

BHARAT HEAVY ELECTRICALS LIMITED
TIRUCHIRAPPALLI
OUTSOURCING DEPARTMENT



OVM - OUTSOURCING WITH VENDOR MATERIAL

NIT: 2026OVM013

TENDER ENQUIRY FOR ENTERING INTO FRAMEWORK AGREEMENT FOR **Fabrication & Supply of TT Burner Assembly (Wind Box) for Adani Annupur (Madhya Pradesh) and Adani Mahan Ph-III (Madhya Pradesh) Projects** WITH VENDOR'S MATERIALS, AS PER BHEL's ENGINEERING DRAWINGS, QUALITY WORK INSTRUCTIONS (QWIs) AND TECHNICAL SPECIFICATIONS & **TRANSPORTATION OF FINISHED GOODS TO THE RESPECTIVE PROJECT SITES.**

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**LIST OF ABBREVIATIONS & THEIR DESCRIPTION**

S#	ABBREVIATION	DESCRIPTION
1	RS	Rate Schedule
2	PGMA	Product Group Main Assembly
3	DC	Delivery Challan
4	DR	Dimension Report
5	IR	Inspection Report
6	NS	Nature of Supply
7	DU	Despatch-able Unit
8	MPI	Magnetic Particle Inspection
9	LPI	Liquid Penetrant Inspection
10	QP	Quality Plan
11	GMS	Group Manufacturing Specifications
12	QCP	Quality Control Procedure
13	QWI	Quality Work Instructions
14	DTS	Direct To Site
15	FRS	Fabrication Rate Schedule
16	PRS	Painting Rate Schedule
17	SRS	Shot Blasting Rate Schedule
18	PMD	Product Material Directory
19	PO	Purchase Order
20	TC	Test Certificate
21	GST	Goods & Services Tax
22	CQP	Customer Quality Plan
23	TDC	Technical Delivery Condition
24	CHP	Customer Hold Point
25	MDCC	Material Despatch Clearance Certificate
26	EPS	E-PROCUREMENT SYSTEM
25	WPS & PQR	Welding Procedure Specification & Procedure Qualification Record

**Section I: TECHNO-COMMERCIAL TERMS & CONDITIONS****1.0 INTRODUCTION**

- 1.1 Outsourcing/BHEL/Tiruchirappalli invites offer from eligible Vendors for entering into a Framework Agreement for Fabrication & Supply of **TT burner Assembly (Wind Box)** with **Vendor's Material** for **Adani Anuppur and Adani Mahan Ph-III Projects** and **despatch of Finished Goods to the respective Project sites**, as per BHEL's Engineering Drawings, Quality Work Instructions (QWIs) and Technical Specification(s) & **Transportation of Finished Goods to respective Project Sites from Vendor Works**.
- 1.2 List of **Rate Schedule(s)** covered under this Tender Enquiry is given below. Refer **Section II** for more details.

RATE SCHEDULE (RS)	RATE SCHEDULE DESCRIPTION	PRODUCT CATEGORY	Total Weight (MT) (Tolerance $\pm 20\%$)	Pre-Qualification Requirement (PQR)
RS01	Fabrication of TT burner Assembly (Windbox) and Despatch to Site	Non Pressure Part	340	To be filled by Vendor as per the PQR given along with this tender Enquiry.

Note: Rate to be Quoted in **Rs. per MT** (Excluding GST). GST will be paid as Extras.

- 1.3 This is a **Two Part** bid **E-Tender Enquiry**.

2.0 SCOPE OF WORK BY VENDOR

- 2.1 The entire Quantum of Work is covered under **1 main Rate Schedule (RS01)**.
- 2.2 Procurement of Raw Materials, Fabrication of components as per BHEL's Drawings and in accordance with the approved Quality Plans (QPs), Quality Work Instructions (QWIs) and Painting Scheme.
- 2.3 Any special processes like Heat Treatment or NDT processes like UT, RT as called for in POs/Drawings/QPs/QWIs, wherever necessary, shall be carried out through BHEL approved Vendors only.
- 2.4 Vendors has to establish WPS (if WPS not available with vendor). Material for the same, if required by the Vendor, may be issued by BHEL on a cost-recovery basis.
- 2.5 Trial assembly of relevant components as called for in POs/Drawings/QPs/QWIs.
- 2.6 Offering the jobs to Authorized Inspection Agency (AIA) / BHEL-QC (OLI) / Customer, as per applicable QP, for inspection along with necessary supporting documents.
- 2.7 **Vendor shall dispatch the Finished Goods to any of the following Project Sites as given below. If Purchase Order(s) are placed for despatch to Adani Mahan Project are to be diverted to Adani Anuppur Project or vice versa then the same needs to be accommodated by Vendor without any financial implication as the Rate is being quoted by Vendor considering all the Project Locations which is given below:**

Project Name	Project Location
Adani Anuppur Ph-I Unit-2 (1853)	ATEMPL 2x800MW ANUPPUR PH-I USTPP, Kotma, Madhya Pradesh
Adani Mahan Ph-III Unit-2 (1855)	MAHAN ULTRA SUPERCRITICAL THERMAL POWER PROJECT 2x800 MW, SINGRAULI , Singrauli District, Madhya Pradesh

- 2.8 **Timely delivery is the essence of the Contract. Delivery Terms are specified in subsequent clauses in this Section. Vendor shall ensure on-time Procurement of Raw Materials and on-time delivery as specified in the PO.**

**Section I: TECHNO-COMMERCIAL TERMS & CONDITIONS****A) RAW MATERIAL PROCUREMENT**

- A.1 **Raw Materials** shall be **procured by Vendors from the BHEL's Approved Sources**. For List of BHEL's Approved Sources **Refer Section V & Appendix-I**.
- A.2 Vendor shall procure consumables such as Welding Electrodes, Paints etc. from BHEL's Approved sources (**Refer Quality Documents, Section VI & Section V**). Raw material & Consumables required for fabrication shall be procured by Vendor. Procurement of Raw materials shall be as per Raw Material Specifications given in Drawings and applicable Technical Delivery Conditions (TDC) / Purchase Order (PO) & Quality Work Instructions (QWI) and quantities as per Drawings/GMS (Group Manufacture Specification) which shall be issued by BHEL along with Purchase Orders (POs).
- A.3 Raw materials and Paints are to be procured with relevant Test Certificate (TC)/Reports and these have to be submitted/produced in original during inspection. Any test, both destructive and non-destructive, if required, will have to be carried out by the Vendor at their own cost. Vendor also shall verify the materials & Test Certificate (TC) to comply with the applicable Quality Plan (QP). Vendor should refer the updated list of approved suppliers for Raw Material and consumables before procurement.
- A.4 Raw material invoice, Test certificate (TC) and Day Book (DB) should be uploaded by Vendor in BHEL/ Trichy's Vendor Information System (VIS-B2B).
- A.5 The Typical list of **Raw Materials** required is given Rate Schedule wise in **Section II B [Bill of Material (BOM)]**. Suitable cutting allowances may be considered over this quantity for cost estimation.
- A.6 Required equipment's for handling of Raw Materials/Work in Progress (WIP) & Finished Goods should be available at Vendor Works.
- A.7 The system for Storing and Issuing materials shall be available with Vendor for easy traceability.
- A.8 Raw materials not covered by the above shall be identified by its Work Order (W.O.) Number / Material Code / Specification / Grade by Painting / Stencilling / Engraving.
- A.9 Periodic audit of system of purchasing, storing and issue, etc. will have to be carried out by the Vendors. BHEL will also audit the same.
- A.10 The weights in Group Manufacturing Specification (GMS) will be the basis for requirement of the raw materials for fabrication. However, Vendor have to correlate the Drawings & GMS and take into consideration suitably a process allowance over and above this for procurement of raw materials. For the purpose of billing as well as transport, the weight of GMS shall be the basis. Weight changes due to design change shall be compensated by GMS/PO amendment.
- A.11 For raw material substitutions requested by Vendor, changes in the weight due to material substitution will be carried out by temporary Design Change Notification (DCN), if deemed fit by BHEL. GMS / PO will not be revised and no cost escalation will be considered on account of the same.
- A.12 Vendor shall procure **minimum 60% of the quantity of Raw Materials** for each Purchase Order (PO) within **45 days** from PO date. This is to avoid delay in project schedule due to delay in raw material procurement by Vendors. The submission of data by Vendor for DB clearance by BHEL/QC shall be the proof of procurement of raw material. Purchase Order placed on Steel mills and with proper payment voucher/proof shall also be considered by BHEL as proof of Procurement. In case the above conditions are not met by the vendor, BHEL reserves the right to invoke clause related to "Breach of Contract" as given in this Section of enquiry.
- A.13 In case of non-availability of Raw Materials, Vendors may approach BHEL for collection of Raw Materials from Stores/BHEL on cost recovery basis. BHEL reserves the right to issue the Raw Materials based on the availability.

**B) FABRICATION**

- B.1 Fabrication of components shall be as per BHEL's Drawings and BHEL's Drawings shall be issued along with Purchase Order(s). However, to understand the nature, type & quantum of work content, a set of actual/indicative Drawings is available **Rate Schedule wise** in **Section II A**. It is to be noted that the work content as per the actual Drawings may vary marginally.
- B.2 Fabrication of components shall also be according to the BHEL Drawings, BHEL Quality Documents, Customer Approved Quality Plan, Technical Delivery Conditions (TDC). However, Vendor shall refer the latest version of Quality documents to be issued along with Purchase order.
- B.3 Welding to be carried out by Qualified Welder and as per BHEL's approved Welding Procedure Specification (WPS). The welder qualification and welding procedure (as per relevant SIP) have to be done by Vendor with approval of QC/BHEL or by QC/BHEL's authorized appointed agency. The cost of any approval on this account is in Vendor's scope. Edge preparation and welding details shall be as per Drawing.
- B.4 WPS (Welding Procedure Specification) has to be established, if not available with Vendor. Material required for establishing WPS (if any), shall be issued to the Vendor on Cost recovery basis. Collection of this raw material from BHEL/Trichy required for establishing WPS is in the scope of Vendor. Successful Vendor will have to submit the WPS for approval by BHEL (QC/WTC). Approval of WPS by BHEL will take 2 weeks from the date of submission of complete documents.
- B.5 Vendor shall use Jigs & fixtures, Core Cutting Machine/ Magnetic Horizontal drilling machine to ensure hole to hole matching during assembly and Erection.
- B.6 All consumables for welding as stipulated in the Drawings/QWIs/Welding procedures & any indirect materials required for fabrication is in Vendor's scope of work.
- B.7 All the electrodes are to be procured using **Welding Consumable Procurement Instruction (WCPI)** which is issued by **Welding Technology Centre (WTC)** department of BHEL/Trichy. In case a Vendor doesn't have the requisite WCPI then Vendor shall approach WTC department of BHEL/Trichy for obtaining the same. Electrodes to be procured and used for fabrication shall be as per BHEL's approved WPS.
- B.8 Proper sequence of welding shall be adopted to minimize distortion. The distortion of the finished jobs, if any, may be corrected by mechanical means / hot correction.
- B.9 The surface of the welds shall be free from coarse ripples, overlaps, undercuts and abrupt ridges to avoid stress raisers.
- B.10 Conducting MPI/LPI, other NDT & heat treatment wherever called for in the Drawings/ Quality Plans is in the scope of Vendor and wherever necessary shall be carried out through BHEL's approved Vendors as listed in **Section V**. Addition/Deletion of Vendors enlisted as BHEL approved Vendors for NDT, abrasive Blast Cleaning, Painting and Heat Treatment may happen from time to time so Vendor is requested to refer B2B Portal for any updation in the approved sources list.
- B.11 The requirement of NDE, extent and type of examination shall be as per respective product SQP and CQP, if applicable.
- B.12 Visual inspection shall be performed as per SIP:NP:06 (Latest revision to be followed).



- B.13 The Ultrasonic Testing, Radiographic Testing, Furnace Heat Treatment (HT) and Stress Relieving as called for in the Drawings/QWI/PO/QCP are to be carried out by the Vendor, through the approved agency of BHEL. List of approved agencies is as per **Section V**. In case there is no approved agency near Vendor's Works, Vendor has to locate suitable agency for RT, MPI, LPI, SR and UT and get them approved by BHEL before commencing the job.
- B.14 All handling charges and other incidental charges till completion of fabrication & dispatch up to destination is in Vendor's scope.
- B.15 Trial Assembly as called for in the Drawings / Quality Plans / PO or by the Inspecting Authorities, is in Vendor's scope of work.
- B.16 Ensure completeness of all final machining operations.
- B.17 Providing the necessary facilities, gauges, instruments, etc. for carrying out the testing & inspection including Customer/BHEL/BHEL nominated agency as per BHEL's QP/PO/Drawings and Customer CHP, till obtaining of MDCC (wherever applicable).
- B.18 Mechanical testing, if any, can be done at any of the NABL approved laboratory in case Vendor do not have their own facilities.
- B.19 BHEL Drawings and Quality procedures to be followed and referred for marking & identification of interconnecting members to the satisfaction of BHEL inspectors, dismantling, related handling and movements of components as necessary.
- B.20 Assembly is to be carried out on a level surface. Assembly Items are to be dispatched with adequate bolt which is in the scope of the Vendor. Assembly has to be carried out as per BHEL Quality Plan/Customer Quality Plan (CQP) (as applicable). Any other item/s required for safe dispatch / packing materials required for the completion and the dispatch of the jobs is in the scope of Vendors.
- B.21 No work/ rework shall be allowed to be carried out at site. If such necessity arises, Vendor to remove those components from site and carry out such reworks elsewhere, at Vendor cost, including transport.
- B.22 Goods Receipt (GR) posting will be done only on receipt of Material Dispatch Clearance Certificate (MDCC). Any delay in MDCC will delay the GR posting. Wherever required, Vendors shall co-ordinate with the concerned official for MDCC till handing over of original MDCC to BHEL.
- B.23 **MATERIAL DISPATCH CLEARANCE CERTIFICATE (MDCC):** MDCC shall be issued by BHEL. No material shall be dispatched by Vendor unless and until Material Dispatch Clearance Certificate (MDCC) is NOT issued by BHEL. In case any material is dispatched without MDCC and any loss is incurred by Vendor for any reason whatsoever, BHEL shall not be responsible in any manner to compensate the Vendor in this regard.
- C) SURFACE PREPARATION, PAINTING AND STENCILLING**
- C.1 Surface preparation & Painting shall be as per the quality documents and painting scheme with paints procured from BHEL 's Approved Paint Suppliers list. Applicable painting scheme is available in **Section VI** and approved paint supplier list is available in **Section V**. Vendor shall refer the latest version of Painting scheme and applicable Quality Documents during execution of Purchase Orders. Blasting, wherever required (as per PO/Drawings/Quality Plans), is to be carried out by Vendor through BHEL's Approved sources for Blasting & Painting. List of BHEL approved blasting and painting Vendor is available in **Section V**. However, Vendor should refer the latest list of approved blasting and painting Vendors before carrying out the blasting and painting jobs.
- C.2 Identification of Structures shall be hand punched and stencilled.

