

Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with BHEL Material - Open tender Enquiry No : 4601900001 dt 21.09.2019

Sub: Fabrication of Pipe Clamps – SA387 Grade 91 material on conversion basis with BHEL Material – Framework agreement for 18 months.

BHEL – Piping Centre, T.Nagar, Chennai – 600017, hereby invites offers for the manufacture of Pipe Clamps – made out of SA 387 Grade 91 plates with BHEL material, as per enclosed details and request to submit your offers by 14:00 Hrs on or before the due date in two Parts as below in the E-procurement website <https://bhel.abcpurchase.com>

INSTRUCTIONS TO BIDDERS:

Below mentioned documents will form part of the Techno-commercial Bid and Price bid in NIT. Bidders shall ensure all the documents are uploaded as per instructions below

1. Terms and Conditions

2. List of Annexures

- Annexure- A - Pre-Qualification Requirement (PQR)
- Annexure- B - Techno Commercial offer
- Annexure- C - Indemnity Bond format
- Annexure- D - Integrity Pact format
- Annexure- E - Bank Guarantee format
- Annexure- F - Declaration
- Annexure- G - Packing procedure
- Annexure- H1 – List of items and quantum
- Annexure- H2 - Clamp Manufacturing process
- Annexure- H3 – Cutting Plan Norms
- Annexure- H4 - Quality Plan: QPG 076 Rev 03
- Annexure- H5 - Indicative Clamp Drawings.
- Annexure- H6 - Indicative Clamp Details
- Annexure- I – Non Disclosure Agreement
- Annexure- J – Certificate for MSE

Prospective suppliers are requested to submit their offer through BHEL's E-Procurement portal (<https://bhel.abcpurchase.com/EPROC>) in Two Parts basis (Part I- Pre Qualification Requirement and Techno-Commercial bid; Part II- Price bid) on or before 14.00 HRS IST on due date. Part I bid will be opened on 14.30 HRS on the tender due date.

3. E-PROCUREMENT:

This Tender shall be processed via E-procurement portal <https://bhel.abcpurchase.com>
Please go this link of our procurement site - <https://bhel.abcpurchase.com>, log in with user code and password allotted.(contact Abcpurchase @ <https://bhel.abcpurchase.com/EPROC/contactus>)

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 will not be evaluated and will be considered null & void. Hence your offer shall contain **ONLY** the above mentioned formats.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

4. SUBMISSION OF BIDS

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.

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) BID PART-I - Pre - Qualification Requirement and Techno commercial Bid – (Mandatory)
- b) BID PART-II- Price Bid – (Mandatory)

Part I: This part of the bid shall contain Pre-Qualification Requirement (PQR) and Techno Commercial part accepting technical requirements and commercial conditions

“MONEY VALUE SHOULD NOT BE INDICATED IN THIS PART”.

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.

Part II: Price bid with filled up values as per the price bid template furnished in E-Procurement.

Hence bidders are requested keep note of below Points:

- a) Bidder shall download all attachments as mentioned in above points 1 & 2.
- b) Bidders shall take a print out of the **Annexure F Declaration**, fill the same with seal & Signature. The **Annexure F Declaration** shall be scanned and uploaded as an attachment separately.
- c) Bidders shall also upload the MSE document (if applicable)
- d) Bidders shall take a print out of the Integrity Pact, fill the same with seal & Signature. The integrity pact shall be scanned and uploaded as an attachment separately.

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.

DEVIATIONS

All clarifications may please be obtained to ensure the technical, quality, delivery, price requirements are understood, before submitting the offer.

DEVIATION ON TENDER TERMS are generally not acceptable. All the deliverables shall be meeting BHEL Technical Delivery conditions and Quality requirements. In case of any deviation, same may be clearly indicated separately.

5. INTEGRITY PACT (IP)

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.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

A panel of Independent External Monitors (IEMs) have been appointed to oversee implementation of IP in BHEL.

The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory who signs in the offer) along with techno-commercial 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.

