

TERMS & CONDITIONS
PROCUREMENT OF LARGE DIA WELDED PIPES WITH INTERNAL GLASS FLAKE
COATING FOR UPPUR PROJECT 2X800MW

INDIGENOUS / FOREIGN

SL. NOs.	BHEL REQUIREMENT					AGREE/ DISAGREE/ Tick appropriate option										
1	SCOPE OF SUPPLY Manufacture and supply of below mentioned quantity of Welded Pipes IS 3589 meeting BHEL drawing & technical requirements with external painting and special internal coating for Uppur Project and to be delivered at UPPUR 2X800 MW project site.															
2	LIST OF ITEMS <table><tr><th>SI No.</th><th>Matl code</th><th>Item Description</th><th>Qty in metres</th><th>Work Order Details</th></tr><tr><td>10</td><td>159387400001</td><td>Pipe Dia 3840X20 MM- IS 3589 – 410 MPA</td><td>1050</td><td>P7321180468001</td></tr></table>					SI No.	Matl code	Item Description	Qty in metres	Work Order Details	10	159387400001	Pipe Dia 3840X20 MM- IS 3589 – 410 MPA	1050	P7321180468001	
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3.0	<u>TECHNICAL REQUIREMENTS</u> <u>A) PIPE REQUIREMENT</u> Pipe shall confirm to IS 3589 specification meeting the requirements as per our Technical Delivery Condition TDC: TDG:07 Rev. 06 . Deviation if any shall be clearly indicated in a separate sheet. UNDISCLOSED DEVIATIONS ARE NOT ACCEPTABLE. Pipe shall be supplied as per Drawing No.3-80-468-34312 Rev. 00. sent along with the enquiry. Coating near bevel ends cut back length shall be 4-80-468-81865. Spider Arrangement shall be provided at both ends of the pipe as per Drawing No. 4-80-999-93078 Rev. 00. The Length of each Pipe shall be 7 to 12.5 Meters. Total Quantity Tolerance shall be +2/- 0 Meters per Size of the PO Quantity. These are Underground pipes. <u>B) COATING REQUIREMENT</u> Painting Scheme Reference for UPPUR QP NO:7319: QPC:12 Rev. 00 dt. 21.06.2017															

	<u>External</u> Red Oxide Zinc Phosphate (Alkyd Base to IS 12744) - 1 x 30 Microns <u>Internal</u> Isophthalic Polyester/acrylic co-polymer filled with glass flakes coating - 1000 microns (min).	
4	<u>INTERNAL GLASS FLAKE COATING REQUIREMENT</u> Acceptance to coat inside surface of pipes with Isophthalic Polyester /Acrylic co-polymer filled with glass flakes meeting engineering specification ref PC: E:GF:001 Rev 00 or latest revision. Internal coating shall be done by any one of following coating vendors (Acceptable to BHEL) - M/s Kirloskar corrocoat private Limited, - M/s Demech Chemical Products Pvt. Ltd., - M/s Akzo Nobel India Limited. If vendor prefers to choose any vendor other than the above three, the following criteria will be considered for acceptance by BHEL. Supporting documents called for shall be submitted along with tender without fail. <i>However, the above approved coating vendor shall comply the requirements indicated in sl.no: vii below. Bidder shall ensure the same.</i> <u>Criteria that will be considered for acceptance of Isophthalic polyester/acrylic co-polymer filled with Glass Flake Coating vendor cum applicator.</u> - Coating Vendor shall be a manufacturer of Isophthalic polyester/acrylic co-polymer filled with glass flakes coating material. They are also responsible for the application of the coating on the internal surface of the Pipes covered in this tender used for transporting sea water. Factory license and or any other relevant documents to substantiate proof of manufacturing glass flake coating shall be enclosed. - Coating Vendor shall have proven track record for having coated Isophthalic polyester/acrylic co-polymer filled with glass flakes coating for similar pipe sizes mentioned in this tender used for sea water application and shall be in operation for a minimum period of 5 years. - Coating Inspection shall be performed by NACE level 2 inspectors. Details to be furnished. - Coating vendor shall possess an ISO 9001 or its equivalent Certificate. Copy shall be furnished.	To Confirm the coating vendor Name Supporting documents enclosed YES/NO

