(SUB-CONTRACTING DEPARTMENT)

NOTICE INVITING TENDER

Tender Enquiry No	**BHEL: IVP:SC:RC97-2627**
Tender Enquiry date	**12.08.2026**
Tender items description	**Machining of Valves & Wall blower components and cutting of carbon/alloy steel plates**
Last time and date of tender submission	**14:00 Hrs 26.08.2026**
Tender opening time and date (Part-1)	**15.30 Hrs 26.08.2026**
Quotation Parts	**Two-part**
Counter offer	**Applicable**
Reverse Auction	**Not applicable in this tender**

1. Sealed tenders in two parts; Part-I: Techno-commercial bids and Part-II: Price bids are invited for machining of valve & wall blower components; and cutting of carbon/alloy steel plate on JOB WORK BASIS as per relevant BHEL drawings.

The two bids should be submitted in separate inner envelopes duly mentioning the detail as follows: -

Bid	Description	Superscription on envelope	Documents to be submitted
Part-I	Techno-Commercial bid in response to Tender Enquiry No. BHEL: IVP:SC:RC97-2627 dated: 12.08.2026	PART-I “Techno Commercial Bid” for Tender Enquiry No. BHEL: IVP:SC:RC97-2627 dated: 12.08.2026	1. Duly filled Techno-commercial format. 2. Copy of UDYAM Certificate. 3. Duly signed and filled Integrity Pact.
Part-II	Price bid in response to Tender Enquiry No. BHEL: IVP:SC:RC97-2627 dated: 12.08.2026	PART-II “ Price Bid” for Tender Enquiry No. BHEL IVP:SC:RC97-2627 dated: 12.08.2026	Price bid - duly filled prices in numbers and words. . **ONLY PRICES.** **Anything other than prices mentioned in the price bid shall be considered invalid.**

Part-I: Techno-Commercial bid should contain:

1. Duly filled Techno-commercial format. (Format attached).
   Acceptance of Techno-Commercial terms and conditions by signing each page of T&C or a covering letter stating acceptance of all T&C. If nothing is mentioned for any term, it shall be concluded that the same is acceptable and no representation whatsoever shall be entertained later. Taxes applicable, if any, are to be mentioned in this part bid.
2. Copy of UDYAM Certificate.

3. Duly signed and filled Integrity Pact. (Format attached).

Part-II: Price bid should contain:

- Only Price bid - duly filled prices in numbers and words.
- Anything other than prices mentioned in the price bid shall be considered invalid.

Both the sealed separate envelopes should be put in an outer envelope clearly mentioning Tender Enquiry No, due date of opening and address of sender on it. Quotations shall reach us by 14:00 Hrs. on or before 26.08.2026. Sealed tender can be dropped in tender box marked as "TENDER BOX". This tender box is located at entrance of administrative building of IVP Goindwal. The tender can also be submitted personally to either of following persons:

a. Mr. Pankaj Kumar /Executive-HR
b. Mr. Simran Singh /Dy. Manager- Sub Contracting

The tender can be submitted through below mentioned email Id also:

tendersc_ivp@bhel.in (Bid received on any other email ID shall not be considered)

Techno-Commercial bid shall be opened at 15:30 Hrs. on 26.08.2026 at Conference Hall IVP Goindwal.
Reverse Auction will not be conducted in this tender. For finalizing prices, BHEL will open the sealed price bids (Part-II) at 11:00 Hrs. on 29.08.2026. In case of any change in price bid opening schedule, same shall be communicated to bidders who have qualified in techno commercial offer.

2. PRICE QUOTATION SHALL BE AS PER UNDER:

The items are to be machined as per the scope and the drawing number. Minimum rates are to be quoted by the Vendor (hereinafter referred as Sub-Contractor) on per unit basis and on FOR BHEL Goindwal basis and inclusive of all transportation costs.

1. Quoted rates for each item within a group for machining/plate cutting jobs shall be per unit basis.
2. For machining items, contractor should quote rates for each machined item with retention of cutting/turning/boring/Notching/Piercing of ferrous scrap. Goods and Services Tax (GST) applicable on job work shall be payable to vendor by the BHEL
3. Vendor has to develop any jig/fixtures and tools by its own required for machining of quoted items.

a. GST registered Vendors – Vendor shall quote the rate exclusive of GST in the price bid format. **Applicable GST** shall be specified by the vendor **separately** in **Techno Commercial Format**. GST shall be paid by Vendor. GST shall be reimbursed to vendor by BHEL.
b. Non-GST registered Vendors – Vendor shall quote the rate exclusive of GST in the price bid format. In the **techno commercial format** vendor shall specify himself as **non-GST vendor**. In such case the GST shall be paid by BHEL.

4. **Applicable taxes (GST) on ferrous scrap retained by sub-contractor shall be borne by the sub-contractor**.
   a. GST registered Vendors – Vendors are liable to pay the GST on the scrap retained by vendors to Government.
   b. Non-GST registered Vendors – GST on scrap retained by vendor shall be borne by Vendor. In such cases, BHEL shall recover GST on scrap retained by vendor.
5. Aluminum, bronze scrap shall be returned to BHEL along with finished components. Burning losses of 8% of theoretical scrap (Calculated from drawing) generated shall be provided. Payment of aluminum bronze components shall be made only after receipt of scrap account statement. Recovery of shortages of scrap, including applicable taxes, shall be made from the running bills.
6. Material cost, GST, Overheads @5% and applicable interest, as per the existing tax laws, for materials lying at their works for a period more than 365 days, whatsoever may be the reason for retention of the

material, if any, shall be borne by the Sub - contractor.

Vendors are required to ensure compliance of GST provisions and registration of their firm as per GST Act 2017 and amendments.

3. SCOPE OF WORK:

1. The scope of work includes machining/Heat Treatment/Plating (wherever applicable)/Tuff-riding of components/Plate cutting as per drawing number mentioned in tender enquiry and mentioned in sub-contracting purchase order. Material will be manufactured as per tolerance mentioned in the drawings. For Tolerances for un-tolerance dimensions, document TP0230299 is to be followed. BHEL shall provide raw material for the items to be machined.
2. Machining of Valve Bodies and TOA Valve Bodies (except Isolating valves) shall include the edge preparation of butt weld end bodies.

4. VALIDITY OF OFFER:

The rate quoted will be valid for 90 days after tender opening for finalization of the rate contract.

5. VALIDITY OF RATE CONTRACT:

Rate Contract will be valid for a period of one year from date of finalization of tender and will be applicable for all orders released during the currency of the contract. However, BHEL reserves the right to terminate the contract earlier also, if the performance of the Vendor is not satisfactory. Based on the rate contract, Sub-contracting POs will be released during the currency of the rate contract. The rate contract can be extended again on mutual agreement.

6. LOADING:

The invitation of rates and finalization of item-wise rates through this tender is for the purpose of entering into annual rate contract on fixed prices basis. The item-wise rate contract will be entered into with requisite number of vendors by counter offering finalized lowest rates to vendors considering the price ranking and determined by other terms and conditions of the tender. The loading of any item for full tender quantity is not envisaged to happen in one-go but is spread over the currency of rate contract in any quantity and at any time during the currency of rate contract, so the loading of any item cannot be thus construed by simple formula of loading mentioned elsewhere in tender. The broader guideline for counter offering and rank wise intended loading are as follows:

Rate Contract will be entered into requisite no. of vendors to ensure that BHEL requirement is met. For this, BHEL reserves the right to give counter offers to other vendors than L1 (lowest bidder-item wise) vendor.