Details of IEM for this tender is furnished below:

Sl No	IEM	Address	Phone	Email
1	Shri Arun Chandra Verma,IPS (Retd.)	Flat No. C -1204, C Tower, Amrapali, Platinum Complex, Sector 119, Noida (U.P.)	8130386387	acverma1@gmail.com
2	Shri Virendra Bahadur Singh, IPS (Retd.)	H. No. B-5/64, Vineet Khand, Gomti Nagar,Lucknow - 226010	8853760730,9818377360	vbasinghips@gmail.com

In case of any complaint arising out of the tendering process, the matter may be referred to the IEM mentioned in the tender.

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 tender issuing (procurement) department.

6. LATEST UPDATES/ CORRIGENDUM:

All corrigenda, addenda, amendments, time extensions, clarifications etc (if any) will be hosted on BHEL's tender notification (<http://www.bhel.com>) and Government's Central Public Procurement Portal (<https://eprocure.gov.in>) websites. Such corrigenda, addenda, amendments, time extensions, clarifications etc will not be published in newspapers or any other media. Bidders shall regularly visit the above websites to keep themselves updated. This also forms part of tender hence the same shall be enclosed with their offer.

7. SUSPENSION OF BUSINESS DEALINGS

It may please be noted that guidelines with respect to suspension of business dealings', 'Vendor evaluation format' and etc may undergo change from time to time and the latest one shall be followed.

Offers of Bidders who have been banned or put under hold will not be considered for evaluation.

Offers of Bidders who engage the services of Bidders banned by BHEL shall be rejected. The list of banned firms is available on BHEL web site (www.bhel.com ---> Tender Notification - List of Banned Firms).Abridged version of extant 'Guidelines for suspension of business dealings with suppliers/ contractors' has now been uploaded on www.bhel.com on "supplier registration page" at the following link: http://www.bhel.com/vender_registration/pdf/Suspension-of-Business-Dealings- with-Supplier-issued-Sept13_abridged.pdf. The bidders will be governed by Suspension of Business Dealings guidelines, BHEL.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

TERMS & CONDITIONS

Bidder's specific attention is drawn to the following:

Terms and Conditions which will form part of the contract arrived through this enquiry, are thoroughly read and understood before offering the rates.

1. SCOPE OF WORK

Scope of the work for each item indicated in the tender is only indicative and not exhaustive.

- a) Collection of raw materials from BHEL, Trichy/Thirumayam stores.
- b) On receipt of material at vendor works, raw material verification (PMI) will be carried out by PC/QUALITY/ THIRD PARTY.
- c) Cutting plan should be submitted to BHEL for approval. Cutting / machining allowance will be as per BHEL standard practice.
- d) Manufacture of CLAMPS - SA387 GR-91 out of materials issued by BHEL as per the relevant drawings and quality plan.
- e) Machined surface shall be coated with Temporary rust preventive oil.
- f) Finished items are to be offered for final inspection to our Quality Department / BHEL/Piping Centre, Chennai / Authorised agency.
- g) Painting to be carried out as per applicable painting scheme.
- h) Packing as per Annexure-G.
- i) Delivery of finished goods to any project site in India / Trichy / Thirumayam unit inclusive of freight and insurance.
- j) Returning of Offcuts to BHEL Trichy / Thirumayam unit at vendor's cost and Material Accounting.
- k) Load pin washer & split pin are in vendor's scope.
- l) Vendors shall use electrodes / consumables from BHEL approved vendors only.

2. QUANTUM OF WORK:

Approximate total quantum for this framework agreement is 800 MT.

The quantum envisaged for ordering under this Enquiry is around **800 MT of Gr 91 Clamps** with BHEL materials for various projects across India. The entire quantum of work has been split into 8 Line items. The item wise approx. weight breakup is given in Annexure H1. The quantity and weight indicated are tentative and may vary during the execution of the contract. Ordering will be done periodically in lots as per the actual requirement even if the quantity is varying than that mentioned in the enquiry restricting to framework agreement value. The total ordering quantity for each item may be less or more (max 3 times) than the tentative enquiry quantity, however restricting to total framework agreement value.