	v. Coating vendor shall submit the test certificates from independent reputed laboratory (IIT/ICT preferably) towards the below indicated type tests meeting values as indicated in Engg specification PC: E: GF: 001 Rev 00. a) Water Vapour Permeability - ASTM-D-1653 b) Adhesive Strength - ASTM-D-4541 c) Tensile Strength - ASTM-D-638 d) Abrasion Resistance - ASTM-D-4060 e) Cathodic Disbondment - ASTM G8 vi. Coating Vendor shall furnish typical Quality Plan , Detailed Procedure for coating & testing of any recently executed contract for our review. (QP used / approved by any other well-known customer preferred) vii. Coating Vendor will have to accept coating of (i) Pipes covered in this tender at Pipe manufacturer's works (ii) mitre bends, fittings (approx. 5% of Pipes quantum) at any one of our BHEL Unit / BHEL's Sub contractors works and (iii) site joints (approx. 2% of Pipes quantum) at Project site. Coating Vendor shall also carry out walk through inspection and repair work if any for the entire coated pipe line in-situ at site after erection. BHEL shall evaluate the credentials of coating vendor and reserves the right to accept or reject the coating vendor. In case of rejection, BHEL will provide the acceptable additional list of coating vendors to the Bidder who are otherwise acceptable. In such case the Bidder will be allowed to submit the price implication if any before price bid opening. Coating vendor shall agree to provide corporate guarantee for a period of 10 years from completion of internal coating of pipes.	QP to be enclosed
5	QUALITY PLAN After placement of Purchase order vendor shall submit (a) Quality plan for fabrication of pipe meeting the agreed tender requirements (b) Procedure and QAP for Internal Coating of pipe by Coating Manufacturer. for review/approval immediately within 4 days for QP of Pipe and 20 days for QP and procedure of glass flake Coating. Manufacturing shall commence subjected to approval of above QPs by BHEL.	
6	INSPECTION Indigenous suppliers BHEL/ BHEL approved third Party inspection agency. Inspection call shall be raised by the Bidder as per the inspection stages indicated in approved Quality Plan. Inspection call shall be given at least 14 days in advance to the required inspection for planning. Inspection call letter should contain all details pertaining to type of inspection, manufacturing schedule, inspection dates etc.	

	Bidder to ensure the readiness of material on the date of visit by inspector. Foreign suppliers Inspection shall be through renowned agencies such as TUV, Lloyds, SGS & BV. If any different agency is proposed by the bidder; the name of the inspection agency shall be indicated in the offer. BHEL shall consider for acceptance or otherwise. Inspection charges shall be included in the quoted unit prices.	
7	TESTING AND TEST CERTIFICATES NDE TESTING As per clause 5.2 of TDC: TDG:07:06 dt. 04.05.12 shall be done by any one of the following options. Bidders to tick and indicate their choice below – i) 100% Hydro test along with Radiography Test for 100 mm Weld Length on both the ends of each pipe. ☐ ii) 100% Ultrasonic Test + 10% Radiography Test on weld length (including all T-joints and 100 mm Weld length at both the ends) for each pipe. ☐ iii) 100% Radiography Test on weld length of each pipe. ☐ <u>Marking & Identification:-</u> Pipes shall be marked & identified with details as indicated in TDG: 07:06 Cl.8.1&8.2 on external surfaces of the Pipe & Cl.8.3 shall be ensured on internal surfaces of the Pipe. Test certificates as called for in the TDC & approved QP shall be sent to Purchase / Piping Centre BHEL Chennai immediately after the shipment / dispatch of items and not through Bank. Inspection documents shall be furnished for each batch of dispatch / consignment. Soft copy in CD format of the all the test certificates shall also be submitted. Year of Code for the standards shall be latest and the specific year is to be mentioned in the Manufacturer's test certificates.	(TICK ANY ONE)
8	<u>Two-part bid :</u> Part-I TECHNICAL - CUM – COMMERCIAL PART (Un priced) :- This part of the bid shall contain following technical and commercial points only (except price portion) 1. Bidder to submit duly filled and signed '<u>Pre-Qualification Criteria</u>' along with all supporting documents. 2. Duly filled, signed and stamped 'Terms and Conditions' format which contains	