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- C.3 The Project name, Work Order No., Number off, DU Number, Weight, and Vendor Code number shall be legibly stencilled for identification and dispatch as may be advised. Vendor Code number alone shall be punched using letter punch and bordered suitably for identification. Machined surfaces shall be protected with rust preventive oil. Weldable areas are to be applied with weldable primer.
- C.4 After painting and stencilling, suitable crating should be made, according to the job size. Loose pieces should be sent only by crate of appropriate size which is in the scope of Vendor. Dispatches of loose items i.e. up to 3m in Length and Individual weight less than 30kgs, should be packed in Crate and dispatched.
- C.5 If any complaint is received from site regarding poor quality of product including painting issues, the concerned Vendor shall be asked to rectify it within a reasonable time or else BHEL may arrange rectification through alternate agencies at the risk and cost of the default Vendor. If a proper blasting and painting process is followed, then the painting should withstand severe / corrosive atmosphere. Moreover, Vendor cannot absolve its responsibility even beyond normal warranty period, irrespective of the fact that the product had been inspected by BHEL/QC/AIA. In order to avoid such penalties, Vendor is advised to follow the established process of blasting and painting given in BHEL's approved Quality Documents.

D) QUALITY REQUIREMENTS

- D.1 Supply of the components should strictly conform to dimensions and tolerances indicated in the Drawings, Quality Plan. Care must be taken to strictly adhere to the 'NOTE' given in the Drawings. Vendor must ensure that dimensional deviations, if any, are recorded properly in the Dimension Record books and the same shall be made available to BHEL's Officials or their authorized agencies. All the Quality records are to be uploaded in B2B Portal. Any correction or revisions as advised by BHEL at post PO stages, shall be carried out by the Vendor, based on the revised Drawings or interim inspection from BHEL. Extra cost implications, if any, shall be informed to BHEL before carrying out the job.
- D.2 Only the right kind of welding electrodes shall be used as called for in the Drawings.
- D.3 Welding electrodes shall be sourced only from the approved sources of BHEL. The list of approved suppliers for welding electrodes is given in **Section V**. Vendor to always refer the updated approved suppliers list.
- D.4 Adequate packing shall be made by the Vendor to avoid any transit damages. The quoted rate shall be inclusive of this packing.
- D.5 Any other work carried out other than the requirements of Drawings/QWIs shall have the prior written approval of BHEL/ Trichy.
- D.6 Adequate facilities like welding equipment(s), baking oven, handling facilities and measuring instruments duly calibrated as called for by BHEL must be available with the Vendor for the manufacture/fabrication of boiler components. All the above basic fabrication equipment must be in working condition, and the same shall be made available for verification by BHEL officials or authorized agents of BHEL.
- D.7 Only Class 1 measuring tapes shall be used. The instruments / gauges are to be calibrated at BHEL Lab (chargeable basis as per applicable rates) or any NABL, approved Lab periodically as follows:

S#	Type	Periodicity
01	Measuring instruments/gauges	One Year
02	Limit gauges (E.g. Plug/ring)	One Year
03	Temperature, pressure gauges	6 Months
04	Measuring Steel tapes	Once

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- D.8 The calibration status shall be displayed at the Vendor's works in a conspicuous location. Calibration can be performed at either BHEL or at any NABL/Govt. approved labs, traceable to national standards.
- D.9 For various Rates Schedules, manufacturing, handling and testing facilities' requirement as specified by BHEL from time to time shall be available with the Vendor.

E) INSPECTION

- E.1 Inspection at the Vendor Works shall be done by BHEL's Quality Control Department and/or by BHEL's Customers and/or by an agency or person(s) authorized by BHEL. All facilities and equipment(s), calibrated instruments and standard gauges required for inspection shall be provided by the Vendor at their own cost.
- E.2 BHEL representatives/authorized agents shall have free access to the Vendor's works at any time during the execution of the orders as well as for verification of requisite documents/materials.
- E.3 Cost incurred by the Vendor for specimen preparation of Production Test Coupon carried out at authorized agency as requested by BHEL, Tiruchirappalli shall not be reimbursed by BHEL.
- E.4 The quality of Paints used by Vendor shall be checked by BHEL at regular intervals. Samples shall be collected from Vendor's works and tested at BHEL to ensure quality as per relevant standards/documents. In case discrepancies with respect to BHEL's specification are noted, the job may be rejected, and appropriate action against the Subcontractor shall be initiated as per latest revision of BHEL Guidelines for Suspension of Business Dealings with Suppliers/Contractors.
- E.5 The works are deemed to have been completed and accepted, only after the inspector / Agency / Agencies accept / approve the Inspection Report (IR). IR has to be raised as per the format given in BHEL's Vendor Information System (VIS-B2B).
- E.6 Acceptance of the product after inspection makes the Vendor eligible for payment. However, such acceptance after inspection by BHEL / AIA does not absolve the responsibility of the Vendor in ensuring the quality / performance of their product, even after the warranty period.
- E.7 Quality documents such as Dimension Report, Material's Test Certificates (TCs), etc., against the PO placed shall be uploaded by the Vendor in B2B portal.
- E.8 BHEL representative from unit or Customer Quality (CQ) is authorized to carry out audits along with Third Party Inspection Agency (TPIA) at Vendor's works before clearing the items for dispatch wherever required.
- E.9 Vendor is requested to refer the updated list of Heat Treatment agencies approved by BHEL.

F) TRANSPORTATION

- F.1 The rates finalized against each Rate Schedule shall include cost of transporting the finished products from Vendor's Works to respective project site from Vendor's Works.
- F.2 **Transportation of Finished Goods to any of the Project Sites i.e. Adani Mahan Project- Madhya Pradesh or Adani Anuppur Project – Madhya Pradesh is in Vendor's scope.**
- F.3 Vendors shall deliver finished Goods to the Project Sites as mentioned in the Purchase Order/ as communicated at the time of issuance of dispatch clearance for the Rate Schedules covered in this Tender Enquiry.
- F.4 Under exceptional circumstances, BHEL may request diversion of jobs loaded for one project to another project (which may be any project other than the Project Sites mentioned in this Tender) or to Shipping/BHEL/Trichy. In such cases, the differential freight cost, if any, shall be paid as an extra amount or deducted from the finalized Rate, as applicable.

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F.5 The calculation of freight cost shall be as per BHEL's Centralized Transport Contract 2026-28. Rates shall be calculated based on below Rate Schedules derived from our Central Transport Contract.

S#	Description	CONSIGNMENT CATEGORY-T5 (40 Ft. Mechanical Trailer – Non ODC & ODC) (Rs. Per KM per MT) (Excluding GST)	CONSIGNMENT CATEGORY-T8A (Long Bed Mechanical Trailers) (Rs. Per KM per MT) (Excluding GST)
1	Anywhere to Anywhere in India – Up to 200 Km	4.65	26.02
2	Anywhere to Anywhere in India – above 200 Km and up to 500 Km	4.15	22.95
3	Anywhere to Anywhere in India- Above 500 Km	3.00	5.45

E.g. 1:

If a PO is placed for dispatches to **PROJECT-A** on **Vendor-A** and if the job is to be diverted to **Destination-01** under exceptional circumstances, then the following calculations will be done.

Distance from **Vendor A** to PROJECT-A = 200 Km (x)
Distance from **Vendor A** to Destination-01(OTHER SITES/BHEL Trichy) = 1500 Km (y)

Distance between Vendor-A and PROJECT-A is lesser than the Distance between New Destination-01 and Vendor-A. Hence, Extra freight will be paid to Vendor-A for dispatching the consignment to higher distance of Destination-01 is as follows:

S#	Description	CONSIGNMENT CATEGORY-T5 40 Ft. Mechanical Trailer – Non ODC & ODC	CONSIGNMENT CATEGORY-T8A Long Bed Mechanical Trailers
1	Freight for Vendor A to PROJECT-A as per above table and slab Anywhere to Anywhere in India – upto 200 Km	200 * 4.65 = 930 per MT	200 * 26.02 = 5,204 per MT
2	Freight for Vendor A to New Destination-01 (OTHER SITE/BHEL TRICHY) "as per above table and slab Anywhere to Anywhere in India – above 500 Km"	1500 * 3.00 = 4,500 per MT	1500 * 5.45 = 8175 per MT
Extra Freight to be paid to Vendor-A		4,500- 930 = 3,570 per MT	8,175 - 5204 = 2971 per MT

In above example, this extra freight payable to Vendor-A shall be informed to Vendor-A and consent shall be obtained before proceeding with approval for diversion of PO from one project to another.

E.g. 2:

If a PO is placed for dispatches to **PROJECT-A** on **Vendor B** and if the job is to be diverted to **Destination-02** under exceptional circumstances, then the following calculations will be done.

Distance from Vendor B to PROJECT-A = 2000 Km (x)
Distance from Vendor B to New Destination-02 = 400 Km (y)

Distance between Vendor-B and PROJECT-A is more than the distance between New Destination to Vendor-B. Hence freight charges will be deducted from Vendor-B for dispatching the consignment to shorter distance of Destination-02 is as follows:



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S#	Description	CONSIGNMENT CATEGORY-T5 40 Ft. Mechanical Trailer – Non ODC & ODC	CONSIGNMENT CATEGORY- T8A Long Bed Mechanical Trailer
1	Freight for Vendor B to PROJECT-A as per above table and slab Anywhere to Anywhere in India – above 500 Km	2,000 * 3 = 6,000 per MT	2,000 * 5.45 = 10,900 per MT
2	Freight for Vendor B to New Destination-02 (OTHER SITE/BHEL TRICHY) "as per above table and slab Anywhere to Anywhere in India – above 200 Km and up to 500 Km"	400 * 4.15 = 1,660 per MT	400 * 22.95 = 9,180 per MT
Applicable Freight deduction with respect to Difference in Distance from Vendor-B		6,000 - 1,660 = 4,340 per MT	10,900 – 9,180 = 1,720 per MT

In above example, this freight cost to be deducted shall be informed to Vendor-B and consent shall be obtained before proceeding with approval for diversion of PO from one project to another.

- F.6 Vendor has to arrange for dispatch of the Finished Goods either in Trucks or Trailer/ Hydraulic axles for safe delivery of the goods to **Respective Project Sites** through their Transport Carriers. In case of any Deviation/Discrepancy of the Finished Goods received at Project Site, Vendor is responsible for correction or replacement activity. If the same is not rectified/replaced by the concerned Vendor within reasonable time as instructed by BHEL, then the same will be rectified /replaced by BHEL at the cost and risk of default Vendor.
- F.7 Safe Transportation of Finished Goods as indicated in the Purchase order will be in Vendor's Scope. This transportation should be done using appropriate Vehicle/Trailer with all valid Documents complying to all the applicable rules.
- F.8 Loading of finished goods on to the Truck / Trailer is in Vendor's scope. Vendor should ensure sufficient Wooden Logs/Reapers are placed between jobs and between jobs and trailer. Proper lashing of Jobs is to be done avoiding direct contact between the lashing chain and jobs. Guidelines for Loading the fabricated items on Vehicle is given in **Section II E**. Vendors shall necessarily follow the said Guidelines.
- F.9 After loading is completed as above, a photograph of loading as and when demanded by BHEL (concerned expeditor) is to be sent to BHEL (concerned expeditor) before dispatch of the Vehicle.
- F.10 In case after reaching the destination if any non-conformance is noticed by the way of improper loading/lassing of finished Goods, unloading of Vehicle shall be denied by BHEL site office/Customer. Vendor should correct the non-conformances at his cost and again place the Trailer for Unloading.
- F.11 In addition, BHEL may recover from the default Vendor, the amount arising due to improper loading of Finished Goods on Vehicles as specified by BHEL officials at Unloading point.
- F.12 Due to the unpredictable site condition at times, the loaded consignment dispatched by Vendor may have to wait for unloading for about 3-4 days (on an average) at the destination. Vendor shall note this point while submitting their offer.
- F.13 **Detention charges shall be paid extra if the Vehicles are not unloaded / released within the stipulated time given below: -**

S#	Unloading Points	Free period (No. of Days)
1	Shipping/BHEL/Trichy	3
2	Project sites	4

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For Example: If the Vehicle reached at site for unloading and made IN entry on 02.06.2025, the free period (4 days as per above table) will be available up to 06.06.2025. If the EXIT of the vehicle is recorded on 08.06.2025, then detention will be calculated excluding 02.06.2025, 08.06.2025 and free period (4 days). Hence, Vendor will be eligible to claim detention charges for only one day.