Evaluation in case of more than one L1: In the course of evaluation, if more than one bidder happens to occupy L1 status, effective L1 will be decided by soliciting discounts from the respective L1 bidders.

In case more than one bidder happens to occupy L1 status even after soliciting discounts, the L1 bidder shall be decided by a toss/ draw of lots, in presence of respective L1 bidders or their representatives. Ranking will be done accordingly. BHEL decision in such situations shall be final and binding.

1. Counter offers will not be issued to Highest Bidder except in case of items where there are less than three qualified bidders. In case there are only two qualified bidders for any item, then counter offer will be issued to the highest bidder also.

2. The tender quantity will be divided in the proportion of 50:30:20 (50% for L1, 30% for L2, 20% for L3).

   *BHEL intends to keep upto three vendors in RC for effective planning of receipt of items. Counter offer will be given to all qualifying bidder for an item (except H1 or any exception so described elsewhere in tender). Merely getting counter offer and acceptance by a bidder does not alter his rank and do not indicate commitment by BHEL to load him during the currency of RC. Through this exercise and as an outcome of this exercise, new ranking of L2/ L3 may emerge out depending upon whether the original L2/L3 have accepted the counter offers or not. The seniority of ranking however will be unaffected with this exercise, i.e. if L2/L3/L5 have not accepted the counter offers and L4 & L6 have accepted the counter offers. Original L4 & L6 will become L2' & L3.
3. In case L2, L3 and any other bidders have quoted same rates and are also highest bidders, the counter offer will be issued to highest bidders also.
4. In case two or more bidders have L2 rank for a particular item, 50% tender quantity will be given to L1 bidder and balance 50% will be offered to L2 bidders. In case two or more L2 bidders accept the counter offer then 50% quantity will be divided equally among the counter offer accepted bidders and in that case no counter offer will be given to L3 bidder. In case only one L2 bidder accept the counter offer then 30% will be given to L2 bidder and balance 20% will be offered to L3 rank bidder.
5. In case of only two qualified bidders, the tender quantity will be divided into proportion of 60:40 (60% for L1 and 40% for L2).
6. In case of single bid, the entire tender quantity will be offered to L1 bidder.
7. 25% from the 25% quantity (i.e. 6.25% of the tender quantity) offered to the MSE's may be reserved for MSE's owned by SC/STs. In event of failure of such Micro and Small Enterprises to participate in tender process or meet tender requirements and L1 price, 6.25% per cent quantity for Micro and Small Enterprises owned by SC/ST entrepreneurs may be met from other Micro and Small Enterprises.
8. In line with the special provision for micro and small enterprise owned by women, out of the total annual procurement from Micro and small enterprise, 3 percent from within 25 percent target shall be procured from MSE's owned by women.

   The definition of MSE owned by women shall be as under

   i. In case of proprietor MSE, proprietor shall be women
   ii. In case of partnership MSE, the women partners shall be holding at least 51% share of the unit.
   iii. In case of private limited company, at least 51% share shall be held by women promoters.

Once the rate contract has been entered in to, during actual loading of a particular item; factors like BHEL requirement of delivery of particular item at that time vs load already available with particular vendor and his delivery schedule of already loaded items, the performance of particular vendor by that time, availability of Bank Guarantee and alike may dominate over the intended loading criteria mentioned in the terms and conditions. It is pertinent to mention here that time is the essence of contract. So item-wise actual loading may differ while executing the rate contract. Reiterating, preference shall be given to L1 vendor for loading however, BHEL reserves the right to give load to other vendors owing to one/more of the stated factors, notwithstanding the fact that the vendor was original L1.

7. INSPECTION:

a) Inspection of the finished components will be done at vendor's premises after receipt of inspection request from vendor. No deviation unless authenticated by authorized BHEL Officials will be allowed. The inspection request and the dimensional report shall be in the format prescribed by BHEL.
b) BHEL reserves the right to carry out inspection at its premises as and when required.
c) In case of Rework at Sub Contractor's end due to operator fault, the rework shall be carried out by Sub Contractor free of cost.
d) In case of rejection at Sub-contractor's end due to operator fault, raw material cost along with any other relevant charges will be recovered.
e) Calibrated gauges, fixtures and measuring instruments shall be available with vendor at all times.
f) Dimension reports shall be kept ready prior to inspection.
g) Where edge preparation is in the scope of vendor, D1 should be mentioned on bodies at the time of inspection

8. VENDOR LIABILITY FOR REJECTED MATERIAL

Any material rejected due to vendor-attributable deficiencies shall be repaired or rectified by the vendor within 120 days from the date of issue of the Rework Purchase Order (Rework PO).

If the vendor fails to complete the repair/rectification or fails to lift the rejected material within the stipulated period, BHEL shall recover the applicable costs, including material cost, machining cost, and any other associated charges, from amount due or becoming due to the vendor under this or any other contract.

9. DELIVERY OF FINISHED COMPONENTS:

a) The inspected components shall be delivered at Component Stores along with 4 copies of delivery challan, bearing seal of Main Gate Security and 2 copies of Inspection Report.
b) Delivery challan should have the details like PO No., IR NO., D1 dim, Component Code and special material description such as WC6/WC9/CF8/CF8M/CF3M.
c) Anti-Rust Oil shall be applied by vendor on finished components as per BHEL drawing before the delivery of components.
d) Finished components shall be unloaded in designated area as directed by the Store-keeper.
e) Finished goods shall be delivered at Component Stores at Sub-contractor's own cost. Facility for handling heavy materials (like lifter/crane) will be provided by BHEL.
f) The Sub Contractor shall supply the finished components with proper packing arrangement as per below given details-

S. No.	Component	To mention on Component	To write with	Remarks
1.	GV/RV/FV/TOA/ Isolating Valve Body	D1, Material Code, vendor Code & IR No.,	D1, Material Code Vendor Code & IR No to punching/engraving at the required location as mentioned by BHEL.	Additionally, in all 600 class and 2-150/300 GV bodies, center mark of seat to be punched. Center mark of seat required in 2" C300 GV and all FV bodies above 8". Rust preventive to be applied in case of threaded body seat.
2.	Bonnet, Yoke, Cover, Wedge, Stem, Spindle Sleeve-30015200, Air valve stem, Valve stem forging, Wall Blower Valve Body & Deslagger Body	Material Code, vendor Code	Punching/Permanent Marker/Paint.	Stems, Spindle Sleeve-30015200, Air valve stem, Valve stem forging are to be individually wrapped in transparent bubbled polythene sheet and material code to be mentioned on wrapping sheet. Center punch at top and bottom to be applied in all wedges. Bonnet/Yokes threaded potion: Rust preventive to be applied.
3.	Rough & Welded Seat Ring, Disc, Flap & Back Seat	Material Code, Vendor Code	Punching/Permanent Marker/Paint.	In case of WC6, WC9, CF8 and CF8M Rough Material, Material code and material grade (WC6/WC9/CF8/CF8M) are to be Punched/written with permanent marker only in case adequate space is not avl or it is unapproachable to punch material grade on Non-Welding area whereas Vendor Code to be written with permanent marker/ paint. Similarly, for stellited components, STL to be