	Commercial & Technical requirements along with BHEL TDC: TDG: 07: 06, Painting scheme, Edge preparation and Spider Arrangement Drawings and all supporting documents. 3. Copy of Unpriced bid (without price) clearly <u>indicating quoted/not quoted</u> against each line item. 4. Integrity Pact - To be filled and submitted with Part-1 without fail. The above documents form part of this tender document and bidder shall ensure that they have received all these along with tender and confirm.	
9	PART II <u>PRICE PART</u> : <u>INDIGENOUS BIDDERS</u> The unit price shall be quoted on FOR UPPUR project site basis (BASE PRICE and other components strictly as per price template attached) The price shall include all testing, inspection, packing and freight & insurance charges. <u>PLEASE DO NOT QUOTE ON EX-WORKS BASIS.</u> Price quoted by the Supplier item wise with break up as per the price bid template shall be furnished. a. Base Price shall include Cost of Raw Material plus conversion cost per Meter of pipe with Edge Preparation and providing Spider Arrangement and Testing and Packing and freight & insurance. b. External Painting& Internal Coating charges shall be quoted extra as per the respective painting scheme attached, as indicated in the price format. c. Percentage of applicable GST shall be clearly indicated. d. Freight and transit insurance charges to be quoted extra. Ordering shall be on Free on Road, FOR – UPPUR Project Site. <u>FOREIGN BIDDERS</u> The unit price shall be quoted on CFR Chennai port basis. Tender shall be evaluated for price competitiveness on FOR UPPUR project site (total cost to BHEL) basis, considering quotation on CFR Chennai. Currency to be mentioned. Country of origin to be indicated. The price shall include all testing, inspection, packing and freight & insurance charges. <u>PLEASE DO NOT QUOTE ON EX-WORKS BASIS.</u> Price quoted by the Supplier item wise with break up as per the price bid template shall be furnished.	

	a. Base Price shall include Cost of Raw Material plus conversion cost per Meter of pipe with Edge Preparation and providing Spider Arrangement and Testing and Packing and freight & insurance. b. External Painting& Internal Coating charges shall be quoted extra as per the respective painting scheme attached, as indicated in the price format. c. Freight charges should be quoted extra. Ordering shall be on be CFR – Chennai Port basis.	
10	Quantity mentioned against each item may vary. In such case, bidder shall be informed about the variation in quantity and subsequently bidder shall be asked to submit price impact if any in % of quoted price before opening of price bid.	
11	Tender shall be processed by E-Procurement Mode / Conventional paper bid mode In case of E – Procurement , (Pl refer Guidance to bidders enclosed). Please click this link to take you to the procurement site - https://bheluat.abcprocure.com/BHEL, you will be required to log in with user code and password allotted to you. (contact Abcprocure)	
12	In addition to BHEL evaluation of techno-commercial bids, Customer approval is required for acceptable of bids. Customer approved bidders will only be considered for further price evaluation.	
13	EVALUATION OF BIDS L-1 shall be arrived based on the total net cash outflow to BHEL (inclusive of all cost elements for the entire scope, taxes and duties). For Foreign bidders, following shall be considered a. Customs Duty - Pls note that the comparison of offers would be done as per the applicable Duty structure on the date of opening of Price Bid. b. Exchange Rate – For import bidders, the exchange rate on the date of technical bid opening, as per TT selling rate of SBI will be taken for evaluation. Additional loading for foreign Bidders i) Freight and Insurance from Chennai port upto UPPUR project site ii) Customs incidental charges BHEL reserves the right to finalize the prices through Reverse Auction or sealed envelope bid opening and the same shall be intimated to Bidders after technical scrutiny of the offers. Information on Reverse Auction enclosed.	
14	VALIDITY OF THE OFFER: The quotation shall be valid at least for a period of 90 days from the date of technical bid opening / 60 days from the date of final reverse auction. Offer with lesser validity may not be considered.	