F.14 For dispatches made to Shipping/BHEL/Trichy, Area IN and Area EXIT will be taken for calculation of detention. Both Area IN and Area EXIT dates will not be counted for calculation of detention.

For Example: If the vehicle reached at Shipping/BHEL/Trichy for unloading and made Area IN entry on 02.06.2025, the free period (3 days as per above table) will be available up to 05.06.2025. If the Area EXIT of the vehicle is recorded on 08.06.2025, then detention will be calculated excluding 02.06.2025, 08.06.2025 and free period (3 days). Hence, Vendor will be eligible to claim detention charges for only two days.

F.15 Unloading within BHEL/Trichy premises Area "In" and Area "Out" entry will be made only if the Transporter's representative available while reporting in and exit of Vehicles.

F.16 If the reporting period happened to be Sundays & Holidays, then the next working day will be considered as the date of reporting of Vehicle.

F.17 Detention at unloading points shall be paid based on the Gate Entry at Site / Certification by BHEL/Trichy personnel / Certification by BHEL site personnel – with signature & official seal.

F.18 In case the Vehicle reached at Site, and the site security / site officials are not allowing the Vehicle to enter project Site. In such case the date of arrival of Vehicle at Site, based on the Global Positioning System (GPS) report will be considered as the date of reporting at Site for calculation of detention Charges duly certified by an executive not below the rank of DGM/Commercial / End user.

F.19 Wherever GPS is not mandatory then the date of reporting at Site will be based on certification by DGM/Commercial / End user.

F.20 **The Rate of Detention Charges are as follows:**

Description	Detention charges
40 ft. Trailer	Rs. 1,700 per Day
70/80 ft. Trailer	Rs. 2,200 Per Day

F.21 Transit insurance is in the scope of BHEL. Vendor has to communicate in writing to the insurance agency or BHEL as indicated in the Dispatch Instruction, the dispatch details to enable them to cover the transit insurance. In case of any transit damage to materials, the Vendor shall carry out the rectification, and the amount realized from the insurance company shall be paid to Vendor. Vendor shall cooperate and provide all documents to claim the damage from the insurance company.

F.22 As soon as the dispatches are made, Vendor have to upload scanned copy of DC and GST Invoice in B2B system.

F.23 Vendors are advised to take note of the transportation routes before submitting their offer.

G) EXTRA RATE SCHEDULES

G.1 **Few Extra Rate Schedules** have also been identified and the Rates for these **Extra Rate Schedules** are **Pre-Fixed** as indicated in **Section III**, shall be payable over and above the basic fabrication Rates (finalized for Main fabrication Schedules), wherever applicable.

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- G.2 Extra works, if any, carried out as per Drawings / Quality Plan / PO requirement shall qualify for Extra Payment, as per the **Pre-Fixed Rates** listed in **Section III**. Any other work not covered under extra RS, but incidental to the completion of fabrication of job till handing over to Dispatch Location, shall be deemed to be Vendor's scope of Work.
- G.3 The applicability of Extra Rate Schedules shall be indicated in Purchase Orders (P.O.).
- G.4 **The List of Extra Rate Schedules (RSs) is given below. Pre-Fixed Rates for the List of Extra Rate Schedules (RSs) is mentioned in Section III.**

S#	Extra Rate Schedule	Extra Rate Schedule Description
1	SPRS	PAINTING & BLAST CLEANING charges

- G.5 Any other work not covered under extra RS, but incidental to the completion of fabrication job till handing over to BHEL, shall be deemed to be part of the price quoted by the Vendor.

3.0 PRODUCT GROUP AND RATE SCHEDULES

- 3.1 For list of products covered under this NIT, Quantum & Description of Rate Schedules, refer **Section II**.
- 3.2 A Rate Schedule relates to a group of Drawings / PGMA's consisting of similar nature and content of work. Rates to be quoted in the respective Rate Schedules shall be based on the description of work content and Drawings indicated against each RS given in this tender enquiry.
- 3.3 Purchase Orders (POs) shall be placed on a Vendor by way of Rate Schedule (RS) identified for each product group.
- 3.4 During actual PO release, there could be marginal variations in the nature of work content and the quantum of work within the same Rate Schedule.
- 3.5 Any other work not covered explicitly in Drawings/ Quality Documents, but incidental to the completion of fabrication of job till handing over to the destination, shall be deemed to be Vendor's scope of work. (Note: Incidental Work are those activities which are inherent for the manufacturing process but not explicitly spelt out in the Drawings.)

4.0 ELIGIBILITY TO QUOTE FOR RATE SCHEDULES (RS) IN TENDER ENQUIRY

- 4.1 Vendors may submit their quote for such Rate Schedule(s) in which they are interested and facilities for such Rate Schedules are available with Vendor. For Example: A Vendor has all the facilities for fabrication of the items covered in this Tender Enquiry and they also meet all other requisite requirements as outlined in Pre-Qualification Requirement (PQR) including Financial soundness, is eligible to quote for this Tender Enquiry. However, Vendor shall note that it is at the discretion of BHEL to accept/reject the offer of a Vendor for a Rate Schedule after due evaluation of Part I offer submitted by Vendor.
- 4.2 **Pre-Qualification Requirement (PQR)** for the **Rate Schedules** covered in this Tender Enquiry are to ascertain the facility of the participating bidder is given in **Annexure A**. Vendor shall duly fill and upload the same with supporting documents along with their offer.

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- 4.3 Financially, in general, the Vendor shall have 'Access to, or possess available liquid assets and other financial means sufficient to meet the fabrication requirement and Bank Guarantee (BG) requirements for the jobs'.
- 4.4 To check the Financial strength of the participating Vendor, following documents have to be submitted as detailed in **Annexure B**.
- 4.4.1 Copy of GST Registration, PAN, Partnership Deed, Certificate of Incorporation etc. as the case may be. **(Details as per Annexure B)**
- 4.4.2 Audited copies of Annual Reports (**Balance Sheet and P&L account**) with CA membership number for the last three years. If the bidder is established within the last 3 years, the Audited copies of annual reports (Balance Sheet and P&L account) with CA membership number till the last financial year.
- 4.4.3 Latest IT Return copies for the last 3 years. If the bidder is established within the last 3 years, IT Return copies till the last financial year.

Note:

- a) Vendors who are already enlisted in OS PMD as on date of Tender opening, requisite Bank certificate shall be sufficient under Financial soundness requirement.
Other documents such as (Partnership Deed, GST Certificate, Financial Statements, etc.) need not be submitted.
- b) Vendors not enlisted in OS PMD, all the details as per **Annexure B** of Tender documents along with Bank Certificate shall be submitted by Vendor.
- 4.4.4 **Certificate** from Bank (with Banker's Seal and Authorized Signature) **certifying the Credit Limit/Solvency** shall be submitted along with their offer for a **minimum value** as given below:

S#	RS	RATE SCHEDULE (RS) DESCRIPTION	*Minimum Credit Limit/ Solvency Certificate Required
1	RS01	Fabrication of TT burner Assembly(Windbox) and Despatch to Site	Rs. 3 Crores

- 4.4.5 The certificate submitted along with the offer shall have been issued on or after **1st April 2025** by any Scheduled Commercial Bank (excluding Co-operative Banks) or Nationalized Bank.
- *If a Vendor submits their offer for only one Rate Schedule, then Bank certificate required for that particular RS shall be submitted by Vendor.
- *If a Vendor submits their offer for more than one Rate Schedule, then Bank certificate for cumulative value shall be submitted.

For Example: If a Vendor submits their offer for **RS01** (Bank Certificate requirement - **Rs. A Lakhs**) & **RS02** (Bank Certificate requirement - **Rs. B Lakhs**), then a Bank certificate of minimum **Rs. (A+B) Lakhs** shall be submitted by Vendor.

- 4.4.6 For a new Vendor who is unable to submit Balance Sheet and IT Return copies, certificate issued by the bank for a value as given above is to be submitted by the Vendor along with their offer in the E-Procurement Portal.
- 4.5 After evaluation of documents forming part of Techno-commercial Bid evaluation, BHEL may conduct spot visit to verify the facilities/Technical requirements declared by the Vendor.
- 4.6 In case a Vendor doesn't meet the requirement as outlined in **PQR (Technical & Financial)** then the offer of such Vendors is liable for rejection.



4.7 Participating Vendor shall be considered for Price Bid Opening (Rate Schedule wise), only if they get qualified after **Part I Evaluation**.

4.8 **Vendor may kindly note that due to any of the following reason(s) bid submitted by Vendor may be rejected:**

4.8.1 Vendors who have been put under Interim Suspension/Hold/Ban/Debarment.

4.8.2 The Vendors who are under the process of BHEL approval for their constitution change / change of location etc. and Vendors who are found to be not functioning at the registered premises.

5.0 QUOTING OF RATES

5.1 Rate to be Quoted by Vendor in the respective Rate Schedules shall be for the Scope of Work given in this Tender enquiry. **(Note: Quoted Rate shall be exclusive of GST. GST shall be paid extra.)**

5.2 Vendor should quote as per the **Unit of Measurement** mentioned in the **Price Bid Format**.

5.3 Price shall be quoted by Vendor in the **Price Bid Format** given in E-Procurement Portal. Quoted Price shall be duly uploaded in the E-Procurement Portal.

5.4 Vendor is advised **not to quote '0' (zero)** against any Rate Schedule in **Price Bid Format**. Zero quoted as a rate will not be considered as a valid quote and the same shall be ignored. Vendor who do not wish to quote for any particular Rate Schedule are advised to leave the space blank for that particular rate schedule in their Price Bid.

5.5 The applicable **Unit of Measurement** is given in the **Price Bid Format** and Vendor shall quote the Rate with reference to the **Unit of Measurement (UoM)**. (i.e. Rs. per UoM). **Vendor is requested to exercise utmost caution to take care of Unit of Measurement (UoM) while quoting the Rate.**

5.6 **Price Variation Clause (PVC)** is applicable for Raw Material component. Rate Schedule (RS) wise Bill of Material (BOM) is enclosed in **Section II B [Bill of Material (BOM)]** and same shall be used for PVC calculation. **The detailed methodology for PVC is given in Section X.**

6.0 REVERSE AUCTION (RA)

6.1 **BHEL shall be resorting to Reverse Auction (RA)** (Guidelines as available on **www.bhel.com**) for this Tender Enquiry. RA shall be conducted among all the Techno-Commercially Qualified Bidders. Price bids of all Techno-Commercially qualified bidders shall be opened and same shall be considered as initial bids of bidders in RA. In case any bidder(s) do(es) not participate in online Reverse Auction, their sealed envelope price bid along with applicable loading, if any, shall be considered for tender ranking.

6.2 ELIMINATION OF HIGHEST BIDDERS DURING REVERSE AUCTION

6.2.1 Wherever RA is opted in a tender, the Techno-Commercially qualified H1 will not be allowed to participate in RA. In case more than one H1 bidder quote the same rate, the Price Offer received last, as per the time log of the Portal, shall be removed first, on the principle of last in, first out by the system.



However, H1 will be allowed to participate in RA in the following cases:

- If number of techno-commercially qualified bidders are only 2 or 3.
- In case Primary product of only one OEM is left in contention for participation in RA on elimination of H1.
- For cases where there are more than 3 techno-commercially qualified bidders, if lowest bidder in sealed price bid is non-MSE and H1 is eligible MSE and H1 price is coming within price band of 15% of Non-MSE lowest bidder.
- For cases where there are more than 3 techno-commercially qualified bidders, if lowest bidder in sealed price bid is non-MII and H1 is eligible MII and H1 price is coming within price band of 20% of Non-MII lowest bidder.

6.3 ELIMINATION OF HIGHEST BIDDERS DURING REVERSE AUCTION

6.3.1 Wherever RA is opted in a tender, the techno-commercially qualified H1 will not be allowed to participate in RA. In case more than one H1 bidder quote the same rate, the Price Offer received last, as per the time log of the Portal, shall be removed first, on the principle of last in, first out by the system.

6.3.2 **However, H1 will be allowed to participate in RA in the following cases:**

- If number of techno-commercially qualified bidders are only 2 or 3.
- In case Primary product of only one OEM is left in contention for participation in RA on elimination of H1.
- For cases where there are more than 3 techno-commercially qualified bidders, if lowest bidder in sealed price bid is non-MSE and H-1 is eligible MSE and H-1 price is coming within price band of 15% of Non-MSE lowest bidder.
- For cases where there are more than 3 techno-commercially qualified bidders, if lowest bidder in sealed price bid is non-MII and H1 is eligible MII and H-1 price is coming within price band of 20% of Non-MII lowest bidder.

7.0 EVALUATION OF QUOTED PRICE

7.1 Evaluation currency shall be **INR**.

7.2 After Price Bid Opening (i.e. Part-II offers) of Techno Commercially Qualified Vendors in E-portal, Rate Quoted by the bidders shall be sorted in ascending order from lowest to highest price.

7.3 Evaluation of Prices for each Rate Schedules shall be evaluated on "**FOR Destination**" basis as per the following formula:

Landed cost = (Quoted Rate (Based on Scope of Work)) + Applicable Taxes net of ITC (GST- ITC) [Note: Quoted Rate shall be exclusive of GST.]

7.4 After completion of RA, Rate quoted by the bidders in RA and in E Procurement Portal shall be consolidated. Lowest of the price quoted by a Vendor for each RS shall be considered for Tender Ranking. Rates thus consolidated shall be sorted in ascending from lowest to highest price for each Rate Schedule (RS).

