



Bharat Heavy Electricals Limited

(A Govt. of India Undertaking)

Piping Centre , 80, G. N. Chetty Road, CHENNAI – 600 017

Phone : 91 (044) 28161315/325/218 .Fax-(044)28158247

e-mail: sandeepj@bhel.in

Dt: 09.04.2019

Ref: Enq No: 4211900001 E

Sir,

Sub: Open Tender for **Fabrication and supply of** PIPES, PLATE FORMED PIPES, COMPONENTS (reducers, tees, mitre bends, flanges, stubs, fasteners, mixerplates, Ducts etc.) meeting BHEL drawing, technical & quality requirements with vendor Material for IOCL-HALDIA PROJECT and to be delivered at IOCL-HALDIA PROJECT site- reg.

Ref: Enquiry No: 4211900001 E : Dt 09.04.2019

Due Date for Submission : Dt 30.04.2019

Please find the following tender documents enclosed for submitting the offer. The offers should be submitted online via E Procurement website <https://bhel.abcprocure.com/> on or before 30.04.2019- 14:30 Hrs. The offers will be opened at 15:00 hrs IST on the due date 30.04.2019 via e-procurement system. Kindly submit your offers in e-procurement system well before the due date and time. *BHEL shall not be responsible for any E procurement System issues and Vendor's inability to submit the offers at the last minute.*

Enclosure/Templates for quotation:

1. NIT (Tender document)
2. Online Templates for bidding
 - a) Pre-Qualification Requirements
 - b) Techno Commercial Offer
 - c) Price Bid format
3. Techno commercial requirements –Filled, signed and scanned copy to be uploaded
4. Non-Disclosure agreement- to be uploaded by bidders (signed, scanned)
5. Declaration format for Make in India Preference
6. Drawings and notes for fabrication
7. Quality Plan – For Fabrication, Testing, Painting – 7419: QPC: 01 rev no.:01 dt. 06.03.2019
8. Drawing for Edge preparation and spider arrangement
9. EIL approved vendor list for raw material procurement

Prospective suppliers/ bidders may address their complaints/ representation to the Head (MM) of the concerned Unit/ Region.

Please indicate Enquiry no. and Date and due date in all correspondences for easy reference and speedy response.

संदीप / SANDEEP
वर्षिष्ठ अभियंता, आउट सोर्सिंग
Sr. Engineer, Outsourcing
बीएचईएल, पाइपिंग सेन्टर / BHEL, Piping Centre
टी. नगर, चेन्नै / T. Nagar, Chennai
09/04/19

**OPEN Tender Enquiry for Piping and other components with Bidder Material for
EIL-IOCL Haldia Project - Enquiry No: 4211900001E dt 09.04.2019 due on 30.04.2019**

Dear Sirs,

Sub: **Fabrication and supply of Pipes**, Plate formed pipes with or without attachments, Fittings (Mitre bends, Elbows, Reducer, Equal and Unequal Tees), square ducts, mixer plates etc. as per GMS, isometric Drawings and BOQ for IOCL Haldia Project.

We are pleased to send this enquiry for the fabrication and supply of Pipes, Plate formed pipes with or without attachments, Fittings (Mitre bends, Elbows, Reducer, Equal and Unequal Tees), square ducts, mixer plates etc. as per isometric Drawings, GMS and QP for IOCL Haldia Project as per enclosed/ attached details and request to submit your offers by **14:30 Hrs** on or before **30.04.2019** in **Two** Parts as below in the E Procurement website <https://bhel.abcpocure.com/>. Techno commercial offer will be opened at **15:00 Hrs** on **30.04.2019**.
The approx. requirement is 213 MTs (plus or minus+ - 20%) as per the Drawings and BOQ.

Part I: Pre-Qualification Requirements and Techno Commercial part accepting technical requirements and commercial conditions **"without filling the Price portion"**
"MONEY VALUE SHOULD NOT BE INDICATED IN THIS PART".

Part II: Price bid with filled up values.