3. RATES

F.O.R DESTINATION RATE TO ANY BHEL PROJECT SITE IN INDIA OR TO BHEL SHIPPING (TRICHY or THIRUMAYAM) shall be Quoted inclusive of manufacturing as per drawings and GMS and Quality requirements, Painting, Packing (as per Annexure G) and forwarding to the Various Project sites in India/ BHEL Shipping (Trichy or Thirumayam) with Transportation rates inclusive of transit insurance charges, in **Rupees per KG** weight of Finished items.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

The Bidders shall submit Rate per KG (Basic Rate + Paint Rate + Packing Rate + Freight rate + transit insurance) on F.O.R destination basis (to any Project Site in India or to BHEL, Shipping (Trichy or Thirumayam) as per the price template.

The quoted rates shall also include the following

- Trial assembly charges as called for in the drawing or by the inspection authority
- Cost of machining wherever involved.
- Charges for Testing the components
- Charges for Heat treatment and Non-destructive testing

GST shall be applicable extra.

4. TECHNICAL REQUIREMENTS

- a) Fabrication shall strictly confirm to the dimension and tolerances indicated in the drawings. Care must be taken to strictly adhere the NOTES given in the drawing and QCP. 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.
- b) All Fabrication, machining, heat treatment and non-destructive testing and other testing should confirm to drawings / QCP / CQP / SQP/TIP.
- c) Any other work done outside the requirements of drawings, CQP/TIP/QCP shall have the prior written approval of the competent Authority of Outsourcing Department.
- d) Adequate facilities like welding equipment, baking oven, handling facilities and measuring instruments (calibrated by BHEL or approved NABL) as called for must be available with the Bidder for the manufacture of Grade 91 clamps. 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.
- e) Procurement of Welding electrodes, consumables like paints, VCI pallets. Etc. calibration of instruments and gauges, heat treatment, non-destructive testing, laboratory services should be done only from BHEL approved sources.

5. TENDER PROCESSING

EVALUATION OF 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 shall be evaluated on "For Destination" basis upto project site/BHEL Trichy Shipping as per the following formula: Landed cost = (Cost (including Fabrication cost, transportation to respective project sites/BHEL Trichy Shipping /Thirumayam PER KG)) + Applicable Taxes net of ITC (GST-ITC)

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

Taxes shall be paid extra over rates quoted. No other extra charges are applicable. Bidders to quote accordingly.

Tender will be evaluated and finalized either through by Price Bid opening or Reverse Auction. For both, Price Bid Opening or Reverse Auction, Highest bidder elimination (H1,H2 as applicable) will be arrived for each item.

Highest Bidder Elimination: If the number of Techno commercially accepted Bidders are less than or equal to 10 then Highest Bidder (H1) will be eliminated Item wise. If the Techno commercially accepted Bidders are more than 10 then Highest Bidders (H1 / H2) will be eliminated Item wise.

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 price bid shall be opened on the intimated date via E-procurement portal online. Rates are to be quoted as per Price Bid template in E-procurement.

In case of Reverse Auction

Reverse Auction shall be conducted for individual line items in *List of items*

- i. All the techno-commercially qualified Bidders shall submit their ONLINE DYNAMIC SEALED BID during the Start of REVERSE AUCTION for all items in price bid. Bidders to submit online sealed bid less than or equal to their envelope sealed bid already submitted to BHEL.
- ii. At the end of Online Sealed bid submission, highest bidder ('H1') will not be allowed to participate in reverse auction.
- iii. The online Start Price and decrement shall be provided by BHEL /Tender Committee.
- iv. Ranking of Bidders (L1/H1...) shall be done on on the total net cash outflow to BHEL (inclusive of all cost elements for the entire scope, taxes and duties).
- v. For Determination of Highest Bidders (H1/H2 as applicable)

Step-1: If the number of Techno commercially accepted Bidders are less than or equal to 10 then Highest Bidder (H1) will be eliminated Item wise during online sealed bid itself.

Step-2: If the number of Techno commercially accepted Bidders are more than 10 then the Highest bidders (H1,H2) will be eliminated as follows,

During online sealed bid - Highest Bidder will be eliminated Item wise.