4.	Final Seat Rings, Seat Insert, Final Disc, Final Flap, Final Back Seat, Gland Flange and, Gland Follower.	Material Code & Vendor Code	By pasting sticker on each piece or writing with permanent Marker/Paint.	In case of WC6, WC9, CF8, CF3M and CF8M material, Material code and material grade (WC6/WC9/CF8/CF8M/CF3M) are to be mentioned on the material. RV/SV/FV seat rings to be individually wrapped to prevent any kind of seat and thread damage.
5.	All other jobs (Retainer, Lantern Ring, Specialty, Gear, Wall Blower Gears and other Components etc.)	Material Code, Vendor Code	By pasting sticker on each piece or writing with Permanent Marker/Paint Or making suitable size small packets & clearly writing its vendor code and material code on outside of the packed lot in such a way that pieces could be counted from outside the packet.	In case of WC6, WC9, CF8 and CF3M/ CF8M material, Material code and material grade (WC6/WC9/CF8/CF8M/ CF3M) are to be mentioned on the material. "STL" to be written on stellited backseats. Small components to be bunch wrapped/individually as per the component shape and size and practical feasibility
Note: Vendor may please be noted that for all casting components to mention as Material Code, Vendor Code and IR Number are to be written with Punching/Engraving and other components to mention as Material Code and Vendor Code are to be written with Permanent Marker/Paint.				

10. DELIVERY SCHEDULE: -

For plate cutting items, vendor shall be required to complete the order within 90 days from date of PO/LOI (Group nos. G513 to G520 and G2436). For other items covered in this rate contract (except plate cutting items), vendor shall be required to complete the order within 120 days from date of PO/LOI. Vendor is required to lift the material at the earliest from BHEL premises after PO placement.

11. ISSUE OF BHEL's RAW MATERIAL & INSPECTION GAUGES:

a. Raw materials shall be issued from Main Stores/component stores and cost of transportation shall be borne by the Sub-contractor. Facility for handling heavy materials (like lifter/crane) will be provided by BHEL.
b. The raw material shall be provided by BHEL as per BHEL drawing with proper machining allowances. Material description shall be embossed/written with permanent marker on the raw materials (like F6, F304, F316, X20 Chrome, F22 etc) along with Melt No. reference in order to satisfy traceability conditions for the components covered under ISO/ CE Marking.
c. The vendor is required to lift the material within five working days of release of PO (it is the responsibility of vendor to check regularly B2B portal for new POs). Otherwise, depending upon the BHEL's requirement, the said material can be diverted to next eligible vendor/s.
d. Vendor has to appoint an authorized representative for issue and collect of raw material from BHEL.
e. If due to any reason, raw material issued to the vendor is more than the required, then the vendor has to return the excess material to the respective stores
f. For material facility and follow up communication, vendors registered email id's and phone no's will be used.
g. Though, it's not the responsibility of BHEL, to provide checking/inspection gauges for manufacturing of ordered items, yet vendor can request issue of gauges to IVP's Tool Engg Department on a prescribed format, mentioning valid PO & component for which these are required. Depending upon their availability, gauges will be issued on non-chargeable basis. However, vendor cannot claim any

relaxation in delivery dates due to their non-availability or delay in issuing them.

h. Vendor has to ensure proper upkeep, storage and handling of gauges at their works. Further these are to be deposited back on or before its due date of return. Any loss or damage of gauges will be fully recovered from the vendor, with applicable overheads, interest & taxes. (#As decided by BHEL).

i. Tool/Gauge Cost, GST, Overheads @5% and applicable interest, as per the existing tax laws shall be recovered from vendor if Tool/Gauges are retained by vendor for a period of more than 365 days, whatsoever may be the reason for their retention.

12. ACCESS TO MANUFACTURING PREMISES:

During the currency of the contract and while Sub-Contracting Orders placed on the vendor are under execution, authorized representatives of BHEL shall be allowed free access to the manufacturing facilities for the purpose of inspection or monitoring the progress of purchase orders. This access will also be extended to representatives of BHEL's customers accompanying the authorized representative/s of BHEL, if our contractual requirements with our customer's call for the same.

13. GUARANTEE:

Vendor shall give a guarantee of eighteen months from acceptance of material at BHEL for undertaking repairs/replacement of any defect observed during machining/ assembly/ hydraulic testing or subsequent processing notwithstanding the previous acceptance. Entire cost of such repairs/replacement of material will be deducted from any of the running bills/PBG.

In case of vendor fault when the welding repair is carried out by BHEL on components, the welding repair charges shall be @ Rs 18.35 per cc for carbon steel, Rs 20.00 per cc for alloy steel and Rs 23.15 per cc for stainless steel grades. In addition to this, if any other repair charges such as machining cost is incurred by BHEL the same shall be borne by the sub-contractor.

The components machined as per BHEL drawing should be free of machining/welding/gas cutting/fabrication defects. If the item is found defective after receipt during onward processing at Shop, total cost will be recovered from Sub-contractor.

Unauthorized repair of any component by the vendor, without the written permission of BHEL, is strictly prohibited (including repairs using welding).

14. CONFIDENTIALLY OF BHEL DRAWINGS/DOCUMENTS:

Sub-contractor/s shall ensure confidentiality of BHEL drawings and documents issued to them and shall not pass on the same to any unauthorized agency/person. Violation of the same shall tantamount to cancellation of the contract of the Sub-contractor.

15. BANK GUARANTEE AND SECURITY DEPOSIT:

a) Sub-contractor will have to execute a Bank Guarantee, in the prescribed format, for a sum of minimum 5% of the value of the maximum materials likely to be in possession of the Sub-contractor at any point of time. BG already submitted by the sub-contractor shall be taken into consideration and any additional requirement shall be conveyed by BHEL. Other alternatives to Bank Guarantee indicated below are also acceptable: -

- All Fixed Deposit Receipts (FDRs) hypothecated to BHEL.
- Electronic Funds Transfer credited to BHEL account.

b) Additionally, Security Deposit shall be recovered at the rate of 5% from running bills of sub-contractors in a calendar year. The Security Deposit shall carry no interest and shall be refundable in the end of next financial year.

16. INDEMNITY BOND:

Sub-contractor shall have to fully indemnify BHEL for any loss to BHEL's material in custody of the Sub- contractor against theft or financial liability against funding agency/financial institution or any other loss. The bond is to be executed on non-judicial stamp paper as per the format prescribed by BHEL.

The formats for B.G. & Indemnity bond are attached.