The following are enclosed for information:

1. NIT
2. Online Templates for bidding
 - a. Pre-Qualification Requirements
 - b. Techno Commercial Offer
 - c. Price Bid format
3. Fabrication Drawings –Fabrication Drawings and Notes for fabrication with annexures
4. Quality Plan – For Fabrication – 7419: QPC: 01 rev no.:01 dt. 06.03.2019
5. Painting Scheme ref. 7419: QPC: 01 rev no.:01 dt. 06.03.2019
6. Drawing for Edge preparation and spider arrangement

E procurement:

This Tender shall be processed via E procurement portal <https://bhel.abcpocure.com/>. Hence Bidders are requested to keep note of below Points:

- a) Bidders shall download all attachments as mentioned in above points 1, 3 to 6.
- b) Bidders shall fill in **online templates of bidding for – PQR, Techno Commercial Offer & Price Bid.**
- c) Bidder shall upload Techno commercial requirements annexure, Make In India declaration, MSE documents.

Note:

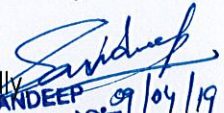
The following details to be furnished along with the offer

- Complete postal address with Pin Code, Contact Person /s, Phone No, Mobile No, FAX No, Email ID etc.

Any other terms or conditions mentioned in your offer other than the above mentioned formats may not be evaluated and may be considered null & void. Hence your offer shall contain **ONLY** the above mentioned formats.

Any fact found deviating from submitted data shall make the Bidder liable to be disqualified. Kindly submit your bids well before the due date.

Thanking you,

yours faithfully,

संदीप / SANDEEP
बिड़ि अभियंता, आउट सोर्सिंग
For Bharat Heavy Electricals Ltd.
Sr. Engineer Sourcing
बीएचईएल, पाइपिंग सेंटर / BHEL, Piping Centre
टी. नगर, चेन्नै / T Nagar, Chennai

Bidder's specific attention is drawn to the following:

1. The Terms and Conditions which will form part of the Purchase Order arrived through this enquiry, are thoroughly read and understood before offering the rates.
2. **Tender Submission and Evaluation:**

F.O.R DESTINATION RATE TO EIL-IOCL Haldia Project shall be Quoted inclusive of materials, manufacturing as per drawings, Quality requirements and external Painting as per Painting Schema and proper Packing and forwarding to the EIL-IOCL Haldia Project site inclusive of Transportation rates, in Rupees of finished items for various specifications indicated in BOQ and Isometric Drawings.

Rate Quoted shall include the Following

- a. Fabrication charges including cost of raw materials.
- b. Cost of machining wherever involved.
- c. Charges for applicable testing the components as per Quality plan Eg. Hydraulic Testing, Mechanical testing of items , Heat treatment etc.,and punching of work order number, DU No. etc. as per requirement.
- d. Charges for Non-destructive Testing (LPI, MPI, Radiography & UT etc.)
- e. Charges for Painting as per painting schema.
- f. Packing Charges and Spider arrangement cost.
- g. Transportation charges. (F.O.R destination basis to IOCL Haldia Project Site)

Quantum: The approx. requirement is 213 MTs (plus or minus+/- 20%). Quantum of ordering against each item of Each Package may also vary by $\pm 20\%$ (increase or decrease).

The Isometric drawings of the requirements along with notes for fabrication and annexures are enclosed with NIT for the Purpose of Quoting. Bidders shall study the requirement thoroughly before submission of Tender. Actual sizes/ quantum may vary during Ordering.

Quotation shall be furnished strictly as per the templates of ***Price Bid, Pre-Qualification Requirements & Techno Commercial Offer***, with all details as called for shall be uploaded in the E procurement website <https://bhel.abcpurchase.com/>.

Any values indicated anywhere other than Price Bid even if covered in any form in the techno commercial offer will not be considered for evaluation.

Quotations shall be strictly as per the price bid and should not be subjected to any correlation or indirect interpretations. Quotations shall fulfill all the above requirements. Otherwise the offers may be summarily rejected as a whole or as part thereof. Rates are to be quoted strictly as per the template taking care of all the requirements as indicated. Bidders may furnish the most competitive offer after thoroughly understanding the technical requirements and confirming to meet the same. Any detailed technical and commercial clarification may please be obtained before submission of the offer and Price Bid.

Bidders shall ensure to fill up all field of the following in E procurement website during Tender submission:

- a) Pre - Qualification Requirement - **Mandatory**
- b) Techno commercial Bid - **Mandatory**
- c) Price Bid - **Mandatory**

BHEL shall not be responsible for wrong quotes/uploads, missing attachments, blank file uploads in E procurement webpage. Bidders are requested to submit the offers with utmost care to reduce the chance of rejection.

