

**NOTICE FOR INVITING
EXPRESSION OF INTEREST (EOI)**

**FOR
BUSINESS SHARING WITH LICENSE AGREEMENT FOR
WET BALL MILLING SYSTEM**

Eoi Reference Number: WBM/HPEP/MAY/1

Dated: 24th May, 2017



भारत हेवी इलेक्ट्रिकल्स लिमिटेड
Bharat Heavy Electricals Limited
Heavy Power Equipment Plant
Ramachandrapuram, Hyderabad, India - 502032
PULVERISERS ENGINEERING
TIC Building, Ph. No. +91-40-2318-5016

a) Title:

This Expression of Interest (EOI) seeks response from bidders, who are willing to be associated with BHEL through business sharing with license agreement to enable BHEL to design, manufacture, test, supply, erect, commission, repair, service and retrofit Wet ball milling System for limestone grinding for FGD application (scope as per Annexure-III) to meet the market requirements.

b) Introduction:

About Bharat Heavy Electricals Limited (BHEL):

BHEL (www.bhel.com) is a leading state owned company, wherein Government of India is holding 63.06% of its equity. BHEL is an integrated power plant equipment manufacturer and one of the largest engineering and manufacturing organization in India, catering to the core infrastructure sectors of Indian economy viz. energy, transportation, heavy engineering industry, Defense, renewable and non-conventional energy. The energy sector covers generation, transmission and distribution equipment for hydro, thermal, nuclear and solar photo voltaic. BHEL has been in energy sector business for more than 50 years and BHEL supplied equipment account for more than 57% of the total thermal generating capacity in India. BHEL is also listed in Indian stock exchanges. The company has 17 manufacturing units, 4 power sector regions, 8 service centers, 8 overseas offices and 15 regional offices besides host of project sites spread all over India and abroad. The annual turnover of BHEL for the year 2015-16 was US\$ 4 Billion*. BHEL's highly skilled and committed manpower of approximately 40,000 employees, the state-of-the-art manufacturing facilities and latest technologies, has helped BHEL to deliver a consistent track record of performance. Government of India categorized BHEL as "Maharatna Company" in 2013, empowering the company with enhanced autonomy in decision making. With the current order book exceeding US\$ 16.7 Billion, BHEL is poised for excellent future growth. Our ongoing major technology tie-ups include agreements with GE, USA (for Gas Turbines); GE Technology GmbH, Switzerland (for Once through Boilers and Coal Pulverisers); Siemens, Germany (for Steam Turbines, Generators and Condensers); Metso Automation Inc., Finland (for Control & Instrumentation); MHI, Japan (for Pumps); MHPS, Japan (for Flue Gas Desulfurization Systems); Vogt Power International, USA (for HRSG); GENP, Italy (for Compressors); Turbo Lufttechnik, Germany (for Fans) and Sheffield Forge Masters International, UK (for Forgings). More details about the entire range of BHEL's products and operations are available at www.bhel.com.

About HEAVY POWER EQUIPMENT PLANT (HPEP):

HPEP – Ramachandrapuram, Hyderabad unit was set up in 1963 and started its operations with manufacturing of Turbo-generator sets and auxiliaries for 60 and 110 MW thermal utility sets. Over the years it has increased its capacity range and diversified its operations to many other areas.

Today, a wide range of products are manufactured in this unit, catering to the needs of variety of industries like Fertilisers & Chemicals, Petrochemicals & Refineries , Paper, sugar, steel , etc. Major products of this unit's manufacturing includes Gas turbines, Steam turbines, Compressors, Turbo generators, Heat Exchangers, Pumps, Pulverisers, Switch Gears, Gear Boxes, Oil Rigs and Project Engineering.

c) Instructions to bidders

The interested parties may submit their Expression of Interest (EOI) along with the requisite details through E-Mail / in sealed envelope latest by **15-06-2017**, 14:00 Hrs. IST to the following address.