17. TERMS OF PAYMENT:

a. Due payment against job work done shall be made within 45 days from receipt of invoice at IVP Goindwal and receipt of following documents:
   i. Two copies of Invoice i.e. Original & Duplicate for Transporter. Vendors are required to mention GST of BHEL on Tax invoices.
   ii. Original Challan
   iii. Original Inspection Report (Not required for 100% Ok components)
b. The rejected material should also be deposited along with the accepted material through Delivery Challan.
c. In respect of procurement of goods or services from Micro, Small and Medium enterprises (MSMEs), the settlement of invoice shall be only through any of the TReDS platform (i.e RXIL, Mlxchange, lnvoicemart, KReDX, C2FO), authorized by the Reserve Bank of India. Such MSME suppliers to select their preferred TReDS platform before award of contract so that the data is captured in the Order /Contract database of the Unit. They also will have the option to change the TReDS platform from the drop down menu on Suvidha portal of BHEL, at the time of invoice submission.
   Wherever the Trade Receivable is accepted by BHEL, the same shall be validated by the Unit on the respective TReDS platform selected by the supplier. The routing of invoices through the TReDS platform shall not be construed as mandating discounting of such invoices and the MSMEs supplier shall have the option to avail or not avail financing or discounting of its receivables on the TReDS platform.
   In case discounting is not availed by the supplier on TReDS, the trade receivables will be paid through TReDS as per the payment timelines indicated in the contract.
d. For non-MSME suppliers, BHEL releases payment through EFT mode ONLY. Necessary details may please be submitted by filling required format before release of payment.
e. GST registration number is to be submitted by qualified vendor as per GST law.
f. Conditions relating to release of GST portion: Payment of GST portion will be released to vendor only upon completion of statutory requirement and further subject to following: The reimbursement of GST portion of invoice shall be released only upon: -
   i. Vendor declaring such invoice in his GSTR-1and
   ii. Receipt of goods and Tax invoice by BHEL and
   iii. Confirmation of payment of GST thereon by vendor on GSTN portal.
g. Above is subject to receipt of goods/service and tax invoice thereof along with vendor declaring invoice in his return and paying GST within timeline prescribed for availing ITC by BHEL.

18. AVAILING INPUT TAX CREDIT (ITC) BY BHEL:

a. Since ITC can be availed only when BHEL is in possession of GST Tax invoice and after receipt of goods. Thus, vendor to ensure timely dispatch of goods and submission Tax invoice. It may be noted that in case of any delay in receipt of Tax Invoice and/or receipt of goods, the ITC availment by BHEL will get delayed thus entailing additional cash outflow & may even get denied if ITC availment timelines are breached.
b. Further ITC can be availed only when vendor has declared such invoice in his outward supply Return GSTR-1 and after GST thereon has been paid by him at the time of filing of monthly Return.
c. If GST credit is delayed/denied to BHEL due to non/delayed receipt of goods and/or tax invoice or

expiry of timeline prescribed in GST law for availing such ITC, or any other reasons not attributable to BHEL, GST amount shall be recoverable from vendor along with interest levied/leviable on BHEL.

d. Further, in case vendor delays declaring such invoice in his return and GST credit availed by BHEL is denied or reversed subsequently as per GST law, GST amount paid by BHEL towards such ITC reversal as per GST law shall be recoverable from vendor/contractor along with interest levied/leviable on BHEL.

19. LIABILITY UNDER REVERSE CHARGE (RCM)

Any GST liability arising on BHEL under Reverse Charge (RCM) before actual receipt of goods and/ or Invoice thereof would be subject to recovery of Interest leviable for the period between the date of such liability and actual date of eligibility of ITC based on receipt of goods, receipt of Invoices and other conditions specified in GST Law as applicable.

20. FIRM PRICES:

The contract shall be on the basis of firm prices. No variation in price shall be entertained during the currency of the Rate Contract.

21. LIQUIDATED DAMAGES (LD): -

a. Time is the essence of the contract.
b. The ordered items shall be delivered as per the delivery period mentioned in the Purchase Order. It's the sole responsibility of the bidder to pick the total material required for execution of purchase orders in one go. However, if the bidder lifts the material in instalments, the end delivery date for the order will remain unaffected (and no request for delivery extension will be entertained). Note: Any delay on the part of BHEL to issue the material to vendor can be suitable compensated in the form of delivery extension.
c. In case the supplier supplies the ordered items beyond the delivery period specified, Liquidated Damages -LD - as detailed below shall be will be levied from the supplier without prejudice to any other relief /compensation available to BHEL, Punjab under any other condition of the contract/applicable legal provisions.
d. Failure to dispatch the materials in the time as per the delivery mentioned in our Purchase Order (PO) would make the supplier liable to an un-conditional LD at the rate of 0.5% of the undelivered order value per week of the delay or part thereof subject to a maximum of 10% of the undelivered order value.
e. Any deviation from the above LD clause, loading will be applied to the extent to which it is not agreed by the bidder (at offered value).
f. Indigenous: In case of FOR Delivery terms, the posting date in GR document shall be reckoned for LD deduction.

BHEL reserves the right to receive or not receive the material after the due date of PO. Applicable GST shall also be recovered from suppliers/contractors on LD amount. For this Debit note will be issued by BHEL indicating the respective supply invoice number.

22. BREACH OF CONTRACT, REMEDIES AND TERMINATION-

In case of breach of contract, wherever the value of security instruments like performance bank guarantee available with BHEL against the said contract is 10% of the contract value or more, such security instruments to the extent of 10% contract value will be encashed. In case the value of the security instruments available is less than 10% of the contract value, the balance amount be recovered in all or any of the following manners:

- From dues available in the form of Bills payable to defaulted supplier against the same contract.

- From the dues payable to defaulted supplier against other contracts in the same Region/Unit /any other region/unit.
- In-case recoveries are not possible with any of the above available options, Legal action shall be initiated for recovery against defaulted supplier.

Further, levy of liquidated damages, debarment, termination, de-scoping, short-closure, etc., shall be applied as per provisions of the contract.

23. FORCE MAJEURE:

If at any time during the continuance of the contract, the performance in which or in any part by either party of any obligations under the contract are prevented or delayed by reason of any war, hostilities, acts of public enemy, civil commotion, sabotage, fires, explosions, epidemics, quarantine restrictions, or acts of God (hereinafter referred to "an events" then provided the notice of happening of any such event is given by either party to the other within 21 days of the occurrence thereof, neither party shall by reason of such event be entitled to terminate the 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 the contract is prevented or delayed by reason of any such event, claims of extension of time shall be granted for periods considered reasonable by BHEL subject to prior notification by the Vendor to BHEL of the particulars of the event and supply to BHEL, if required, of any supporting evidence. Any waiver of time in respect of partial installment shall not be deemed a waiver of time in respect of remaining deliveries.

24. DISPUTES/ARBITRATION:

In the event of any dispute and /or difference arising between the Sub-contractor and BHEL as to interpretation and/or execution of the contract and/or the respective rights and liabilities of the parties, such disputes and/or differences shall be referred to the sole arbitrator nominated by BHEL. The provisions of the Indian Arbitration Act and the rules there under shall apply to such arbitration. The award passed by the arbitrator shall be final and conclusively binding on all the parties.

25. JURISDICTION:

The court of the place from where the Sub-contracting order issued during the contractual period shall alone have jurisdiction to decide any dispute arising out of or in connection with the purchase order.

26. SUB-LETTING:

The Sub-contracting order or any part thereof shall not be Sub-contracted, assigned or otherwise transferred without giving the notification to BHEL in writing. However, vendor can outsource the Heat Treatment/Plating from authorized dealers of the process. But vendors have to submit certificate from third party to BHEL for the job undertaken.

