SRV payment term)”. Indigenous LC payment shall not be considered and if the SRV payment term is not accepted then their offers shall not be considered.
 - b) For Import suppliers, the applicable payment terms shall be “Cash against Documents”. No Loading factor will be considered
 - c) In case of Irrevocable LC payment terms against despatch documents for import sources, the LC will be opened within 30 days from the date of release of Contract and a loading factor of 2% will be considered for price comparison purposes.
8. BHEL /SSTP reserves the option to place orders on more than one source, depending upon the requirement, the price levels offered and also the economics. In such case of splitting of the total quantity between the tenderers shall be done as follows:
 - a. 70 % of the total quantity to be ordered on L-1 tenderer or the supply capacity of the tenderer as per BHEL requirement whichever is lower.
 - b. The balance 30% will be ordered on next lowest source who is accepting the finalised L1 rates for sizes considered.
 - c. However, any part ordering option will be considered only if the competition in the RA shall be from min 3 sources and above.
9. **This is a delivery specific tender.** The required delivery schedule of the hollows in 3 lots is shown in the Annexure -E. The suppliers are requested to take note the following loading factor for shipments and LD for late deliveries beyond the agreed delivery date.
 - a. The total enquiry quantity of 10000 MT is to be delivered in 3 lots as shown in the Annexure-E
 - b. A loading factor @ 1.0% per week (7days) and part thereof cumulatively without any upper limit shall be levied for offers not meeting our lot wise delivery date.
 - c. In any particular lot, if any size is not considered for delivery by the supplier within any of the 3 lots (or) omitted for delivery then the total tender quantity of the particular size shall not be considered for evaluation.
 - d. LD shall be levied Lot wise @ 0.5% per week (7days) and part thereof subject to a maximum of 10% of the price of undelivered portion of particular lot shall be levied for deliveries beyond agreed lot delivery dates.
 - e. If any supplier is not accepting this LD, then a loading factor shall be applied for the purposes of price comparison at the rate equal to the difference between the maximum %age of LD (10%) and the agreed percentage of LD by the tenderer will be considered as the loading with the following stages:

%age of LD accepted	10%	5%	Nil
Loading Factor	NIL	5%	10%

- f. The terminal delivery date of Lot1 to Lot 3 are as follows:

Delivery basis	Lot 1	Lot 2	Lot 3
FOB basis	30 days from the date of LOI /PO	60 days from the date of LOI /PO	90 days from the date of LOI / PO
CFR basis	40 days from the date of LOI /PO	70 days from the date of LOI /PO	100 days from the date of LOI / PO
Indigenous Suppliers	45 days from the date of LOI /PO	75 days from the date of LOI /PO	105 days from the date of LOI /PO

- g. In case of FOB contract, the signed date of Third party Inspection agency date in the IBR certificate shall be the ref date for any LD purposes.
- h. In case of CFR contracts, the date of bill of lading shall be the reference date for any LD purposes.
- i. In case of Indigenous supplies, the date of LR shall be the reference date for any LD purposes. All Loading Factor for indicated in the clause 9.a to 9.e are applicable to Indigenous suppliers also.
- j. No grace period shall be considered.
- k. Part shipment within a lot size is also acceptable. However, the total Nos. of sizes and quantities for that particular lot shall be completed as per delivery schedule for that lot.
10. **A quantity tolerance of +/- 3% is applicable on order quantity of each size.**
11. Bundling shall be intact to avoid loosening of the bundles during handling / transportation as per import practices.
12. BHEL / SSTP reserves the right to resort for a **“REVERSE AUCTION”** (RA) ie., On-Line bidding through internet instead of opening the sealed priced bids submitted at the time of technical bid opening. The decision of conducting RA shall be decided after technical evaluation and based on the following criteria.
- a. The total numbers of technically suitable sources
- b. The Minimum number of suppliers accepting RA shall be TWO AND ABOVE.
13. In view of clause 12b (or) if BHEL /SSTP decides NOT to resort for RA, price bids submitted at the time of technical bid opening or any price impacts submitted by the suppliers shall be opened for further evaluation. Hence, all the suppliers are requested to submit their offers (both technical & Price bids) who are not interested in RA and the same shall be used in case of Paper bid opening evaluation method is resorted
14. In order to speed up the evaluation of offers received from any new suppliers, the following annexures are considered as a MUST for considering their technical bid for further evaluation.
- a. Duly filled in vendor registration format which is to be downloaded from our web site www.BHEL.COM
- b. In case of import sources, Agency Agreement between the principal and the agent / marketing partners detailing the scope of the agents / Marketing partners in dealing with BHEL Tenders and the quantum of remuneration paid for such services to their principals etc.,
- c. Original signed copy of “Integrity pact”
- d. Clause wise confirmations of Technical Delivery Condition TDC: HOL:GEN:CA:05 REV 01 dated 06/02/2008
- e. Confirmation that they can deliver minimum 3000 MT per Month (or) the minimum Qty in MT per Month as per BHEL Delivery requirements.
15. This tender will be monitored by an Independent External Monitor (IEM) by name **Shri J M Lyngdoh, IAS.**

Sr.Manager /Purchase
SSTP/BHEL/Tiruchy

Annexure to TDC:HOL:GEN: CA:05 Rev.:01

Company Emblem and Detail												
Test Certificate for Hollows												
TC No. & Date :						TDC No. / Rev. :						
PO No. & Date :						Specn. & Grade :						
Steel Making Process ^{NT} :						Year of code :						
Finishing Operation :			Hot Finished/Cold Finished									
Identification :												
Supply Particulars		PO Item No		Size D x T x L		Heat No.		Weight(Kgs)		Quantity		
Chemical Analysis in %									Mechanical Properties^{N3}			
Elements ^{N2}		C	Mn	Si	S	P	Cr	Mo	YS Kg/mm ²	UTS Kg/mm ²	% E GL=50mm	Hardness (HRB)
Specn. Min.									---	---	---	---
Specn. Max.									---	61	---	89
Heat									---	---	---	---
Product												
Heat treatment Details						Type of HT		Soaking Temp°C		Soaking Time		
		Product										
Ultra Sonic Test (ASME 213/BS EN 10246-7), Notch depth:												
Appearance and Dimensions:												
N1 In case of tube made from steel, made and certified by the well known steel makers in India or other countries particulars regarding material as certified by them (in any form) shall be noted.												
N2 Report as applicable to the specification.												
N3 The test specified shall be made on sample size as specified in the TDC/ Specification.												
Maker's Representative (Sign. & Name Seal of Quality Control)									Maker (Sign. & Name Seal of Production)			

SPECIAL TERMS & CONDITIONS
(For OVERSEAS SUPPLIERS)

1. The technical requirements are clearly indicated in the Technical Delivery Conditions enclosed with tender. Tenderers are requested to confirm their acceptance clause by clause of TDC, in their offer, without fail.
In the event of any tenderer indicating in their offer that the materials of tender will be supplied as per TDC of tender, it will be construed that they have gone through the TDC clause by clause, understood and confirmed their acceptance.
In the event of any tenderer not confirming their acceptance to tender TDC specifically in their offer, it will be construed that they are not accepting the TDC and hence their offer will be technically rejected and will not be considered against this tender. Only technically acceptable offerers will be ranked and evaluated.
In the case of two bid tender system, clarification on Technical points will be sought for if not clearly indicated in offer.
After tender price bid opening, any voluntary / unsolicited information's / confirmations / clarifications / interpretations by the tenderes will not be entertained as a policy and tender will be finalized only with available data / information's given in offer.
2.
 - a) BHEL reserves the right to increase or decrease the tendered quantity and split such quantities among more than one tenderer based on commitments, requirements and supplier's capability in terms of delivery and quality and place orders accordingly.