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- 7.5 For each Rate Schedule (RS), Vendor with the lowest rate shall be declared as L1 Vendor for that Rate Schedule (RS). Bid with the next highest evaluated cost shall be ranked L2, and the next be L3, and so on.
- 7.6 In case of tie in the lowest bidder (L1 bidder), revised reduced price offer (price offer after discount) shall be obtained from the tied L1 Vendors. In case tie persists even after submission of revised prices by the respective Vendors, the final L1 Vendor shall be decided by tie-breaking through lot system (manual/electronic) in the presence of the respective L1 bidder(s) or their representative(s). However, in case tied L1 Vendor do not submit revised offer or submits increased price in revised offer for tie breaking then original quoted rate shall be considered for further evaluation. The final ranking will be done accordingly. BHEL's decision in such situations shall be final and binding.
- 7.7 BHEL reserves right to re-float or short close the RS(s) or cancel the tender if L1 rates are not acceptable or due to any other reasons.

8.0 TIE BREAKING FOR OTHER THAN L1 RANK

- 8.1 If there is tie for ranking position(s) eligible for counter offering, then Lot shall be done to break the tie using random number generator in MS Excel before Counter-offer process. Step by step illustration of the tie-breaking is given below:
- Rate Schedule wise excel sheet in which all ranks for which tie is present shall be opened.
 - Random number shall be generated against each entry in the excel sheet. Once random number is generated, the values will be frozen against each entry.
 - The rank order shall be sorted in the following manner.
 - iv. Sorting -> 1. RS -> 2. Actual rank -> 3. Random number wise (from lowest to highest).
 - Once sorting is done, each Vendor shall be ranked as per the sorting order.

Illustration:**✓ Step-1: Before Sorting:**

RS No.	Vendor Code	ORIGINAL Rank before CO
RS-XX	A	L01
	B	L02
	C	L03
	D	L03
	E	L04
	F	L05
	G	L05
	H	L06

✓ Step-2: After Random Number generation in MS Excel:

RS No.	Vendor Code	ORIGINAL Rank before CO	Random Number
RS-XX	A	L01	0.639156
	B	L02	0.931402
	C	L03	0.560449
	D	L03	0.507298
	E	L04	0.621819
	F	L05	0.620683
	G	L05	0.504936
	H	L06	0.793407



✓

Step-3: Final sorting and revised ranking:

RS No.	Vendor Code	ORIGINAL Rank before CO	Random Number	Final Revised Rank
RS-XX	A	L01	0.639156	L01
	B	L02	0.931402	L02
	D	L03	0.507298	L03
	C	L03	0.560449	L04
	E	L04	0.621819	L05
	G	L05	0.504936	L06
	F	L05	0.620683	L07
	H	L06	0.793407	L08

- 8.2 Distinct rank shall be arrived in the order of random number generated for each of the tied rank. Based on the outcome of LOT process done through MS Excel, final ranking shall be intimated to Vendors. Load distribution shall be based on revised Tender Ranking.

9.0 PRICE NEGOTIATION

- 9.1 Post Price Bid Opening, if the Rates (as per the landed cost formula) quoted by the lowest bidder in one or more Rate Schedules is not acceptable to BHEL, then Lowest Bidder (i.e. L1 Vendor in respective Rate Schedules) may be called for Price Negotiation.

10.0 SPLITTING OF TENDER QUANTUM / LOAD DISTRIBUTION

- 10.1 Load distribution is as detailed in **Section II C**.
- 10.2 The quantum indicated for each ranking position in the load distribution is subject to a tolerance as indicated in the **Section II C**.

11.0 ELIMINATION OF HIGHEST BIDDER(S) DURING COUNTER OFFERING

- 11.1 After Price Bid Opening in E-portal (Part-II offers) or after completion of RA, price quoted by the bidders shall be sorted in ascending order from lowest to highest price.
- 11.2 For those RS(s) where counter offering is envisaged, the bid(s) with overall highest evaluated cost shall be ranked as H1. Vendors falling under H1 rank shall be eliminated. Counter offering of finalized rate for a RS shall be restricted to only balance Vendors after elimination. If more than one Vendor falls under elimination category with the same ranking, then all the Vendors falling under elimination category shall not be considered for counter offering.

12.0 COUNTER OFFERING

- 12.1 After eliminating highest bidder(s), counter-offer shall be extended to other eligible Vendors in respective RS(s) where load is being distributed between L1 and other eligible Vendors. If there is tie among eligible Vendors for ranking position other than L1, then tie-breaking shall be done, and ranking for each Vendor shall be revised subsequently. Counter offering shall be done based on the revised ranking. However, loading shall be done based on acceptance to Counter Offer, revised Tender Ranking post tie breaking and Load Distribution Terms as specified in the tender enquiry.
- 12.2 **Following modality shall be followed in case counter offer is not accepted by required number of Vendors as given in Load Distribution:**



- 12.2.1 In the event of counter offered rate for a particular RS is not accepted by the required number of eligible Vendors, BHEL shall extend counter offer for balance quantum of the respective RS to L1 Vendor and other Vendors who have already accepted counter offer in the order of their Tender ranking. If a Vendor is ready to accept more than their load designated to them, the same will be loaded on them.
- 12.3 In case a Vendor does not execute a Purchase Order after placement of the same, then the quantum of order not executed by the defaulting Vendor will be offered to eligible Vendor in order of their Tender rank (starting from lowest Vendor to other eligible Vendors in order of their tender rank) in the respective Rate Schedule.
- 12.4 Accordingly, the liability of a Vendor (L1 Vendor as well as counter offer accepted Vendor) shall be up to the Minimum load as per Load Distribution + Additional Quantity accepted by the Vendor **or** the Minimum load as per load distribution, whichever is more.
- 13.0 ORDERING / PLACEMENT OF PURCHASE ORDER(S)**
- 13.1 **Purchase Order(s) will be placed immediately after finalization of the Tender.**
- 13.2 **Vendors are advised that they shall consider their annual production capacity, annual financial capability, spareable capacity and pending load in hand etc. before submitting their offer.**
- 13.3 Vendor is cautioned that, in case, after price bid opening but before placement of order, Vendor withdraws his/her offer or varies it in any manner within the validity period, then suitable action as per extant Guidelines for Suspension of Business Dealings with Suppliers/ Contractors may be taken. An abridged version of above said guidelines are available on BHEL's website: <https://www.bhel.com/supplier-registration>
- 13.4 In case project requirement quantum is such that after loading to Vendors as per Tender Terms balance quantum could not be loaded immediately on existing Vendors due to their capacity constraints/not willing to take further load immediately then the balance quantum shall be offered to other eligible Vendors. Orders shall be placed based on acceptance and Tender ranking.
- 13.5 Any clarification in the P.O. Documents (i.e. Weight of PO line item, FRS, PRS, SRS, Painting Area etc.) shall be reported to the concerned officer in Outsourcing Department.
- 13.6 The Vendor shall undertake all jobs awarded to them and execute them as per Contract Terms.
- 13.7 In case it is found later at any stage after placement of P.O. on a Vendor that facilities required for the job are not available in working condition at Vendor's works, BHEL has the right to withdraw the order without compensation of any kind of loss to Vendor due to such withdrawal of orders.
- 13.8 Firm who is declared as L1 Vendor or Firm who accepts Counter Offer for a particular RS (in case of distribution of load) shall mandatorily undertake the job awarded against such RS. In case the Vendor does not accept to execute the job, action shall be initiated against the Vendor as per BHEL's Guidelines for Suspension of Business Dealings with Supplier/Contractor and **Clause** related to **"BREACH OF CONTRACT, REMEDIES AND TERMINATION"** shall be invoked.
- 13.9 After P.O. placement, in case the Subcontractor fails / refuses to execute as per Contract / PO terms, BHEL shall take alternate action for procurement of the item and action shall be initiated against the Firm as per BHEL Guidelines for Suspension of Business Dealings with Supplier/Contractor and **Clause** related to **"BREACH OF CONTRACT, REMEDIES AND TERMINATION"** shall be invoked.

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- 13.10 Subcontractors having multiple Vendor code with same PAN shall be treated as a single firm. Among the vendor codes available with a Subcontractor against same PAN, one vendor code shall be designated as "main vendor code" and other vendor code(s) as "partner vendor code(s)".
- 13.11 Single offer shall be obtained from the "main vendor code" of a Firm by combining the applicable product group eligibility of both main vendor code and partner vendor code(s) corresponding to the PAN of the firm. Loading for a Rate Schedule (RS) shall be done as per respective vendor code's eligibility as per BHEL's PMD. However, for the purpose of arriving at loading % given to a Subcontractor, load given to all Vendor Codes corresponding to the particular PAN shall be cumulated.

14.0 DELIVERY TERMS**14.1 Timely delivery is the essence of the Contract.**

14.2 Delivery Period from Purchase Order placement date shall be as follows:

RS	Delivery Period
RS01	180 Days

- 14.3 Vendor should get their clarifications (wrt. Engg. Drawings, Material substitutions, quality procedural clarifications) resolved at the earliest from the receipt of Drawing / PO. Any delays in raising query will have to be accommodated by the vendor within the PO delivery date.
- 14.4 Vendor to ensure that all movement of goods commencing from Vendors works are made strictly after the receipt of BHEL's invoice on Customer at their end. Vendors are instructed to arrange for dispatch of Goods to Customer sites only after ensuring availability of BHEL's invoice on customer at their end.
- 14.5 In case the Vendor allows to commence the movement of goods without BHEL's invoice on customer(s), it will be at the risk and cost of the Vendor and all the resultant implications will be to the account of the Vendor.

15.0 TAXES & DUTIES

- 15.1 The Supplier/Vendor shall pay all (save the specific exclusions as enumerated in this clause) taxes, fees, license, charges, deposits, duties, tools, royalty, commissions, other charges, etc. which may be levied on the input goods & services consumed and output goods & services delivered in course of his operations in executing the contract. In case BHEL is forced to pay any of such taxes/duties, BHEL shall have the right to recover the same from his bills or otherwise as deemed fit along with the applicable overheads @5% and interest on the total value (i.e. amount paid by BHEL + overhead).
- 15.2 However, provisions regarding GST on output supply (goods/service) and TDS/TCS as per Income Tax Act shall be as per following clauses.
- 15.3 **GST (GOODS AND SERVICES TAX)**
- 15.3.1 GST as applicable on output supply (goods/services) are excluded from Supplier/Vendor's scope; therefore, contractor's price/rates shall be exclusive of GST. Reimbursement of GST is subject to compliance of following Terms and Conditions. BHEL shall have the right to deny payment of GST and to recover any loss to BHEL on account of tax, interest, penalty etc. for non-compliance of any of the following condition.



- 15.3.2 The admissibility of GST, taxes and duties referred in this chapter or elsewhere in the contract shall be limited to direct transactions between BHEL & its Supplier/Vendor. BHEL shall not consider GST on any transaction other than the direct transaction between BHEL & its Supplier/Vendor.
- 15.3.3 Supplier/Vendor shall obtain prior written consent of BHEL before billing the amount towards such taxes. Where the GST laws permit more than one option or methodology for discharging the liability of tax/levy/duty, BHEL shall have the right to adopt the appropriate one considering the amount of tax liability on BHEL/Client as well as procedural simplicity with regard to assessment of the liability. The option chosen by BHEL shall be binding on the Contractor for discharging the obligation of BHEL in respect of the tax liability to the Supplier/Vendor.
- 15.3.4 Supplier/Vendor has to submit GST registration certificate of the concerned state. Supplier/Vendor also needs to ensure that the submitted GST registration certificate should be in active status during the entire contract period.
- 15.3.5 Supplier/Vendor has to issue Invoice/Debit Note/Credit Note indicating HSN/SAC code, Description, Value, Rate, applicable tax and other particulars in compliance with the provisions of relevant GST Act and Rules made thereunder.
- 15.3.6 Supplier/Vendor has to submit GST compliant invoice within the due date of invoice as per GST Law. In case of delay, BHEL reserves the right of denial of GST payment if there occurs any hardship to BHEL in claiming the input thereof. In case of goods, Supplier/Vendor has to provide scan copy of invoice & GR/LR/RR to BHEL before movement of goods starts to enable BHEL to meet its GST related compliances. Special care should be taken in case of month end transactions.
- 15.3.7 Supplier/Vendor has to ensure that invoice in respect of such services which have been provided/completed on or before end of the month should not bear the date later than last working day of the month in which services are performed.
- 15.3.8 Subject to other provisions of the contract, GST amount claimed in the invoice shall be released on fulfilment of all the following conditions by the Supplier/Vendor:-
- Supply of goods and/or services have been received by BHEL.
 - Original Tax Invoice has been submitted to BHEL.
 - Supplier/Vendor has submitted all the documents required for processing of bill as per contract/ purchase order/ work order.
 - In cases where e-invoicing provision is applicable, Supplier/Vendor is required to submit invoice in compliance with e-invoicing provisions of GST Act and Rules made thereunder.
 - Supplier/Vendor has filed all the relevant GST return (e.g. GSTR-1, GSTR-3B, etc.) pertaining to the invoice submitted and submit the proof of such return along with immediate subsequent invoice. In case of final invoice/ bill, contractor has to submit proof of such return within fifteen days from the due date of relevant return.
 - Respective invoice has appeared in BHEL's GSTR - 2A for the month corresponding to the month of invoice and in GSTR-2B of the month in which such invoices has been reported by the contractor along with status of ITC availability as "YES" in GSTR-2B. Alternatively, BG of appropriate value may be furnished which shall be valid at least one month beyond the due date of confirmation of relevant payment of GST on GSTN portal or sufficient security is available to adjust the financial impact in case of any default by the Supplier/Vendor.
 - Supplier/Vendor has to submit an undertaking confirming the payment of all due GST in respect of invoices pertaining to BHEL.

