



## Oil Rigs SAS Department

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TENDER NAME: **CONTRACT FOR WORKS & SERVICES AT OIL RIG SITES**

TENDER REF: HY:OR:SAS:2013-14:15 dt 11-6-2013

TENDER DUE DATE: 09 JULY 2013, 11 am.

TENDER OPENING: 09 JULY 2013, 1.30 pm.

TENDER SALES: From 17 JUNE 2013, 9 am to 08 JULY 2013, 11 am (Office of DGM/Oil Rigs-SAS)

Or down load from [www.bhel.com](http://www.bhel.com)

COST OF TENDER DOCUMENTS: RS1200/- (Rs. One Thousand Two Hundred only), IF PURCHASED FROM BHEL.

RS 1000/- (Rs. One Thousand only), by DD in favour of BHEL, RAMACHANDRAPURAM, HYDERABAD-502032, if downloaded from website.

EMD: Rs200,000/- (Two Lakhs only)

Contact details:

DGM/ OIL RIGS-SAS

Email id: [tirumala@bhelhyd.co.in](mailto:tirumala@bhelhyd.co.in)

Ph no: 040-23185111, 040-23182504



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### **Checklist of documents to be submitted with Tender:**

1. Work experience certificates and documents as per clause A1.
2. Documents related to ownership of vendor Organization as per clause A2.
3. Proof documents related to the facility of Workshop nearer to site as per clause A3.
4. Accounts and balance sheet for last three financial years as per clause A4.
5. Organization chart and staff list with qualifications as per clause A5.
6. Supporting documents as per clause A6 such as
  - a) PAN CARD COPY
  - b) SERVICE TAX REGISTRATION COPY
  - c) SALES TAX REGISTRATION COPY
  - d) ESI REGISTRATION COPY
  - e) EPF REGISTRATION COPY
7. Details of NDT facility and technician as per clause A7.
8. Insurance documents for all employees working at site as per clause B7.
9. EMD of TWO Lakhs as per clause C6.
10. Cost of tender documents (DD or CASH RECEIPT).
11. Specification - OE70012 (all pages duly signed with seal).
12. List of deviations from tender clauses (if any).
13. General conditions of contract (Spec No. OR-SAS-1)- 9 PAGES
14. General terms and conditions (Spec No. OR-SAS-2)- 10 PAGES
15. General terms and conditions of REVERSE AUCTION- 4 pages
16. Price Bid format (without prices)



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### NIT – Contract for Works & Services at Oil Rig Sites

#### A: Pre-Qualification Criteria

- 1) Vendor should have at least 3 years of experience in doing **Refurbishment & Up gradation jobs** at various ONGC, OIL INDIA or any other Oil Drilling Company sites in INDIA, either directly or through BHEL. The experience should be in fabrication, repairs, assembly & commissioning of High pressure mud line (5000 psi WP), Mud System, Mast & substructure. In support of Experience, the Purchase Orders/Work Orders with value, as the case may be, placed by ONGC, Oil India or any other Oil Drilling Company, on vendors **for last 7 years** (ending 31 May 2013) and along with relevant works/Jobs completion certificates with values are to be submitted. The proof should be submitted of having successfully executed 3 contracts of at least Rs100 Lakhs or 2 contracts of at least Rs127 Lakhs or one contract of at least Rs200 Lakhs, including start & end dates of each contract. **Bidder should be able to deploy manpower and execute work in at least 2 rig sites simultaneously.**
- 2) Vendor should have and submit documents for Ownership of his organisation (i.e Proprietary/Partnership/Company).
- 3) Vendor should have his own repair workshop or a tie up with local workshops (address and phone numbers to be mentioned) to carry out minor repairs, machining & turning jobs, drilling, tapping, grinding, cutting etc .Proof supporting documents are to be submitted.
- 4) Vendor should have minimum average turnover of Rs 76 lakhs per year, for past three financial years ending 31March2013. In Support of turnover, Audited Financial Statements i.e.Profit& Loss Accounts and Balance sheet for last three financial years are to be furnished.
- 5) Vendor should have Engineers, Supervisors, Qualified welders and Fitters on his rolls (Age >18yrs.), who will carry out the Refurbishment & up gradation works. Organization chart & staff list (with qualifications) to be furnished.
- 6) Vendor should ensure statutory compliance to relevant Government laws (Minimum Wages Act 1948, Employees Provident Fund & Miscellaneous Act 1952, ESI Act 1948, Payment of Wages Act, 1936, Payment of Bonus Act, 1965, Contract Labour (R&A) Act, 1970, Workmen Compensation Act, 1923, Industrial Disputes Act, 1947, **Mines Act, 1952** etc ).Supporting documents in compliance of Statutory requirements, such as, PAN No., Service tax Registration, Sales tax Registration, PF and ESI Registration etc., are to be furnished. Vendor shall maintain all required registers/documents & submit the same to the appropriate authorities and to BHEL as and when required.



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- 7) Vendor should have his own NDT equipment with qualified technicians or tie up with local certified testing labs (address and phone numbers to be mentioned) to carry out NDT works with proof documents.
- 8) Vendor may give techno-commercial acceptance to work in following regions:
  - a. Western region(Ankaleshwar, Ahmedabad, Mehasana, Surat etc),
  - b. Southern regions (Rajahmundry (AP), Karaikal(Pudducherry , TN) etc),
  - c. Eastern region(Kolkata(WB), Kishanganj (Bihar) etc),The sites may be located 10 to 50 km (approx.) away from nearest town or railway station.  
Vendor preferably should accept to take up works in all regions. Otherwise they may accept to take up work in regions where they got all necessary facilities & capabilities.

### **B: Scope Of Work & Technical Requirements**

- 1) As per spec OE 70012 Rev00
- 2) Quantities indicated in ANNEXURE – I are maximum estimated for **10 Rigs requirement for next 2 years**. We are expecting 4 projects in western region, 5 projects in southern region, 1 project in eastern region. **Actual quantities project wise will be known only after we receive firm order from our customers.**
- 3) **PAINTING & GALVANIZING:**
  - a)The Bidder shall consider total three (3) coats (including the primer) of **double coat painting** for the items to be erected i.e. fabricated structures, equipment, piping and auxiliaries, etc for the purpose of quotation and the work is subject to inspection / approval by BHEL's client. Pipes & Structural items are to be grit blasted before painting.
  - b) Depending on project scope some items may have to be **GALVANIZED**. In such case after galvanizing, one coat of primer & one coat of finish paint shall be applied.
  - c) Supply and Application of Grit, Primer, Paints, Zinc materials etc, along with required equipment, grit blasting & painting enclosure, are included in contractor scope. Expenditure towards this job shall be included in the unit rates quoted and no separate payments are envisaged.
- 4) **All materials, articles, equipment and workmanship shall be best of class, during contract execution. In case any of these are not to the satisfaction of BHEL or the customer, the same shall be rectified or replaced.**



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- 5) **Transport:** Vendor should provide an **exclusive jeep** for daily transporting the R&U team from their accommodation to rig site, transporting small jobs for repair works, procuring & transporting materials required for site works etc. This shall be taken into consideration while quoting and no extra payment will be entertained on this account.
- 6) **POWER & WATER:**  
Bidder to kindly note that the construction power and water will be provided at single point at site within reasonable distance for the job. The successful bidder shall have to, at his own cost, provide necessary distribution cabling, piping etc by him. The Bidder has to ensure that the statutory regulations are met with while executing the work.
- 7) **SAFETY REGULATIONS**  
Bidder shall ensure trained men attend work in safe apparel and are provided with requisite safety appliances, safe tools/tackles etc. thereby ensuring safe working conditions. The work shall be carried out under bidder's competent supervision only and duly tested tools/tackles/appliances as per statutes in force shall be used and a copy of their test certificates shall be furnished to us on demand by our engineers. Bidder shall be solely responsible and ensure that all safety requirements under relevant statutes in force are complied with. In case of failure to observe the above regulations while undertaking the job safety officer/ engineer in charge can order for stopping of work. This shall be taken into consideration while quoting and no extra payment will be entertained on this account. All employees of the contractor shall be insured for any risk of accidents or health problems. Copy of insurance documents is to be submitted to BHEL.
- 8) **TECHNICAL CLARIFICATIONS**  
The vendors are requested to fully understand the nature and scope of works to be taken up under this contract at various rig sites. They may contact DGM/Oil Rigs-SAS for any clarifications in this regard, before submitting the price bid.