15	DELIVERY SCHEDULE: - 4 months from LOI / PO date Delivery shall commence progressively. As delivery will affect our project requirements, kindly quote for the above delivery period only. Early delivery is acceptable. Bidder has to strictly confirm to the delivery terms. Bids not complying with the delivery period are liable for rejection.	
16	TERMS OF DELIVERY: - 1) Indigenous Bidders FOR UPPUR PROJECT Site basis: - Dispatch of items shall be made to UPPUR project Site based on Delivery instructions by BHEL-PC. 2) Foreign Bidders CFR Chennai port basis: - Bidders quoting on CFR basis shall arrange for free container retention period of 21 days for clearance of cargo.	
17	GUARANTEE: Bidders shall guarantee the supplies for a period of 36 months from the date of dispatch of materials or 18 months from the date of their commissioning whichever is earlier. To this effect a Guarantee certificate should be sent along with the dispatch documents in the event an order is placed on you. Material shall be guaranteed against manufacturing defects or faulty workmanship for above mentioned guarantee period. Any defect noticed during this period shall be repaired/replaced free of cost, to the satisfaction of BHEL and the End User. No deviation in this regard shall be accepted. Pipe Bidder shall cover the guarantee for both pipe and coating. Pipe Bidder shall take necessary guarantee certificate of the coating from the coating manufacturer. PERFORMANCE BANK GUARANTEE Bank Guarantee for 2% of the PO value shall be submitted valid up to the end of guarantee period. (Mandatory clause for acceptance of bid. Else bid is liable for rejection)	
18	LD CLAUSE: - If the supplier fails to deliver the item within the period specified in the contract the purchaser shall deduct Liquidated Damages, a sum equivalent to 0.5% of the price for each week of delay up to a maximum of 10% of the price of delayed/undelivered portion. However, it may be noted that loading on quoted prices for LD shall be done to the extent to which the bidder is not agreed (for e.g. if Bidder agrees for LD max. of 6% then the remaining portion i.e. 4% shall be loaded on his quoted rates for evaluating the offer). For the purpose of LD, the delivery date will be reckoned as follows: 1. For Foreign/Imported Bidders: CFR basis: Date of Bill of Lading will be taken as delivery date. 2. For Indigenous sources: LR date will be taken as the delivery date.	

19	RISK PURCHASE Your confirmation to our standard risk purchase clause that alternatively the Purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or dispatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute there for. The supplier shall be liable for any loss which the purchaser may sustain by reason of such risk purchases in addition to penalty at the rate mentioned in LD above.	
20	TERMS OF PAYMENT: No advance payment shall be made by BHEL. For indigenous Bidders: 100% payment after 45 days after receipt of materials & Performance bank guarantee @ 2% of PO value valid until guarantee period: Payment shall be made against presentation of following documents to our Finance Department. However, a copy of Invoice and LR shall be sent to Purchase department immediately after the dispatch is affected. - Commercial Invoice in triplicate - Delivery Challan in triplicate whichever is applicable - Guarantee certificate. - Lorry Way Bill (Original + Two copies) - Site Ack. Lorry Way Bill (Original + Two Copies) - Quality documents (as per approved QP/PO) - ED gate pass with a confirmation that the duplicate for transporter is sent with the goods. - Performance bank guarantee for 2% of PO value. Soft copy of Invoice and LR should be sent immediately after dispatch by e-mail. Hard copy should be sent subsequently at the earliest possible time. One original + two copies of Quality Documents, as called for in the quality plan/Purchase order shall be sent to Purchase / Piping centre BHEL Chennai immediately after the shipment / despatch of Items. All the quality documents are to be submitted in soft copy apart from the hard copy, as above.	
	For Foreign Bidders: 1) 100% through CAD (or) 2) 100 % LC at sight. It may be noted that loading for LC charges will be made @ 1.5% of quoted rates. Kindly choose one of the above given two options	
21	INTEGRITY PACT – Format being sent. Your bid will be considered only after signing and submitting the Integrity pact THIS TENDER WILL BE MONITORED BY INDEPENDENT EXTERNAL MONITOR (IEM). DETAILS OF IEM ARE AS GIVEN BELOW –	