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- 15.3.9 Any financial loss arises to BHEL on account of failure or delay in submission of any document as per contract/purchase order/work order at the time of submission of Tax invoice to BHEL, shall be deducted from Supplier/Vendor's bill or otherwise as deemed fit.
- 15.3.10 TDS as applicable under GST law shall be deducted from Supplier/Vendor's bill.
- 15.3.11 Supplier/Vendor shall comply with the provisions of e-way bill wherever applicable. Further wherever provisions of GST Act permits, all the e-way bills, road permits etc. required for transportation of Goods needs to be arranged by the contractor.
- 15.3.12 Supplier/Vendor shall be solely responsible for discharging his GST liability according to the provisions of GST Law and BHEL will not entertain any claim of GST/interest/penalty or any other liability on account of failure of Supplier/Vendor in complying the provisions of GST Law or discharging the GST liability in a manner laid down thereunder.
- 15.3.13 In case declaration of any invoice is delayed by the Vendor in his GST return or any invoice is subsequently amended/alterd/deleted on GSTN portal which results in any adverse financial implication on BHEL, the financial impact thereof including interest/penalty shall be recovered from the Supplier/Vendor's due payment.
- 15.3.14 Any denial of input credit to BHEL or arising of any tax liability on BHEL due to non-compliance of GST Law by the Supplier/Vendor in any manner, will be recovered along with liability on account of interest and penalty (if any) from the payments due to the Supplier/Vendor.
- 15.3.15 In the event of any ambiguity in GST law with respect to availability of input credit of GST charged on the invoice raised by the contractor or with respect to any other matter having impact on BHEL, BHEL's decision shall be final and binding on the Supplier/Vendor.
- 15.4 **VARIATION IN TAXES & DUTIES:**
- 15.4.1 Any upward variation in GST shall be considered for reimbursement provided supply of goods and services are made within schedule date stipulated in the contract or approved extended schedule for the reason solely attributable to BHEL. However downward variation shall be subject to adjustment as per actual GST applicability.
- 15.4.2 In case the Government imposes any new levy/tax on the output service/goods after price bid opening, the same shall be reimbursed by BHEL at actual. The reimbursement under this clause is restricted to the direct transaction between BHEL and its Supplier/Vendor only and within the contractual delivery period only. In case any new tax/levy/duty etc. becomes applicable after the date of Bidder's offer but before opening of the price Bid, the Bidder/ Supplier/Vendor must convey its impact on his price duly substantiated by documentary evidence in support of the same before opening of price bid. Claim for any such impact after opening the price bid will not be considered by BHEL for reimbursement of tax or reassessment of offer.
- 15.4.3 **Income Tax:** TDS/TCS as applicable under Income Tax Act, 1961 or rules made thereunder shall be deducted/collected from Supplier/Vendor's bill.

**16.0 PAYMENT TERMS**

- 16.1 Bills/Invoices, along with all requisite supporting documents, shall be submitted online through the **SUVIDHA Portal** only. (Website: <https://suvidha.bhel.in/suvidha>).
- 16.2 **Payment of 100%** of the Purchase Order (PO) Line Item value shall be made through electronic mode by EFT/RTGS within **90 Days** from the date of submission of the Bill/Invoice, subject to submission of the Bill/Invoice along with all requisite supporting documents as given below.
- 16.3 **CHECKLIST FOR SUBMISSION OF BILLS/INVOICES:** Vendor should ensure that the following documents are uploaded in the **Online SUVIDHA Portal** for **Vendor's Bill/Invoice processing** to avoid any delay in processing of Payment:
- 16.3.1 Digitally signed Online Invoice and its Annexures.
 - 16.3.2 Digitally signed GST Invoice – (Values to be checked with B2B Tax Invoice Template).
 - 16.3.3 Original IRs – with relevant Painting/Shot Blasting remarks and ODC details (if applicable) - duly signed by BHEL QC Inspector/AIA and Vendor with seal.
 - 16.3.4 Digitally signed Delivery Challans (DC)
 - 16.3.5 **In case of despatch to Project Site:** Original LR - Quantity acknowledged by Project Site official along with sign and name seal on the back side of LR.
 - 16.3.6 **In case of despatch to BHEL/Trichy:** Original DC/LR - Quantity acknowledged by BHEL/Trichy official along with sign and name seal on the back side of DC/LR
 - 16.3.7 Packing list to be provided as per LR for Running Metre Items/Package/Box/Crate/Bundle/Bag.
 - 16.3.8 **E way Bill with Part B**
- 16.4 **For Micro and Small Enterprises (MSEs), Payment shall be made within 45 days.**
- 16.5 **For Medium Enterprises, Payment shall be made within 60 Days.**
- 16.6 GST shall be paid extra at the prevailing rate. TDS on GST, wherever applicable, shall be deducted in accordance with the prevailing provisions of the GST Act.
- 16.7 Amendment(s), if any, to a PO are being issued to Vendor by Planning/OS/BHEL. Vendor shall attach a copy of amendment(s) with the invoices for processing of Invoices.
- 16.8 Bills for partial dispatches of a PO line item (DU) shall be accepted.
- 16.9 Trade Receivables Discounting System (TReDS) is an institutional mechanism set up in order to facilitate the discounting of invoices for MSMEs from buyers through multiple financiers. Invoice discounting on TReDS involves three participants MSME Supplier, Buyer and Financier.
- 16.10 **MSME Vendors shall necessarily register themselves on TReDS platforms to obtain the intended benefit.**
- 16.11 **The TReDS benefit is applicable for Micro, Small and Medium Enterprises.**
- 16.12 **Non-MSME Vendors** shall be given an option to choose the existing Payment Term as given above with **90 Days** credit period or **Usance LC** with **120 Days** credit period which is detailed as below:
- 16.13 **Letter of Credit (LC) Payment Terms for Non-MSME Vendors:**
- 16.13.1 **Payment Method:** Payments will be made through an irrevocable Usance Letter of Credit (LC) for 100% of the Bill, based on the accepted Contract value.



- 16.13.2 Usance LC with 120 Days Credit will be opened one month prior to material readiness and negotiation period will be **21 Days or within the validity period of LC** for the value of dispatches planned. Hence, supplier will be required to intimate the material readiness along with Copy of IR / Equivalent Document for opening the LC.
- 16.13.3 **Timeline:** Payment will be released **120 Days** after the beneficiary bank receives the complete set of required documents.
- 16.13.4 **Required Documents:**
- Digitally signed Online Invoice and its Annexures.
 - Digitally signed GST Invoice – (Values to be checked with B2B Tax Invoice Template).
 - Original IRs – with relevant Painting/Shot Blasting remarks and ODC details (if applicable) - duly signed by BHEL QC Inspector/AIA and Vendor with seal.
 - Digitally signed Delivery Challans (DC)
 - In case of despatch to Project Site: Original LR - Quantity acknowledged by Project Site official along with sign and name seal on the back side of LR.
 - In case of despatch to BHEL/Trichy: Original DC/LR - Quantity acknowledged by BHEL/Trichy official along with sign and name seal on the back side of DC/LR
 - Performance Bank Guarantee availability certification from OS
 - Packing list to be provided as per LR for Running Metre Items/Package/Box/Crate/Bundle/Bag.
 - **E way Bill with Part B**
- 16.13.5 **Validity Period:** Validity of the LC will be linked with PO Delivery date (Or Actual delivery date) and will be 90 Days and for any extension within the contractually agreed delivery period, applicable charges will be to suppliers account. Further, based on the Shipment, LC may be opened in splits after confirmation from the supplier.
- 16.13.6 **Charges:** All charges related to the Letter of Credit will be borne by the bidder. LC opening and retirement charges shall be debited to vendor's account in the LC bill. For any amendments requested by supplier after LC establishment, charges are to supplier account and amendment will be done in 7 to 10 working Days.
- 16.14 **Bills/Invoice shall not be processed if Performance Bank Guarantee (PBG) is not LIVE for requisite value as per PBG Slab.**
- 16.15 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, MI xchange, Invoicemart, KReDX, C2FO), authorised 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.

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- 16.16 Invoice shall be raised for DU Weights as per the Purchase Order (PO). Payments shall be for the DC Weight only.
- 16.17 Extra charges, if any, shall be claimed along with Vendor's Invoice.
- 16.18 The Vendor shall ensure that all claims are made against a particular Purchase Order along with relevant Invoice. The amount due for BHEL, Tiruchirappalli, if any, shall be recovered from the Vendor's running bills, and the applicable purchase orders shall be treated as closed.
- 16.19 No supplementary bill shall be entertained once bills are processed.
- 16.20 Notwithstanding anything contained herein, the payment shall be subject to the deduction of any amount for which the Vendor is liable directly or indirectly under this contract or any other contract of the Vendor or any other Vendor's contract where the proprietor / any of the partners / directors of the present Vendor is / are proprietor/director/s/partner/s, in respect of which BHEL / Tiruchirappalli is a Contractee.
- 16.21 Payment of Bills, payments of any amount due, release of security deposit or return of Bank Guarantees furnished under this Tender/Contract, shall be subject to the deduction of any amount for which the bidder is liable under this contract, or any contract placed on the Vendor by BHEL, Trichy or any/all other Unit(s) of BHEL.
- 16.22 E-invoicing under GST is being implemented w.e.f. 1st October 2020. E-invoicing under GST is being implemented for all the taxable Suppliers having turnover of more than Rs. 5 Crores. It has been specified by the Govt. that it is mandatory to mention a valid unique Invoice Reference No. (IRN) and QR code as generated from Govt. portal on a Tax Invoice. Based on such information, GST ITC as claimed by BHEL in GST Returns shall be matched with the corresponding details uploaded by supplier in E-Invoicing System.
- 16.23 In case the Vendor / contractor delays or fails to provide all the documents as per the Purchase order / Work Order at the time of submitting Tax Invoice to BHEL, any subsequent financial loss to BHEL on account of Vendor / contractor shall be to Vendor's / contractor's account. BHEL has further right to take necessary steps to protect its interest at the time of release of payment. This further requires inclusion of IRN and QR code on tax invoice as announced by Govt. of India w.e.f. 01.10.2020

17.0 PERFORMANCE BANK GUARANTEE (PBG)

- 17.1 The successful bidders have to furnish Performance Bank Guarantee (PBG) from the list of consortium banks approved by BHEL. **PBG Format** and list of **consortium banks** are given in **Section VII** and **Section VIII**.

- 17.2 Lump sum Performance Bank Guarantee (PBG) to be submitted by the Vendor as per below category:

Tonnage (MT)	PBG Value (Rs.)
Upto 1000 MT	10 Lakhs
> 1000 MT < 2000 MT	20 Lakhs
> 2000 MT < 3000 MT	30 Lakhs
> 3000 MT	50 Lakhs

Tonnage mentioned above shall be the sum of GR posted quantity based on OVM Tender enquiries in which the above lump sum PBG clause is applicable. The quantum for which liability period is over shall not be counted for the purpose of calculating the above mentioned slabs.

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- 17.3 Performance Bank Guarantee (PBG) as per above table to be submitted by Vendor (in the form of Bank instrument) at the time of submission of first invoice of the purchase order placed under the contract.
- 17.4 **PBG submitted by Vendor should be kept valid till 18 Months from last date of acknowledgment of Project site in a Purchase Order + 90 Days (Claim period). Validity of PBG shall be revised by Vendor from time to time suitably. PBG submitted by Vendor shall be revolving PBG.**
- 17.5 Vendor shall have to submit the PBG for enhanced value as and when sum of GR posted quantity slab gets changed. For e.g., for a Vendor "X" with GR posted quantity of 1000 MT has submitted Rs. 10 Lakhs, once the Vendor's "X" GR posted quantity crosses 1000 MT, Vendor "X" has to submit additional PBG of Rs. 10 Lakhs with validity period & claim period as mentioned above.
- 17.6 The Performance Bank Guarantee should be on Non-Judicial Stamp paper/e-stamp paper of appropriate value as per Stamp Act prevailing in the state(s) where the PBG is submitted or is to be acted upon or the rate prevailing in the state where the PBG is executed, whichever is higher.
- 17.7 **Modes of Deposit:** Performance Bank Guarantee (PBG) may be furnished in the following forms:
- 17.7.1 Local cheques of Scheduled Banks (subject to realization) / Pay Order/Demand Draft/ Electronic Fund Transfer in favor of 'Bharat Heavy Electricals Limited' and payable at BHEL Trichy.
- 17.7.2 Bank Guarantee from Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The Bank Guarantee should be in the prescribed format of BHEL.
- 17.7.3 Securities available from Indian Post offices such as National Savings Certificates, Kisan Vikas Patras etc. (held in the name of Contractor furnishing the security and duly endorsed/ hypothecated/ pledged, as applicable, in favour of BHEL).
- 17.7.4 Insurance Surety Bond.
- 17.8 Bank Guarantees should be submitted through SFMS (Structured Financial Messaging System) only.
Note: BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith.
- 17.9 The PBG will be forfeited and credited to BHEL's account in the event of a breach of contract by the Supplier/Vendor as provided herein or elsewhere in the Contract/PO.
- 17.10 PBG shall be returned to the Supplier/Vendor without interest, after the Supplier/Vendor duly performs and completes the contract in all respects including the warranty under the contract.
- 17.11 The Performance Security shall not carry any interest.
- 17.12 There is no exemption of PBG submission for MSE Vendors. In other words, all category of Vendors (MSE & NON-MSE) shall necessarily submit PBG.
- 17.13 PBG submitted shall be returned without interest after the validity period to the respective Vendors.
- 17.14 PBG shall cover the defect liability against defects arising from material, workmanship or any omission on part of the Vendor during the validity period of the PBG. If the defaulting Vendor(s) do not complete the re-work at project site in time, then the re-work shall be completed by BHEL. Cost of the re-work will be deducted/recovered from PBG or any of the amount due to Vendors or from both.
- 18.0 SPECIAL PROVISIONS FOR MICRO AND SMALL ENTERPRISES (MSE BIDDERS)**
- 18.1 In line with Gazette notification issued by Ministry of Micro Small and Medium Enterprises on MSE suppliers, **the following special provisions shall be applicable.**
- i. 25% of the tendered quantum is earmarked for MSE suppliers in this tender.