### **C: Commercial Terms & conditions**

- 1) BHEL will release orders based on the rates finalized as and when we receive firm orders from our customers.
  - a) Vendor has to give their **expression of interest** for the above works. They must agree to all the Techno commercial conditions as per this NIT. A **final approved vendor list** will be made after techno-commercial scrutiny. The approved vendor list may be finalised region wise, depending on offers received.
  - b) BHEL will request for **price bids from qualified vendors** as and when the firm order is received from the customers. The **price bid must be submitted within 14 days for the specified quantities**. Price bid must be valid for 120



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days from date of opening of price bid. **Prices quoted must be firm. Final order will be released to lowest bidder based on the grand total** (refer price bid format).

**2) Reverse Auction:**

BHEL reserves the right to go for reverse auction option, instead of opening price bids, to get the best price from qualified vendors. Vendors must agree for this condition in their offers.

**3) The bidder shall quote a KG rate or per Joint or per Sq.M or per Meter as per activity table in our specification. Tender will be evaluated on overall total cost L1 basis.**

**4) Erection, testing and commissioning of the equipment using contractor's own tools and tackles, consumables, skilled and unskilled manpower etc., as per the detailed description and nature of work as enumerated in tender schedule and the specification, includes all handling and transportation of materials from storage yard and site.**

**5) The quantities indicated in activity table are approximate and may vary  $\pm 10\%$ . The actual payment will be based on the quantity certified by BHEL site engineers. In case quantity is more than 10%, the work has to be taken up only after proper amendment to contract issued by BHEL.**

**6) Earnest Money Deposit (EMD) of Rs200,000/- (Two Lakhs only) has to be submitted along with the offer, in form of cash ( as permissible under IT act) or pay order or DD. EMD will not carry any interest. EMD of unsuccessful bidders will be refunded within 15 days of finalisation of APPROVED VENDOR LIST. EMD will be forfeited if the vendor, after opening of tender, revokes his tender within validity period or increases his earlier quoted rates or if vendor does not commence work with in the period, as stipulated in the LOI/Contract.**

**7) Security Deposit:**

Upto Rs10 Lakhs : 10%

Above Rs10 Lakhs , upto Rs50 Lakhs : Rs1 Lakh + 7.5% of amount exceeding Rs10 Lakhs

Above Rs50 Lakhs : Rs4 Lakhs + 5% of the amount exceeding Rs50 Lakhs.



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- a) Security deposit must be made with BHEL before start of work, in form of cash ( as permissible under IT act) or pay order or DD or Govt Securities(NSC, KVP etc duly pledged in favour of BHEL) or FDs of Scheduled bank/Financial institutions (as per companies act) duly pledged in favour of BHEL or Cheques (subject to realisation) or Bank Guarantee (as per BHEL approved format). Or 50% Security deposit must be made before start of work and balance 50% will be recovered from vendor bills.
  - b) EMD may also be converted to security deposit. Security deposit will not carry any interest.
  - c) Security deposit will be refunded after completion of guarantee period.
- 8) **Penalty Clause: 0.5% per week of delay with Max 10% of contract value, for delays beyond due date as per BHEL contract.**
- 9) **Guarantee:** Works shall be guaranteed against all manufacturing/fabrication/workmanship defects for a period of 12 months from date of contract completion. Defects noticed shall be replaced / rectified at free of cost.
- 10) The following terms of payment will be operated
- a) **100 % payment through EFT against running bills.**
  - b) **Security deposit will be made as per rules (ref. clause C:7) and paid back to vendor on completion of guarantee period.**
  - c) **Service Taxes will be paid extra as per the prevailing government rates on submission of necessary documents.**
  - d) **Bills will be passed subject to vendor showing proof of compliance to labour act, such as payment of minimum wages, Provident fund contribution, Group insurance, ESI facility, insurance policy for risks of any accidents or health problems at site for all employees etc. (ref. clause A:6) to workers.**



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### GENERAL CONDITIONS OF THE CONTRACT

Spec. No. OR-SAS-1

#### 1. 00 INSTRUCTIONS TO THE BIDDER

- 1.01. The tender specification in original book, duly furnishing all the details required and other documents as required in the following passages, should be duly signed on each page and sent in a sealed cover **super scribing, the nature of work and ref no.** as given in Tender Notice.
- 1.02. Sealed tenders may be dropped in the Tender box ( at address below) or submitted by post by “Registered post, acknowledgement due” and should be posted, with due allowance for any postal delay, to  
**(Attention: DGM/Oil Rigs-SAS),**

**The Sr.Manager/Purchase Coordination,**

**Vendor Complex,**

**near Administrative Building,**

**BHEL, Ramachandrapuram, Hyderabad-502032**

Tender reference & Due date should be clearly mentioned at top of envelope.

- 1.03. Bidder can also submit offer through email at his own risk. However, such email offers shall be sent only to tenderbox@bhelhyd.co.in. Supplier shall have no claim on e-mail offers sent on any other e-mail ID. BHEL is no way responsible for non-receipt of offers sent through email due to server break down / Internet failure / transmission error etc. In case of e-mail offers, vendor name, address including contact details shall be mentioned. Tenders received after the due date and time of opening will not be considered on any account.  
Tenders shall be opened by the **Tender Receiving Officer**, at the time and date as specified in tender notice in the presence of such of those bidders or their authorised representatives who may be present.
- 1.04. Bidders shall submit the bid in two separate sealed covers super scribing as "Technical Bid" and "Price Bid". Technical bids alone will be opened on due date and time and in the presence of the bidders who wish to be present.
- 1.05. The Bidders should closely study and understand all the clauses indicated in the annexed specifications and the appendices before quoting. Should the Bidders have any about the meaning of any portion of the specification or find discrepancies or omissions in the drawings or any of the tender documents, he should at once address the authority inviting the tender for clarification before the submission of the tender.



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- 1.06. Before tendering, the Bidders are advised to inspect the site of work and its environment and be well acquainted with the actual working and other prevalent conditions, position of material and labor, drawings and specifications, and other documents which form part of agreement to be entered into. They may also get clarifications, by visiting Oil Rigs Division, BHEL, Ramachandrapuram, Hyderabad. No. claim will be entertained later on the ground of lack of knowledge.
- 1.07. Bidders are advised to kindly note and to certify in the Technical Bids that no deviations are taken by them to our Tender Specification both General and Commercial Terms and Conditions. Bidders taking deviations to any of BHEL's Terms and Conditions will run the risk of being disqualified and their price Bids may not be considered, nor opened. **In case, bidders are deviating from any of the clauses, they should clearly mention all the deviations separately.** If the deviations are considered by BHEL, the price bids will be loaded as per BHEL policy. Eg: a) Deviated Penalty: Any loading on penalty clause shall be 10% or to the extent to which it is not agreed to by the vendor. b) Deviated Payment Terms: In case BHEL considers any deviation in payment terms, the bids shall be loaded with 18% interest per annum.
- 1.08. Kindly note that BHEL reserves the full, unqualified and absolute right to reject any or all the Tenders or any part thereof, without assigning any reasons there for. Kindly note that BHEL will not take any responsibility for late receipt, or non-receipt of any of the bids or tenders.
- 1.09. BHEL also reserves its full, unqualified and absolute right to split the contract in more than one successful bidder in order to expedite the work and award the same to more than one bidder.

### 2.00 QUALIFICATION OF BIDDERS:

- 2.01 Only those Bidders who have previous experience in the work of the nature, description and scope detailed in this specification shall quote for this work and such Bidders shall detail their experience particularly in the erection, testing and commissioning at Oil Rig Drilling sites.
- 2.02 Each Bidder shall also submit a declaration to the effect that the Bidder is an Engineering Construction or an Associate or Firm which has successfully carried out large works of this nature and has adequate organisation and experienced personnel to handle this type and magnitude of work.