After Reverse auction - Highest Bidder will be eliminated Item wise.

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 item) then RA will be considered as failed for those item(s) alone and sealed envelope price bids will be opened and the tender shall be processed accordingly. However, the envelope sealed bid(s) of techno-commercially acceptable bidder(s) who had agreed to participate in the RA and had failed to submit the online sealed bid shall not be opened.
- In case of tie for H1 bid (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.

Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019

- In case 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.

Tie Breaking

Wherever there is tie in L1 rate, snap bid shall be obtained from tied lowest bidders. In case, among the tied L1 bidders, if any of the L1 bidder has not submitted snap bid/ has submitted increase in their original quote, then original price quoted by the particular bidder shall be considered for evaluation to determine final L1 and the revised tender ranking shall be arrived at. In case of further tie in L1 rate, lot shall be made to find L1

Before counter offer acceptance, if there is tie for ranking position other than L1, then Lot shall be done to break the tie. Based on the outcome of Lot subsequent ranking will be revised. Load distribution shall be based on revised ranking.

6. COUNTER OFFER AND FINALIZING THE CONTRACT

From eligible bidders, Item wise L1 rate will be finalized on **rate per kg basis** and L1 bidder will be arrived on item wise lowest rate basis. BHEL reserves the right to distribute the work to one or more bidders. As the quantum to be completed is high, BHEL shall counter offer the finalised L1 Rates (on Landed Cost basis) to all other eligible bidders as per tender ranking.

L1 rates of each Item arrived through Price bid opening/Reverse Auction after negotiation (if required) shall be counter offered to all eligible bidders except Highest bidders eliminated and Frame work agreement will be finalized valid for the Eighteen Months period with L1 Bidder and other bidders who accept our counter offer rates with an option for extension with the concurrence of the bidders. However, loading shall be limited to tender ranks.

If the counter offer is accepted by only few bidders, then BHEL will place orders only to those bidders. In case those bidders do not execute the orders, BHEL may get the job done through other sources at the risk and cost of those bidders and the extra expenditure involved shall be recovered from those bidders from any amount due to them. BHEL may also take appropriate action as per the extant Guidelines for Suspension of Business Dealings of BHEL. Liability of Bidders with respect to risk purchase will be limited to load mentioned as per load distribution table.

BHEL also reserve the right to re-float or cancel the entire enquiry proceedings partly or fully in case the negotiated rates are not within BHEL's estimation.

7. LOADING ON VENDORS & MSE VENDORS

Item wise Loading on vendors will be progressively made as and when requirement arises within the Framework Agreement (FA) period.

No of Eligible Bidders	Item wise Proposed Loading %				
	L1	L2	L3	L4	L5 & above
1	100				
2	60	40			
3	45	30	25		
4	40	30	20	10	
Equal to or Greater than 5	30	20	50 % shared equally between Counter offer accepted Bidders		

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

Ordering on a vendor shall be limited to their capacity to complete the ordered quantity as committed by them and accepted by us. Also it is subjected to

- (i) Customer approved vendors, if applicable
- (ii) Availability of Design Documents and material
- (iii) MSE Criteria.
- (iv) Mutually Agreed capacity per month
- (v) Performance of vendors

In the case of new vendors manufacturing Gr91 clamps for the first time, initial ordering will be done and further ordering will be decided after completion of first of trial (FOT).

For vendors not having WPS PQR of GR 91 (P15E), a trial order shall be placed and only after successful completion of the trial order, they will be considered for further lot ordering. In case vendor fails to establish WPS_PQR within 3 months from the date of trial order, BHEL will not consider such vendors for further lot ordering. Split ratio will be considered among other eligible bidders in their order of ranking without including such vendors.

The performance of the vendors will be monitored for subsequent ordering. In case of unsatisfactory performance by the vendors, the framework agreement may be terminated.

8. ABNORMALLY LOW BIDS

Abnormally bids may be rejected if the purchase committee determines that the price quoted by the bidder is abnormally low as defined by BHEL policy, in relation to the subject matter of the procurement and raises concerns on the ability of the bidder to execute the order/contract.