In such case of splitting of the total quantity between the tenderers shall be done as follows:
 - i. 70 % of the total quantity to be ordered on L-1 tenderer or the supply capacity of the tenderer as per BHEL requirement whichever is lower.
 - ii. The balance 30% will be ordered on next lowest source who is accepting the L1 rates for sizes considered.
 - iii. However, any part ordering option will be considered only if the competition in the RA shall be from more than 3 sources.
 - b) The lowest prices received against BHEL tenders need not be the technically and commercially acceptable L-1 price and BHEL reserves the right not to consider the same.
 - c) BHEL reserves the option/right to negotiate the L-1 price.
 - d) BHEL reserves the option/right to negotiate or refloat the tender, if the L-1 price is not the lowest acceptable price to BHEL inter alia other reasons-
3.
 - a) The prices to be contracted against this tender are to be kept firm till completion of supplies against the contract.
 - b). Tenderers are requested to give a minimum of 60 days (Sixty days) validity of their offer as the same is essentially required by the Purchaser to finalise tender.
4. In case of an order, BHEL reserves the right to depute their representative to Seller's works either during the manufacture or prior to that for overseeing the order status. The expenditure in this regard will be borne by BHEL.
5. After inspecting, testing and clearance by IBR approved third party inspection agency, the accepted materials may be inspected and cleared by BHEL inspector at Seller's works, if required. The expenditure for BHEL inspector for this purpose will be borne by BHEL and all expenditure in connection with third party inspection agency will be to seller's A/C. Tenderers should indicate the following in their offer explicitly.
 - a) Whether they are IBR approved well known tube maker. If so third party inspection not applicable.
6. THE TENDERERS SHALL QUOTE THEIR RATE ONLY ON PER M.T BASIS FOR BOTH FOB & CFR/CHENNAI SEA PORT BASIS. It is a must, Tenderers are required not to over look this aspect. In the event of this not provided in offer, purchaser will evaluate the tender with the available information's / assumptions / BHEL rate contract for ocean freight in line with policy of BHEL and rank the tenderes accordingly.
7. PURCHASER is planning to ship the materials by 20/40 feet containers or by break-bulk shipment as the case may be. Hence freight for 20/40 feet container & break bulk also to be quoted separately. Alternatively, purchaser reserve the option to place contact on CFR Chennai seaport (India) and in that

case, ocean freight quoted / mutually agreed will be applicable. This ocean freight shall be applicable up to CFR Chennai port, including inland transport charges from works to load port, all charges at port & up to placement of cargo on board of vessel, BAF and CAF charges as applicable & any increase in the same subsequently. All charges at discharge port to BHEL A/C.

8. BHEL reserves the option to interchange the tendered grades and quantity in any proportion within the tendered grades and quantity either at the time of placement of order or prior to taking up production depending on the requirement of their customer.
9. The standard LIQUIDATED DAMAGE clause and RISK PURCHASE clause of BHEL as detailed below, will be applicable tenderers are requested to specifically indicate their acceptance to these clauses in their offer.

LIQUIDATED DAMAGES – Please refer FOOT NOTE to this tender.

~~The time of delivery or dispatch stipulated in the said schedule for delivery or dispatch of the stores shall be deemed to be the essence of the Contract. Should the Seller fail to deliver the stores or any consignment thereof within the period prescribed for such delivery, the Purchaser shall be entitled (by way of liquidated damages) for a sum of one half percent of the price of any stores, which the Seller has failed to deliver as aforesaid for each and every week or part of a week, during which the delivery of such stores may be in arrears subject to a maximum of 15 (FIFTEEN) percent of the price of stores in arrears. THIS AMOUNT IS TO BE AUTOMATICALLY DEDUCTED IN INVOICE ITSELF. A provision for such deduction will be made in the L/C text.~~

- a). ~~In case of FOB contract, the shipment will be through TRANSCART / MINISTRY OF SURFACE TRANSPORT, Govt. of India thro' SCI/their agents / or any other shipper as nominated by TRANSCART Seller has to keep SCI/ or any other nominated shipper / their load port agent informed, at least 21 days in advance regarding the readiness of the materials for shipment to enable them to arrange for the vessel. The following is the criterion for determining the delivery period, for FOB contract.~~

~~"The date of schedule with sizes / clearance for manufacture given to the Seller shall be the starting date and the completion date of delivery for that schedule / clearance for manufacture shall be the date of readiness of the material duly cleared by the designated inspection authority. Seller shall furnish documentary evidence i.e the date of inspection and clearance by the 3rd party inspector as evidenced by their signature and seal with date.~~

- b). ~~In case of C.F.R.Contract, the shipment shall be done by Seller. However, Seller shall ensure that the age of the vessel is less than 25 years. The following is the criterion for determining the delivery period. " The date of schedule / clearance for manufacture to the Seller or date of L/C opening with schedule shall be the starting date and completion date of delivery to that schedule has to be reckoned from the date of arrival of vessel at port of discharge as evidenced by manifest issued at discharge port / or the arrival date shown by the website.~~

10. Cancellation Clause

Alternatively, at the option of purchaser, the purchaser shall be entitled to purchase elsewhere, on account and at the risk of the seller the stores of any consignment thereof, which the seller has failed to deliver as aforesaid, or if not available, the best and nearest available substitute thereof, or to cancel the contract, and the seller shall be liable for any loss or damage. Which the purchaser may sustain by reason of such failure on the part of the seller.

11. RISK PURCHASE

The cancellation of the Contract as stated in the above clause may be either for whole or part of the contract at Purchaser's option. In the event of Purchaser terminating the contract in whole or part, he may procure upon such items and in such manner as he deems appropriate supplies or services similar to those so terminated and the Seller shall be liable to the Purchaser for any excess costs for such similar supplies or services provided that the Seller shall continue the performance of this Contract to the extent not terminated under the provisions of this Clause.

12. PERFORMANCE BANK GUARANTEE:

In the event of an order, the Seller shall execute a performance bank guarantee for 10% of the total contract value. The liability of this bank guarantee shall cover the guarantee period of 18 months from the date of last shipment at the port of loading or 12 months from the date of receipt of last consignment at the port of discharge whichever is earlier against material defect, manufacturing defect and bad workmanship etc. In case of part shipments, performance bank guarantee shall be executed for each consignment (for 10% of the FOB value of that consignment), covering the guarantee period as above.

The above performance bank guarantee shall be furnished by any one of the following way.

- a. The PBG issued by any foreign bank shall be confirmed by any one BHEL consortium banks in India (or)
- b. The PBG shall be issued by any BHEL consortium of Banks (or)
- c. The PBG shall be issued by any Indian public sector banks.