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2. 03 Full information should also be given by the Bidder in respect of the following:
2. 04 If an individual:
- 1) His full name, address and place of business
  - 2) His financial status
  - 3) His previous experience
2. 05 In case of partnership firms.
- 1) The names of all the partners and their address
  - 2) The financial status of the firm and its partners
  - 3) Previous experience of the firm and its partners
2. 06 In case of Companies:
- 1) Date and place of registration including date of commencement certificate. (In case of Public companies, certified copies of memorandum and articles of association are also to be furnished)
  - 2) Nature of business carried on by the Company and the provisions of its memorandum relating thereof.
  - 3) Names and particulars including addresses of the Directors.
  - 4) Their previous experience.
- 3.00 VALIDITY OF TENDER:**
- 3 01 The Bidder has to specify that the rates in the tender shall be **valid for a period of 120 days** acceptance reckoned from the date of opening of tender.
- 3 02 If the Bidder withdraws or revokes his tender or revises the Bidder rates or conditions for any item within the aforesaid period, his Earnest Money Deposit is liable to be forfeited.
- 3.03 Bidders shall not increase their quoted rates **in case the Bharat Heavy Electricals Limited, calls for negotiations**. Such negotiations shall not amount to cancellation or withdrawal of the original offer and the rates originally quoted shall be binding on the Bidders.



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### 4. 00 PROPOSAL & DATA

The Bidder must fill up the following / sheets as per instructions given in clause No. 4.01 below and in various sections of these tender documents:

1. Activity Table (Annexure-1 of specn OE70012)
2. Declaration sheet, agreeing to all terms & conditions of contract.

4.01 Each Bidder shall supply the data required in price bid and they must be properly signed by authorised representatives of the Bidders. These signed Pages in their entirety shall be retained with and shall be a Part of Bidder's formal proposal. The Bidder shall completely fill in the above information required for the above mentioned schedules.

4. 02 The Bidder should quote the rates in English language and international numerical only. The rates should be in whole rupees. These rates should be entered in figures as well as in words. Failure to comply with these requirements may result in the rejection of the tender.

4.03 For the purpose of this tender, the metric system of Units shall be used.

4.04 All entries in the tender should be neatly typed on the bidder's letter head. **Hand written quotations are not accepted.** Corrections, erasures and over writings are not permitted and may render such tenders to summary rejection. All cancellations and insertions should be duly attested by the bidders.

### 5. 00 AUTHORISATION AND ATTESTATION:

5. 01 Each tender shall be signed by the Bidder with his usual signature. Tender by Partnership or Hindu Joint family firm may be signed in the firms' name by one of the partners or the Karta or Manager as the case may be or any of the duly authorised representative followed by the name and designation of the person so signing. A copy of the Instrument of partnership duly certified by a partner as a true copy should be submitted along with the tender.

5.02 Tender by a Company shall be signed with the name of the Company by a person authorised in this behalf and a Power of Attorney, or other satisfactory proof showing that the person signing the tender documents on behalf of the Company is duly authorised to do so, shall accompany the tender.

5.03 Signature of the Bidder shall be attested by two responsible individuals of status AND THEIR ADDRESS, NAMES, OCCUPATIONS SHALL be indicated below their signatures in English. All SIGNATURES SHALL BE DATED.

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6.00 **TENDER BY OTHER THAN INDIVIDUALS:**

6.01 When the tender submitted is not in the name of an individual, the tender shall disclose the nature, construction and registration of the tendering firm and the tender shall be signed by the person or persons duly authorised to do so by means of legally valid document (or a duly certified copy of the same), which shall be attached with the tender. For illustration, in the event of a tender being submitted by a partnership firm, it must be signed by each member there of, or in the event of the absence of any partner, it must be signed on his behalf by a person holding power of attorney authorizing his to do so (such power of attorney shall be produced along with the tender.) It must also be disclosed whether the firm is registered under the Indian Partnership Act or not and in case it is so registered, the registration number shall be furnished.

6.02. The successful Bidder shall produce the Partnership Deed and Power of Attorney to BHEL for perusal.

7.00 **INCOMPLETE TENDER PAPERS:**

If the tender document issued to an intending Bidder is incomplete, he shall request the office of BHEL, Hyderabad-32, to complete the same before he delivers his tender. The tender submitted by the contractor should be complete in all respects.

8.00 **EARNEST MONEY:**

8.01 Every tender must be accompanied by a **cash receipt issued by Bharat Heavy Electricals limited, Ramachandrapuram, Hyderabad-502 032**, towards the earnest money for the tender OR **Demand draft on any Nationalised Bank payable at Hyderabad in favour of Bharat Heavy Electricals limited, Hyderabad -32.** The rate of earnest money deposit shall be as under:

<b>Works costing upto Rs. 2 lakh</b>	<b>NIL</b>
<b>Works costing more than Rs. 2 lakh and upto Rs. 5 lakhs</b>	<b>Rs. 10,000/-</b>
<b>Works costing more than Rs. 5 lakhs and upto Rs.10 lakhs</b>	<b>Rs. 20,000/-</b>
<b>Works costing more than Rs. 10 lakhs and upto Rs.20 lakhs</b>	<b>Rs. 40,000/-</b>
<b>Works costing more than Rs. 20 lakhs and upto Rs.30 lakhs</b>	<b>Rs. 60,000/-</b>
<b>Works costing more than Rs. 30 lakhs and upto Rs.50 lakhs</b>	<b>Rs. 1,00,000/-</b>
<b>Works costing more than Rs. 50 lakhs and upto Rs.100 lakhs</b>	<b>Rs. 1,50,000/-</b>
<b>Works costing more than Rs.100 lakhs</b>	<b>Rs.2,00,000/-</b>



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writing for conversion of EMD into security deposit upon which the balance amount of money i.e. the total amount towards security deposit as per 9.01 with the EMD converted into security deposit shall be made good by depositing the additional amount or by furnishing a bank guarantee. When the total security deposit along with EMD is realised as per this clause, no further deduction will be made on this account except for payment in respect of extra works done which shall be subject to retention of 5% of their value.

9.03 In lieu of sub clause 9.02 the contractor can furnish a bank guarantee in the form Prescribed by Bharat Heavy Electricals Limited from any nationalised Bank for the entire amount of security Deposit required by BHEL for this contract instead of making cash payment. The validity of such Bank Guarantee shall cover the entire period of erection commissioning and guarantee period.

9.04 If any part of the Security Deposit of the Contractor is held in the form of approved securities, it shall be kept transferred in the name of Accounts officer (Sales) Finance

BHEL, Hyderabad-32 in such a manner that he can realise it without reference to the Contractor. BHEL shall not be responsible for any loss of securities or any depreciation in the value of the securities while they are in BHEL's custody or for any loss of interest thereon.

9.05 If the Contractor duly performs and completes the Contract in all respects to the entire satisfaction of BHEL and presents an absolute "NO DEMAND CERTIFICATE" in the prescribed form and returns in good condition, the specification, drawings and other properties belonging to BHEL, handed over, lent or hire by them for carrying out the said erection work, the security Deposit / the Bank Guarantee furnished towards security deposit will be released to the Contractor after deducting all costs of expenses or other amounts that are due to be paid to BHEL under this or other contacts entered into with the Contractor.

9.06 BHEL reserves the right of forfeiture of security deposit in addition to other claims and penalties in the event of Contractor's failure to fulfill any of the Contractual obligations or in the event of termination of Contract as per terms and conditions of Contract. The decision of BHEL in this respect is final and conclusive.

9.07 **EXECUTION OF AGREEMENT:**

The Contractor's responsibility under this Contract will commence from the date of commencement of work by the contractor as certified by the Resident Engineer of BHEL. Contractor shall be required to execute an agreement in the prescribed form (Specimen Contract form attached) with the BHEL within a reasonable time after the acceptance of his tender and in any case before submitting the first bill for payment. The expenses for completing and stamping the agreement shall be borne by the Contractor.