27. MISCELLANEOUS:

a. BHEL reserves the right to accept or reject any part or whole of the tender without assigning any reason thereof.
b. The Tender Quantity mentioned is tentative only. Actual quantity may vary from this and is subject to availability of raw material/order booking with BHEL. The actual ordering quantity may vary by any percentage, however splitting between L1 and counter offered accepted bidders will be done in same proportion as mentioned in tender terms.
c. BHEL reserves the right to discontinue any component/change scope of work/assembly as the need arises from time to time during the currency of tender.

d. In case of any loss that might be caused to BHEL due to lapse on the part of the workers deployed by Sub-contractor, such loss shall be compensated by Sub Contractor and in this connection, BHEL has the right to deduct appropriate amount from his bills etc. to make good of such loss to BHEL beside imposition of penalty. In case of any deficiencies /lapses on the part of personnel deployed by Sub contractor, BHEL shall be within its right to terminate the contract forthwith or take any other action without assigning any reasons whatsoever.

e. During the currency of the Rate Contract, if any new component with new material code but under same size & similar scope of Machining work appears, vendor shall be liable to machine it under final RC rate as per RC terms and conditions.

f. All Personnel Protective Equipment's/Safety Equipment's are to be provided by Sub Contractors to its workers deployed for work inside BHEL premises.

g. In case of death/mishap/physical disability occurred during discharging the duties by Sub Contractor/ workers deployed by Sub Contractors inside BHEL premises, the compensation liability solely rests with the Sub Contractor.

h. The identification and traceability w.r.t Make/Melt/Heat & Material type of raw material issued to Sub Contractor shall be maintained by him during processing and onward final submitting the components in BHEL Stores. BHEL reserves the right to verify the compositions/mechanical/chemical properties of parent material at any stage of processing at Sub Contractors end and also of final machined components submitted in BHEL stores.

i. The Sub Contractor shall supply the finished components with proper packing arrangement as specified in respective Purchase Order(s).

j. The Sub Contractor(s) who have deployed their labor for work within BHEL Premises shall be responsible for compliance of following Labour laws/Acts.

1. Payment of Wages Act 1936.
2. The Employees Provident Fund and Miscellaneous Provision Act 1952.
3. The Factory Act 1948.
4. The Employee State Insurance Act 1948.
5. The Employment of Children's Act 1938.
6. The Minimum Wages Act 1948.
7. Workmen Compensation Act 1923

(Any other applicable Labour law will be taken into consideration for compliance in this contract too.)

k. For this procurement, Public procurement (Preference to Make in India), Order 2017 dtd 15.06.2017, 28.05.2018, 29.05.2019 & 04.06.20 and subsequent orders issued by the respective Nodal ministry shall be applicable even if issued after the issue of this NIT but before finalization of contract /PO/WO against this NIT. In the event of any Nodal ministry prescribing higher or lower percentage of purchase preference and/ or local content in respect of this procurement, same shall be applicable. Further with ref to Clause no .9 a of above-mentioned order self-certification from all bidders is required as mentioned below:

The 'Class-I local supplier'/'Class-II local supplier' at the time of tender, bidding or solicitation shall be required to indicate percentage of local content and provide self-certification that item offered meets the local content requirement for 'Class-I local supplier'/'Class-II local supplier', as the case may be. They shall also give details of the location(s) at which the local value addition is made.

l. Rates for job works done under partial operations /rework orders will be as per Rate Schedules finalized by BHEL (Annexure-1 Part A, B & C attached with tender terms for reference of bidders).

m. Abridged version of Guidelines for Suspension of business dealings with suppliers/contractors are available at below mentioned link https://www.bhel.com/guidelines-suspension-business-dealings-supplierscontractors

n. BHEL may ask detailed working of cost estimation from bidders during tender processing for any items quoted by bidders.

o. Any gauge/Instrument issue to vendor by BHEL is to be returned on or before its due date.

28. PERFORMANCE MONITORING: -

a) The Sub-contractor/s with whom contract is entered into will be evaluated based on the "System for Performance Monitoring & Rating for Vendors".

b) Performance Rating will be taken into consideration while releasing further orders on the Sub-contractor. Based on performance of the Sub-contractor, supplier control checks will be specified from time to time and will be binding on the sub-contractor.

c) The Supplier Performance Rating shall be used for assessing the performance of a supplier in comparison with other suppliers with a view to decide whether or not to continue to procure the products from the supplier if the Supplier Performance Rating is below a certain limit.

d) For more details on Supplier Performance Rating, supplier can read abridged version available at link: https://www.bhel.com/sites/default/files/SEARP-2016_abridged_for_web.pdf

e) The feedback to the supplier shall be posted every quarter. In addition, the annual SPR rating shall also be intimated to the supplier. In case, the vendor does not contest the SPR ratings within 15 days of the availability of SPR on B2B portal, it shall be construed that the vendor has accepted the SPR ratings provided by BHEL.

29. DEALING WITH BANNED SUPPLIERS /CONTRACTORS:

The offers of the bidders who are under suspension as also the offers of the bidders, who engage the services of the banned firms, shall be rejected. The list of banned firms is available on BHEL web site www.bhel.com.

1. Integrity commitment, performance of the contract and punitive action thereof:

a. Commitment by BHEL: BHEL commits to take all measures necessary to prevent corruption in connection with the tender process and execution of the contract. During the tender process, BHEL will treat all Bidder(s) in a transparent and fair manner, and with equity.

b. Commitment by Bidder/ Supplier/ Contractor:

- The bidder/ supplier/ contractor commits to take all measures to prevent corruption and will not directly or indirectly influence any decision or benefit which he is not legally entitled to nor will act or omit in any manner which tantamount to an offence punishable under any provision of the Indian Penal Code, 1860 or any other law in force in India.
- The bidder/ supplier/ contractor 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 and shall adhere to relevant guidelines issued from time to time by Govt. of India/ BHEL.
- The bidder/ supplier/ contractor will perform/ execute the contract as per the contract terms & conditions and will not default without any reasonable cause, which causes loss of business/ money/ reputation, to BHEL.

If any bidder/ supplier/ contractor during pre-tendering/ tendering/ post tendering/ award/ execution/ post-execution stage indulges in mal-practices, cheating, bribery, fraud or and other misconduct or formation of cartel so as to influence the bidding process or influence the price or acts or omits in any manner which tantamount to an offence punishable under any provision of the Indian Penal Code, 1860 or any other law in force in India, then, action may be taken against such bidder/ supplier/ contractor as per extant guidelines of the company available on www. bhel.com and/or under applicable legal provisions".

30. WORDS AND FIGURES:

a) If, in the price structure quoted for the required goods/ services/ works, there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity}, the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.

b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and

c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject of (a) and (b) above.
d) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date upto which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored.
e) Bid should be free from correction, overwriting, using corrective fluid, etc. Any interlineation, cutting, erasure or overwriting shall be valid only if they are attested under full signature(s) of person(s) signing the bid else bid shall be liable for rejection. All overwriting/ cutting, etc will be numbered by bid opening officials and announced during bid opening.

31. SUPPLIED MATERIAL ADJUSTMENT:

Item/s pending in previous PO has to be billed in previous PO only. Otherwise BHEL will be free to adjust the supplies in previous PO. Any implication of Taxes will be on supplier's account. For this it is desirable to reconcile the pending PO statement every month/frequently. Vendor can ask for pending PO's from BHEL anytime.