The list of BHEL Consortium banks are as follows:

- | | | |
|---------------------------------|-------------------------------|--------------------------|
| 1. STATE BANK OF INDIA, | 2. ABN AMRO BANK N.V , | |
| 3. BANK OF BARODA , | 4. CANARA BANK , | 5. CITI BANK N.A , |
| 6. CORPORATION BANK , | 7. DEUTSCHE BANK AG , | 8. HDFC BANK LTD , |
| 9. ICICI BANK LTD , | 10. IDBI LTD , | 11. PUNJAB NATIONAL BANK |
| 12. STANDARD CHARTERED BANK , | 13. STATE BANK OF HYDERABAD , | |
| 14. STATE BANK OF TRAVANCORE, | 15. SYNDICATE BANK, | |
| 16. THE HONGKONG AND SHANGHAI , | 17. BANKING CORPORATION LTD. | |

13. PAYMENT

In case of an order, 100% payment shall be effected through any one of the payment mode indicated in the foot note of this enquiry agreed by both the parties against the following documents for payment purposes. All bank charges within India will be to BHEL's account and all bank charges outside India to Seller's account. The L/c shall permit part shipments.

- 1) Negotiable Clean original Bill of Lading.
- 2) Detailed Packing List. (container wise packing list) (not applicable for supply in bare & loose condition).
- 3) Commercial Invoice
- 4) Country of Origin.
- 5) Mill's test certificate complying with the requirements of IBR. (if applicable as per TDC).
- 6) Inspection Certificate issued by 3rd party inspector as approved by IBR or counter signature of the IBR approved inspection agency on the mill's test certificate.
- 7) Inspection certificate issued by BHEL inspector (including verification and certification of the input raw material test certificate. BHEL reserves the right to have this as an option clause, if required.
- 8) Performance Bank Guarantee for 10% of the contract value in line with clause 12 above.

14. Indian Agency Commission, if any, has to be clearly expressed in the offer itself. This agency commission will be paid to the Indian Agent after successful completion of the contract only at the prevailing exchange rate between Indian Rupee and the foreign currency on the date of order. L/c will be opened for the net value, excluding Indian agency commission.

15. A quantity allowance of plus or minus 3% on the total ordered quantity will be applicable. No excess supply against total order quantity shall be made.

16. DELIVERY:

- a). For 'FOB' BASIS:

It has to be reckoned from the date of schedule from BHEL with size / grade details of materials and the end of delivery period offered by tenderer in their offer. The delivery period offered by the Seller shall include the manufacturing period as well as completion of 3rd party inspection and clearance for dispatch. The date of clearance by third party inspection agency as evidenced by their signature with date & seal shall be date of completion of delivery for that schedule.

- b). For 'CFR/CHENNAI' BASIS

It has to be reckoned from the date of schedule from BHEL with size / grade details of materials, to the date of arrival of vessel at the port of discharge as evidenced by the manifest, or arrival date shown in website issued at discharge port.

17. PURCHASER reserves the option either to place the contract on FOB basis with shipment through TRANSHART – MINISTRY OF SURFACE TRANSPORT – Govt. of India or SCI/their agents / or any other nominated shipper through containers / break bulk or on CFR/CHENNAI SEA PORT basis with shipment through the shipping lines as selected by the Seller. However, in this case, the age of the vessel shall be less than 25 years.

18. In the event of an FOB contract, the Seller shall coordinate with TRANSHART/SCI/or any other nominated agent /their agents for the supply of required containers / booking space in break bulk vessels and stuff the material and move to the port, the loaded containers / break bulk cargo after taking confirmation from them on the vessel arrival at load port. The correspondence/communications with them in this regard shall be maintained by the Seller and forwarded to Purchaser along with our advance copy of the shipping documents.

19. SHIPMENT: For FOB CONTRACT

- a). The materials after inspection and clearance by third party inspection/BHEL inspection as applicable shall be shipped in 40 feet containers or supply in bare & loose condition by break bulk as per TDC. The arrangements of shipment at the port of loading will be done by TRANSCART – MINISTRY OF SURFACE TRANSPORT – Govt. of India or SCI /their agent / or any other nominated shipping company. Seller's responsibility of shipment ceases to exit once the containers are loaded on board of the nominated vessel.
- b). The Seller shall coordinate with TRANSCART – MINISTRY OF SURFACE TRANSPORT – Govt. of India or SCI /their agent / or any other nominated shipping company for the supply of required containers and stuff the materials or supply in bare & loose condition as per TDC and move to the port the loaded containers after taking confirmation from TRANSCART – MINISTRY OF SURFACE TRANSPORT – Govt. of India or SCI /their agent / or any other nominated shipping company on the vessel arrival at load port. The correspondence/communications with TRANSCART – MINISTRY OF SURFACE TRANSPORT – Govt. of India or SCI /their agent / or any other nominated shipping company in this regard shall be maintained by the Seller and forwarded to Purchaser along with each advance copy of shipment documents.
- c). Regarding the readiness of the material for shipment to enable them to arrange for the vessel for shipment. Subsequently, when the materials are cleared by the designed inspecting authority, TRANSCART – MINISTRY OF SURFACE TRANSPORT – Govt. of India or SCI /their agent / or any other nominated shipping company / their load port agents have to be kept informed of the readiness of the material for stuffing on to the containers and request them for providing the containers suitably. TRANSCART – MINISTRY OF SURFACE TRANSPORT – Govt. of India or SCI /their agent / or any other nominated shipping company shall give 21 days advance intimation to the SELLER regarding the arrival of vessel at load port.
- d). In all the above cases, the respective documentary evidence for having intimated TRANSCART – MINISTRY OF SURFACE TRANSPORT – Govt. of India or SCI /their agent / or any other nominated shipping company. and their load port agents shall be kept available with the Seller and then subsequently forwarded to Purchaser along with other shipping documents.

20. MARINE INSURANCE:

This will be arranged by BHEL. Once the shipment is made, the details such as Bill of Lading No., & date, name of the vessel, name of shipping line, quantity shipped (no. of containers + tonnage) shall be communicated by Seller to Purchaser either by e-mail or by fax to enable Purchaser to arrange for Marine Insurance.

21. PURCHASER reserves the option to give specific schedules from time to time within the terminal due date of contract for specific quantity. Only on receipt of such schedules from Purchaser, Seller, shall commence manufacturing of the materials and supply. In case of confirmed sizes given in the contract itself while releasing, this clause is not applicable.
22. PURCHASER reserves the option to open L/c only for covering the specific schedule quantity. to be given from time to time. The L/c validity period will be the end of the delivery period offered by Seller (eg., if delivery is offered as 12 weeks from the date of schedule, then the L/c will be valid for 12 weeks plus the normal time gap of one week between schedule date and L/c opening date). In the event of Seller seeking extension to L/c validity, due to their own reasons/delays, then in the event of Purchaser agreeing to extend such L/c, all charges connected with L/c extension will be to Seller's account only.
23. The prices OFFERED/TO BE CONTRACTED finally have to be kept firm till successful completion of the contract and any price increase on any account whatsoever may be the reasons will not be permitted under any circumstances.
24. Purchaser's General Conditions of Contract (in case of an order) is enclosed. Tenderers are requested to confirm their acceptance to the same, explicitly in their offer. These General Conditions of Contract shall apply only to the extent , they have not been superseded by the above terms and conditions of this ANNEXURE-A to tender.
25. If no comments are made specifically in the tenderer's offer, on the above conditions of tender, it will be construed that the tenderer is in full agreement with the above clauses and will be binding on them, in case of an order.

26. In the event of placement of contract, a clear two weeks time (14 days) from the date of contract will be allowed to seller to go through the contract and sign in the respective column in the contract in token of their acceptance of contract in full. In the event of the seller not returning one copy of contract duly signed by them within the 14 days time allowed, it will be commercially and legally construed that the seller is in full agreement with the contract issued and accepted the same in totality and it will be legally binding on the seller and should execute the contract thus released in full as per the terms and conditions of the contract.