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### **10.00 DATA TO BE ENCLOSED WITH TENDER:**

- 10.01 Certificate from a scheduled bank to prove his financial ability to undertake the work
- 10.02 An experience list giving particulars of the various erection works executed by the tender indicating the particulars and value of each work, completion and also a list of site locations and particulars of various erection works that are under progress. A certified copy to that effect from the Customer will be preferred, for the works so far completed by the Bidder.
- 10.03 The organisation pattern that will be followed for this work giving the names of engineers and supervisors and their qualifications and experience as well as the number of skilled and unskilled persons that will be engaged shall be furnished by the Bidder.
- 10.04 A certificate of income tax verification from the appropriate Income Tax Authority in the forms prescribed. This certificate will be valid for one year from the date of issue or for the period prescribed therein for all tenders submitted during the period. In the case of Proprietary and Partnership firms, it will be necessary to produce the Certificate aforementioned for the proprietary firms and for each of the partners, as the case may be.
- 10.05 A certificate of Sales Tax verification from the appropriate Sales Tax authorities in the forms prescribed. This Certificate will be valid for one year from the date of issue or for the period indicated in the certificate for all the tenders submitted during the period.
- 10.06 If the Bidder is a registered corporation and if the certificates mentioned in clause No.10.04 and 10.05 above for the current year had already been produced during the calendar year in which the tender is made, it will be sufficient if particulars regarding the previous occasion on which the said certificates were produced are given.
- 10.07 Partnership deed as specified in Clause 5.01.

### **10.08 OTHER CONDITIONS:**

- 10.09 **With their quotations, the Bidders shall sign all the pages of the tender specification including appendices, specifications conditions and schedules in token of complete acceptance thereof and enclose the same along with the technical bid.**
- 10.10 **If a Bidder expires after the submission of his tender or after the acceptance of his tender, the Bharat Heavy Electricals Limited, may, at their discretion, cancel such tender. If a partner of a firm expires after the submission of the tender or after the acceptance of the tender, the Bharat Heavy Electricals Limited may cancel such tender at their discretion unless the firm retains its character.**



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- 10.11 The Bharat Heavy Electricals Limited will not be bound by any Power of Attorney granted by the Bidder or by changes in the composition of the firm made subsequent to the execution of the contract. They may, however, recognise such Power of Attorney end changes after obtaining proper legal advice, the cost of which will be chargeable to the contractor concerned.
- 10.12 **REJECTION OF TENDERS:**
- 10.13 Conditional and un-witnessed tenders, tenders containing exorbitant rates and amounts and tenders which are incomplete and otherwise considered defective and tenders not in accordance with the tender conditions, specifications etc. are all liable to be rejected.
- 10.14 If the Bidder deliberately gives wrong information in his tender, or creates conditions favorable for the acceptance of his tender, the Bharat Heavy Electricals Limited reserves the right to reject such tender at any stage.
- 10.15 Canvassing in any form in connection with the tenders is strictly Prohibited and the tenders submitted by the Bidders who resort to canvassing will be liable to rejection.
- 10.16 Should a Bidder or contractor have a relation or relations or in the case of a firm or company of contractors, one or more of its Partners / Shareholders have a relation or relation employed in the Capacity of an Officer in BHEL, the authority inviting tender shall be informed of the fact at the time of placement of the tender, failing which BHEL may in its sole discretion reject the tender or Contract the same has already been entered into and the earnest money/security deposit of the Bidder/contractor stands forfeited.
- 10.17 The acceptance of tender will rest with BHEL which does not bind itself to accept the lowest and reserves to itself the right.
- 1) To reject any or all the tenders without assigning any reasons or giving explanation therefore, or,
  - 2) To split up the work among two or more Bidders, or,
  - 3) to accept the work in part and not in entirety if considered expedient by BHEL in their sole and absolute discretion without assigning any reasons or giving any explanation therefore. In case only a part of the tender is accepted, the time for completion may also be suitably reduced by BHEL.
  - 4) Conditional tenders, tenders containing absurd or unworkable amounts and tenders which are incomplete and otherwise considered defective and tenders not in accordance with the tender conditions, specifications etc., are liable to be rejected.



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### **10. 18 ORGANISATION CHART:**

An attested copy of the power of Attorney, in case the tender is signed by an individual other than the sole Proprietor, shall also be attached

IN CASE OF AN INDIVIDUAL: His full name, experience, address and nature of business.

Or

IN CASE OF PARTNERSHIP FIRMS: The names of all the partners with addresses and their experience,- A copy of the partnership deed/Instrument of Partnership duly certified by a Notary Public shall be enclosed.

Or

IN CASE OF COMPANIES: Date and place of registration including date of commencement certificate in case of public companies and the nature of business carried on by the company. Certified copies of Memorandum and Articles of Association are also to be furnished. Also indicate names, addresses and experience of the Directors.

10. 19 The bidders are requested to enclose photo copies of the following documents, along with the technical bid, for their previous site at which they are working or where they have just completed the work (For item a only)

- a) Labour licence.
- b) Labour insurance.
- c) PAN card No.
- d) TIN No.
- e) Service Tax Licence No.
- f) Bank account for EFT
- g) Provident fund registration
- h) IBR welder qualification certificate



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- i) Electrical Inspectorate's licence for erection, commissioning of electrical machines and electrical works
  
- j) A) letter from your bankers certifying your financial soundness and credit worthiness. This letter could be directly sent to DGM/OIL RIGS-SAS, BHEL, Hyderabad if it is of a confidential nature. The Bankers should clearly indicate the over drafting facilities permitted by them in favour of the bidder.
  
- k) Balance sheets for the past three (3) preceding years
  
- l) Proposed organisation staff chart at site

Bidders to kindly note that in absence of the above documents their tender is liable to be summarily rejected.



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### GENERAL TERMS AND CONDITIONS

Spec.No.OR-SAS-2

#### 1.0 **DEFINITIONS:**

The following terms shall have the meaning hereby assigned to them except where the context otherwise required:

1.01 "BHEL" shall mean Bharat Heavy Electricals Limited, Hyderabad- 502032 or its

Administrative Officers or its site Engineer/Officer, or its Resident Engineer/Resident Manager or other Engineers/Officer authorised to deal with any matters with which these persons are concerned on its behalf.

1.02 "Resident Engineer/Resident Manager" or "Project Manager" or "Engineer-in charge" "Manager-in-charge- or "Engineer" shall mean officer deputed by Bharat Heavy Electricals Limited, Hyderabad 502032 to be in charge of the erection work of the turbo sets or OIL RIGS supplied by Bharat Heavy Electricals Limited, at the site of the work as well as Manager, External Service or SAS.

1.03 "Executive Director" or "Group General Manager" or "General Manager" shall mean the Officer in Administrative charge of Bharat Heavy Electricals Limited, Hyderabad-502032.

1.04 "Engineer or Dy.G.M – External Services or Oil Rigs SAS" shall mean the Officer of Bharat Heavy Electricals Limited Hyderabad-502032 who directs the erection work at oil rig site, from the headquarters at Hyderabad-502032.

1.05 "BHEL Staff" shall mean any employee of Bharat Heavy Electricals Limited, Hyderabad-502 032.

1.06 The terms "Approved" or "Directed" or "Instructed" shall mean approved, directed or instructed by Bharat Heavy Electricals Limited. Hyderabad-502032.

#### 2.0 **SINGULAR AND PLURAL ETC.**

Words carrying singular number shall also include plural and vice versa where the context so required. Words imparting the masculine gender shall be taken to include the feminine gender and words imparting persons shall include any company or Association or body of Individuals, whether incorporated or not

#### 3.0 **HEADINGS:**

The headings in these general conditions are solely for the purpose of facilitating reference and shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof of the Contract.



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### 4.0 **LAW GOVERNING THE CONTRACT:**

- 4.01 The Contractor shall be governed by the law for the time being in force in the Republic of India.
- 4.02 In respect of any suit or other legal proceedings arising under or relating to this contract the Courts at Sangareddy / Hyderabad only shall have Jurisdiction.

### 5.0 **ISSUE OF NOTICE:**

The contractor shall furnish to the DGM-Oil Rigs SAS, BHEL, Hyderabad 502032 the name designation and address of his authorised agent and all complaints, notices, communications and reference shall be deemed to have been duly given to the Contractor if delivered to the Contractor or his authorised agent or left at or Posted to the address either of the Contractor or his representative and shall be deemed to have been so given in the case of posting on the day on which they would have reached such address in the ordinary course or on the day they were so delivered or handed over.

### 6.0 **OCCUPATION AND USE OF LAND:**

No land belonging to BHEL or their clients under temporary possession of BHEL shall be occupied by the contractor without the written permission of B H EL, Hyderabad-502032.