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- ii. If L1 Vendor (or) Counter Offer accepted Vendor is from a Micro / Small enterprise which put together covers 25% of the total tendered quantum, the 25% earmarking provision is not applicable.
- Out of the 25% tendered quantum reserved for MSE suppliers, 6.25% shall be earmarked for procurement from MSE owned by SC / ST entrepreneurs. In event of failure of such Micro and Small enterprises to participate in the tender process or meet the tender requirements and the L1 price, the 6.25% sub-target for procurement ear-marked MSE owned by SC / ST entrepreneurs shall be met with other MSE enterprise/s.
 - Out of the 25% tendered quantum reserved for MSE suppliers, 3% shall be earmarked for procurement from MSE owned by women entrepreneurs. In event of failure of such Micro and Small enterprises to participate in the tender process or meet the tender requirements and the L1 price, the 3% sub-target for procurement ear-marked MSE owned by SC / ST entrepreneurs shall be met with other MSE enterprise/s.
- iii. In case MSE Vendor participating in the tender quotes within the price band of L1 + 15%, they will be allowed to supply the portion of the requirement subject to acceptance of L1 price by MSE Vendor. In case of more than one such MSE, the supply shall be shared proportionately, provided the package can be split.
- iv. In case the Package cannot be split / not envisaged for splitting as per tender, and if a non-MSE Vendor becomes L1, and MSE Vendor also participates in the tender, the MSE Vendor will be given preference for ordering the package provided the MSE Vendor quoted price is within L1 + 15%, and if the MSE Vendor accepts the L1 rate.
- v. In case of a similar package required for two boilers, if a non-MSE Vendor becomes L1, and MSE Vendor also participates in the tender, then L1 will be ordered with one package of one boiler and MSE Vendor will be given preference for ordering the other package of other boiler, provided the MSE Vendor quoted price is within L1 + 15%, and if the MSE Vendor accepts the L1 rate.
- vi. This provision for MSE will apply subject to the condition that the participating MSE meets the tender requirements.
- vii. In case of any change in the MSE status of the bidder, it shall be the responsibility of the bidder to notify the change as a part of the bid document. If at a later date it comes to the knowledge of BHEL that the change in the status has not been intimated by the bidder and the order is obtained under the premise of an MSE, then BHEL would cancel the pending order against this tender and take necessary steps for suspension of the business dealing with the bidder as per the extant Guidelines of BHEL for suspension of business dealings with Supplier in-addition to action as per Clause wrt **"BREACH OF CONTRACT"**.
- viii. In case after the bid opening it is seen that no MSE has become L1, then depending on the nature of the item, if it is not possible to split the tendered items / quantities on account of reasons like customer contract requirements of supplying one make for a given project or technical reasons like tendered items being a system, tendered quantity being low etc., then BHEL would not counter offer the L1 prices even though there may be MSE bidders within the +15% band of L1.



- 18.2 As per the Gazette notification from MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES Dtd: 26.06.2020, UDYAM REGISTRATION CERTIFICATE (URC) shall be applicable from 1st April 2021 and the existing enterprises registered prior to 30th June, 2020, shall continue to be valid only for a period up to the 31st day of March, 2021. In light of above, MSE suppliers can avail the intended benefits only if they submit **UDYAM REGISTRATION CERTIFICATE (URC)**. No other document whatsoever shall be entertained for categorizing a Vendor as a MICRO/SMALL ENTERPRISE.
- 18.3 Definitions of MSEs Owned by SC/ST is as Under:
- In case of proprietorship firm, proprietor must be SC/ST.
 - In case of partnership firm, the SC/ST partners must be holding at least 51% shares in the unit.
 - In case of private limited companies, at least 51% share must be held by SC/ST promoters.
 - The caste/Tribe/Community certificate issued by the following authorities in the prescribed form for SCs/STs can be considered.
- 18.4 Authority to Issue SC/ST Certificate:
- District Magistrate/Additional District Magistrate/Collector/Deputy commissioner/Additional Deputy Commissioner/Deputy collector/1st class stipendiary magistrate/Sub divisional Magistrate/Taluka Magistrate/Executive magistrate/Extra Assistant commissioner.
 - Chief Presidency magistrate/Additional chief presidency magistrate/Presidency magistrate.
 - Revenue Officer not below the rank of tehsildar.
 - Sub-Divisional officer of the area where the individual and / or his family normally resides.
- 18.5 Definitions of MSEs Owned by Women Entrepreneurs is as under:
- In case of proprietorship firm MSE, proprietor must be Women.
 - In case of partnership firm MSE, Women partners shall be holding at least 51% shares in the unit.
 - In case of private limited companies, at least 51% share must be held by Women promoters.
- 18.6 To avail the benefits of MSE under SC/ST category, the related documents as stated above should be submitted along with tender documents. No benefits shall be applicable for the enquiry if any deficiency in the above required documents is not submitted before the price bid opening.

19.0 VALIDITY OF OFFER

- 19.1 The offer submitted by Vendor shall be valid up to **3 Months** for finalization of Framework Agreement from the date of tender opening.

20.0 VALIDITY OF FRAMEWORK AGREEMENT (FA)

- 20.1 A Framework Agreement shall be entered into with eligible Vendor(s). The Framework Agreement thus signed shall be valid for ordering up to **3 Months** from the date of finalization of Framework Agreement. Hence, offer of Lowest bidder as well as acceptance of Counter offered Rate (if applicable) shall be valid for ordering till Validity of Framework Agreement. Moreover, validity of Framework Agreement is subject to further extension with mutual consent. PO(s) placed under this Framework Agreement shall be governed by the T&C's of this Tender Enquiry till the completion of PO.

**21.0 PROGRESS REPORT**

- 21.1 The Vendor Shall E-mail their completion plan and progress report from time to time as and when required by BHEL.
- 21.2 The submission, receipt and acceptance of such reports shall not prejudice the rights of BHEL, under the contract nor shall operate as estoppels against BHEL, merely by reason of the fact that they have not taken notice of or objected to any information contained in such reports. Action as deemed fit would be taken if the progress of work is not satisfactory.
- 21.3 In the event of non-submission of completion plan and progress report, suitable action deemed fit shall be taken against such defaulting Vendor(s).

22.0 DEFECT LIABILITY PERIOD

- 22.1 The Vendor warrants that the supplied items shall be free from defects in Workmanship in respect of all supplied items.
- 22.2 The **Defect Liability Period** shall be for a period of **Twenty-Four (24) Months** from the date of completion of Delivery or **Twelve (12) months from the date of Commissioning**, whichever is earlier.
- 22.3 If during the **Defect Liability Period** any Defects are found in the materials and/or workmanship of the supplied items or any part thereof, the Vendor shall promptly, in consultation and agreement with BHEL regarding appropriate remedying of the Defects, and at Vendor's cost and expense, repair, replace or otherwise make good such Defects, deficiencies, or damages as may be notified by BHEL on or before the expiry date of the Defect Liability Period for the supplied items or any part thereof, including any other damage to the items caused by such Defects.
- 22.4 If the Vendor fails to commence the work necessary to remedy such Defect within a reasonable time, not later than 15 Days, from the identification of such Defect then BHEL may proceed to do such remedial work, and the costs incurred by BHEL in connection therewith shall be recovered by BHEL from the Vendor.
- 22.5 At the end of the Defect Liability Period, the Vendor's liability for defects with respect to the items supplied ceases.
- 22.6 **Latent Defect & Latent Defect Liability Period**
- 22.6.1 **Latent Defect** shall mean inherent Defects in material (in respect of Raw Materials purchased by Vendor) which have surfaced after the Defect Liability Period and which could not be found during normal checking and which may hinder or endanger the normal operation of the Plant and Equipment.
- 22.6.2 **Latent Defect Liability Period** shall mean a period of **Five (5) years** commencing from the date of expiry of the **Defect Liability Period**.

23.0 LIQUIDATED DAMAGES (LD) / PENALTY

- 23.1 **Timely delivery is the essence of the Contract.**
- 23.2 The finished jobs should be delivered as per the delivery date stipulated in the PO/Addendum. In case of delay in delivery beyond the delivery period specified in PO at item level, Liquidated Damage (LD) will be levied on the undelivered portion. Liquidated Damage (LD) will be levied at the rate of 0.5% of corresponding PO line item value for each week of delay or part thereof based on last dispatch date for the PO line item. LD is subject to a maximum of 10% of total PO Value without prejudice to any other relief or compensation to BHEL, under any other condition of the contract and applicable laws.



- 23.3 There is no maximum limit on the value of LD% calculated at PO item level. Cumulative value of LD for a PO is subject to a maximum of 10% of the total value of the particular Purchase order.
- 23.4 Request for extension of PO delivery date shall not be entertained for normal cases unless there are delays which have justifiable reasons attributable to BHEL. In case of amendment in PO, LD will be calculated as per the amended PO.
- 23.5 Invoices received without any request for delivery extension and or without proper justification, LD will be automatically deducted.
- 23.6 In such cases where the reasons for delay are attributable to BHEL. Request for delivery extension should be submitted along with supporting documents & justification, indicating the number of days/ date till which extension is requested. Extension shall not be made beyond this date. Also Vendor has to opt 'YES' for delivery extension required in VIS-B2B. In case of no response it will assumed that delivery extension is not required.
- 23.7 Reasons such as power cut, labour issues, machine break down, etc., which are controllable by the Subcontractor shall not be accepted as reason for delay while requesting for extension of PO delivery date.
- 23.8 Delivery extension, if any, should be obtained before Invoice creation in B2B. Any financial implication on account of delayed delivery shall be borne by the Vendor.

24.0 SUSPENSION OF BUSINESS DEALINGS WITH SUPPLIERS / CONTRACTORS

- 24.1 The offers of the bidders who are under suspension as also the offers of the bidders, who engage the services of the banned Firms / Principal / Agents, shall be rejected. The list of banned Firms is available on BHEL's Website: www.bhel.com.
- 24.2 If any bidder / supplier / contractor during pre-Tendering / Tendering / post Tendering / award /execution / post-execution stage indulges in any act, including but not limited to, malpractices, cheating, bribery, fraud or and other misconduct or formation of cartel so as to influence the bidding process or influence the price or tampers the Tendering process or acts or omits in any manner which tantamount to an offence punishable under any provision of the Indian Penal Code, 1860 (Bhartiya Nyaya Samhita 2023) or any other law in force in India, or does anything which is actionable under the Guidelines for Suspension of Business dealings, 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. Guidelines for suspension of business dealings is available in the Webpage: <https://www.bhel.com/supplierregistration>

**25.0 BREACH OF CONTRACT, REMEDIES AND TERMINATION****25.1 The following shall amount to BREACH OF CONTRACT:**

- 25.1.1 Non-supply of material/ non-completion of work by the Supplier/Vendor within scheduled delivery/ completion period as per contract or as extended from time to time.
- 25.1.2 The Supplier/Vendor fails to perform as per the activity schedule and there are sufficient reasons even before expiry of the delivery/ completion period to justify that supplies shall be inordinately delayed beyond contractual delivery/ completion period.
- 25.1.3 The Supplier/Vendor delivers equipment/ material not of the contracted quality.
- 25.1.4 The Supplier/Vendor fails to replace the defective equipment/ material/ component as per guarantee clause.
- 25.1.5 Withdrawal from or abandonment of the work by the Supplier/Vendor before completion as per contract.
- 25.1.6 Assignment, transfer, subletting of Contract by the Supplier/Vendor without BHEL's written permission resulting in termination of Contract or part thereof by BHEL.
- 25.1.7 Non-compliance to any contractual condition or any other default attributable to Supplier/Vendor.
- 25.1.8 Any other reason(s) attributable to Vendor towards failure of performance of contract. In case of breach of contract, BHEL shall have the right to terminate the Purchase Order/ Contract either in whole or in part thereof without any compensation to the Supplier/Vendor.
- 25.1.9 Any of the declarations furnished by the contractor at the time of bidding and/ or entering into the contract for supply are found untruthful and such declarations were of a nature that could have resulted in non-award of contract to the contractor or could expose BHEL and/ or Owner to adverse consequences, financial or otherwise.
- 25.1.10 Supplier/Vendor is convicted of any offence involving corrupt business practices, antinational activities or any such offence that compromises the business ethics of BHEL, in violation of the Integrity Pact entered into with BHEL has the potential to harm the overall business of BHEL/ Owner.

Note:

- Once BHEL considers that a breach of contract has occurred on the part of Supplier/Vendor, BHEL shall notify the Supplier/Vendor by way of notice in this regard. Contractor shall be given an opportunity to rectify the reasons causing the breach of contract within a period of 14 days.
- In case the contractor fails to remedy the breach, as mentioned in the notice, to the satisfaction of BHEL, BHEL shall have the right to take recourse to any of the remedial actions available to it under the relevant provisions of contract.