*Shri Satish Ghatge
Additional General Manager
Engineering & Technology (Pulverisers)
Heavy Power Equipment Plant (HPEP)
Ramachandrapuram, Hyderabad
Telangana, India-502032
Ph: +91 40-2318-5016
Email: sghatge@bhel.in*

- a) Any clarification required by bidder can be requested on or before 05-06-2017 and the replies for the same shall be furnished by BHEL on or before 10-06-2017.
- b) Bidder can submit their bids against this EOI either by E-mail or sealed envelope latest by 15-06-2017
- c) No discrepancy in bid between soft and hard copy is allowed. If there is any discrepancy between soft and hard copy, hard copy will prevail over soft copy.
- d) All communications, documentations etc. shall be in English language only.
- e) Bidders shall submit a covering letter of expression of Interest along with the bid and the same shall be signed by a competent authority having due power of attorney to sign the bid. Designation and authority of the signatory shall be stated. Original Power of Attorney shall be enclosed with the bid. The person who has given the power of attorney for signing the bid shall have the requisite authority for the same.
- f) Bidder has to submit the details as requested in the EOI, including the formats duly filled and additional details, if any, along with the offer.
- g) The EOI shall be comprehensive so that we can understand to what extent the bidder can comply with BHEL's requirement. Bidder is requested to furnish their opinion / comment on every aspect of this EOI. All formats enclosed need to be given response in Details sought/Yes/No.
- h) There will be a requirement of one or two meetings at BHEL/HYDERABAD to take forward this EOI. No amount shall be payable for this visit / boarding / lodging. Visit will be expected within 7 days from the date of our request for the same.
- i) BHEL hereby confirms that the details furnished by the bidder against this EOI will be kept confidential and will be used only for the intended purpose of evaluation.

d) Scope of cooperation:

- a) BHEL seeks a partner for entering into business sharing with license agreement (BSA) for Wet Ball Milling System suitable for limestone grinding. The duration of BSA shall be intimated later (Based on the responses from bidders, duration shall be finalized. Bidders to indicate the same in form-8). Indicative information regarding the methodology proposed under BSA is given in Annexure –I.
- b) BHEL proposes to have an association with the respondent (prospective business partner) who shall be responsible to the customer jointly with BHEL for the design, procurement of components and sub systems, overall system integration, testing and also for the successful acceptance , guarantee and warranty obligations and long term support.
- c) In the BSA model, the respondent shall provide BHEL with all the information related to design, manufacture, testing, trouble shooting, training etc.
- d) The bidder shall have to furnish Deed of Joint Undertaking (DJU) if mandated by BHEL's Customer. Executant of the DJU shall be jointly and severally liable for the successful performance of the equipment as per the format (will be informed separately). The DJU shall have to be submitted during tendering/proposal stage. In case of award of the contract to BHEL, the Bidder shall be required for furnish demand bank guarantee for a specified value (project specific, to be informed later).

e) Qualification Criteria:

1) Technical Capability

Prospective bidder should have its own manufacturing facility having minimum of five (5) years of experience in manufacturing of Wet Ball milling system for FGD application for thermal power plants.

Prospective bidder should have designed, engineered, manufactured and supplied Wet Ball Milling System with Minimum Capacity of 50 TPH with pulverized fineness of 90% thru 325 mesh (Input Feed size of lime stone is 25 mm) and should have been in successful operation in at least one plant for a period not less than one year prior to the date of floating of this EoI. Bidder is required to fulfil the Qualification criteria of BHEL's customers like NTPC etc.

The Prospective bidder shall own the intellectual property rights for the technology being proposed under the BSA, or have unencumbered right from the owner of the intellectual property rights to sub license the technology.

2) Financial capability

Bidder shall furnish the audited "Profit and loss account and Balance sheet" for the last 5 years for assessing the financial status of the company.

f) Legal requirements

- 1) The design of the system offered by bidder shall be of indigenous design without infringing to others' patented / copyright design.