27. TRIAL ORDER / SOURCE DEVELOPMENT ORDER:

In the event of the purchaser placing trial order or source development order on any tenderer who have responded to the enquiry and found to be both technically and commercially acceptable to BHEL then such tenderer should give a commitment in writing to purchaser prior to placement of order that the prices concluded for such orders shall be maintained / lowered as the case may be for at least 3 years from the date of such order.

28. METHOD OF DETERMINING THE NON-CONFORMANCE OF MATERIALS & MODE OF SETTLEMENT

Seller is certifying that the materials supplied against this contract are conforming to the Technical delivery conditions of the contract mutually agreed upon by seller & buyer. However, in case, the materials supplied by seller, upon receipt at buyer's place is found to be not meeting the TDC / order requirement mutually agreed upon, then buyer will communicate same to seller and if the discrepancy is proved w.r.t TDC, as non-conformance then those materials will be rejected.

Besides, in case where purchaser has put these materials into use / process further and during such processing of supplied materials, if purchaser found any defect / discrepancy / non-conformance of the materials w.r.t TDC / Order requirements and those defects are proved to be attributable to material defect, manufacturing defect or bad workmanship on the part of the seller, then those materials will be rejected.

Seller shall reimburse the cost of these rejected materials indicated above to purchaser on the basis of all inclusive landed cost, less scrap value of the rejected materials.

PURCHASE EXECUTIVE
BHEL/SSTP/TRICHY

SPECIAL TERMS & CONDITIONS (FOR INDIGENOUS SUPPLIERS)

The following special clauses in addition to what have been indicated in the tender already are applicable to the above tender. Tenderers are requested to take note of these special clauses while giving their offer. If no specific observation/deviation is referred to in the offer with regard to these special clauses, it will be construed that the tenderer is accepting these special clauses in full and accordingly the tender will be dealt with.

1. BHEL reserves the right to increase or decrease the tendered quantity and split such quantities among more than one tenderer based on commitments, requirements and supplier's capability in terms of delivery and quality and place orders accordingly.
Please refer Foot Note to Enquiry for further details:
2. The lowest prices received against BHEL tenders need not be the technically and commercially acceptable price and BHEL reserves the right not to consider the same.
3. BHEL reserves the option / right to negotiate the price.
4. BHEL reserves the option/right to negotiate, if the price is not the lowest acceptable price to BHEL inter alia other reasons.
5. TENDERER is requested to submit their offers on **PER MTON– SSTP /STORES basis** for each tender SI.No covered in this enquiry.
6. THE OFFER VALIDITY should be minimum 90 days and any offer with validity less than the above are likely to be rejected.
7. PRICES TO BE CONCLUDED against this tender should be kept firm till completion of the contract.
8. **DELIVERY IS THE ESSENCE OF THIS TENDER. THE DELIVERY INDICATED in the TENDER is only TENTATIVE. In case of placement of an order, the materials are to be supplied as per the FOOT NOTE to ENQUIRY:**
9. **Standard LD & RISK PURCHASE clauses of BHEL shall be applicable in case of an order. Please refer FOOT NOTE for loading factors wrt to LD.**
10. In case of an order, a quantity allowance of **+3%/ -3%** on the total ordered quantity shall be applicable.
11. Any increase in statutory levies within the terminal due date of the order shall be borne by BHEL. Any such increase beyond the terminal due date of order have to be borne by Seller only. Similarly, any benefit due to any decrease or change of structure on whatsoever reason in statutory levies, within the terminal due date of the order, shall be passed on to BHEL by Seller.

12. PAYMENT: The payment term for Indigenous suppliers will be 45 days from the date of Invoice subject to the acceptance of materials at SSTP. LC payment with any number of Interest free period shall NOT be considered and also such offers shall not be considered for further evaluation.
13. Inspection will be done at BHEL/SSTP only, which is final and binding on both Seller & Buyer.
14. If no specific comments are indicated in the offer by the tenderer for all the technical and commercial conditions of this tender, including the standard terms and conditions at overleaf of the tender sheet, it shall be construed that the tenderer complies with all such conditions in total.
15. **BHEL reserve the right to resort for a REVERSE AUCTION (RA), i.e., ON-LINE BIDDING THROUGH INTERNET instead of opening the sealed price bid submitted earlier, which shall be decided after technical evaluation.**
16. **In case BHEL decides NOT to resort for RA, Price bids already submitted or Price – impacts, if any, submitted by bidder shall be opened for further evaluation**

PURCHASE EXECUTIVE
BHEL/SSTP/TRICHY

FILE: SPLTC

**BHARAT HEAVY ELECTRICALS LIMITED
SEAMLESS STEEL TUBE PLANT
TIRUCHIRAPPALLI – 620014 – INDIA.**

**GENERAL CONDITIONS OF CONTRACT
(For OVERSEAS SUPPLIERS)**

- 1.0. Definitions :
Throughout these conditions and in the specifications the terms:
- 1.1. 'Purchaser' means, the Bharat Heavy Electricals Limited, Seamless Steel Tube Plant, Tiruchirappalli-620014, Tamil Nadu, India, acting through the Head/ Materials Management.
- 1.2. 'Seller' means, the Person or Company with whom the Order for the supply is placed and shall be deemed to include the Seller's Successors (approved by the Purchaser), Representatives, Heirs, Executors and Administrator, as the case may be.
- 1.3. 'Engineer' or 'Inspecting Officer' means the Person, Firm or Department, nominated by the Purchaser to inspect the stores on his behalf.
- 1.4. 'Contract' shall mean and include the Tender, Letter of Acceptance, Agreement, together with any correspondence, modifying the Terms thereof of the General Conditions, Specifications, Schedules, if any, annexed. This also includes the Drawings, if any, enclosed or to be provided, or to be approved by the Purchaser or his Authorised Nominee and the samples and patterns, if any, to be provided under the provision of the Contract.
- 1.5. 'Specification' shall mean the Specifications annexed to or issued with these General Conditions of Contract.
- 1.6. 'Stores' shall mean the goods specified in the Contract, which the Seller has agreed to supply under the Contract.
- 2.1. Parties to the Contract :
The Parties to the Contract, which is for the supply by the Seller to the Purchaser on the conditions set forth in the Contract, are Seller and the Purchaser named in the main body of the Contract.
- 2.2. Authority of Person signing documents :
A person signing the Contract, shall be deemed to warrant that he has authority to bind so, and if on enquiry, it appears that the person so signing had no authority to do so, Purchaser may without prejudice to other civil and criminal remedies, cancel the Contract and hold the Signatory liable for all costs and damages.
- 2.3. Notice on behalf of the Purchaser :
Notice on behalf of the Purchaser in connection with the Contract may be given by any Authorised Officer of the Plant dealing with the Contracts.
- 3.1. Execution :
The whole Contract is to be executed in the most approved, substantial and workmen-like manner to the entire satisfaction of the Purchaser.
- 3.2. Alterations :
The Purchaser or his Authorised Nominee may require such alterations to be made on the work during its progress, as he deems necessary. Should these alterations be such that either party to the Contract, consider an alteration in prices, such alteration shall not be carried out until amended prices have been submitted by the Seller and accepted by the Purchaser. Should the Seller proceed to manufacture such stores with alterations, without obtaining the consent in writing of the Purchaser to an amended price, the Seller shall be deemed to have agreed to supply the

GENERAL CONDITIONS OF CONTRACT

(For OVERSEAS SUPPLIERS)

stores, at such price as may be considered reasonable by the Purchaser. In case of alterations, time of delivery has to be reconsidered.