3. **Evaluation of the Bids**

Pre-Qualification Requirements and Techno commercial bid shall be opened and evaluated first. Techno commercial bids shall be considered only for the bidders who are acceptable based on PQR evaluation. BHEL may decide to visit the bidder(s) works for verification of data submitted towards evaluation of bidder's capability. Any fact found deviating from submitted data shall make the bidder liable to be disqualified. Only after acceptance of the Techno Commercial Bids, Price bids will be opened or reverse auction will be conducted. Prices quoted shall be kept Valid for a period of 90 days from the date of final reverse auction/price bid opening.

Tender committee shall evaluate the bids and tender shall be finalized either through by Price Bid opening or Reverse Auction.

3.1. In case of Price Bid Opening

All the techno-commercially qualified Bidders shall be intimated on the date and time of Price bid opening. The sealed price bid shall be opened **via e-procurement portal** on the intimated date.

Rates are to be quoted for all the items in the package(s) 1, 2 & 3 as per Price Bid Format.

Total quoted rates in Rs. shall be considered for the purpose of ranking the L1 as per clause 4.Finalizing the contract)

3.2. In case of Reverse Auction

Reverse Auction shall be conducted package wise as indicated in *Annexure A*.

- i. All the techno-commercially qualified Bidders shall submit their **ONLINE DYNAMIC SEALED BID** during the Start of **REVERSE AUCTION** for all items of the package(s) in price bid.
- ii. In case of tie for H1 bids (identical online sealed bids), 15 minutes additional time shall be provided and all the participating Bidders shall be informed by mail/message on bidding screen to enable Bidders submit revised online sealed bids so as to break the tie as per new RA guidelines.
- iii. At the end of Online Sealed bid submission, highest bidder ('H1') will not be allowed to participate in reverse auction.
- iv. The online Start Price and decrement shall be provided by Tender Committee.
- v. Ranking of Bidders (L1/H1...) shall be done on total value Package wise (as per *clause 4. Finalizing the contract*)

Note:

- *In case any Bidder does not participate in the reverse bidding after the submission of **ONLINE DYNAMIC SEALED BID**, then the Value of their **ONLINE DYNAMIC SEALED BID** shall be considered for determination of Highest Bidders.*
- *In case RA is unsuccessful due to any reason (for any Package) then RA will be considered as failed for those package(s) alone and sealed envelope price bids will be opened and the tender shall be processed accordingly.*
- *in cases of tie among H1 Bidders, even after extension of submission of online sealed bids once by 15 minutes, RA will be treated as failed and tender shall be processed through price bid opening.*

4. **Finalizing the contract**

After the Price Bid Opening or reverse Auction, negotiation, the L1 shall be arrived as below:

- Individual L1 for each Package Nos 1, 2 & 3 respectively.
- L1 bidders of package shall provide the break-up of rates for each item of package.
- Ordering will be done based on the item wise break up rates finalized in the package.

5. Ordering on Bidders

Ranking of bidders shall be done for the total value quoted by bidders in price bid. L1 and H1 bidders shall be decided based on the total value.

100% ordering will be done on the L1 bidder of each package as applicable.

MSE and Make in India Preference shall not be operated for ordering on bidders.

6. All clarifications may please be obtained to ensure the technical, quality, delivery, price requirements are understood, before submitting the offer. All the deliverables shall be meeting BHEL Technical Delivery conditions and Quality requirements. In case of any unavoidable circumstances of engineering deviation during Purchase Order Execution, then Bidder shall get BHEL Engineering acceptance in writing (or) email, before proceeding, on a case to case basis.

7. MSE preferences for payment shall be operated as per MSE guidelines only if the bidder submits the relevant valid MSE document.

NOTE: FOR MSE VENDORS PAYMENT SHALL BE AFTER 45 DAYS SUBJECT TO SUBMISSION OF VALID ORIGINAL CA CERTIFICATE FOR LATEST AUDITED FINANCIAL YEAR AND VALID UDHYOG ADHAR MEMORANDUM (UAM) CERTIFICATE.

8. Bidders are cautioned that, quoting abnormally low rates which are unworkable or withdrawal after price bid opening or after PO will be construed as tampering of BHEL's Tender process, and action shall be taken as per BHEL policies and Guidelines.

A. Manufacturing Requirements

1. Salient Points

Materials used shall be from BHEL approved sources as per IS/ASME standards meeting Quality requirements with relevant Test certificates. Manufacturing shall be as per various BHEL drawings and 7419: QPC: 01 rev no.:01 dt. 06.03.2019, with approved procedures and processes. Please note that materials/ components shall be procured from the sources approved by BHEL.