	Shri D.R.S Chaudhary, IAS (Retd.) dilip.chaudhary@icloud.com E-1/164 Arera Colony, Bhopal 462016	
22	This is to bring in your attention that information regarding 'Guidelines for Suspension of Business Dealings with Suppliers/ Contractors' is now available on www.bhel.com on "supplier registration page". Bidders are requested to go through these guidelines.	
23	The Bidder along with its associate/ collaborators/ sub-contractors/ sub-Bidders/ consultants/ service providers shall strictly adhere to BHEL Fraud Prevention Policy displayed on BHEL website http://www.bhel.com and shall immediately bring to the notice of BHEL Management about any fraud or suspected fraud as soon as it comes to their notice.	
24	Bidders who are not registered with BHEL PC Chennai, will have to submit the Supplier Registration Form (SRF) after successful completion of techno-commercial evaluation and after getting intimation from BHEL for the same. The Supplier Registration Form (SRF) duly filled will be assessed for manufacturing capability, quality systems being followed, organizational soundness and financial worthiness. The Online Application may be submitted through following link http://suppliers.bheltry.co.in/	
25	One agent cannot represent two or more suppliers or quote on their behalf in a particular tender. If so found at any stage, BHEL PC Chennai is likely to cancel Enquiries / POs to such suppliers. Further, such Indian Agent is likely to be de-listed (Black listed for business from BHEL)	
26	GENERAL: - - The PO copy with all details will be given to successful bidders in soft mode also. - Acknowledgement for receipt of PO shall be sent within one week from the date of receipt. - BHEL reserves the right to cancel this tender without assigning any reasons what so ever. - Deviation taken after placement of order will not be accepted (Both technical as well as on delivery) - Suppliers to analyze in detail, at the time of submission of offer with reference to our "delivery" requirement of item and confirm compliance. - Lowest prices received against BHEL tenders does not mean order will be placed on that Supplier. BHEL reserves the right not to consider the same. - BHEL reserves the right to negotiate or re-float the tender opened if L1 price /or other details are not acceptable to them - BHEL reserves the right to order on more than one Bidder at the lowest acceptable price to BHEL. - Any other terms or conditions mentioned in your offer other than the above mentioned formats will not be evaluated and will be considered null & void. Hence your offer shall contain ONLY the above mentioned formats. - For verification of data submitted towards evaluation of bidder's capability, BHEL may decide to visit the bidder(s) works. Any fact found deviating from submitted data shall	

	make the bidder liable to be disqualified. xi. In the event of newly approved vendor becoming the successful bidder, manufacturing process of first lot of Pipes from raw material stage to end product with coating shall be witnessed by BHEL inspection. Balance PO quantity can be taken up for manufacture only after inspection and clearance of the first lot by BHEL. BHEL reserves the right to cancel the order if the trial quantity is not meeting our requirement.	
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Note: Please confirm your acceptance/other wise to all the points indicated above positively and submit this format duly filled, signed & stamped along with the technical bid.

VENDOR SIGNATURE