### 7.0 **COMMENCEMENT OF WORK:**

- 7.01 The Contractor shall commence the work within the time indicated in the Letter Intent from BHEL, Hyderabad 502032 and shall proceed with the same with due expediency and with out delay and adhere to the schedules.
- 7.02 In case the Contractor fails to undertake the work within the specified period after the Contract has been awarded to him, the Earnest Money/Security Deposit already deposited with BHEL will stand forfeited without any further reference to the Contractor.
- 7.03 If the contractor fails to start the work within the stipulated time, BHEL, in its sole jurisdiction will have the right to award the tender to any other tenderer, besides the forfeiture of the earnest, money and security deposit of the Contractor.

### 8.0 **WORKING HOURS:**

The normal working time for the work will be 48 hours per week, in one shift of 8 hours per day, for six days in week. However, Contractor shall make necessary arrangements and provide extra labour required to carry out the work for two or three shifts per day if required and as instructed by the Engineers of B H EL, to maintain the scheduled erection program. Also the contractor should arrange weekly offs for his workmen/ supervisors in such a way that work is carried out on all days of the week (Monday through Sunday) without hampering the progress of work on account of such adjustments of a weekly offs.



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### 9.0 **CONTRACTOR'S DEFAULT :**

If the Contractor shall fail or neglect to execute the work with due diligence and expediency, or shall refuse or neglect to comply with any orders given to him by the Engineer (BHEL) in connection with the work or shall contravene the provisions of the Contract, the Engineer (BHEL) shall give notice in writing to the contractor to make good such failure, neglect or contravention. Should the Contractor fail to Comply with the notice within the period specified in the notice, the Engineer shall be at liberty forthwith, to execute such part of the work as the Contractor may have failed or

neglected to do, or without prejudice to any other right BHEL may have under the contract to take the work wholly or in part out of the Contractor's hand and contract, with any other person to complete the work or any part thereof and in that event BHEL shall have the free use of all construction equipment and other things that may be at any time on the site in connection with the work, without being responsible to the contractor for fair wear and tear thereof, and to the exclusion of any right of the Contractor over the same and BHEL shall be entitled to retain or withhold and balance amount which may be otherwise due under the Contract to the Contractor or such part thereof as necessary to the payment of the cost of executing the said part of the work or by completing the work as the case may be and of meeting claims of third parties against BHEL arising from or in consequence of the Contractor's failure, neglect, refusal or contravention as aforesaid. If the cost of Completing the work or executing a part there of or of meeting claims of third parties as aforesaid shall exceed the balance due to the Contractor. The Contractor shall pay such excess to BHEL.

### 10.0 **LIQUIDATED DAMAGES FOR DELAY IN COMPLETION:**

In the event of failure on the part of the Contractor to complete the work under this specification within the stipulated period or such extended period as may be agreed to by, BHEL in this regard, the contractor shall be liable to pay to BHEL as liquidated damage and not by way of penalty, a sum equivalent to 0.5% (Half percent) of the total value of the contract for each week or part of a week of the delay between the scheduled time and actual time of completion of work, subject to a maximum of 10% of the total contract value.

### 10.01 **STAY BEYOND CONTRACT PERIOD:**

Stipulated rate of progress is based on the anticipated receipt of equipments and materials at site and also the man power, tools and tackles deployed by the contractor. In the event contractor's stay at the site becomes necessary beyond the contract period for reasons not attributable to BHEL, no compensation shall be payable to the contractor. No over run charges are payable.

### 11.0 **SUSPENSION OF ACTIVITIES :**

If conditions obtaining at site warrant temporary suspension of activities, the contractor shall do so at the instructions of BHEL Engineer. Compensation, if any for temporary suspension will be discussed and mutually agreed.



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### 12.0 **STRIKES AND LOCKOUTS :**

In the event of the Contractor's Labour resorting to strike or the contractor resorting to lock-out and if the strike or lock out declared is not settled within a period of one month the BHEL shall have the right to get the erection work executed in whole or part employing its own labour or through any other agency or both and the cost so incurred by BHEL shall be deducted from the Contractor's bill as per the clause 09.00.

### 13.0 **MODE OF PAYMENT :**

All payments due to the contractor shall be paid only by 'EFT' or 'Account Payee Cheques' drawn on State Bank of Hyderabad, Hyderabad 502032 or as may be convenient to BHEL.

### 14.0 **BHEL'S LIEN ON ALL MONEYS DUE :**

BHEL shall have a lien on and over all or any money that may become due and payable to the Contractor under these presents, and/or also on and over the deposit or Security amount or amounts made under the contract and which may become repayable to the Contractor under the conditions in that behalf herein contained and/or any sums that may become due and payable by Bharat Heavy Electricals Limited, the Contractor either alone or jointly with another or others and either under this, or any other contract or transactions whatsoever between BHEL and the Contractor .

15.0 Whenever any claim for payment of a sum of money arises out of or under the Contract against the Contractor, the BHEL shall be entitled to recover such sum by appropriating in whole or in part the Security deposit deposited by the Contractor, and BHEL shall be entitled to realise securities forming the whole or part of any such Security deposit. In the event of the Security deposit amount being insufficient, the balance shall be recovered by appropriating any sum due to the contractor or any sum which at any time there after may become due to the Contractor under this contract, or any other Contract with BHEL. If even such sum is not sufficient to cover the full amount recoverable the Contractor shall on demand pay to BHEL, the balance amount remaining due.

15.01 For the purpose of this clause, where the Contractor is a Partnership firm, BHEL shall be entitled to recover such amount by appropriating in whole or in part any sum due to any partner of the Firm either in his individual capacity or otherwise.

15.02 Any sum of money due and payable to the Contractor (including Security Deposit returnable to him) under the Contract may be appropriated by the BHEL and set off against any claim of the BHEL for the payment of a sum of money arising out of or under any other Contract made by the Contractor with the BHEL, Hyderabad-502032 or any other units of BHEL.

### 16.0 **STORES SUPPLIED BY BHEL**

16.01 It is not obligatory on the part of BHEL to supply any tools & tackles or other materials other than those specifically agreed to by BHEL. However, subject to availability, BHEL/Contractor's handling equipments and other plants, tools and tackles may be made available to the Contractor wherever possible on payment of the hire charges as fixed subject to the conditions laid down by BHEL/CUSTOMER from time to time. Unless paid for in cash in advance, such hire charges shall be



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recovered in one installment from the Contractor's first available bill and if it becomes necessary the same may be adjusted against the Security Deposit with BHEL.

- 16.02 All the properties of BHEL/their client loaned whether with or without deposit to the Contractor in connection with the Contract, shall remain the properties BHEL / their client as the case may be. The Contractor shall use such properties for the purpose of

execution of the Contract and for no other purpose whatsoever. The contractor shall not sub-loan such properties from his end.

- 16.03 All such properties shall be deemed to be in good conditions when received by the Contractor unless he shall have immediately on receipt of the same thereof, notified the BHEL to the Contrary. If the Contractor fails to notify any defect in the conditions or quality of such properties, he shall be deemed to have lost the .right to do so at any subsequent stages.

- 16.04 The Contractor shall be responsible for the safe custody of any special equipment and plants supplied to him and shall return them in good condition whenever required by BHEL. In case of non-return, loss, breakage, damage, repairs etc., due to negligence or misuse or otherwise or any other cause for which the Contractor is found responsible, the cost thereof will be recovered from the Contractor. The decision of Engineer regarding the loss or damage and the amount to be recovered shall be final and binding on the Contractor

- 17.0 **ALTERATIONS IN "SCOPE OF WORK" :**

If at any time after the Commencement of the work, BHEL shall for any reason whatsoever (but not attributable to the Contractor) not require the whole work there of as specified in the tender to be carried out, the Engineer of BHEL shall give notice in writing of the fact to the Contractor who shall have no claim to any payment or Compensation whatsoever on account of any profit or advantage which he might have derived in consequence of the full amount of the work not having been carried out, nor shall the Contractor have any claim for compensation by reason of any alterations having been made in the original specifications, drawings, designs and instructions which shall involve any curtailment of the work as originally contemplated.

- 18.0 **ALTERATIONS IN WORKS :**

BHEL may require such alterations to be made in the work during its progress, as may be deemed necessary, and after due consideration of the relation which such alterations bear to the work and price stipulated there for in the Contract, BHEL will determine the amount, if any, which shall on that account be added to or deducted from the Contract price, and this decision thereon shall be final and binding on the Contractor. No variation of the Contract shall be valid unless made in writing and agreed to by BHEL.