- a) Finished items are to be dispatched to EIL-IOCL Haldia Project Site. Responsibility of packing, forwarding and transportation to Site will be with the Bidder without any extra cost.
- b) Bidders shall manufacture in accordance with standards, and relevant quality plans, drawings and specifications.
- c) Bidders shall get familiarized and understand fully all BHEL requirements as indicated in the price bid template, drawings, notes for fabrication, annexures, Quality plan, Painting scheme etc.
- d) The jobs are to be offered to BHEL and Third party/customer inspection as detailed in the relevant Quality documents.
- e) The nature of work may be clearly analyzed by reading the relevant sample drawings, painting scheme & Quality Plan before submitting the offer.
- f) Pipes, Plate formed Pipes, Pipe with attachments & fabricated Fittings are to be externally painted as per the painting scheme 7419: QPC: 01 rev no.:01 dt. 06.03.2019.

2. Procurement and Provision of Raw materials

The raw materials & fittings shall be procured from the vendor lists as given below.

- **EIL Vendor List.**

3. Quality Requirements

Items shall be manufactured, inspected and supplied as per the following documents:

- Manufacturing & Inspection of as per Quality Plan ref.– 7419: QPC: 01 rev no.:01
- External painting as per QP No. : 7419: QPC: 01 rev no.:01

All the documents are furnished in the E Procurement website <https://bhel.abcpurchase.com/> and the Bidders are required to confirm acceptance.

4. Manufacture and Fabrication:

- a) All items shall be manufactured as per the drawing and Quality Plan – QP No.:7419: QPC:01 rev no.:01.
- b) Manufacturing shall be done as per Drawing and GMS which will be provided along with purchase orders.
- c) Straight Pipes, Pipe with attachments and fabricated fittings (With/Without Attachment) shall be fabricated as per the GMS & drawings.
- d) Marking, transfer of attestation, cutting and edge preparation for BW joints (if applicable) as per our drawings/QP.
- e) Cleaning applying rust preventive oils, painting, punching and stenciling of identification details (if applicable).
- f) Machining of Pipe OD to the required Size as per drawing (If required).

5. Technical Conditions

- Changes for individual DU lengths cannot be accommodated as a matter of right except under special circumstances. Vendor shall furnish the supply length details of each pipe while delivery to accommodate the same in Engineering drawing.
- Bidder must ensure that correct dimensions and deviations, if any, are recorded properly in the Dimensional Report books and the same shall be made available to BHEL officials or their authorized agencies.
- The QP requirements should be adhered to.
- All Fabrication, machining, heat treatment and nondestructive testing and other testing should confirm to drawings and QP.
- In case of hot bending of pipes/tubes, shot blasting or acid pickling shall be done to remove scale etc.
- Extra joints shall be avoided as far as possible. Wherever it could not be avoided, the extra joint may be provided with the prior permission of BHEL. Extra joints should be incorporated in the inspection report and duly attested by BHEL's Inspection Engineer.
- Any other work done outside the requirements of drawings/QP shall have the prior written approval of the competent Authority of Outsourcing Department.
- Only approved welding electrodes shall be used as called for in the drawings.
- Care must be taken to strictly adhere to the notes indicated in the drawings/QP.
- Bulk manufacture shall be taken up only after the approval of the first sample by our Inspection.

- Adequate facilities like welding equipment's, baking oven, handling facilities and measuring instruments (calibrated by BHEL or their authorized agencies) as called for must be available with the Bidder for the manufacture of piping components.
- All the above basic fabrication requirements must be under working condition and the same shall be made available for verification by BHEL officials or their authorized representatives whenever they are called for.
- Punching, painting and work order stenciling shall be done as per Purchase Order requirements.

6. Stenciling and punching

The following details are to be stenciled:

The work order number (13 digits), DU number (3 digits) No off, weight, colour code and flow direction. The following details are to be hard-stamped: the work order number (13 digits), DU number, specification, melt number, firm code, quantity etc. as may be indicated. Machined surfaces shall be given one coat of rust preventive oil (Bonito compound), if required. Bidders shall confirm the details to be stenciled in the DU from PC/OS before Stenciling. The conditions indicated in the relevant SQP shall also be complied.