32. Fraud Prevention:

"The bidder along with its associate/collaborators/sub-contractors/sub-vendors/consultants/service providers shall strictly adhere to BHEL Fraud Prevention Policy displayed on BHEL website http://www.bhel.com and shall immediately bring to the notice of BHEL management about any fraud or suspected fraud as soon as it comes to their notice."

33. Submission of signed & stamped documents:

The supplier and bidders while submitting documents in response to NIT/Tender etc. are required to ensure that: "Documents submitted with the offer shall be stamped and signed in each page by the authorized representative of the bidder".

34. Special Terms and Conditions for Carbon and Alloy Steel Plate Cutting Jobs

a. Rate should be quoted per running Centimeter (RCM) for the respective thickness slabs.
b. Work will be carried out within BHEL Premises.
c. Plate cutting equipment, consumables including gas, measuring instruments and electrical connection shall be arranged by the Vendor. However, electricity will be provided by BHEL and electricity charges shall be borne by BHEL.
d. Facility for handling heavy materials will be provided by BHEL.
e. Vendor will be responsible for fulfillment of all requirements in respect of labor engaged by him, including medical insurance/ESI, provident fund as applicable. Vendor will provide and shall ensure all his employees wear appropriate safety equipment like safety shoes, gloves and any other required PPE of required standard at all time while working. Besides any other instructions regarding wearing of safety apparels issued from time to time are to be adhered to.
f. Vendor has to arrange adequate safety gears recommended on gas cylinders like flash back arrester, caps, vertical positioning, proper binding clips on hose pipes. All regulators must have proper working gas. TCs/Documents can be checked anytime by BHEL.
g. Proper housekeeping of work area to be maintained to avoid any untoward incident by stacking of material so as to have a clear approach to work area.
h. Vendor shall ensure adherence of all statutory requirements in accordance with ISO 45001:2018 and ISO 14001:2015 HSE Management System.

i. Each employee should have his identity card. Only authorized persons duly approved by vendor shall work inside BHEL premises.
j. All electrical connections should be properly connected through plug, socket, insulation, earthing etc. Vendor has to ensure safe upkeep of all wirings in his work area by periodic checking and maintenance/ replacement as necessary to keep the workplace free of any potential health, safety & Environment related hazards.
k. Medical Checkup to ascertain physical fitness for the job to be carried out and records to be submitted before joining the duty.
l. No person should enter in inebriated condition.
m. All to follow covid appropriate behavior within IVP premises (including masks, social distancing, hand washing etc.). All advisories, as issued by BHEL from time to time to be followed & complied.
n. Police verification of every employee is must before joining.
o. In case any HSE related serious violation is observed, an amount of Rs 100/- per violation shall be deducted from Running Bills.
p. Any other law of land being recommended by Statutory Authorities to be abided. Hence any new law to be accommodated too.
q. In case of death/mishap/physical disability occurred during discharging the duties by Sub Contractor/ workers deployed by Sub Contractors inside BHEL premises, the compensation liability solely rests with the Sub Contractor.
r. All legal compliances to be followed like Gas Cylinder Rules 2016 etc.

Part 1 & Part 2	**Requirement**	**Summary of documents to be Submitted**
Part 1/ Techno-Commercial bid	Techno-Commercial Format	Completely filled format provided in Part-1 of tender.
	Proof of MSME	Copy of UDYAM certificate.
	Integrity Pact	Duly filled and signed Integrity Pact
Part 2/Priced Bid	Bid Submission	Item-wise Quotation in Price Bid format

For and on behalf of BHEL

s/d
Simran Singh
Dy. Manager/Sub-Contg.

Schedule of Machining Rates for Partial Operations (Part-A)

A	**Gate Valve Body Machining Rate**	Z
a1	Transportation Cost	@ 5% of Z
a2	Job Setting Cost	@ 3% of Z
	Q=Z-(a1+a2)	
a3	Body Top Flange Complete Machining	@ 20% of Q
	a.3.1 Top Flange Drilling and Counters	@ 5% of Q
		@ 15% of Q
a4	Seat Machining (Both Sides)	@ 40% of Q
a5	Guide Machining (Both Sides)	@ 15% of Q
a6	Side Flange (Both Flanges) Complete Machining in BW Bodies	@ 25% of Q
	a.6.1 OD, ID, Facing & Collar Turning complete except Edge Preparation (Both Sides)	@ 19% of Q
	a.6.2 Edge Preparation only	@ 6% of Q
a7	Side Flange (Both Flanges) Complete Machining in FL Bodies	@ 25% of Q
	a.7.1 Flange Turning & Facing (Both Sides) except drilling	@ 19% of Q
	a.7.2 Drilling & Counters	@ 6% of Q
a7	Skim Cut Cost (Both Sides)	@ 12% of Q
a9	Serration Removal/Serration Forming (Both Sides)	@ 5% of Q
B	**Flap Valve Body Machining Rate**	Z
b1	Transportation Cost	@ 5% of Z
b2	Job Setting Cost	@ 3% of Z
	Q=Z-(b1+b2)	
b3	Body Seat Machining	@40% of Q
b4	Body Top Flange Complete Machining	@ 20% of Q
	b.4.1 Top Flange Drilling and Counters	@ 5% of Q
	b.4.2 Top Flange Balance Machining	@ 15% of Q
b5	Side Flange (Both Flanges) Complete Machining in BW Bodies	@ 25% of Q
	b.5.1 OD, ID, Facing & Collar Turning complete except Edge Preparation (Both Sides)	@ 19% of Q
	b.5.2 Edge Preparation only	@ 6% of Q
b6	Side Flange (Both Flanges) Complete Machining in FL Bodies	@ 25% of Q
	b.6.1 Flange Turning & Facing (Both Sides) except drilling	@ 19% of Q
	b.6.2 Drilling & Counters	@ 6% of Q
b7	Hinge Pin Complete Drilling & Tapping	@15% of Q
	b.7.1 Hinge Pin Drilling	@8% of Q
	b.7.2 Tapping and Plug Seat Machining	@7% of Q
b8	Skim Cut Cost	@ 12% of Q
b9	Seat Ring Removal	@2.5% of Q
b10	Serration Removal/Serration Forming (Both Sides)	@ 5% of Q
C	**Globe Valve Body Machining Rate**	Z
c1	Transportation Cost	@ 5% of Z
c2	Job Setting Cost	@ 3% of Z
	Q=Z-(c1+c2)	
c3	Body Top Flange Complete Machining	@ 20% of Q
	c.3.1 Top Flange Drilling and Counters	@ 5% of Q
	c.3.2 Top Flange Balance Machining	@ 15% of Q
c4	Seat Machining complete	@ 55% of Q
c5	Side Flange (Both Flanges) Complete Machining in BW Bodies	@ 25% of Q