- 2) Bidder shall be fully responsible for any legal suit arising out of copyright violation if any by bidder and shall be dealt by bidder directly.
- 3) In such a case, the entire expenses towards the same incurred by BHEL shall be reimbursed to BHEL with additional penalties as finalized by arbitrators.
- 4) Further, the bidder has to come up with alternate design/system for meeting the project requirement as acceptable to BHEL/ BHEL's customer and also has to cover up the delay caused because of the above.
- 5) In case of a contract after this EOI, all disputes between BHEL and bidder shall be resolved as per arbitration clause and the jurisdiction shall be Sangareddy/Hyderabad Court, Telangana, India.

g) General

The bidder can bring out details on how / why his system is superior to other competitors in prescribed forms. List of other documents to be submitted.

Following details may be submitted by the bidder along with the response in the formats enclosed. (Without altering the formats)

Form 1 – Organizational Strength.

Form 2 – Manufacturing strength

Form 3 – Reference list.

Form 4– Details to be enclosed (Preferably details as mentioned in this form to be enclosed, other than those requested in other forms)

Form 5 – Support required from BHEL

Form 6 – Legal / Arbitration issues with other customers

Form 7 – Superior features of the system offered compared to others

Form 8 – Proposal for business sharing agreement

h) Criteria for short listing / evaluation.

To be decided by BHEL, based on the responses received.

**INDICATIVE INFORMATION SCOPE SHARING MODEL PROPOSED UNDER
BUSINESS SHARING WITH LICENSE AGREEMENT (BSA)**

Supply for 1st project:	
A	BHEL will offer the product tied up with bidder to the customer.
B	Bidder will extend all the required technological assistance to BHEL, to prepare techno Commercial offers including guarantee and auxiliary power consumption for BHEL's customer in the proposal stage within the tender due date fixed by BHEL's customer.
C	If required by BHEL in proposal stage, bidder shall provide support letters including pre-Qualification papers / end user certificates for meeting qualification criteria to BHEL for qualifying in the bid / securing orders. Separate charges are not payable for this activity.
D	Bidder shall design, engineer, manufacture, supply, and support in erection, commissioning, operation and maintenance (till handing over to customer) of the equipment orders placed by BHEL.
E	Bidder would support BHEL by deputing their specialist to our customer offices/ works for discussions, presentations and explanations as and when the services are required.
F	Transfer of design drawings, design calculations and layout of first project executed by bidder under this BSA.
Supply from subsequent project onwards:	
A	During tendering stage, bidder shall extend their support to BHEL for preparing techno commercial offers.
B	Supply of critical equipment of the system and providing drawings / specifications for other equipment that can be manufactured / bought out by BHEL. Supplier to specify the critical equipment that will be supplied by them. Typical scope of wet ball milling system is provided in Annexure – III.
C	For items to be supplied by bidder, payment shall be made as per predetermined prices. Bidder to provide details in form-8 regarding scope sharing that bidder is willing to share with BHEL.
D	For items to be supplied by BHEL, bidder shall provide manufacturing drawings / specifications as per MoU.
E	Further bidder should vet the calculations, specifications, drawings and layouts prepared by BHEL for projects till completion of 5 years (or project as desired by BHEL) from the date of signing of agreement.
F	Bidder shall extend support for erection, commissioning and trouble shooting.

Note: If Bidder is willing to have an alternate arrangement than mentioned in this EoI, they can propose the same in form-8. After receiving responses from bidders, BHEL shall be floating an enquiry after scrutiny as per the terms and conditions of BHEL.

List of queries for Wet Ball Milling system proposed for BSA

Sl. No	Feature	Response	Remarks If any
1	Maximum capacity of wet ball mill supplied by Vendor.		
2	Guaranteed ball charge consumption of wet ball mill (Maximum consumption should be 0.5 kg / TPH of		
3	Guaranteed rubber liners wear life (Min wear Life should be 8000 hrs).		