7. Inspection

- All components shall be inspected at various stages by BHEL Quality control department/BHEL authorized agencies/offered for Inspection by BHEL Inspection Department or any other external Inspection agency (if required) at Bidders works.
- Stage Inspection shall be done during Fabrication by BHEL/ BHEL authorized agencies. Bidder shall make necessary arrangements of the same.
- Readiness of material for inspection shall be informed to BHEL/BHEL authorized agency at least 10 days in advance for the planning of inspection.
- Inspection call Booking shall be raised in Vendor Information System.
- All facilities, equipment's and instruments required for inspection shall be provided by the Bidder free of cost.
- BHEL's Representatives will have free access to Bidder's works during the currency of the contract.
- Bidders shall complete the inspection documentation as a part of this basic scope.
 - Bidders shall furnish the Inspection reports, COC Clearance as applicable along with Invoice, Delivery Challan & acknowledged LR.
 - All inspection documents like IR's, History Cards, Inprocess reports/charts, COC/CHP/MDCC, Third Party IR's etc to be submitted as soft file in a CD to Quality Department
 - All test reports with regard to external painting, fabrication, testing as per QP shall also be provided to Quality department.
- History cards shall be maintained for all the items (DU wise) duly signed by BHEL Inspector. One copy of the History card shall be handed over to QA&C/ Piping Centre, BHEL, Chennai.

8. Packing

After painting, ends shall be protected with end caps, matching the corresponding OD. Cost of end caps shall be included in the rates quoted.

VCI pellets should be placed inside pipes before capping. Normal packing shall be made by the Bidder to avoid transit damages.

9. Delivery Schedule

Delivery shall be 4 months from date of Purchase Order. Delivery shall commence progressively. As delivery will affect our project requirements, Bidders are requested to quote for the above delivery period. Early delivery is acceptable.

Bidders shall arrange for dispatch of the finished goods for safe delivery through their transport carriers. Safe delivery of the goods to Project authorities shall be in the scope of Bidder.

10. Liquidated Damages:-

FOR DELAY IN SUPPLY BEYOND 4 MONTHS FROM THE DATE OF PO, Liquidated damages at the rate of ½% of the total value of the Purchase order for each week of delay or part thereof will be levied subject to a maximum of 10% of Purchase Order value without prejudice to any other relief or compensation to BHEL, under any other condition of the contract. GST shall be levied on the LD portion as per GST Norms

11. Billing / Invoicing and Payment

No advance payment shall be made by BHEL. Invoices shall be raised for the DU weights only.

90% payment after 60 days on receipt of materials at site against each invoice(s) and site acknowledged LR and Balance 10% on full PO completion.

Payment shall be made after dispatch of consignments against presentation of following documents to our Finance Department. However, a copy of Invoice and LR shall be sent to Outsourcing department immediately after the dispatch is affected.

- a) Site Ack. Lorry Way Bill (Original + Three Copies)
- b) Delivery Challan in triplicate
- c) Lorry Way Bill (Original + Three copies)
- d) Commercial Invoice in triplicate
- e) Inspection Reports (Original+3 copies)
- f) GST invoice with a confirmation that the duplicate for transporter is sent with the goods.

Soft copy of Invoice and LR should be sent immediately after dispatch by e-mail/ uploaded in VIS portal. Hard copy should be sent subsequently at the earliest possible time.

All the quality documents are to be submitted in soft copy and quality clearance is to be obtained for processing of bills.

Note: Acknowledgement date of LR shall be taken as zero date for payment.

All the invoices shall be addressed to

Additional General Manager, Outsourcing,
BHEL Piping Centre,
No. 80 (Old No.93), G.N.Road,
T.Nagar, Chennai, 600 017

12. Taxes and Duties

Proof of payment of taxes and duties viz. GST shall be furnished as required by BHEL.

13. Performance Guarantee

Bidders shall guarantee the supplies for a period of 24 months from the date of last dispatch of materials of the purchase order. 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 a period of 24 months from the date of receipt of pipes and other items with painting at project site. 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.