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### 19.0 **DAMAGES AT THE WORK SITE :**

19.01 If the Contractor or his agents or his workers or servants or other associates shall break, deface, injure or destroy any part of a building, roads, road kerbs, fence enclosures, water pipes, cables, drains, electric or telephone posts or wires, trees, grass or grasslands, or any other property or cultivable grounds contiguous to the premises on which the work or any part of it is being executed, or if any damage shall happen to the work, while in progress, from any cause what-so-ever, the Contractor shall make good at his own expense, or in default, the Engineer may cause the same to be made good by other workmen or by other means and deduct the expense (of which the certificate of Engineer shall be final) from any sums that may then be due or at any time thereafter

become due to the Contractor, or from his security deposit, or the proceeds of sale thereof, or a sufficient portion thereof.

19.02 In case of damage to or loss of any, erected or otherwise, equipment or components of the BHEL/client or any property belonging to BHEL/their client, caused by the Contractor's men while handling or erecting, due to negligence and carelessness on their part, the responsibility of making good the loss shall rest with the Contractor without loss of time or hindrance to work, the actual cost of damage without loss of time or hindrance to work. The actual cost of damage of loss together with the overheads will be recovered from the Contractor's bills. Decision of the Site Engineer, regarding the cause and extent of the damage/loss shall be final from the execution of work in full but which he did not derive.

### 20.0 **CONTRACTOR TO ARRANGE FOR ALL PLANTS, SCAFFOLDING, LADDERS AND MAINTENANCE OF THE SITE IN A CLEAN CONDITION :**

20.01 The Contractor shall supply at his own cost all materials (except) such special materials, if any, as may in accordance with this Contract be supplied by BHEL) plants, tools, appliances, implements, ladders, cordage, tackle, scaffolding, shuttering and temporary work whether original, altered or substituted, and whether included in the specification or other documents forming part of the Contract referred to in these conditions or not, or which may be necessary for the purpose of satisfying or complying with requirements of the Site Engineer or to any matter as to which under these conditions he is entitled to be satisfied or which he is entitled to be required together with carriage there for to and from the work. The Contractor shall also supply without charge the requisite number of persons with means and materials necessary for the purpose of setting out the works, counting, weighing and assisting in the measurement of examination at any time and from time to time of the work or materials. On his failure to do so the same may be provided by the Engineer at the expenses of the Contractor and the expenses may be deducted from any money due to the Contractor or from his security deposit or the proceeds of sale thereof or a sufficient portion thereof. The Contractor shall be entirely responsible for the true and perfect setting out and for the Correctness of all parts of the work. If at any time, any errors shall appear in any part of the work the Contractor shall at his own cost, rectify such errors to the satisfaction of the Engineer. The Contractor shall not deposit materials in such places as to cause inconvenience to public /BHEL/client/other cases and will provide all



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necessary fencing and lights required to protect the public from accidents and shall be bound to bear all the legal expenses for any suit, action or other proceedings of law that may be brought on by any person for injury sustained owing to neglect of the above precautions and to pay the damages and costs which may be awarded in any such suit, action or proceedings to any such persons or which may with the consent of the Contractor be settled or compromised by any such person.

20.02 It shall be responsibility of the Contractor to keep the storage, (pre-assembly yard erection) site and offices used by him, clean and free from all extraneous materials to the satisfaction of Site Engineer. The contractor shall arrange for removing all such materials and depositing them at a specified place at the end of each day. Up-on completion of the work the Contractor shall arrange to remove from the vicinity of work.

all scrap, packing materials, rubbish unused and other materials and deposit them in areas specified by the Site Engineer. In the event of his failure to do so, the same will be arranged to be done by other means and the expenses so incurred will be deducted from the Contractor's bills.

21.0 PROVISIONS OF WORKMEN'S COMPENSATION ACT:

In every case in which by virtue of the provisions of section 12, sub-section (1) of the Workmen's Compensation Act, 1923, or any other law for the time being in force, BHEL is obliged to pay compensation to the workmen employed by the Contractor in execution of works. BHEL will recover the same from the Contractor towards the amount of Compensation so paid at 19% interest and without prejudice to the rights of BHEL under section 12, sub-section (2) of the said Act. or any other Law for the time being in force. BHEL shall be at liberty to recover such amount or part thereof any by deducting if from the Security Deposit or from any sum due by BHEL to the Contractor whether under this Contract or otherwise. BHEL shall not be bound to contest any claim made against it under section 12, sub-section (1) of the said Act or any other law for the time being in force except on the written consent / request of the Contractor and upon his giving to BHEL full security for all costs for which BHEL might become liable in consequence of contesting such claim.

22.0 **BHEL NOT RESPONSIBLE FOR CONTRACTOR'S EMPLOYEES:**

22.01 The workers employed by the Contractor shall be the employees of the Contractor for all purposes whatsoever and shall not be deemed to be in the employment of BHEL for any purpose whatsoever. The Contractor shall abide by all rules, laws and regulations that may be in force from time to time regarding the employment or conditions of service of his employees. If under any circumstances whatsoever BHEL is held liable or responsible in any manner whatsoever for the default or omission on the part of the Contractor in the abiding by the aforesaid rules, laws and regulations or is held liable or responsible to the employees of the Contractor in respect of any matter whatsoever, BHEL shall be reimbursed by the Contractor for the same as also of any other expense or cost incurred by BHEL in any proceedings or litigation as a result of any claim demand or act on the part of the employees of the Contractor .

22.02 BHEL reserves the right to insist on the removal from the premises and property of BHEL/ their client any of the Contractor's employees without assigning any reason whatsoever and the Contractor shall remove such men forthwith.



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22.03 The Contractor shall as far as possible, give preference to people .from local regions in which the site is situated for employment as skilled labourers in any case all unskilled categories of labour- shall be recruited from the local areas.

23.0 **SUMS PAYABLE TO BHEL BY WAY OF COMPENSATION :**

All sums payable to BHEL by way of Compensation under any of these conditions shall be considered as reasonable compensation to be applied to the use of BHEL without reference to the actual loss or damage occurred, and whether or not any loss or damage shall have been occurred.

24.0 **CONTRACTOR TO COMPLY WITH ALL LAWS AND REGULATIONS ETC.**

24.01 The Contractor shall be responsible to secure compliance with all Central and State Laws as well as the Rules, Regulations, Byelaws, and orders of the local authorities and statutory bodies that may be in force from time to time. He shall give to the Municipal Corporation/Committee. Police and other relevant authorities all such notices etc., as may be required by law and obtain all requisite licenses for temporary constructions, enclosures etc. and pay all fees, taxes and such other dues or charges which may be leviable on account of any of his operations in executing the works under this Contract. He shall make good at his own cost, any damage to any adjoining property.

24.02 The Contractor shall comply with all laws, statutory rules, safety rules, regulations etc. The payment of wages Act, Minimum wages act workmen's Compensation Act, Jndu1ltrial Disputes Act, Contract Labour (Regulations & Abolition) Act, 1970 as applicable in the State concerned and the other rules and regulations in force in BHEL that may be applicable. The contractor shall insure his workmen against accident, injury, while at work, as required by the relevant rules and it is the obligation of the contractor to pay compensation if any, to his workmen, as per workmen's Compensation Act and Employer's Liability Act. No responsibility will rest with BHEL in this regard. BHEL is not responsible for any accident to the labour employed by the Contractor due to his negligence, carelessness and non-observance of safety precautions etc. The Contractor must ensure to use safety precautions etc. The contractor must ensure to use safety belts, helmets etc., for his workmen to avoid accidents.

24.03 **LABOUR LEGISLATION:**

The erection Contractor shall comply with the following labour legislation and future legislations in respect of his work and labour engaged by him.