4.0. Seller's Responsibility :

The Seller shall be solely responsible for the Execution of the Contract in all respects, in accordance with the Conditions of the Contract notwithstanding any approval, which the Engineer may have given to materials or other parts of work involved in the Contract or of tests carried-out, either by the Seller or by the Engineer.

5.0. Inspection :

The stores shall be of approved design and each part/component shall be thoroughly inspected and tested at Seller's Works before shipment and shall fully comply with relevant requirements of the Purchaser. The Test Certificates shall be one of the documents for operation of Letter of Credit and shall be submitted along with first set of documents for negotiation.

6.0. Facilities for inspection and test :

6.1. The Purchaser or his Authorised Nominee shall be entitled, at all reasonable times, during manufacture to inspect, examine and test at the Seller's premises, the material and workmanship of all stores to be supplied under the Contract, and if part of the stores is being manufactured on other premises, the Seller shall obtain for the Purchaser or his Authorised Nominee, permission to inspect, examine and test, as if the said stores were being manufactured at the Seller's premises. Such inspection, examination and testing if made, shall not release the Seller from any obligation under the Contract.

6.2. Where the Contract provides for tests on the premises of the Seller or any of his Sub-Contractors, the Seller shall provide such assistance, labour, materials electricity, fuel, stores, apparatus and instruments, as may be required, and as may be reasonably demanded to carry out such tests efficiently.

6.3. The Seller shall give the Authorised Nominee reasonable notice, in writing, of the date and the place, at which any stores will be ready for testing as provided in the Contract.

7.0. Certification of Inspection and Approval :

No Stores will be considered ready for delivery until Purchaser or his Nominee shall have certified in writing that they have been inspected and approved by him. It shall be the responsibility of the Seller to ensure that only such goods, as have been duly inspected and approved by the Purchaser, are offered for arranging shipment to the Government of India's Forwarding Agents, and to furnish them a Certificate as under.

"Certified that the goods offered for arranging shipment have been duly inspected and approved by the Prescribed Authority, in accordance with the Terms of the Contract and a copy of the Inspection Certificate issued in this regard, is enclosed".

8.0. Progress Report :

The Seller shall render such report, as to the progress of the manufacture/supply, in such a form, as may be called for by the Purchaser. The submission and acceptance of these reports, shall not prejudice rights of the Purchaser in any manner.

9. 0. Transfer and Subletting :

The Seller shall not sublet (except as may be customary in the trade concerned, in which case the Seller advise the Purchaser of the same), transfer, assign or otherwise part with the Contract or any part thereof, either directly or indirectly, without the previous written permission from the Purchaser. The Seller shall be entirely responsible for the work executed by the SubContractor, if any. For this purpose, he shall at his own cost, ensure adequate inspection at their works, by an Inspection Organisation acceptable to the Purchaser.

GENERAL CONDITIONS OF CONTRACT

(For OVERSEAS SUPPLIERS)

10.0. Guarantee :

10.1. The Seller shall guarantee that the stores supplied shall comply fully with the specifications laid down for material, workmanship and performance. If any stores are found defective, the Purchaser shall submit his claim to the Seller within 12 (twelve) months from the date of arrival of the stores at Purchaser's site or within 18 (eighteen) months counting from the date of shipment from the Port of despatch, whichever is less. The Seller shall be given the necessary facility to investigate such claims. If they are proved to be faulty, the Seller at his option, either repair or replace within a period of 30 days by faultless stores at Seller's cost. All replacement parts shall be shipped by Seller C.I.F Indian Ports, from which point the Purchaser shall clear through Custom and take delivery at his expense to inland destination. If the Seller so desires, the defective stores can be taken over by his Representative in India for disposal, within a period of three months from the date of receipt of replacement stores. At the expiry of this period, no claim whatsoever shall lie on the Purchaser.

10.2. All the replacement stores shall also be guaranteed for a period of 12 (twelve) months from the date of arrival of stores at Purchaser's site.

10.3. The decision of the Purchaser in regard to the Seller's liability under this guarantee shall be final and conclusive.

11.0. Performance Bank Guarantee :

To fulfill guarantee conditions outlined in Clause (10) above, the Seller shall furnish a Bank Guarantee in the Proforma attached in Annexure-D from a Bank, approved by the Purchaser, for an amount equivalent to 10% of the Contract, along with first shipment documents. On the satisfactory performance and completion of the Contract in all respects, the Bank Guarantee will be returned to the Seller without any interest. (Also ref clause 12 of Special Terms & Conditions – Annexure –B for further details.)

12.0. Packing :

The Stores shall be suitably painted for tropical conditions (to withstand marine corrosion) -- shipped in bare bundles of Metric Tonnes gross Maximum / shipped loose (preserved and packed in sea worthy packing), duly ensuring prevention of damage or loss during transit and storage. Packing shall be done in such a way, as to ensure easy removal for check at Port of destination and at Purchaser's works. The packages shall be provided with facilities for easy handling by mechanical means, if need be. For this, the packing specification adopted is also to be such as to obtain a clean BILL OF LADING / AIR WAY BILL.

13.0. Marking :

All Packages shall be marked as per instructions given below, in BOLD letters in English language.

BHEL -- SSTP -- TIRUCHIRAPALLI (INDIA) -- PIN CODE: 620 014

CONTRACT No.	::
SELLER's NAME	::
CASE No.	::
GROSS DIMENSION IN CM	::
GROSS WEIGHT	::
NETT WEIGHT	::
TARE WEIGHT	::
BRIEF DESCRIPTION OF CONTENTS	::
SUGGESTED SLING MARKS	::
COUNTRY OF ORIGIN	::

14.0. Dimension and Weight :

Specification of dimensions and weights in all places, shall be in Metric system and in English language.

GENERAL CONDITIONS OF CONTRACT

(For OVERSEAS SUPPLIERS)

15. 0. Shipment :

Shipping arrangements will be made by ::

Ministry of Shipping / Chartering Wing
Parivahan Bhavan
No. 1-Parliament Street
New Delhi - 110 001 - INDIA.

or their Nominee or through their country-wise Forwarding Agents indicated below.