Bidders shall cover the guarantee for fabricated Pipes, Fittings, other components & painting

14. Bank Guarantee

Bank Guarantee for 2% of 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)

15. Risk and Cost Clause :-

In case of abnormal delays (beyond the maximum late delivery period as per Penalty clause) in supplies / defective supplies or non-fulfilment of any other terms and conditions given in Purchase Order as enumerated subsequently in this clause, Purchaser shall be entitled to cancel the Order / Contract either in whole or portion thereof without compensation to Seller / Contractor and if the Purchaser so desires, may procure upon such terms and in such manner as deemed appropriate, stores not so delivered or others of similar description where stores exactly complying with particulars are not, in the opinion of the Purchaser, which shall be final, readily procurable, at the risk and cost of the Seller / Contractor and the Seller / Contractor shall be liable to the Purchaser for any excess costs provided that the Seller / Contractor shall continue the performance of the Order / Contract to the extent not cancelled under the provisions of this clause. The Seller / Contractor shall on no account be entitled to any gain on such repurchases. If Bidder does not agree to the above Risk Purchase Clause, BHEL reserves the right to reject the offer.

Risk & Cost Clause, in line with Conditions of Contract may be invoked in any of the following cases:

- i. Contractor / supplier's poor progress of the work vis-à-vis execution timeline as stipulated in the Contract, backlog attributable to contractor/ supplier including unexecuted portion of work / supply does not appear to be executable within balance available period (#) considering its performance of execution.
- ii. Withdrawal from or abandonment of the work by contractor before completion of the work as per contract.
- iii. Non completion of work / Non-supply by the Contractor / supplier within scheduled completion / delivery period as per Contract or as extended from time to time, for the reasons attributable to the contractor / supplier.
- iv. Termination of Contract on account of any other reason (s) attributable to Contractor / Supplier.
- v. Assignment, transfer, subletting of Contract without BHEL's written permission resulting in termination of Contract or part thereof by BHEL.
- vi. Non-compliance to any contractual condition or any other default attributable to Contractor / Supplier.

Risk and Cost amount against Balance Work:

$$\text{Risk \& Cost Amount} = [(A-B) + (A \times H/100)]$$

Where,

A= Value of Balance scope of Work / Supply (*) as per rates of new contract

B= Value of Balance scope of Work / Supply (*) as per rates of old contract being paid to the contractor / supplier at the time of termination of contract i.e. inclusive of PVC & ORC, if any.

H= Overhead Factor to be taken as 5

In case (A-B) is less than 0 (zero), value of (A-B) shall be taken as 0 (zero).

***(Balance scope of work / supply)**

Difference of Contract Quantities and Executed Quantities as on the date of issue of Letter for 'Termination of Contract', shall be taken as balance scope of Work / Supply for calculating risk & cost amount.

Contract quantities are the quantities as per original contract. If, Contract has been amended, quantities as per amended Contract shall be considered as Contract Quantities.

Items for which total quantities to be executed have exceeded the Contract Quantities based on drawings issued to contractor from time to time till issue of Termination letter, then for these items total Quantities as per issued drawings would be deemed to be contract quantities.

Substitute / extra items whose rates have already been approved would form part of contract quantities for this purpose. Substitute / extra items which have been executed but rates have not been approved, would also form part of contract quantities for this purpose and rates of such items shall be determined in line with contractual provisions.

However, increase in quantities on account of additional scope in new tender shall not be considered for this purpose.

Note: In case portion of work is being withdrawn, contract quantities pertaining to portion of work withdrawn shall be considered as 'Balance scope of work / supply' for calculating Risk & Cost amount.

16. General

BHEL has the right to decide diversion of any jobs loaded from one Bidder to other Bidder if the progress of the job and response of the Bidder is not meeting the requirements of quality, delivery, project schedule or any other reasons, at the cost of the Bidder on whom the job was originally loaded. The Bidder shall extend fullest cooperation in this regard.

a) Subletting

The Bidder will not sublet or assign this contract or any part thereof to anyone without the written permission of the BHEL. In the event of the Bidder subletting or assigning this contract or any part thereof without such permission, the BHEL shall be entitled to cancel the contract and to execute the fabrication work elsewhere at the risk and account of the Bidder and the Bidder shall be liable for payment for any loss or damage which the BHEL may sustain in consequence of or arising out of such fabrication elsewhere.

b) Delayed Execution, Failure & Termination of Contract

▪ Action and Compensation in case of Bad Workmanship:

If any work has been executed with unsound, imperfect or bad workmanship or with materials of inferior quality, the Bidder 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

and in the event of his failure to do within reasonable period, BHEL will rectify or remove and re-execute the work at the risk and expense of the Bidder.

▪ **Compensation against damage of Plant & Machinery / Tools/ and Gauges**

BHEL reserves the right to claim adequate compensation from the Bidder on account of any damage caused to the plant and equipment / tools and gauges handed over to them for execution of work, due to careless handling or negligence on the part of the Bidder.