Upon rejection of the Abnormally Low Bid (Item wise), only the remaining bidders will be ranked and Lowest Bidder shall be arrived for that particular item

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 will be taken as per the extant Guidelines for Suspension of Business Dealings of BHEL.

9. INSPECTION

All fabrication components shall be offered for BHEL Inspectors/BHEL authorized agencies. Apart from the above inspections, there may be third party inspection like Lloyds/ NTPC/Customer etc. as nominated by BHEL /customer as a specific customer requirement, which will be arranged by BHEL. Vendors shall complete the inspection documentation as a part of this basic scope. All facilities, equipment and instruments required for inspection shall be provided by the vendor free of cost. BHEL's Representatives will have free access to Vendor's works during the currency of the contract. 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.

10. DOCUMENTS

a) Vendors shall furnish the Inspection reports, CHP, MDCC and COC Clearance as applicable along with Invoice CHP/COC Clearance etc as applicable along with Invoice, Delivery Challan & acknowledged LR.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

b) All inspection documents (PO wise) like IR's, History Cards, In process reports/charts, COC, CHP, MDCC, Lloyds/Third Party IR's etc to be submitted as soft file in a CD to Quality Department

11. PACKING

Packing shall be strictly as per Annexure G (enclosed)

12. VALIDITY

Validity of price bids will be 3 months from the date of Techno-commercial/Part-1 bid opening.

Framework agreement signed between respective vendor and BHEL shall be valid for ordering up to a period of 18 months from the date of approval for ordering obtained from competent authority. However, validity of the Framework Agreement is subject to further extension with mutual consent of vendors.

13. DELIVERY SCHEDULE

As the components are required to meet the delivery requirements of the projects, ***Delivery shall be made 5 Months from placement of Purchase Order or 3 months from the Last Material clearance date whichever is later.*** The sequential Delivery requirement as per PO will be discussed and finalized at the time of placing order.

14. LIQUIDATED DAMAGES

The finished fabrications should be delivered as per the delivery date stipulated in the PO. In case of delay in delivery beyond the delivery period specified in PO at item level, Liquidated damages shall be applicable for a sum equivalent to 0.5% of the value on the PO line item (fabrication cost) for each week of delay or part thereof based on the last dispatch date of the PO line item. LD is subject to a maximum of 10% of the total value of the particular purchase order in the addendum to the contract without prejudice to any relief or compensation to BHEL, Piping Centre, Chennai under any other conditions of the contract.

LD CALCULATION

LD (PO line item wise) = 0.5% * value of PO line item * delay in weeks or part thereof, where, delay = maximum delay occurred (last dispatch date) for the delivery of PO line item from the date of clearance of the last raw material for any particular DU.

Since LD shall be recovered invoice wise, invoice should be submitted for the fully completed DUs / PO item. GST shall be applicable on the LD thus recovered from a vendor, and the same shall also be recovered along with the LD.

15. BILLING / INVOICING AND PAYMENT

Payment will be made on fulfillment of the following,

90 % Payment of full value shall be made after 60 days of submission of

- Original Invoices with packing slip

Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019

- Inspection report issued by BHEL/ authorized agency.
- Acknowledged Lorry Receipt and delivery challan having delivered the goods at site / BHEL Shipping in good condition after due verification.

Balance 10% shall be made only on submission of

- Final Material Accountal Statement (FMAS)
- In case of NTPC projects, original MDCCs documents
- Quality documents shall be submitted in a CD to QC/BHEL and the acknowledged copy to be submitted along with bills.

Bills of a part of the system will not be accepted for payment. Payment shall be made through E payment by ECS. All successful vendors have to furnish appropriate Bank details for the same.

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

Invoices shall be raised for the DU weights only. Separate invoices shall be raised for each work order PO-wise. 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**

The concessions/ subsidies as applicable to MSE vendors as per Govt. guidelines subject shall be Extended to eligible MSE vendors subject to submission of valid documents.