Typical Wet ball milling system scope of supply:

SI No	Main assembly	Description	Qty.	Unit
1	Ball Tube Mill	Ball Mill	2	No.
2		Main Reducer assembly	2	No
3		Main Bearing Lube System	2	No.
4		Grease Spray System	2	No.
5		Auxiliary Drive	2	No.
6		Reducer Lube System	2	No.
7		Ball Charge Hopper	2	No.
8		Ball Charge Bucket	2	No.
9		Reject Bin	2	No.
10	Slurry storage System	Slurry Tank with agitator	2	No.
11		Slurry Pump with VFD	4	No.
12	Classification System	Hydro-cyclone	2	No.
13		Distribution box	2	No.
14	Piping Assembly	Piping Assembly	2	No
15	Ball Charge	Ball Charge	2	Sets
16	Liners	Rubber Liners	2	Sets
17	Discharge hood with reject chute	Trommel screen	2	No
18		Reject chute	2	No

All pipes, slurry pumps, slurry tank should be lined with suitable material to meet guarantees.

Any other item to complete the system shall be specified.

ORGANISATIONAL STRENGTH		
1	Name of Interested Supplier	
2	Address of Head Office	
3	Legal Status	
4	Place and Date of Establishment	
a	Place , name and country	
b	Date of establishment (DD MM YY)	
5	Year of formation of company	
6	Name of the owner / CEO of the company	
7	Main line of business	
8	Specialization	
9	Place of factories	
10	Place of Design / engineering offices	
11	No. of Branches in the world engaged in this business	
12	Man power in the roll of the company– Number of (Exclude contract workers)	
a	Engineers	
b	Workers	
c	Supporting / Administrative Staff	
d	Specialists	

Certified that the information furnished above are true to the best of our knowledge keeping in view the intent of this EOI

Place	Date	Signature

MANUFACTURING STRENGTH

Bidder to furnish the details in their own format to prove the capability of their manufacturing strength.

Certified that the information furnished above are true to the best of our knowledge keeping in view the intent of this EOI

Place	Date	Signature

Reference list of projects

Sl No	Name of project	Country	Year Of start	Year of completion	Capacity	Brief scope	Value of order
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							

Note:

1. Projects executed in the last 5 years may be indicated (in descending order of Commissioning)
2. Add additional rows, as required

Certified that the information furnished above are true to the best of our knowledge keeping in view the intent of this EOI

Place	Date	Signature

DETAILS TO BE ENCLOSED	
Sl No.	DETAILS OF DOCUMENTS TO BE ENCLOSED
1	Catalogues
2	Typical equipment details
3	Photographs & Videos
4	Any other details

Certified that the information furnished above are true to the best of our knowledge keeping in view the intent of this EOI

Place	Date	Signature

SUPPORT REQUIRED FROM BHEL	
Sl No.	SUPPORT REQUIRED FROM BHEL (Bidder to bring out the details in this format)
1	
2	
3	
4	
5	
6	
7	
8	

Note: Add additional rows as required

Certified that the information furnished above are true to the best of our knowledge keeping in view the intent of this EOI

Place	Date	Signature

LEGAL PROCEEDING / ARBITRATION DETAILS		
Sl No	Name of the project	Reasons for the legal issues/ arbitration
1		
2		
3		
4		
5		
6		

Note: Add additional rows as required

Certified that the information furnished above are true to the best of our knowledge keeping in view the intent of this EOI

Place	Date	Signature

TECHNICAL SUPERIORITY OF THE SYSTEM OFFERED

Bidder to furnish the details in his own format

Certified that the information furnished above are true to the best of our knowledge keeping in view the intent of this EOI

Place	Date	Signature

Proposal for Business sharing agreement***Bidder to furnish the details in his own format***

Note:

1. Indicative scope sharing that bidder is willing to share with BHEL to be provided.
2. Bidders to indicate duration of BSA they are willing to have with BHEL.
3. Alternate arrangement, if any

Certified that the information furnished above are true to the best of our knowledge keeping in view the intent of this EOI

Place	Date	Signature