1. Minimum wages Act, 1948 and Rules framed there under
2. Payment of Bonus Act, 1965 and Rules framed there under
3. Payment of wages Act, 1936 and Rules framed there under
4. Equal Remuneration Act, 1976 and Rules framed there under
5. Maternity Benefit Act, 1961 and Rules framed there under
6. Employees Provident Fund Scheme, 1952 and Employees family pension scheme 1971
7. Workmen compensation Act, 1923 and Rules framed there under.
8. Payment of Gratuity Act, 1972 and Rules framed there under
9. Contract Labour (Regulation and Abolition) Act, 1970
10. Factories Act, 1948 and Madhya Pradesh Factory Rules, 1962.
11. Industrial Disputes Act, 1947 and Rules framed there under



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- 24.04 The Contractor is responsible for the provision of health and sanitary arrangements to the workmen and other personnel employed by him as per section IV, clause 30,00
- 24.05 The Contractor shall observe all the Safety Regulations, in, force in BHEL/clients area etc. during the contract period.

### **25 CONTRACTOR TO BE LIABLE FOR ALL TAXES ETC.**

The rates furnished by the Contractor in the tender, should be inclusive of all taxes, tools, octroi, duties, fees, royalty or commissions, etc. applicable in respect of this contract. The contractor shall indemnify BHEL against levy of any taxes etc., in regard to this contract and in the event of BHEL being assessed for any of the said impacts BHEL shall have the right to recover the total amount assessed from the Contractor's dues and the Contractor shall also be responsible for all costs, expenses that may be incurred by BHEL in connection with any proceedings or litigations in respect of the same. In respect of employees Provident Fund Scheme applicable to the Contractor's Employees and Employees State insurance scheme, necessary deduction will have to be made from the Contractor bills if applicable and BHEL will have no obligation to pay any compensation on this account.

- 25.01 The contractor shall get duly registered themselves with local sales tax authorities and pay sales tax on materials procured by them, which is used in the execution of contract work. The contractor shall also get themselves accounted of the local (Govt. local bodies) sales tax regulation/ordinance etc. on the tax leviable on the works contract and register themselves and pay the sale taxes as per local law's regulations. The rates furnished by the bidder in the tender schedule shall include all such taxes. Any claim by the contractor subsequently pleading ignorance to law's regulations, ordinance etc., will not be acceptable to BHEL.

### **26 GUARANTEE**

Even though the work will be carried out under the supervision of BHEL Engineers, the contractor will be solely responsible for the work and he shall guarantee the work done for a period of twelve months from the date of completion of work as certified by the Engineer for good workmanship 'in Erection/Testing & Commissioning and shall rectify free of cost all defects due to faulty workmanship by him detected during the guarantee period starting from the date of completion of work duly guaranteeing such repairs also for a period of six months after the repairs.

### **27 FORCE MAJEURE:**

- 27.01 The following shall amount to Force Majeure Acts of God, acts of any Government, war, sabotage, Riots, Civil commotion, Police action, revolution, flood, fire, cyclones, earthquake, epidemic disease and other similar causes over which the Contractor has no control.
- 27.02 If the Contractor suffers delay in the execution of the Contractual obligations due to delays caused by Force Majeure as defined above, the agreed time of completion of the job covered by this Contract or the obligation of the Contractor shall be extended by a period of time equal to the period of delay provided that on the occurrence of any such contingency the Contractor immediately reports to Bharat Heavy Electricals Limited, in writing the causes of each delay



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### 28 CANCELLATION OF CONTRACT:

BHEL, whose decision shall be final without prejudice to any other right or remedy which shall have accrued or shall accrue there after to BHEL, cancel the contract in any of the following cases:

#### 28.01 FOR CORRUPT ACT:

28.02 It the Contractor shall offer or give to any person in the service of BHEL, any gift or consideration of any kind as in inducement or reward for doing or forbearing to do or for having done or forborne to do any act in relation to the obtaining or execution of this or any other contact for BHEL.

OR

28.03 If the Contractor shall enter into a contract with BHEL in connection with which commission has been paid or agreed to be paid by him or with his knowledge unless the, particulars or any such commission and the terms of payment, thereof have previously been disclosed in writing to the Accepting Officer.

OR

28.04 If the Contractor shall obtain contract with non BHEL as a result of ring tendering or by non-bonafide methods of competitive tendering without first disclosing the fact in writing to the Accepting Officer.

#### 28.05 FOR INSOLVENCY, ASSIGNMENT OR TRANSFER OR SUBLETTING OF CONTRACT CHANGE IN THE FIRM

28.06 If the Contractor being an individual or if a firm, any partner thereof, shall at any time be adjudged bankrupt or order for administration of his state made against him shall take any proceedings, for liquidation or composition under any bankruptcy Act for the time being in force or make any conveyance or assignment of his effects of composition or arrangement for the benefit of his creditors or support to do so, or if any application be made under any bankruptcy Act for the time being in force for the sequestration of his estate or if a trust deed be granted by him on behalf of his creditor

28.07 If the Contractor being a company, shall pass a resolution or the Court shall make an order for the liquidation of its affairs, or a receiver or Manager on behalf of the debenture holder shall be appointed or circumstances shall arise which entitle the Court or debenture holders to appoint a receiver or Manager .

OR

28.08 If the Contractor, assigns, Transfers, sublets or attempts to assign, transfer or sublet any portion of the work without the prior written approval of the accounting officer. (Any such consent shall not relieve the Contractor from any obligation. duty or responsibility under the Contract.)

OR



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- 28.09 If the Contractor being a Partnership Firm introduces a new partner in the firm except with the previous consent in writing of the BHEL which may be granted only upon production of a written undertaking by the new partner to perform the Contract and accept all liabilities incurred by the firm under the Contract prior to the date of such undertaking.

OR

- 28.10 If the Contractor being a Partnership firm, on the death or retirement of any partner of the Contractor's firm before he completes performance of the contract.

OR

**NOTE:** If the Contract is not determined as provided in sub-clause No. 28.10 before retirement of a Partner from the firm, he shall continue to be liable under the Contract for the act of the firm until a copy of the public notice given by him under section 32 of the Partnership Act has been sent by him to BHEL by registered post with acknowledgement due.

28.11 **FOR NONFULFILMENT OF CONTRACTUAL OBLIGATIONS :**

If the Contractor withdraws or abandons the Contract before completion of the works or pleads his inability to carry on the works covered under this contract or BHEL finds during the execution of work the contractor to be inefficient or otherwise incompetent to complete the work as per the time schedule of the Contract, fails to improve the rate of progress of work as stipulated by BHEL from time to time or the Contractor fails to fulfill any of the contractual obligations or contravenes any provisions of the contract at any time, or persistently disregards the instructions of the Engineer at site or fails to take steps to employ competent or additional staff and labour as required under the contract or fails to afford the Engineer or his representative proper facilities for inspecting the work or any part thereof, he shall be deemed to have not fulfilled the contractual obligations.

29.00 CONSEQUENCE OF CANCELLATION:

- 29.01 Whenever BHEL exercises its authority to cancel the contract under the clause No.28.00 that may complete the work by any means at the Contractor's risk and expense provided always that in the event of the cost of completion (as certified by the Engineer which is final and conclusive) being less than the Contract cost the advantage shall accrue to the BHEL and that if the cost of completion exceeds the moneys due to the Contractor under the Contract, the Contractor shall either pay the excess amount ordered by the Engineer or the same shall be recovered from the Contractor by other means. This will be in addition to the forfeiture of Security Deposit and recovery of liquidation damages as per clause No.10.00

- 29.02 In case BHEL completes the work under the provisions of this condition the cost of such completion to be taken into account in determining the excess cost to be charged to the Contractor under this condition shall consist of the cost of material purchased and/or labour provided by BHEL with an addition of such percentage to cover superintendence

and establishment charges as may be decided by BHEL whose decision shall be final and conclusive.



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### **30.00 ARBITRATION :**

- 30.01 All disputes between the parties to the Contract arising out of or relating to the Contract, other than this for which the decision of the Engineer or of any other person bound by the Contract expressed to be final and conclusive, shall after written notice by either party to the Contract to the other party be referred to the sole arbitration of the Officer of BHEL appointed as arbitrator by the Executive Director or Group General Manager or General Manager of Bharat Heavy Electricals Limited, Hyderabad-502 032 in his sole discretion.
- 30.02 Unless the parties otherwise agree, such reference shall not take place until after the completion, alleged completion or abandonment of the work or the determination of the Contract.
- 30.03 The venue of arbitration shall be such a place or places as may be fixed by the arbitrator in his sole discretion.
- 30.04 The award of the arbitrator shall be final, conclusive and binding on both parties of the Contract.