- | | | | |
|---------|--|----------------|---|
| 15.1. | Western Europe | :: | M/s. Schenker Deutschland AG,
P.O.Box No. 110 313
D-20403 Hamburg / Germany.
(Telephone : +49-(040)-361 350, Fax: +49-(040)-361 35 |
| 15.2. | Japan | :: | Embassy of India in Japan, Trade Section
2-2-11, Kudan Minami
Chiyoda-ku, Tokyo – 102 0074, Japan. |
| 15.3. | USA, Mexico, Canada
and South America | ::
:: | M/s. OPT Overseas Project Transport Inc.
No. 46-Sellers Street, Kearny, NJ 07032 - USA.
(Telephone : +1-201-998-7771, Fax : +1-201-998-7833). |
| 15.4. | South Korea | :: | Embassy of India in South Korea
San-2-1, Bokwang-Dong, Yongsan-ku
Seoul – South Korea. |
| 15.5. | Australia, Bulgaria,
Romania, Czech, CIS
Slovakia, Poland | ::
::
:: | Shipping Corporation of India Ltd.
'Shipping House'
No. 254-Madam Cama Road
Mumbai – 400 021 – India. |
| 15.6. | All other areas | :: | Ministry of Shipping / Chartering Wing
Parivahan Bhavan
No. 1-Parliament Street
New Delhi - 110 001 - INDIA. |
| 15.7. | Seller should give adequate advance notice (in the Proforma attached in Annexure), of not less than 6 (six) weeks, about the readiness of each consignment to the Forwarding Agents, from time to time for finalizing the shipping arrangements. The Bill of Lading should be drawn so as to show the following: | | |
| 15.7.1. | SHIPPER | :: | GOVERNMENT OF INDIA . |
| | CONSIGNEE | :: | GOVERNMENT OF INDIA.
ACCOUNT :: BHARAT HEAVY ELECTRICALS LTD.
SEAMLESS STEEL TUBE PLANT
TIRUCHIRAPALLI 620 014
TAMIL NADU, INDIA. |
| | NOTIFY PARTY | :: | HEAD/MATERIALS MANAGEMENT
BHARAT HEAVY ELECTRICALS LTD.
SEAMLESS STEEL TUBE PLANT
TIRUCHIRAPALLI 620 014
TAMIL NADU, INDIA. |

GENERAL CONDITIONS OF CONTRACT

(For OVERSEAS SUPPLIERS)

16.0. Insurance :

Insurance will be arranged by Purchaser, for which purpose, the details of consignment along with its value, shall be intimated by the Seller to the Purchaser (or the Seller shall make arrangement with the Freight Forwarders to inform the Purchaser), by FAX immediately after shipment of the consignment. The FAX shall be as per the specimen given below:

16.1. Fax No. ++91-431-2520464/2520383

Attn :: Head/MM/SSTP/BHEL/Tiruchirappalli-620014/Tamil Nadu/INDIA.

Please refer your Contract No. _____, dated _____, for _____.

Arrange insurance for ::

No. of Cases.	::
Weight (MT).	::
Value (CIF).	::
Vessel/Airlines.	::
Voyage No./Flight No.	::
No. & Date of BL/AWB.	::

17.0. Documents to be supplied by Seller :

17.1 On receipt of Order or along with Order Acknowledgement :

The Seller shall furnish the break-up prices of the major components going into equipment. This information is required by the Purchaser to check up and admit the claims of the Seller, if part shipments are contemplated and also to facilitate clearance of the consignment through Customs after payment of Duties.

17.2. Before Shipment :

The Seller shall furnish the Packing dimensions of the consignment in Metric Units, along with Nett, Tare and Gross Weights of each package and special storage requirements, if any, on board the ship/aircraft.

17.3. After shipment :

Immediately after shipment, the Seller shall furnish 4 (four) sets of Non-Negotiable copies of Bill of Lading/AWB and other documents referred to in the "Terms of Payment" Clause of the Contract, shall be air-mailed to Head/MM, Seamless Steel Tube Plant, Bharat Heavy Electricals Limited, Tiruchirappalli 620 014, Tamil Nadu, India, under 2 (two) separate successive despatches. In addition to the above, one set of Non Negotiable copies of Bill of Lading/AWB and other documents referred to in Clause 17, shall be air-mailed to the Port Consignee, viz.

Deputy General Manager /Material Services
Bharat Heavy Electricals Ltd. / Port Clearance Wing
1st Floor, Lotus Court,
338 (Old No. 165) - Thambu Chetty Street, Chennai-600001.
Tamil Nadu - INDIA.
(Telephone : ++91-44-25341240, 25341249, 25341297, 25341472
Fax : ++91-44-25340787).
Email: raja@rodchn.bhel.co.in

18.0. Patent Infringement and Indemnity :

The Seller shall at all times indemnify the Purchaser against all claims, which may be made in respect of the goods supplied, for infringement of any patent, design or trade-mark, provided always that in the event of any claim in respect of an alleged breach of a patent, registered design or trade mark, being made against the Purchaser, he shall notify the Seller of the same, and the Seller shall be at liberty, but at his own expense, to conduct negotiation for settlement of any litigation that may arise therefrom.

GENERAL CONDITIONS OF CONTRACT

(For OVERSEAS SUPPLIERS)

19.0. Liquidated Damages :- **PLEASE REFER FOOT NOTE TO THIS TENDER**

~~The time of delivery or despatch stipulated in the said schedule for delivery or despatch of the stores, shall be deemed to be the 'Essence of the Contract'. Should the Seller fail to deliver the stores or any consignment thereof, within the period prescribed for such delivery, the Purchaser shall be entitled (by way of Liquidated Damages), for a sum of one-half percent of the price of any stores, which the Seller has failed to deliver, as aforesaid, for each and every week or part of a week, during which the delivery of such stores may be in arrears, subject to a maximum of 15 (fifteen) percent of the price of stores in arrears. This amount is to be automatically deducted in invoice itself.~~

20.0. Cancellation Clause :

Alternatively, at the option of the Purchaser, the Purchaser shall be entitled to purchase elsewhere, on account and at the risk of the Seller, the stores of any consignment thereof, which the Seller has failed to deliver as aforesaid, or if not available, the best and nearest available substitute thereof, or to cancel the Contract, and the Seller shall be liable for any loss or damage, which the Purchaser may sustain by reason of such failure on the part of the Seller.

21.0. Risk Purchase :

The Cancellation of the Contract, as stated in the above Clause, may be either for whole or part of the Contract at Purchaser's option. In the event of the Purchaser terminating this Contract, in whole or part, he may procure upon such items and in such manner, as he deems appropriate supplies or services similar to those so terminated, and the Seller shall be liable to the Purchaser for any excess costs, for such similar supplies or services, provided that the Seller shall continue the performance of this Contract to the extent not terminated under the provisions of this Clause.

22.0. Preferential delivery :

It should be noted that if a Contract is placed on a higher Tenderer, in preference to the lowest acceptable Offer, in consideration of offer of the earlier delivery, the Seller will be liable to pay the Purchaser, the difference between the Contract rate and that of the lowest acceptable Tender, on the basis of final price/F.O.R. destination, including all other incidentals, in case of failure to complete supplies in terms of such Contract, within the date of delivery specified in the Tender and incorporated in the Contract. This is in addition and without prejudice to other rights under the Terms of Contract.

23.0. 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 any war, hostile acts of the public enemy, civil commotion, sabotage, fire, explosions epidemics, quarantine restriction or acts of God (hereinafter referred to as events), then provided Notice of Happening of any such event is given by one party to other, within 21 days from the date of occurrence thereof. Neither party shall, by reason of such event, be entitled to terminate this Contract, nor shall either party have any claim for damages against the other, in respect of such non-performance and delay in performance, and delivery under the Contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. If the performance, in whole or part, of any obligation under this Contract is prevented or delayed by reason of any such event, claims for extension of time shall be granted for periods considered reasonable by the Purchaser, subject to prompt notification by the Seller to the Purchaser, of the particulars of the event and supply to the Purchaser, if required, of any supporting evidence. Any waiver of time, in respect of partial installment, shall not be deemed to be a waiver of time in respect of remaining deliveries.

24.0. Customs Drawback:

If by reason of a Customs Notification, published after the placing of the Contract, the stores to be supplied shall become, on exportation, subject to a Customs Drawback, in respect of duty paid on them, or on the material used in their manufacture, the Seller shall recover the amount of the Drawback and Contract price of the stores shall be reduced by the amount so recovered.