Annexure-1

	c.5.1 OD, ID, Facing & Collar Turning complete except Edge Preparation (Both Sides)	@ 19% of Q
	c.5.2 Edge Preparation only	@ 6% of Q
c6	Side Flange (Both Flanges) Complete Machining in FL Bodies	@ 25% of Q
	c.6.1 Flange Turning & Facing (Both Sides) except drilling	@ 19% of Q
	c.6.2 Drilling & Counters	@ 6% of Q
c7	Skim Cut Cost	@ 12% of Q
c8	Seat Ring Removal	@ 2.5% of Q
c9	Serration Removal/Serration Forming (Both Sides)	@ 5% of Q
D	**Yoke cum Bonnet/Bonnet Machining Rate**	Z
d1	Transportation Cost	@ 5% of Z
d2	Job Setting Cost	@ 3% of Z
	Q=Z-(d1+d2)	
d3	Bottom Flange Complete Machining	@60% of Q
	d.3.1 Bottom Flange including Turning/Facing/Step Machining/Backseat Bush Step Mach	@50% of Q
	d.3.2 Bottom Flange Drilling/Counters	@10% of Q
d4	Top Flange Complete Machining	@20% of Q
	d.4.1 Top Flange including Turning/Facing/Step Machining	@15% of Q
	d.4.2 Top Flange Drilling/Counters	@5% of Q
d5	Bore Machining	@20% of Q
E	**Gate Valve Wedges Machining Rate**	Z
e1	Transportation Cost	@ 5% of Z
e2	Job Setting Cost	@ 3% of Z
	Q=Z-(e1+e2)	
e3	T-Slot Complete Machining	@ 40% of Q
	e.3.1 T-Slot Base Machining	@ 20% of Q
	e.3.2 T-Slot Balance Machining	@ 20% of Q
e4	Guide Machining(Both Sides)	@ 30% of Q
e5	Seat Machining (Both Sides)	@ 30% of Q
F	**Final Flap Assy Machining Rate**	Z
f1	Transportation Cost	@ 5% of Z
f2	Job Setting Cost	@ 3% of Z
	Q=Z-(f1+f2)	
f3	Nut & Washer Machining Rate	@ 35% of Q
f4	Flap Machining Rate	@ 65% of Q

NOTE: **For offloading the job for partial opration , Transportation cost and Job setting cost shall be given in addition to the cost of that operation.**

Annexure-1

Schedule of Machining Rates for Partial Operations (Part B)		
A	**Gate Valve Body Machining Rate**	Z
a1	Transportation Cost	@ 5% of Z
	Q=Z-(a1)	
a8	Seat Ring Removal (Both Sides)	@ 40% of Q
a10	Welded Seat Machining (Both Side)	@ 50% of Q
B	**Flap Valve Body Machining Rate**	Z
b1	Transportation Cost	@ 5% of Z
	Q=Z-(b1)	
b10	Welded Seat Machining	@ 50% of Q
G	**Stem Machining Rate**	Z
g1	Transportation Cost	@ 5% of Z
	Q=Z-(g1)	
g2	Rough Machining	@30% of Q
	g2.1 Key Way/Slotting	@5% of Q
g3	Threading	@30% of Q
g4	Head Machining	@20% of Q
	g4.1 T-Slot machining	@10% of Q
g5	Finishing/Grinding	@20% of Q
H	**Isolating Valve body Machining Rate**	Z
h1	Transportation Cost	@ 4% of Z
	Q=Z-(h1)	
h2	Machining of Side edge, bore and collar (First edge)	@ 20% of Q
	h2.1 Test Collar back side	@ 8% of Q
h3	Machining of Side edge, bore and collar (Second edge)	@ 20% of Q
	h2.2 Test Collar back side	@ 8% of Q
h4	Seat Machining (First side)	@ 18% of Q
h5	Seat Machining (Second side)	@ 18% of Q
h6	Top Flange	@ 18% of Q
h7	Drilling & Tapping	@ 6% of Q

NOTE: **For offloading the job for partial operation, Transportation cost shall be given in addition to the cost of that operation.**

Annexure-1

Schedule of Machining Rates for Partial Operations in TOA Valves (PART C)		
A	**TOA Valve Body Machining Rate**	Z
a1	Transportation Cost	@ 5% of Z
a2	Job Setting Cost	@ 3% of Z
	Q=Z-(a1+a2)	
a3	Top Flange turning and drilling	@ 5% of Q
a4	Threading	@ 20% of Q
a5	Internal groove machining	@ 5% of Q
a6	Mol. Stainless steel weld bore machining	@ 15% of Q
a7	Internal boring machining	@ 10% of Q
a8	Total Length machining	@ 5% of Q
a9	Stellite-6 welded seat machining	@ 40% of Q

BANK GUARANTEE FOR FREE SUPPLY OF MATERIAL

Bank Guarantee No:
Date:

To
M/S BHARAT HEAVY ELECTRICALS LIMITED,
INDUSTRIAL VALVES PLANT
433, INDUSTRIAL COMPLEX
GOINDWAL – 143 422
TARN TARAN PUNJAB

Dear Sirs,

In consideration of Bharat Heavy Electricals Limited (hereinafter referred to as the "Employer", which expression shall unless repugnant to the context or meaning thereof, include its successors and permitted assigns), incorporated under the Companies Act, 1956 and having its registered office at **BHEL HOUSE, SIRI FORT, NEW DELHI-110049** through its Unit at Industrial Valves Plant, Goindwal Sahib having awarded to ________________________ (Name of the Vendor / Contractor / Supplier), with its registered office at ________________________ (hereinafter called the "Contractor/Supplier/Fabricator", which expression shall include its successors and permitted assigns), contracts already placed but pending execution as on date and contracts to be placed from time to time by the Employer on the Contractor/Supplier/Fabricator.

AND WHEREAS the Employer has agreed, as per the terms and conditions of the contract(s), to supply free issue material for the manufacture/fabrication of the equipment at the Contractor's site upon the condition that such supply shall be secured by a guarantee for Rs. __________ (Rupees __________ only) from a Bank as hereinafter appearing.

We, ________________________ (hereinafter referred to as the "Bank"), having registered/head office at ________________________ and a branch at ________________________, being the Guarantor under this Guarantee, hereby irrevocably and unconditionally undertake to forthwith and immediately pay to the Employer any sum or sums up to a maximum amount but not exceeding Rs. __________ (Rupees __________ only) without any demur, merely on your first demand and without any reservation, protest or recourse and without the Employer needing to prove or demonstrate reasons for its such demand.

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. __________.

We undertake to pay to the Employer any money so demanded notwithstanding any dispute or disputes raised by the Contractor/Supplier/Fabricator in any suit or proceeding pending before any Court or Tribunal, Arbitrator or any other authority, our liability under this present being absolute and unequivocal.

The payment so made by us under this Guarantee shall be a valid discharge of our liability for payment hereunder and the Contractor/Supplier/Fabricator shall have no claim against us for making such payment.

We, the ________________________ 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 contract(s) and that it shall continue to be enforceable till all the dues of the Employer under or by virtue of the said contract(s) have been fully paid and its claims satisfied or discharged.

We, ________________________ Bank, further agree that the Employer 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 contract(s) or to extend time of performance by the said Contractor/Supplier/Fabricator from time to time or to postpone for any time or from time to time any of the powers exercisable by the Employer against the said Contractor/Supplier/Fabricator and to forbear or enforce any of the terms and conditions relating to the said contract(s) and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Contractor/Supplier/Fabricator or for any forbearance, act or omission on the part of the Employer or any indulgence by the Employer to the said Contractor/Supplier/Fabricator or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

The Bank also agrees that the Employer at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Contractor/Supplier/Fabricator and notwithstanding any security or other guarantee that the Employer may have in relation to the Contractor/Supplier/Fabricator's liabilities.