### **31.00 BIDS**

- 31.01 Bidder shall submit the bid in two separate sealed covers super-scribing as 'Technical Bid' and 'Price Bid'. Technical Bids alone will be opened on the due date and time and in the presence of the bidders who wish to be present.
- 31.02 Earnest Money Deposit shall be enclosed to the 'Technical Bid'. The tender cover should be super scribed to indicate the fact that EMD is enclosed. Tenders received without EMD will be rejected.



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### **BUSINESS RULES FOR REVERSE AUCTION** **GENERAL TERMS AND CONDITIONS OF REVERSE AUCTION**

Against this Enquiry for the subject item/system/Services with detailed scope of supply as per our specification, BHEL- Hyderabad may resort to "ONLINE REVERSE AUCTION PROCEDURE" i.e. **ONLINE BIDDING on INTERNET.**

1. For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
2. 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.
3. Business rules like event date, time, start price, bid decrement, extensions, etc. also will be communicated through service provider for compliance.
4. Vendors have to email a scanned copy of the Process Compliance Form in the prescribed (provided by service provider) before start of Online Initial Sealed Bid. Without this form, the vendor will not be eligible to participate in the event.
5. BHEL will provide the calculation sheet (e.g.: EXCEL sheet), if any, which will help to arrive at "Total Cost to BHEL" like packing & forwarding charges, Taxes and duties, Freight charges, Insurance, Service tax for services and loading factors (for non-compliance to BHEL standard Commercial terms and conditions.) for each the vendor to enable them to fill-in the price and keep it ready for keying in during the auction.
6. Reverse auction will be conducted on schedule date & time.
7. At the end of reverse auction event, the lowest bidder value will be known on the network.
8. The lowest bidder has to fax the duly signed filled-in prescribed format as provided on case to case basis to BHEL through service provider within 24 hours of auction without fail.
9. Any variation between the on-line bid value and signed document will be considered as sabotaging the tender process and will invite disqualification of vender to conduct business with BHEL as per prevailing procedure.
10. In case BHEL decides not to go for Reverse auction procedure for this tender enquiry, the price bids and price impacts, if any already submitted and available with BHEL shall be opened as per BHEL standard practice.
11. Only those vendors, who participate in the Online Initial Sealed Bid, will be eligible to participate in the subsequent Online English Reverse Auction.  
**The reverse auction will be treated as closed only when the bidding process gets closed in all respects for the item listed in the tender.**



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### TERMS AND CONDITIONS OF REVERSE AUCTION

1. **LOG IN NAME & PASSWORD:** Each Bidder is assigned a Unique User Name & Password by the SERVICE PROVIDER. The Bidders are requested to change the Password and edit the information in the Registration Page after the receipt of initial Password from the SERVICE PROVIDER. All bids made from the Login ID given to the bidder will be deemed to have been made by the bidder.
2. **BIDS PLACED BY BIDDER:** The bid of the bidder will be taken to be an offer to execute the work. Bids once made by the bidder cannot be cancelled. The bidder is bound to execute the work as mentioned above at the price that they bid. Should any bidder back out and not make the supplies as per the rates quoted, BHEL and / or the SERVICE PROVIDER shall take action as appropriate.
3. **LOWEST BID OF A BIDDER:** In case the bidder submits more than one bid, the lowest bid will be considered as the bidder's final offer to execute the work
4. **AUCTION TYPE:**
  - 1) Sealed bid Reverse Auction / Initial Auction.
  - 2) English Reverse No Ties (refer Bidder Manual for details) / Dynamic Reverse Auction.
5. **DURATION OF AUCTION:** The duration of Auction will be for 30 Minutes (2.30 PM to 3.00 PM). If a bidder places a bid in the last 5 minutes of closing of the Reverse Auction and if that bid gets accepted, then the auction's duration shall get extended automatically for another 5 minutes, for the entire auction (i.e. for all the items in the auction), from the time that bid comes in. Please note that the auto-extension will take place only if a bid comes in those last 5 minutes and if that bid gets



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accepted. If the bid does not get accepted, the auto-extension will not take place even if that bid might have come in the last 5 minutes. In case, there is no bid in the last 5 minutes of closing of Reverse Auction, the auction shall get closed automatically without any extension. However, vendors are advised not to wait till the last minute or last few seconds to enter their bids during the auto-extension period to avoid complications related with internet connectivity, network problems, system crash down, power failure, etc. (THIS SCHEDULE IS TENTATIVE. IF ANY CHANGE IN SCHEDULE, THE SAME SHALL BE COMMUNICATED TO YOU).

6. **BID DECREMENT:** The minimum Bid decrement shall be available to the Bidders at the start of the Dynamic Reverse Auction. The bidder can view the same by clicking on the Item details at the start of the auction. The bidder can bid lower than the Lowest Bid in the auction by decrement/multiples of the minimum Bid decrement. Also please note that the start price of an item in the on line reverse auction is open to all participating bidders. Any bidder can start bidding in on line reverse auction, from the start price itself. If the start price is your own on line initial sealed bid price, you still need to bid in the on line reverse auction. More over please note that the first on line bid that comes on the system during on line reverse auction can be equal to on line auction's start price, or lesser than auction's start price by one or multiples of decrement . The second on line bid and onwards will have to be lesser than the L1 rate by one decrement value, or by multiples of the decrement value
7. **VISIBILITY TO BIDDER:** The Bidder shall be able to view the following on his screen along with the necessary fields during English Reverse –No ties Auction:
  - a. Leading Bid in the Auction
  - b. Bid Placed by him
  - c. His Own Rank
  - d. Start Price & Bid Decrement Value
8. **AUCTION WINNER:** At the end of the Reverse Auction, BHEL will evaluate all the bids submitted and will decide upon the winner.
9. **PROXY BIDS:** Proxy bidding feature is a pro-supplier feature to safe guard the supplier's interest of any Internet failure or to avoid last minute rush. The Proxy feature allows Bidders to place an automated bid against other Bidders in an auction and bid without having to enter a new amount each time after competing Bidder submits a new offer. The bid amount that a Bidder enters is the minimum that the Bidder is willing to offer. Here the software bids on behalf of the supplier.
  - The proxy amount is the minimum amount that the Bidder is willing to offer. During the course of bidding, the Bidder cannot delete or change the amount of a Proxy Bid.



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- Bids are submitted in decrements (decreasing bid amounts). The application automates proxy bidding by processing proxy bids automatically, according to the decrement that the auction originator originally established when creating the auction, submitting offers to the next bid decrement each time a competing Bidder bids, regardless if competing bids are submitted as proxy or standard bids. However it may please be noted that if a manual bid and proxy bid are submitted at the same instant manual bid will be recognized as the L1 at that instant.
- This feature can be used only once during a particular Reverse Auction and only after the L1 rate is equal to or less than the minimum bid amount that the bidder has put in the system will he get the option to manually bid for the same. In no case during the bidding till the L1 rate or less is not reached as equivalent to the minimum bid amount offered by the bidder, will the bidder get the option to manually bid for the same.
- **NOTE : In the event of a tie between the proxy bid (automated bid) and manual bid, the manual bid stands accepted and proxy bid stands rejected vendors to note the same.**

**10.GENERAL TERMS & CONDITIONS:** Bidders are required to read the "Terms and Conditions" section of the auctions web site using the Login Ids and passwords given to them by the service provider.

### 11.OTHER TERMS & CONDITIONS:

The bidder shall not involve himself or any of his representatives in price manipulation of any kind directly or indirectly by communicating with other suppliers / bidders.

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

BHEL's decision on award of Contract shall be final and binding on all the Bidders.



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If BHEL is not satisfied with the outcome of Reverse auction, BHEL is free to re-conduct the reverse Auction.

BHEL along with the SERVICE PROVIDER can decide to extend, reschedule or cancel any Auction. Any changes made by BHEL and / or the SERVICE PROVIDER after the first posting shall be deemed to have been accepted if the Bidder continues to access the portal after that time.

The SERVICE PROVIDER shall not have any liability to Bidders for any interruption or delay in access to the portal irrespective of the cause.

The SERVICE PROVIDER is not responsible for any damages, including damages that result from, but are not limited to negligence.

The SERVICE PROVIDER will not be held responsible for consequential damages, including but not limited to systems problems, inability to use the system, loss of electronic information etc