GENERAL CONDITIONS OF CONTRACT

(For OVERSEAS SUPPLIERS)

25.0. Corrupt Gift and Payment of Commission :

Any bribe, commission, gift or advantage given, promised or offered by or on behalf of the Seller, his Agents or Servants, any one of his or their behalf, to any Employee, Representative or Agents of the Purchaser, or any Person on his behalf, in relation to the execution of this or any other Contract with the Purchaser, shall, in addition to the criminal liabilities under the laws in force, be subject to the Contract cancellation, and all other Contracts with Purchaser and also payment of any loss resulting from any such cancellation, to the like extent as provided. In case of cancellation, the Purchaser shall be entitled to deduct the amount so payable from money otherwise to the Seller, under this or any other Contract. Any question of dispute as to the commission of any offence, under the present clause, shall be settled by the Purchaser, in such a manner and on such evidence or information as may be thought fit and sufficient and his decision shall be final and conclusive in the matter.

26.0. Legal Interpretation:

The Contract shall be governed by the Laws in India for the time being in force. To interpret all the Commercial Terms and Abbreviations used in the Contract, which have not been otherwise defined, the rules of "INCOTERMS 2000" shall be applied, unless and otherwise agreed by both the parties.

27.0. Arbitration :

All disputes or differences, whatsoever arising between the parties, out of or relating to the construction, meaning and operation or effect of this Contract, or the branch thereof, shall be settled by Arbitration, in accordance with the Rules of Arbitration of the Indian Council of Arbitration and the Award made in pursuance thereof, shall be binding on the parties.

28.0. Set-off Clause :

Payment shall be subject to deduction of any amount, for which the Seller is liable under this Contract or any other Contract, in respect of which the Bharat Heavy Electricals Ltd., Tiruchirapalli - 620 014, Tamil Nadu, India, is the Purchaser.

ANNEXURE-D

(TO BE STAMPED IN ACCORDANCE WITH STAMP ACT AND THE EXPIRY DATE OF BG MUST BE AFTER 60 DAYS FROM THE DATE OF COMPLETION OF WARRANTY PERIOD)

PERFORMANCE BANK GUARANTEE (for Overseas suppliers)

In accordance of M/s. Bharat Heavy Electricals Limited (A Government of India undertaking, a company incorporated under the Companies Act 1956 having its Registered Office at "BHEL House", SIRI Fort, New Delhi 110 049) through its SEAMLESS STEEL TUBE PLANT located at Tiruverumbur, Tiruchirapalli- 620 014 (hereinafter called 'the Company') having entered into a contract withhereinafter called 'the said contractor' which term includes 'suppliers' for the purpose of this Bond and under the terms and conditions of the contract No..... Dt Between BHEL, Trichy and as per the contract, the contractor / supplier is to furnish a performance Bank guarantee for Rs. for the due performance of the equipment to be supplied under the above referred contract and for the fulfillment of all the terms and conditions of the contract, We(indicate the name of the bank) (herein after referred to as the bank) at the request of (Contractor(s)) do here by undertake to pay the company an amount not exceeding Rs.....against any loss or damage caused to or suffered or would be caused to or suffered by the company by reason of any breach by the said contractor (s) of any of the terms and conditions contained in the said agreement.

2. We(indicate the name of the bank with full address), do hereby undertake to pay the amounts due and payable under this guarantee without any demur, merely on a demand from the Company stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the Company by reason of breach by the said Contractor(s) of any of the terms and conditions contained in the said Agreement or by the reason of the contractor(s) 'failure to perform' the said agreement. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs......

3. We undertake to pay unconditionally to the Company any money so demanded notwithstanding any dispute(s) raised by the Contractor in any suit, or proceedings pending before any Court or Tribunal or Arbitration or before any other authority relating thereto our liability under this present being absolute and unequivocal. The payment under this guarantee would not wait till the disputes have been decided by any Court or Tribunal or in the arbitration proceedings or by any other authority. The payment so made by us under this Bond shall be a valid discharge of liability for payment thereunder and the Contractor(s) shall have no claim against us for making such payment.

4. We.....(indicate the name of Bank), further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Agreement and that it shall continue to be enforceable till all the dues of the Company under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or tillOffice / Department/ Division of the Company certifies that the terms and conditions of the said Agreement have been fully and properly carried out by the said Contractor(s) and accordingly discharges this guarantee.

5. (I) Unless a demand or claim under this guarantee is made on us in writing on or before the _____ we shall be discharged from all the liability under this guarantee thereafter. But where such claim or demand has been preferred by the Company with the Bank before the expiry of the said date, the claim shall be enforceable notwithstanding the fact that the said enforcement is effected after the said date.

(ii) For the purpose of this clause, any letter making demand on the Bank by M/s. BHEL dispatched by Registered Post with Ack.Due or by Telegram or by any Electronic media addressed to the above mentioned address of the Bank shall be deemed to be the claim / demand in writing referred to above irrespective of the fact as to whether and when the said letter reaches the Bank, as also any letter containing the said demand or claim is lodged with the bank personally.

6. We(indicate the name of Bank), further agree with the company that the Company shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said agreement or to extend time of performance by the said Contractor (s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Company against the said Contractor(s) and to forbear or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by any reason of any such variation or extension being granted to the said Contractor(s) or for any forbearance, act or omission on the part of the company or any indulgence by the company to the said Contractor(s) or by any such matter or thing whatsoever which under the law relating would, but for this provision, have effect of not so relieving us.

7. This guarantee will not be discharged due to the change in the constitution of the Bank or the Contractor(s).

8. It shall not be necessary for the company to proceed against the contractor before proceeding against the guarantor-bank and the guarantee herein contained shall be enforceable against them notwithstanding any security, which the company may have obtained or obtain from the Contractor shall, at the time when proceedings are taken against the guarantor hereunder be outstanding or unrealised.

9. Any claim or dispute arising under the terms of this document shall only be enforced or settled in the Courts at Tiruchirapalli.

10. The guarantor hereby declare that it has power to execute this guarantee and the executant has full powers to do so on its behalf under the proper authority granted to him/them by the guarantor

11. We(indicate the name of Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of the company in writing.

In witness whereof we....., (indicate the name of Bank) have hereunto setout Bank Seal the _____ day _____ month 200

Bank Phone No. :

Bank eMail id :

Bank FAX No. :

SSTP -PURCHASE

ANNEXURE -E

ENQUIRY NO: 9510021E DATED 04/01/2012 FOR SUPPLY of 10000 MT of Carbon steel Hollows.