**25.2 Remedies in case of Breach of Contract.**

- 25.2.1 Wherein the period as stipulated in the notice issued under above Clause has expired and Supplier/Vendor has failed to remedy the breach, BHEL will have the right to terminate the contract on the ground of "Breach of Contract" without any further notice to contractor.
- 25.2.2 Upon termination of contract, BHEL shall be entitled to recover an amount equivalent to 10% of the Contract Value for the damages on account of breach of contract committed by the Supplier/Vendor. This amount shall be recovered by way of encashing the security instruments like performance bank guarantee etc. available with BHEL against the said contract. In case the value of the security instruments available is less than 10% of the contract value, the balance amount shall be recovered from other financial remedies (i.e. available bills of the Supplier/Vendor, retention amount, from the money due to the Supplier/Vendor etc. with BHEL) or the other legal remedies shall be pursued.
- 25.2.3 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 no security instruments are available or the value of the security instruments available is less than 10% of the contract value, the 10% of the contract value or the balance amount, as the case may be, will be recovered in all or any of the following manners:
- 25.2.4 In case the amount recovered under sub clause (a) above is not sufficient to fulfil the amount recoverable then a demand notice to deposit the balance amount within 30 days shall be issued to Supplier/Vendor.
- 25.2.5 If Supplier/Vendor fails to deposit the balance amount within the period as prescribed in demand notice, following action shall be taken for recovery of the balance amount:
- a from dues available in the form of Bills payable to defaulted Supplier/Vendor against the same contract.
 - b If it is not possible to recover the dues available from the same contract or dues are insufficient to meet the recoverable amount, balance amount shall be recovered from any money(s) payable to Supplier/Vendor under any contract with other Units of BHEL including recovery from security deposits or any other deposit available in the form of security instruments of any kind against Security deposit or EMD.
 - c In-case recoveries are not possible with any of the above available options, Legal action shall be initiated for recovery against defaulted supplier/Vendor.
- 25.2.6 It is an agreed term of contract that this amount shall be a genuine pre-estimate of damages that BHEL would incur in completion of balance contractual obligation of the contract through any other agency and BHEL will not be required to furnish any other evidence to the Supplier/Vendor for the purpose of estimation of damages.
- 25.2.7 In addition to the above, imposition of liquidated damages, debarment, termination, de-scoping, short-closure, etc., shall be applied as per provisions of the contract.

Note:

1. The defaulting Supplier/Vendor shall not be eligible for participation in any of the future enquiries floated by BHEL to complete the balance work. The defaulting contractor shall mean and include:
 - a. In case defaulted Supplier/Vendor is the Sole Proprietorship Firm, any Sole Proprietorship Firm owned by same Sole Proprietor.
 - b. In case defaulted Supplier/Vendor is The Partnership Firm, any firm comprising of same partners/ some of the same partners; or sole proprietorship firm owned by any partner(s) as a sole proprietor.

**25.3 LD against delay in executed supply in case of Termination of Contract:**

- 25.3.1 LD against delay in executed supply shall be calculated in line with LD clause for the delay attributable to Supplier/Vendor. For limiting the maximum value of LD, contract value shall be taken as Executed Value of supply till termination of contract.
- 25.3.2 Method for calculation of "LD against delay in executed supply in case of termination of contract" is given below.
- Let the time period from scheduled date of start of supply till termination of contract excluding the period of Hold (if any) not attributable to contractor = T1
 - Let the value of executed supply till the time of termination of contract = X
 - Let the Total Executable Value of supply for which inputs/fronTS were made available to Supplier/Vendor and were planned for execution till termination of contract = Y
 - Delay in executed supply attributable to Supplier/Vendor i.e. $T2 = [1 - (X/Y)] \times T1$
 - LD shall be calculated in line with LD clause of the Contract for the delay attributable to Supplier/Vendor taking "X" as Contract Value and "T2" as period of delay attributable to Supplier/Vendor.

26.0 ACTION AND COMPENSATION IN CASE OF BAD WORKMANSHIP

- 26.1 If any work has been executed with unsound, imperfect or bad workmanship or with materials of inferior quality, the Vendor shall on demand, in writing from BHEL specifying the work, materials/articles complained of, notwithstanding that the same may have been passed, certified and paid for, forthwith, rectify the work, so specified in whole or in part as the case may require, at their own cost. In the event of the Vendor's failure to do so within reasonable period, BHEL shall rectify or remove and re-execute the work at the risk and expense of the default Subcontractor.
- 26.2 BHEL will have general supervision and direction over the work. BHEL has the authority to stop the work, whenever such stoppage may be necessary to ensure the proper execution of the contract.
- 26.3 BHEL shall also have the authority to reject all the work, which does not conform to the specification, to direct the application of forces to any portion of the work as, in their judgement is required, and order the force increased or diminished and to decide on matters which arise in the execution of the work.
- 26.4 BHEL reserves the right to suspend the work or part thereof at any time and no claim whatsoever on this account will be entertained. In case of any dispute, the fabricator may appeal to BHEL whose decision shall be final and binding.
- 26.5 Finished components supplied by Vendor shall be erected at site. Vendor shall be responsible for mismatch of components supplied by them, if any, noticed at site during erection. Any rework shall be carried out by Vendor at their cost and risk including transport, if necessary.

27.0 SUBLETTING

- 27.1 The Vendor shall not sublet or assign this work or any part thereof to any other Firm(s) without the written permission of BHEL. In the event of the Vendor subletting or assigning work or any part thereof without permission, BHEL shall be entitled to take action as per as per Clause wrt "BREACH OF CONTRACT".

**28.0 VENDOR PERFORMANCE RATING**

- 28.1 Quality, right at the first time and delivery in time are the essence of the contract.
- 28.2 Based on the feedback on the quality of the finished goods received, delivery performance and service rendered; a General Feedback on the Performance will be sent to Vendors or hosted in B2B system. Vendors are required to take note of the deviations enumerated in this and improve their performance in subsequent dispatches. Vendors, whose performance is poor continuously, are liable to be delisted and no orders shall be placed on them.

29.0 VENDOR INFORMATION SYSTEM (VIS)

- 29.1 BHEL will establish communication with our Vendors through Vendor Information system.
- 29.2 Most of the mass communications are sent through VENDOR INFORMATION SYSTEM (VIS) and hence Vendors are advised to access B2B regularly.
- 29.3 Vendor is required to have Internet connectivity. Vendor is required to access our web site on a regular basis.
- 29.4 Before commencing the job, latest GMS, Quality Plan applicable to the project or PO is to be ascertained, through the VIS portal. All the Quality records are to be uploaded in VIS portal.

30.0 APPLICABLE RATE OF TAXES BEYOND THE AGREED DELIVERY PERIOD

- 30.1 Any change in applicable rates of Tax or any other statutory levies (Direct / Indirect) or any new introduction of any levy by means of statute and its corresponding liability for the deliveries beyond the agreed delivery date for reasons not attributable to BHEL will be to Vendors account. BHEL will not reimburse the same and any subsequent claim in this respect will be summarily rejected.

31.0 INTEGRITY PACT (IP)

- 31.1 IP is a tool to ensure that activities and transactions between the Company and its Bidders/ Contractors are handled in a fair, transparent and corruption free manner. Following Independent External Monitors (IEMs) on the present panel have been appointed by BHEL with the approval of CVC to oversee implementation of IP in BHEL.

S#	Independent External Monitors (IEMs)	Email Id
1	Dr. Sarat Kumar Acharya, Ex-CMD, NLC	iem1@bhel.in
2	Shri R. Mukundan, IRPS (Retd.)	iem2@bhel.in
3	Shri Madan Lal Meena, IAS (Retd.)	iem3@bhel.in

- 31.2 The IP as enclosed with the Tender is to be submitted (duly signed by authorized signatory) along with techno-commercial bid (Part-I, in case of two/ three part bid). Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification.
- 31.3 Please refer Section 8 of the IP for Role and responsibilities of IEMs. In case of any complaint arising out of the tendering process, the matter may be referred to any of the above IEM(s). All correspondence with the IEMs shall be done through email only.

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- 31.4 **Note:** No routine correspondence shall be addressed to the IEM (Phone/post/email) regarding the clarifications, time extensions or any other administrative queries, etc. on the tender issued. All such clarification/ issues shall be addressed directly to the tender issuing (procurement) department officials whose contact details are provided below:

Name	Ashish Kumar Gupta	C Chitrlekha
Dept.	Contracts/Outsourcing	Contracts/Outsourcing
Phone:	0431-257-4617	0431-257-7031
E mail:	ashishkg@bhel.in	chitrlekha@bhel.in

31.5 **INTEGRITY COMMITMENT, PERFORMANCE OF THE CONTRACT AND PUNITIVE ACTION THEREOF:**

31.5.1 **Commitment by BHEL:**

- o BHEL commits to take all measures necessary to prevent corruption in connection with the tender process and execution of the contract. BHEL shall during the tender process treat all Bidder(s) in a transparent and fair manner, and shall equity.

31.5.2 **Commitment by Vendor/Sub-contractor:**

- o The sub-contractor commits to take all measures to prevent corruption and shall not directly or indirectly influence any decision or benefit which he is not legally entitled to nor shall 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.
- o The bidder/ Supplier/ contractor shall, when presenting his bid, disclose any and all payment 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.
- o The bidder/ Supplier/ contractor shall perform/ execute the contract as per contract terms & conditions and shall not default without any reasonable causes, which causes loss of business / money/ reputation, to BHEL.
- o If any sub-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.

**32.0 FRAUD PREVENTION POLICY**

- 32.1 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: <https://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.
- 32.2 Fraud prevention policy and List of Nodal Officers shall be hosted on BHEL's Website, Vendor portals of Units / Regions Intranet.

33.0 AUTHORISED SIGNATORY FOR SUBMISSION OF OFFER

- 33.1 Agreeing to the Terms and conditions of this NIT, uploading bid supporting documents such as (declaration by bidder, IP etc.) and submission of Price Bids in EPS by using the Digital Key registered with BHEL for EPS shall be construed as the Bid and Supporting Documents are being submitted by the Authorized Signatory of the Firm. Vendor should take utmost care for the use of their Digital Key registered with BHEL for EPS while participating in this NIT.

34.0 PUBLIC PROCUREMENT (PREFERENCE TO MAKE IN INDIA), ORDER 2017

- 34.1 For this procurement, the local content to categorize a supplier as a Class I local supplier / Class II local Supplier / Non- Local supplier and purchase preference to Class I local supplier, is as defined in Public Procurement (Preference to Make in India), Order 2017 dated 19.07.2024 issued by DPIIT. In case of subsequent orders issued by the nodal ministry, changing the definition of local content for the items of the NIT, the same shall be applicable even if issued after issue of this NIT, but before opening of Part-II bids against this NIT.

35.0 SETTLEMENT OF DISPUTE

- 35.1 If any dispute or difference of any kind whatsoever shall arise between BHEL and the Supplier/Vendor, arising out of the contract for the performance of the work whether during the progress of contract termination, abandonment or breach of the contract, it shall in the first place referred to Designated Engineer for amicable resolution by the parties. Designated Engineer (to be nominated by BHEL for settlement of disputes arising out of the contract) who within 60 days after being requested shall give written notice of his decision to the contractor. Save as hereinafter provided, such decision in respect of every matter so referred shall forthwith be given effect to by the Supplier/Vendor who shall proceed with the work with all due diligence, whether he or BHEL desires to resolve the dispute as hereinafter provided or not.
- 35.2 If after the Designated Engineer has given written notice of this decision to the party and no intention to pursue the dispute has been communicated to him by the affected party within 30 Days from the receipt of such notice, the said decision shall become final and binding on the parties. In the event the Supplier/Vendor being dissatisfied with any such decision or if amicable settlement cannot be reached then all such disputed issues shall be resolved through conciliation in terms of the BHEL **Conciliation Scheme** 2018 as per Clause given below.

**35.3 CONCILIATION**

35.3.1 Any dispute, difference or controversy of whatever nature howsoever arising under or out of or in relation to this Agreement (including its interpretation) between the Parties, and so notified in writing by either Party to the other Party (the "Dispute") shall, in the first instance, be attempted to be resolved amicably in accordance with the conciliation procedure as per BHEL Conciliation Scheme 2018. The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided in - "Procedure for Conduct of Conciliation Proceedings" (as available in www.bhel.com).

Note: Ministry of Finance has issued OM reference No. 1/2/24 dated 03.06.2024 regarding "Guidelines for Arbitration and Mediation in Contracts of Domestic Public Procurement. In the said OM it has been recommended that Government departments/ Entities/agencies are to encourage mediation under the Mediation Act. 2023. The said Act has not yet been notified by the Government. Therefore, the clause "Settlement of Disputes" shall be modified accordingly as and when the Mediation Act 2023 gets notified.

35.4 ARBITRATION

35.4.1 Except as provided elsewhere in this Contract, in case Parties are unable to reach amicable settlement (whether by Conciliation to be conducted as provided in above Clause herein above or otherwise) in respect of any dispute or difference; arising out of the formation, breach, termination, validity or execution of the Contract; or, the respective rights and liabilities of the Parties; or, in relation to interpretation of any provision of the Contract; or, in any manner touching upon the Contract (hereinafter referred to as the 'Dispute'), then, either Party may, refer the disputes to Madras High Court, Arbitration Centre (MHCAC) and such dispute to be adjudicated by Sole Arbitrator appointed in accordance with the Rules of said Arbitral Institution.

35.4.2 A party willing to commence arbitration proceeding shall invoke Arbitration Clause by giving notice to the other party in terms of Section 21 of the Arbitration & Conciliation Act, 1996 (hereinafter referred to as the 'Notice') before referring the matter to arbitral institution. The Notice shall be addressed to the Head of the Unit, BHEL, executing the Contract and shall contain the particulars of all claims to be referred to arbitration with sufficient detail and shall also indicate the monetary amount of such claim including interest, if any.

35.4.3 After expiry of 30 days from the date of receipt of aforesaid notice, the party invoking the Arbitration shall submit that dispute to the Arbitral Institution- **Madras High Court, Arbitration Centre (MHCAC)**- and that dispute shall be adjudicated in accordance with their respective Arbitration Rules. The matter shall be adjudicated by a Sole Arbitrator who shall necessarily be a Retd Judge having considerable experience in commercial matters to be appointed/nominated by the respective institution. The cost/expenses pertaining to the said Arbitration shall also be governed in accordance with the Rules of the respective Arbitral Institution. The decision of the party invoking the Arbitration for reference of dispute to **Madras High Court, Arbitration Centre (MHCAC)**- for adjudication of that dispute shall be final and binding on both the parties and shall not be subject to any change thereafter. The institution once selected at the time of invocation of dispute shall remain unchanged.