BHEL shall 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. BHEL shall also have the authority to reject all the work which do not conform to the specification.

BHEL reserves the right to suspend the work or part thereof at any time and no claim whatsoever on this account will be entertained.

Any change in the constitution of the Bidder's unit will have to be made only after getting the specific approval from Outsourcing Department (PC), BHEL, Chennai. Any deviation found later will be dealt with as deemed fit including cancellation of registration.

Partnership firm should have the Form A (Rule 5) Declaration issued by the Registrar of Firms and copy of the same shall be produced at the time of signing the contract.

All the statutory obligations such as ESI, PF, Labour Acts, Factory Act etc., will have to be taken care of by the Bidder. BHEL 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 Bidder and recovered as a due from any pending / future bills.

All safety precautions and use of safety equipment's are to be followed while carrying out the fabrication and dispatch of the same. The Bidder must have proper tools and handling equipment's. There should always be a responsible persons available to oversee the operation and compliance of safety regulation etc.

All documents of BHEL made available to the Bidder should be kept in strict confidence and under no circumstance be made available to others or allow others to make use of them. The secrecy of clause is binding on the employees of the Bidders also. Any contravention will be viewed seriously. Such documents should not be disposed of / destroyed without the prior approval of Outsourcing Department (PC), BHEL, Chennai.

c) **Force Majeure**

If at any time during the continuance of this contract the performance in whole or part by either party of any obligation under this contract shall be prevented or delayed by reason of war, hostilities, acts of public enemy, civil commotions, sabotage, fire, flood, explosion, epidemic, quarantine restrictions or acts of God(here in referred to as events), then provided the notice of the happenings of any such event is given by either party to other party within 21(twenty one)days from the date of occurrence thereof, either party shall reason of such event, not be entitled to terminate this contract nor shall either party have any claim for damages against other in respect of such non-performance

and delay in performance and delivery under the contract shall be resumed soon as practicable after such event has come to an end or ceased to exist and the decision of the BHEL as to whether the deliveries, have been so resumed or not shall be final and conclusive. If the performance in whole or part of any obligation under the contract is for extension of time shall be granted for periods, considered reasonable by the Bidder to the BHEL subject to prompt notification by the Bidder to the BHEL of the particulars of the events and supply to the BHEL if required of any supporting evidence. Any waiver of time in respect of particular part and thereof shall not be deemed to be a waiver of time in respect of remaining deliveries.

d) Termination of Contract

If as a result of difficulty in procurement of raw materials or due to force majeure reasons or any other reasons whatsoever the Bidder is unable to keep the delivery schedule of BHEL the extension of time may be granted by the BHEL to the extent considered necessary. Should there be delay in supply beyond the extended date of delivery, it shall be open to the BHEL to terminate the contract in part or full and make other arrangements for executing fabrication elsewhere at the cost and risk of the Bidder.

e) Interpretation

Any dispute or difference of opinion in respect of interpretation, effect of application of this particular condition of the Bidder of the amount recoverable hereunder from the Bidder shall be decided by the BHEL and decision shall be final conclusive.

f) Book Examination Clause:

- The Bidder shall, whenever required, shall produce for examination by any officer of the BHEL authorized in that behalf, any cost or other account book, account voucher, receipt letter memorandum, paper or writ or any copy of extract from any such document, and also furnish information and returns verified, in such a manner as may be required in any way relating to the execution of the contract (the decision of such officer of the BHEL on this question and relevancy of any documents, information or return, being final and binding on the parties). The obligation imposed by this clause is without prejudice to the obligation of the contract/ Purchase orders or any orders binding the Bidder.
- The Bidder shall, if the authorized officer of the BHEL so required (whether before or after the prices have been finally fixed), extend facilities to the officer of BHEL concerned to visit the Bidder's work for the purpose of the examining the process of manufacture and estimate or ascertaining the cost of production of the articles. If any portion of the work be carried out by the Bidder or any sub-Bidder or any subsidiary or an allied firm or Company, the authorized officer of the BHEL shall have power to secure the books of such Bidder or sub-Bidder or any subsidiary or allied firm or company and the same shall be open for inspection.

g) Document Secrecy:

- All the documents of BHEL (inclusive of Drawings, GMS and Standards) made available to the Bidder should be kept in strict confidence and under no circumstance be made available to others or allow others to make use of them.
- The above SECRECY CLAUSE is binding on the employees of the Bidders also. Any contravention will be viewed very seriously and may include cancelling the contract or legal action on the Bidder.

h) Set of Clauses

Payment shall be subject to the deduction of any amount for which the Bidder is liable under this contract, or any contract in respect of which Bharat Heavy Electricals Limited, Piping centre, Chennai the BHEL.

i) Laws Governing the Contract:

- The contract shall be governed by the Laws of the Government of India in force.
- Irrespective of the place of execution of the contract, place of delivery, place of payment under the contract, the contract shall be deemed to have been made at the place at which the Acceptance of the tender has been issued.

j) Jurisdiction of the Court

The Courts of the place from where the acceptance of the tender has been issued shall alone have jurisdiction to decide any dispute arising out of or in respect of the contract.

k) The Global Compact

The Global Compact is a signature initiative of then United Nations Ex-Secretary General Mr. Kofi Annan and Four United Nation Agencies.

- *Office of the High Commissioner for Human Rights.
- *International Labour Organisation.
- *United nations Environment Programme.
- *United Nations Development Programme.

This is a broad based initiative and engages:

Individual Companies

Business Associations

International Labour

Human Rights, Environment and Development Organisations

Academic & Public Policy Institutions and United Nations.

The BHEL is a member of this Global Compact.

As a participating company,

- We have the obligation to Support and respect Human Rights within our spheres of influence.
- Make sure We are not complicit in Human Rights abuses.
- Make sure We are not employing forced or compulsory labour.
- Refrain from employing Child labour.
- Eliminate discrimination in our hiring and firing policies.
- Support a precautionary approach to environmental challenges.
- Undertake initiatives to promote greater environmental responsibility.
- Encourage development and diffusion of environmentally friendly technologies.

Bidder shall also ensure to fall in line with the above principles.

17. Special Terms and Conditions

- Lowest prices received against BHEL tenders need not be the technically acceptable one and in that case BHEL reserves the right not to consider the same.
- BHEL reserves the right to negotiate or re-float the tender opened if L1 price is not the lowest acceptable price to them inter-alia other reasons.
- BHEL reserves the right to negotiate the L1 rate/finalize the tender thro' reverse auction/price bid opening.

- BHEL may order on more than one Bidder at the lowest acceptable price to BHEL.
- All the PO related documents like GMS, Drawings, and customer approved quality plans, painting schemes etc. shall be sent by e-mail/hard copies.
- All welding process shall be approved. Approval for new process should necessarily be obtained before initiating regular production.
- BHEL has developed a Vendor Information System site, Bidder shall establish compatible system to interact with BHEL and download the online data through the Internet. As soon as the despatches are made, Bidders shall upload scanned copy of LR, DC, IR and Invoice in B2B system.
- All inspection documents like IRs, History Cards, in process reports/charts, COC/MDCC, Third party IRs etc to be submitted as soft file in a CD to Quality Department.
- *Bidders are instructed not to wait till last minute for Tender submission. BHEL shall not be responsible for any E procurement System issues and Bidder's inability to submit the offers at the last minute.*

▪ **Reverse Auction:**

"BHEL reserves the right to go for Reverse Auction (RA) (Guidelines as available on www.bhel.com) instead of opening the sealed envelope price bid, submitted by the bidder. This will be decided after techno-commercial evaluation. Bidders to give their acceptance with the offer for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA.

Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit 'Process compliance form' (to the designated service provider) as well as 'Online sealed bid' in the Reverse Auction. Non-submission of 'Process compliance form' or 'Online sealed bid' by the agreed bidder(s) will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines for suspension of business dealings with suppliers/ contractors (as available on www.bhel.com)."

▪ **Fraud Prevention Policy**

The Bidder along with its associates/collaborators/sub-contractors/sub-vendors/consultants/service providers shall strictly adhere to BHEL fraud prevention policy displayed on BHEL website <http://www.bhel.com> and shall immediately bring to the notice of BHEL Management about fraud as soon as it comes to their notice.


संदीप / SANDEEP
वरिष्ठ अभियंता, आउट सोर्सिंग
Sr. Engineer, Outsourcing
बीएचईएल, पाइपिंग सेंटर / BHEL, Piping Centre
टी. नगर, चेन्नै / T. Nagar, Chennai
Yours Faithfully,

For Bharat Heavy Electricals Limited