						FOB -Loading Port basis			CFR - CHENNAI / KARAIKAL Port Basis.			Remarks
						Third party Inspection Agency's date of Signature in IBR TC on or before			Bill of Loading date shall be on or before			
Hollows Dimension in mm						LOT 1	LOT 2	LOT 3	LOT 1	LOT 2	LOT 3	
SL	Spec	OD	WT	Length	Tender qty in MT	30 days from the date of PO	60 days from the date of PO	90 days from the date of PO	40 days from the date of PO	70 days from the date of PO	100 days from the date of PO	
1	SA 210 Gr A1	48.30	5.70	10200	600			600			600	
2		54.00	6.50	9200	400		400			400		
3		54.00	6.20	8800	400	400			400			
4	SA210 Gr C	60.30	6.70	9200	200	200			200			
5		60.30	7.80	8800	500	250		250	250		250	
6		82.50	9.50	9200	300	100	200		100	200		
7		54.00	6.20	8800	100	100			100			
8		54.00	6.70	9600	200		200			200		
9		70.00	7.80	9800	300		300			300		
10			54.00	8.50	10600	4000	1100	1550	1350	1100	1550	1350
11	SA 210 Gr A1	21.30	3.70	6000	300	150		150	150		150	Length tolerance 5 mm
12		26.70	4.20	6000	200	100		100	100		100	
13		33.40	4.50	6000	200	100		100	100		100	
14	SA 210 Gr C	21.30	3.70	6000	400	200		200	200		200	
15		21.30	4.80	6000	100	100			100			
16		26.70	4.00	6000	200	100		100	100		100	
17		26.70	5.56	6000	50	50			50			
18		33.40	3.38	6000	50	50			50			
19		33.40	4.50	6000	50	50			50			
20	SA 210 Gr A1	38.10	3.50	11100	1000	350	350	300	350	350	300	
21		38.10	4.40	6000	450		250	200		250	200	
Total					10000	3400	3250	3350	3400	3250	3350	

Remarks:

- In case of FOB Basis, the reference date shall be the date of Third party Inspection agency's Signature in the IBR Test Certificates for any LD purposes.
- In case of CFR Basis, the reference date shall be the Bill of Lading date for any LD purposes.
- Suppliers are requested to ensure the delivery of all sizes consititued in a LOT
- If any suppliers, omits any one of the sizes in any particular lot, then the total quantity for that size of hollw shall not be considered for them.
- A loading factor @1.0% per week (7 days) and part there of cumulatively with out ant uppler limit is considered for delayed delivery against our indicated Lot Delivery.
- LD @0.5% per week and part there of cumulatively subject to a maximum of 10% of material value for undelivered portion beyond the agreed delivedry date.
- Partial shipment with in the Lot size are allowed. Any size in a particular lat may be preponed to ealrier lots with out any loading factors. If shifted to any subsequent lots, then the loading factor shall be applied.
- Suppliers are requested to quote for FOB - Loading Port with applicable Sea Freight per MT , CFR -Chennai Port and CFR - Koraikal Sea Port seperately fro our consideration. CFR - karaikal port is Preferrable for SSTP /BHEL.
- A Quantity Tolerance of +/- 3% on tender quantity of each size is applicable.

INTEGRITY PACT

Between

Bharat Heavy Electricals Ltd. (BHEL), a company registered under the Companies Act 1956 and having its registered office at "BHEL House", Siri Fort, New Delhi – 110049 (India) hereinafter referred to as "The Principal", which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the ONE PART

and

_____, (description of the party along with address), hereinafter referred to as "The Bidder/ Contractor" which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the OTHER PART

Preamble

The Principal intends to award, under laid-down organizational procedures, contract/s for

_____. The Principal values full compliance with all relevant laws of the land, rules and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder(s)/ Contractor(s).

In order to achieve these goals, the Principal will appoint Independent External Monitor(s), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

- 1.1 The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-
 - 1.1.1 No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
 - 1.1.2 The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential / additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
 - 1.1.3 The Principal will exclude from the process all known prejudiced persons.
- 1.2 If the Principal obtains information on the conduct of any of its employees which is a penal offence under the Indian Penal Code 1860 and Prevention of Corruption Act 1988 or any other statutory penal enactment, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder(s)/ Contractor(s)

- 2.1 The Bidder(s)/ Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.
 - 2.1.1 The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to the Principal or to any of the Principal's employees involved

in the tender process or the execution of the contract or to any third person any material, immaterial or any other benefit which he / she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

- 2.1.2 The Bidder(s)/ Contractor(s) will not enter with other Bidder(s) into any illegal or undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
- 2.1.3 The Bidder(s)/ Contractor(s) will not commit any penal offence under the relevant IPC/ PC Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
- 2.1.4 The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- 2.2 The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3 – Disqualification from tender process and exclusion from future contracts

If the Bidder(s)/ Contractor(s), before award or during execution has committed a transgression through a violation of Section 2 above, or acts in any other manner such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/ Contractor(s) from the tender process or take action as per the separate "Guidelines on Banning of Business dealings with Suppliers/ Contractors". framed by the Principal.

Section 4 – Compensation for Damages

- 4.1 If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent Earnest Money Deposit/Bid Security.
- 4.2 If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to 5% of the contract value or the amount equivalent to Security Deposit/Performance Bank Guarantee, whichever is higher.

Section 5 – Previous Transgression

- 5.1 The Bidder declares that no previous transgressions occurred in the last 3 years with any other company in any country conforming to the anti-corruption approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.
- 5.2 If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

Section 6 – Equal treatment of all Bidders/ Contractors/ Sub-contractors

- 6.1 The Bidder(s)/ Contractor(s) undertake(s) to obtain from all subcontractors a commitment consistent with this Integrity Pact and report Compliance to the Principal. This commitment shall be taken only from those sub-contractors whose contract value is more than 20 % of Bidder's/ Contractor's contract value with the Principal. The Bidder(s)/ Contractor(s) shall continue to remain responsible for any default by his Sub-contractor(s).
- 6.2 The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.
- 6.3 The Principal will disqualify from the tender process all bidders who do not sign this pact or violate its provisions.

Section 7 – Criminal Charges against violating Bidders/ Contractors /Sub-contractors

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office.

Section 8 –Independent External Monitor(s)

- 8.1 The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.

- 8.2 The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the CMD, BHEL.
- 8.3 The Bidder(s)/ Contractor(s) accepts that the Monitor has the right to access without restriction to all contract documentation of the Principal including that provided by the Bidder(s)/ Contractor(s). The Bidder(s)/ Contractor(s) will grant the monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his contract documentation. The same is applicable to Sub-contractor(s). The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s) / Sub-contractor(s) with confidentiality.
- 8.4 The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the contract provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.
- 8.5 As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or heal the situation, or to take other relevant action. The Monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.
- 8.6 The Monitor will submit a written report to the CMD, BHEL within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.
- 8.7 The CMD, BHEL shall decide the compensation to be paid to the Monitor and its terms and conditions.
- 8.8 If the Monitor has reported to the CMD, BHEL, a substantiated suspicion of an offence under relevant IPC / PC Act, and the CMD, BHEL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the

Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

8.9 The number of Independent External Monitor(s) shall be decided by the CMD, BHEL.

8.10 The word 'Monitor' would include both singular and plural.

Section 9 – Pact Duration

9.1 This Pact begins and shall be binding on and from the submission of bid(s) by bidder(s). It expires for the Contractor 12 months after the last payment under the respective contract and for all other Bidders 6 months after the contract has been awarded.

9.2 If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified as above, unless it is discharged/ determined by the CMD, BHEL.

Section 10 – Other Provisions

10.1 This agreement is subject to Indian Laws and jurisdiction shall be registered office of the Principal, i.e. New Delhi.

10.2 Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

10.3 If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.

10.4 Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

10.5 Only those bidders/ contractors who have entered into this agreement with the Principal would be competent to participate in the bidding. In other words, entering into this agreement would be a preliminary qualification.

For & On behalf of the Principal

(Office Seal)

For & On behalf of the Bidder/ Contractor

(Office Seal)

Place-----

Date-----

Witness: _____

(Name & Address) _____

Witness: _____

(Name & Address) _____