16. MANNER OF MATERIAL UTILISATION

16.1 CHECKING OF MATERIAL COMPATIBILITY:

On receipt of materials (AS specification) at vendor works, the same shall be intimated to BHEL / PC/ Quality to ascertain the correctness of the material collected using PMI and certify accordingly in the vendor's history cards.

16.2 DEFINITION OF OFFCUT / SCRAP NORMS:

SL NO	DESCRIPTION	SCRAP SIZE IN MM	OFFCUT SIZE IN MM
01	CS / AS SHEETS AND PLATES	BELOW 500 X 250	500 X 250 & ABOVE
02	ROLLED SECTIONS – INCLUDING RODS ANGLES ETC.	BELOW 1000 LENGTH	1000 & ABOVE LENGTH

The off cuts are treated as equivalent to prime materials.

16.3 SCRAP RATES:

Cost of scrap [as per BHEL standards and as per BHEL approved cutting plan] shall be recovered from the vendor at BHEL's applicable rates and the same will be intimated later.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

In the event of non - return of prime material / off cuts, value as per BHEL's prevailing book value will be deducted along with taxes as applicable.

16.4 MATERIAL ACCOUNTING:

The material supplied by BHEL shall be properly utilized as per the Quality documents in order to meet the design and quality requirements of the product. Hence economic cutting plans are to be submitted for our approval within 7 days of material collection in any of the following cases:

- a) Wherever the issued quantity is insufficient owing to shape or size.
- b) Excess issue against demanded quantity wherein the excess issue quantum is more than off-cut norms.

However, in working out such economic cutting plans, it is to be ensured that the details prescribed by quality documents is adhered to. After the approval of the cutting plans any off-cuts available from the issues made either in original or in supplementary shall be returned to BHEL at vendor's cost at the earliest. The cutting plans as approved by BHEL/PC/OS shall be kept at vendor works and to be made available whenever required by BHEL. Moreover, for the other cases also cutting plans to be made available as and when demanded by BHEL. It should also be ensured that the jobs shall be as per the approved cutting plans adhering the norms as per Annexure-H3, and for any loss due to wastage of material arising out of non- approved cutting plans, recovery of the cost of prime material plus departmental / administrative charges fixed from time to time will be made. In addition, statutory taxes, duties and levies etc. applicable will also be recovered.

16.5 BHEL insists for return of prime off-cut material. Vendor shall return the prime, off-cut material in good condition as called for in cutting plan approval letter/PMAS, to BHEL Stores within the time period stipulated in clause 8.6. Failure to return the prime/off-cut material will entail recovery as per BHEL norms.

16.6 For the purpose of material accounting, System will generate Provisional Material accountal statement (PMAS) automatically on the next day on completion of the last DU of the P.O. PMAS will be available in Vendor Information System (VIS) for Vendor to view and take further actions to complete Material accounting. Returnable offcuts shall either be returned to stores through RSV or Transferred to other P.Os through IAMTV within 15 days from the PMAS date. Vendors shall interact with MAS group so that all activities are completed within the stipulated time and P.O s closed within 30 days from the PMAS date. Payment of the vendor shall be blocked across BHEL if MAS of any one the P.Os is pending for more than 37 days from the PMAS date.

16.7 The raw material issued to the vendor as free issue in connection with the fabrication contract shall remain the property of BHEL. Vendor shall use the issued materials only for the execution of this Frame work Agreement/ P.O.s /addendum and for no other purpose whatsoever. Vendor shall be responsible for the value there of as assessed by BHEL, whose decision shall be binding on Vendor. Vendor shall be liable for the loss or damage to such property from whatever cause happening while such property is in the possession or under the control of Vendor, their employees, workmen or agents or any other person connected with them. All the materials of BHEL under any circumstance shall not be hypothecated/encumbered to any bank or to any lending institution or to any party whomsoever.

16.8 Vendor shall produce the materials supplied as free issue by BHEL in the form of raw material, semi-finished boiler components to BHEL officials visiting their premises for verification purposes. If

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

Vendor fails to produce or properly account the materials issued, BHEL will take further action as deemed fit including recovery of the value of materials from the running bills.