- 35.4.4 The fee and expenses shall be borne by the parties as per the Arbitral Institutional rules.
- 35.4.5 The Arbitration proceedings shall be in English language and the seat of Arbitration shall be Trichy.
- 35.4.6 Subject to the above, the provisions of Arbitration & Conciliation Act 1996 and any amendment thereof shall be applicable. All matters relating to this Contract and arising out of invocation of Arbitration clause are subject to the exclusive jurisdiction of the Court(s) situated at Trichy.
- 35.4.7 Notwithstanding any reference to the Designated Engineer or Conciliation or Arbitration herein, a. the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree. Settlement of Dispute clause cannot be invoked by the Contractor, if the Contract has been mutually closed or 'No Demand Certificate' has been furnished by the Contractor or any Settlement Agreement has been signed between the Employer and the Contractor.
- 35.4.8 It is agreed that Mechanism of resolution of disputes through arbitration shall be available only in the cases where the value of the dispute is less than Rs. 10 Crores.
- 35.4.9 In case the disputed amount Claim, Counter claim including interest is Rs. 10 crores and above, the parties shall be within their rights to take recourse to remedies other than Arbitration, as may be available to them under the applicable laws after prior intimation to the other party. Subject to the aforesaid conditions, provisions of the Arbitration and Conciliation Act, 1996 and any statutory modifications or re-enactment thereof as amended from time to time, shall apply to the arbitration proceedings under this clause.
- 35.4.10 In case, multiple arbitrations are invoked (whether sub-judice or arbitral award passed) by any party to under this contract, then the cumulative value of claims (including interest claimed or awarded) in all such arbitrations shall be taken in account while arriving at the total claim in dispute for the subject contract for the purpose of above Clause. Disputes having cumulative value of less than 10 crores shall be resolved through arbitration and any additional dispute shall be adjudicated by the court of competent jurisdiction.
- 35.5 **In case of Contract with Public Sector Enterprise (PSE) or a Government Department, the following shall be applicable:**
- 35.5.1 In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Trusts inter se and also between CPSEs and Government Departments/Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD (Administrative Mechanism for Resolution).
- 36.0 JURISDICTION**
- 36.1 Subject to Above Clause, the Civil Court having original Civil Jurisdiction at Tiruchirappalli, Tamilnadu shall alone have exclusive jurisdiction in regard to all matters in respect of the Contract.
- 36.2 **GOVERNING LAWS:** The contract shall be governed by the Law for the time being in force in the Republic of India.

**37.0 CARTEL FORMATION**

- 37.1 The Bidder declares that they will not enter into any illegal or undisclosed agreement or understanding, whether formal or informal with other Bidder(s). This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process. In case, the Bidder is found having indulged in above activities, suitable action shall be taken by BHEL as per extant policies/ guidelines.

38.0 CONFLICT OF INTEREST

- 38.1 The bidder notes that a conflict of interest would said to have occurred in the tender process and execution of the resultant contract, in case of any of the following situations:
- 38.1.1 If its personnel have a close personal, financial, or business relationship with any personnel of BHEL who are directly or indirectly related to the procurement or execution process of the contract, which can affect the decision of BHEL directly or indirectly;
- 38.1.2 The bidder (or his allied firm) provided services for the need assessment/ procurement planning of the Tender process in which it is participating;
- 38.1.3 Procurement of goods directly from the manufacturers/ suppliers shall be preferred. However, if the OEM/ Principal insists on engaging the services of an agent, such agent shall not be allowed to represent more than one manufacturer/ supplier in the same tender. Moreover, either the agent could bid on behalf of the manufacturer/ supplier or the manufacturer/ supplier could bid directly but not both. In case bids are received from both the manufacturer/ supplier and the agent, bid received from the agent shall be ignored. However, this shall not debar more than one Authorised distributor (with/ or without the OEM) from quoting equipment manufactured by an Original Equipment Manufacturer (OEM) in procurements under a Proprietary Article Certificate.
- 38.1.4 A bidder participates in more than one bid in this tender process. Participation in any capacity by a Bidder (including the participation of a Bidder as a partner/ JV member or sub-contractor in another bid or vice-versa) in more than one bid shall result in the disqualification of all bids in which he is a party. However, this does not limit the participation of an entity as a sub-contractor in more than one bid if he is not bidding independently in his own name or as a member of a JV.

39.0 GENERAL CONDITIONS

- 39.1 Vendors shall use electronic Signature viz. **Digital Signature Certificate (DSC)** while uploading the Tender documents on the E-Procurement Portal. The information furnished by Vendor shall be complete by itself. The Tenderer is required to furnish all the details and documents as required in the Tender Enquiry.

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- 39.2 Tenderers are advised to study all the Tender documents carefully. Any submission of Tender by the Tenderer shall be deemed to have been done after careful study and examination of the Tender documents and with the full understanding of the implications thereof. Should the Tenderers have any doubt about the meaning of any portion of the Tender Specification or find discrepancies or omissions in the Drawings or the Tender documents issued are incomplete or shall require clarification on any of the technical aspect, the scope of work etc., the Tenderers shall at once, contact the authority inviting the Tender well in time (so as not to affect last date of submission) for clarification before the submission of the Tender. Tenderer's request for clarifications shall be with reference to Sections and Clause numbers given in the Tender documents. The specifications and Terms and Conditions shall be deemed to have been accepted by the Tenderer in his offer. Non-compliance with any of the requirements and instructions of the Tender Enquiry may result in the rejection of the Tender.
- 39.3 All care shall be ensured by Vendor before uploading the Price Bid while submitting their offer. In case of corrupt file uploading, the Price Bid shall be rejected summarily. Vendor shall not modify/tamper/unprotect/distort the Price Bid Format provided in the Tender Enquiry. This is to be strictly followed. Non-compliance will attract action as per existing BHEL Guidelines for Suspension of business dealings with Vendors.
- 39.4 Vendors who are under Hold/ban/Suspension/Debarment are not eligible for this Enquiry. The offers/documents submitted by Vendors who are under Hold/ban/Suspension/Debarment and Vendors who engage the services of the banned Firms/Vendors shall be rejected. List of banned Firms are available in website <https://www.bhel.com/supplier-registration>. Offers from such banned Firms shall not be considered.
- 39.5 **SUBMISSION OF TENDERS**
- 39.5.1 The Tenderers must submit their Tenders to Officer inviting Tender as per instructions in the NIT.
- 39.5.2 Tenders shall be submitted through E-Procurement Portal as per the instructions in the NIT. Tenderers to upload offers well in advance in order to avoid last minute congestion in E-Procurement Website. However, after submission of the Tender, the Tenderer can re-submit revised Tender but before due date and time of submission of Tender as notified.
- 39.5.3 Tenders shall be opened by Officer of BHEL at the time and date as specified in the NIT. For Tenders, Vendors may attend through online mode, if provisions are available in e-Procurement Portal.
- 39.5.4 Tenderers whose bids are found Techno Commercially qualified shall be notified through E-Procurement System about the date and time of opening of the Price Bids. BHEL's decision in this regard shall be final and binding.
- 39.5.5 The information given in the Tender documents is for general guidance and shall not be construed as contractually binding on BHEL/Owner. All relevant site data / information as may be necessary for bidding shall have to be obtained/collected by the Tenderer.
- 39.6 **LANGUAGE**
- 39.6.1 The Tenderer shall quote the rates in English language and international numerals. These Rates shall be entered in figures as well as in Words.
- 39.6.2 All entries in the Tender shall either be typed or written legibly in ink. Erasing and over-writing is not permitted and may render such Tenders liable for rejection. All cancellations and insertions shall be duly attested by the Tenderer.



- 39.7 **Price Bid Opening:** During opening of Price Bids, if there is any difference between the amount in figures and in words, the amount quoted by the Vendor in words shall be taken as correct.
- 39.8 **REJECTION OF TENDER & OTHER CONDITIONS**
- 39.8.1 The acceptance of Tender will rest with BHEL which does not bind itself to accept the lowest Tender nor any tender and reserves to itself full rights for the following without assigning any reasons whatsoever: -
- a) To reject any or all of the Tenders.
 - b) To split up the work amongst two or more Tenderers as per NIT.
 - c) To award the work in part if specified in NIT.
- 39.8.2 In case of either of the contingencies stated in (b) and (c) above, the time for completion as stipulated in the Tender shall be applicable.
- 39.8.3 Conditional offers, unsolicited bids, bids which are incomplete or not in the form specified or defective or have been materially altered or not in accordance with the tender conditions, specifications etc. are liable to be rejected.
- 39.8.4 Bids from tenderers under suspension (debarred) by any unit / region / division of BHEL or tenderers who do not comply with the latest Guidelines of Ministry/Commissions of Govt. of India are liable to be rejected.
- 39.8.5 BHEL will not be bound by any Power of Attorney granted by changes in the composition of the Firm made subsequent to the execution of the contract. BHEL may, however, recognize such power of Attorney / changes in the constitution of the Vendor after obtaining proper legal advice, the cost of which will be chargeable to the contractor concerned.
- 39.8.6 If the tenderer deliberately gives wrong information in his Bid, BHEL reserves the right to reject such tender at any stage or to cancel the contract if awarded and forfeit EMD and /or SD or any other money due.
- 39.8.7 Canvassing in any form in connection with the tenders submitted by the Tenderer shall make his offer liable to rejection.
- 39.8.8 The bid submitted by a techno commercially qualified tenderer shall become the property of BHEL who shall be under no obligation to return the same to the Vendor.
- 39.8.9 BHEL shall not be liable for any expenses incurred by the Vendor in the preparation of the bid irrespective of whether the bid is accepted or not.
- 39.9 For participating in E-Tender Enquiries, **Digital Signature Certificate Class III** is mandatory for the Vendor to quote.
- 39.10 Vendor should quote the Rate and fill other required details only in the respective fields provided in E-Procurement portal.
- 39.11 For this Tender, the required documents should be submitted on or before the due date & time mentioned in the E-Procurement Portal. Submission of documents through Hard copy/Email/Fax will not be accepted.
- 39.12 Latest updates on the important dates, Amendments, Correspondences, Corrigenda, Clarifications, Changes, Revisions, etc. to Tender Specifications will be hosted in BHEL E-Procurement portal.
- 39.13 Action against defaulting Vendors shall be taken in accordance with the latest revision of BHEL Guidelines for Suspension of Business Dealings with Suppliers/ Contractors. Website <https://www.bhel.com/supplier-registration>

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- 39.14 All safety precautions and use of safety equipment are to be followed while carrying out the fabrication and dispatch of the same. The Vendor must have proper tools and handling equipment. There should always be a responsible person available to oversee the operation and compliance of safety regulation etc. If any non-compliance with respect to proper safety conditions/requirements, BHEL may withhold visit/inspection, instruct stoppage of work till such time the desired safety requirements/conditions are met with.
- 39.15 In case it comes to notice of BHEL during the finalization of Tender / after placement of Contract and while executing the Contract, that Vendor has given incomplete, false, incorrect, suppressed information & data, forged documents, fake documents / certificates or any information prejudicial to BHEL's interest, BHEL will suspend the business with the Vendor at any stage and the Bank Guarantee will be forfeited. Action against such Vendors shall be taken in accordance with the latest revision of BHEL Guidelines for Suspension of Business Dealings with Suppliers/ Contractors. Website <https://www.bhel.com/supplier-registration>.
- 39.16 All the documents of BHEL (inclusive of Drawings, GMS and Standards) made available to the fabricator should be kept in strict confidence and under no circumstance be made available to others or allow others to make use of them. Such documents shall be returned to us on demand after completion. This secrecy clause is binding on the employees of the fabricators also. Action against defaulting Vendors shall be taken in accordance with BHEL latest Guidelines for Suspension of Business dealings with suppliers/ contractors. Website <https://www.bhel.com/supplier-registration>
- 39.17 All the statutory obligations such as ESI, PF, Labour Acts, Factories Act, etc., will have to be taken care of by the Vendor. BHEL, Tiruchirappalli will have no liability on them. Notwithstanding the above, if any demand notice is served by the concerned statutory authorities for recovery of any of their dues on BHEL, the same would be paid without notice to the Vendor and recovered the respective Vendor by suitable means as decided by BHEL.
- 39.18 BHEL, Tiruchirappalli never enters in to any agreement or never gives any undertaking or Power of Attorney to any Bank/s in relation to the Bill discounting facilities availed/to be availed by its various Vendors. BHEL, Tiruchirappalli has no obligation whatsoever, directly or indirectly, to any Bank/s in relation to the Bills received by BHEL, Trichy excepting payment of the same as authorized by the Vendors at the time of entering into the contract, subject to the conditions for honouring the Bills provided in the contract and BHEL does not recognize any charge on the proceeds of the Bill. If any Bank initiates any legal action against fabricator/s in relation such facilities and includes BHEL a party in the said dispute, all legal expenses, cost and any other losses thereof shall be recovered from the concerned Vendors. If the Vendor opts for Trade Receivable Discounting System (TReDS) platform as per BHEL Guidelines, then the same will be provided.
- 39.19 All clarifications pertaining to Techno-Commercial conditions of the Tender Enquiry shall be sought before submitting the offer. No claim for increase in Rates will be entertained by BHEL.
- 39.20 The Vendor declares that they will not enter into any illegal or undisclosed agreement or understanding, whether formal or informal with other Vendor(s). This applies in particular to prices, specifications, certifications, subsidiary, contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process. In case, the Vendor is found having indulged in above activities, suitable action shall be taken by BHEL as per extant policies/guidelines.

---END OF DOCUMENT---