This Guarantee shall remain in force up to and including __________ and shall be extended from time to time on the request of the Employer for such period as may be desired by the Employer.

This Guarantee shall not be determined or affected by liquidation or winding up, dissolution or change of constitution or insolvency of the Contractor/Supplier/Fabricator but shall in all respects and for all purposes be binding and operative until payment of all money payable to the Employer in terms hereof. However, unless a demand or claim under this Guarantee is made on us in writing on or before __________, we shall be discharged from all liabilities under this Guarantee.

We, ________________________ Bank, lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Employer in writing.

This Bank Guarantee shall be governed, construed and interpreted in accordance with the laws of India. Courts at ________________________ shall alone have exclusive jurisdiction over any matter arising out of or in connection with this Bank Guarantee.

Notwithstanding anything to the contrary contained hereinabove:

- The liability of the Bank under this Guarantee shall not exceed Rs. __________
- This Guarantee shall be valid up to __________
- Unless the Bank is served a written claim or demand on or before __________, all rights under this guarantee shall be forfeited and the Bank shall be relieved and discharged from all liabilities under this guarantee irrespective of whether or not the original bank guarantee is returned to the Bank.

We, _______________________ Bank, have power to issue this Guarantee under law and the undersigned as a duly authorized person has full powers to sign this Guarantee on behalf of the Bank.

For and on behalf of
(Name of the Bank)
Date: __________
Place of Issue: __________

1. NAME AND ADDRESS OF THE EMPLOYER: **Bharat Heavy Electricals Limited BHEL House, Siri Fort, New Delhi-110049**

2. NAME AND ADDRESS OF VENDOR /CONTRACTOR / SUPPLIER:

3. BG AMOUNT IN FIGURES AND WORDS:

4. VALIDITY DATE:

5. DATE OF EXPIRY OF CLAIM PERIOD:

INDEMNITY BOND

(To be typed and submitted on the Letterhead of the Company/Firm of Bidder)

This Indemnity Bond executed by M/s ________________, having their Registered Office at ____________, in favour of M/s Bharat Heavy Electricals Limited, a Company incorporated under the Companies Act, 1956, having its Registered Office at BHEL House, Siri Fort, Asiad, New Delhi - 110049, through its Unit at INDUSTRIAL VALVES PLANT, 433- INDUSTRIAL COMPLEX, GOINDWAL, TARN TARAN PUNJAB– 143 422 (hereinafter referred to as the "Company").

And whereas the Company has placed and may continue to place Sub Contract Purchase Orders from time to time on M/s ________________ (hereinafter referred to as the "Contractor/Supplier"), for fabrication, machining, or supply of components under various contracts, and whereas the execution of such work involves the Company supplying raw materials to the Contractor/Supplier.

AND WHEREAS under the provisions of GCC further stipulates that the Contractor shall indemnify the Company against all claims of whatever nature arising during the course of execution of Contract including defects and 100% of value of the raw materials supplied by the company.

Now this deed witnesses that in case the Company is made liable by any Authority including Court to pay any claim or compensation etc. in respect of all labourers or other matters at any stage under or relating to the Contract with the Contractor/Supplier, the Contractor/Supplier hereby covenants and agrees with the Company that they shall indemnify and reimburse the Company to the extent of such payments and for any fee, including litigation charges, lawyers' fees, penalty or damages claimed against the Company by reason of the Contractor/Supplier failing to comply with Central/State Laws, Rules etc., or its failure to comply with the Contract (including all expenses and charges incurred by the Company).

The Contractor/Supplier further indemnifies the Company for the amount which the Company may be liable to pay by way of penalty for not making deductions from the Bills of the Contractor/Supplier towards such amount and depositing the same in the Government Treasury. The Contractor/Supplier further agrees that the Company shall be entitled to withhold and adjust the Security Deposit and/or withhold and adjust payment of Bills of the Contractor/Supplier pertaining to this Contract against any payment which the Company has made or is required to make for which the Contractor/Supplier is liable under the Contract and that such amount can be withheld and adjusted by the Company till satisfactory and final settlement of all pending matters, and the Contractor/Supplier hereby gives its consent for the same.

The Contractor/Supplier further agrees that the terms of indemnity shall survive the termination or completion of this Contract. The Contractor/Supplier further agrees that the liability of the Contractor/Supplier shall be extended on actual basis notwithstanding the limitations of liability clause, in respect of:

1. Breach of terms of contract by the Contractor/Supplier.
2. Breach of laws by the Contractor/Supplier.
3. Breach of intellectual property rights by the Contractor/Supplier.
4. Breach of confidentiality by the Contractor/Supplier.

The Contractor/Supplier further agrees to keep in good and safe custody the materials supplied by the Company and render proper and satisfactory account of the same, and to return under acknowledgement the unused left-over material, if any, as specified in the Sub Contract Purchase Order(s)/Contract Terms & Conditions. The Contractor/Supplier agrees that the material will not be used for any purpose other than that stipulated in the order. The Contractor/Supplier agrees to pay the value of material for rejected quantity or return scrap material beyond permissible rejection as assessed by the Company. The Contractor/Supplier agrees to pay the value of the material as assessed by the Company if any pilferage, theft or damage is caused to the material supplied by the Company. The Contractor/Supplier agrees to pay the value of the material as assessed by the Company if any loss of the material supplied by the Company is caused on account of any financial liability, hypothecation of Contractor/Supplier's assets to any financing agency, financial institution, lending agency or any third party. The Contractor/Supplier shall indemnify the Company against all losses or damages that may be suffered by the Company due to any breach of contract committed by the Contractor/Supplier.

The Contractor/Supplier hereby expressly agrees that all disputes whatsoever arising out of this bond shall be governed by the arbitration clause as indicated in the terms and conditions of the aforesaid Contract(s) and that all cases whatsoever arising out of this bond shall be instituted or filed only in the courts or forums having territorial jurisdiction over Tarn Taran.

The Contractor/Supplier hereby indemnifies that the raw material or other items supplied by the Company would be based on BHEL estimates and such estimates of material including wastages will be binding on the Contractor/Supplier. The Contractor/Supplier further indemnifies that this Indemnity Bond covering the amount equivalent to the value of material or other items supplied by the Company against the Sub Contract Purchase Orders under the said Contract(s), shall remain valid as long as the Contractor/Supplier is on the approved vendor list of BHEL and till all the required finished items (manufactured out of material supplied by BHEL) and balance material, if any, are delivered to BHEL by the Contractor/Supplier. The validity of this Indemnity Bond will automatically stand extended for further period, for extension of time period for completion of supply of finished components beyond the originally scheduled delivery date(s).

Nothing contained in this deed, shall be construed as absolving or limiting the liability of the Contractor under said Contract between the Company and the Contractor. That this Indemnity Bond is irrevocable and the condition of the bond is that the Contractor shall duly and punctually comply with the terms and the conditions of this deed and contractual provisions to the satisfaction of the Company.

In witness whereof, M/s __________________ has executed these presents on the day, month and year first above written at ____________ by the hand of its signatory Mr. ______________.

Signed for and on behalf of M/s ___________________________ (with office seal)

Witness:

1.
2.