16.9 Whenever availability of materials becomes critical for certain work orders, BHEL will transfer material available either in full/part with the vendor including the scrap sizes for which purchase order is not closed, from one vendor to other. For this, necessary credit will be given during material accounting. The material transfer from BHEL's advice is to be honored by the vendor, otherwise, appropriate action will be initiated as per BHEL Guidelines.

17. GOODS & SERVICES TAX (GST)

- i. Response to Tenders for Indigenous supplier will be entertained only if the vendor has a valid GST registration No (GSTIN) which should be clearly mentioned in the offer. If the dealer is exempted from GST registration, a declaration with due supporting documents need to be furnished for considering the offer. Dealers under composition scheme should declare that he is a composition dealer supported by the screen shot taken from GST portal. The dealer has to submit necessary documents if there is any change in status under GST.
- ii. Supplier shall mention their GSTIN in all their invoices (incl. credit Notes, Debit Notes) and invoices shall be in the format as specified/prescribed under GST laws. Invoices shall necessarily contain Invoice number (in case of multiple numbering system is being followed for billing like SAP invoice no, commercial invoice no etc., then the Invoice No. which is linked/uploaded in GSTN network shall be clearly indicated), Billed to party (with GSTIN) & Shipped to party details, item description as per PO, Quantity, Rate, Value, applicable taxes with nomenclature (like IGST, SGST, CGST & UTGST) separately, HSN/ SAC Code, Place of Supply etc.
- iii. All invoices shall bear the HSN Code for each item separately (Harmonized System of Nomenclature)/ SAC code (Services Accounting Code).
- iv. Invoices will be processed only upon completion of statutory requirement and further subject to following:
 1. Vendor declaring such invoice in Form GST ANX-1
 2. Receipt of Goods or Services and Tax invoice by BHEL
- v. As the continuous uploading of tax invoices in GSTN portal (in GST ANX-1) is available for all (i.e. both Small & Large) tax payers under proposed new GST Return System, all invoices raised on BHEL may be uploaded immediately in GST portal on dispatch of material /rendering of services. The supplier shall ensure availability of Invoice in GST portal before submission of invoice to BHEL. Invoices will be admitted by BHEL only if the invoices are available in GSTN portal (in BHEL's GST ANX-2).
- vi. In case of discrepancy in the data uploaded by the supplier in the GSTN portal or in case of any shortages or rejection in the supply, then BHEL will not be able to avail the tax credit and will notify the supplier of the same. Supplier has to rectify the data discrepancy in the GSTN portal or issue credit note or debit note (details also to be uploaded in GSTN portal) for the shortages or rejections in the supplies or additional claims, within the calendar month informed by BHEL.
- vii. In cases where invoice details have been uploaded by the vendor but failed to remit the GST amount to GST Department (Form PMT-08 or Form GST RET-01 to be submitted) within stipulated time, then GST paid on the invoices pertaining to the month for which GST return not filed by the vendor will be recovered from the vendor along with the applicable interest (currently 24% p.a) and all subsequent bills of the vendor will not be processed till filing of the GST return by the vendor.
- viii. In case GST credit is denied to BHEL due to non-receipt or delayed receipt of goods and/ or tax invoice or expiry of timeline prescribed in GST law for availing such ITC, or any other reasons not attributable to BHEL, GST amount claimed in the invoice shall be disallowed to the vendor.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

- ix. Where any GST liability arising on BHEL under Reverse Charge (RCM), the vendor has to submit the invoices to BHEL well within the timeline prescribed in GST Law, to enable BHEL to discharge the GST liability. If there is a delay in submission of invoice by the vendor resulting in delayed payment of GST by BHEL along with Interest, then such Interest payable or paid shall be recovered from the vendor.
- x. Under GST regime, BHEL has to discharge GST liability on LD recovered from suppliers/contracts. Hence applicable GST shall also be recoverable from suppliers/contractors on LD amount. For this Tax Invoice will be issued by BHEL indicating the respective supply invoice number.
- xi. GST TDS will be deducted as per Section 51 of CGST Act 2017 and in line with Notification 50/2018 – Central Tax dated 13.09.2018. GST TDS certificate which will be generated in GST portal subsequent to vendor accepting the TDS deduction in the GST portal, will be issued to the vendor.

18. BANK GUARANTEE:

A Revolving Bank guarantee on any nationalized bank for a value of Rs 25 lakhs will be required to be executed for release of orders for the work to be awarded on the Vendor. (As per BHEL format in Annexure-E)

The Original Bank Guarantee should be sent to the beneficiary directly by the issuing Bank under the registered Post (A.D)

In addition to bank guarantee, corporate indemnity bond signed by CEO / Proprietor /MD of the company covering a value of Rs 1 crore as per Annexure-C will be required valid till completion of all the orders in all aspects.

PO loading on vendor shall be restricted to twice of material value against the indemnity bond and BG submitted, ie PO of material value worth 2.5 Crore shall only be loaded as per BHEL calculation against this 1.25 Crore bond & BG value submitted.

Based on further loading requirement and capacity of the vendor, if BHEL decides to load such requirement on that vendor, then the vendor has to submit BG for additional value exceeding the maximum limit of material issued value against indemnity bond & BG submitted already to BHEL.

Loading shall be restricted in such a way that the cumulative value of the material to be issued to the vendor and the materials already for POs under execution with that vendor does not exceed twice the value of the BG and indemnity bond together submitted by the vendor.

On intimation to the vendor regarding submission of required BG based on load identified for them, if the vendor does not submit the required BG within 10 days, then the purchase order / loading quantity may be reduced / diverted to other vendors. This is for enabling smooth execution. However, this does not warrant as the only basis for PO placement.

19. PERFORMANCE GUARANTEE

Successful vendors shall execute a Performance Guarantee for Defect free manufacture of the supplied Items and Good quality of the raw material, for a period of 24 Months from the date of supply of the materials. In the event of defects or performance related problems, the vendors shall supply and replace

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

the items, or rework and make good of the item at their cost at the project site, to the satisfaction of the Customer

20. MICRO & SMALL ENTERPRISES VENDORS:

- A. Micro & Small Enterprises (MSE) Vendors shall be given preferences.
- B. 25% of the tendered Quantity is earmarked for all the eligible MSE Vendors who enter into annual rate contract. Within the 25% reservation for local MSE's, 3% reservation will be applicable for women owned MSE's and 6.25% reservation will be applicable for MSE's owned by SC / ST.
- C. Loading of MSE Vendors who enter into Framework Agreement (*including SC/ST owned MSE*) shall be as follows:
 - i. If MSE Vendor is 'L1', the minimum 25% of the Total loading shall be given to the 'L1' vendor/ further loading shall be subject to Loading Criteria (Point 5 above).
 - ii. If 'L1' is other than a MSE Vendor, then all MSE Vendor(s) L2, L3, L4 etc (as applicable) who accept the counter offer rates shall share the 25% of Loading.

Documents to be submitted as proof of MSE

MSE suppliers can avail the intended benefits only if they submit along with the offer, attested / notarized copies (by a Gazetted officer) of anyone of the following documents along with copy of UAM certificate-

- Valid EM II certificate having deemed validity (5 years from the date of issue of acknowledgement in EM II).
- Valid NSIC certificate.
- Copy of CA certificate (in BHEL's standard format) applicable for the relevant financial year (latest audited).

Date to be reckoned for determining the deemed validity will be the date of bid opening (Part 1 in case of Two part bid). Non submission of such documents will lead to consideration of their bid at par with other bidders.

No benefit shall be applicable for the Enquiry if any deficiency in the above required documents are not submitted before price bid opening. However, credentials of all MSE suppliers will be verified before considering the intended benefits for MSE suppliers at the time of tender evaluation.

Note: The MSE Vendors shall be treated on par with other vendors during Elimination process of H1 & H2

"MSE Suppliers can avail the intended benefits only if they submit along with offer, attested copies of either Entrepreneur Memorandum Part II (EM II) certificate having deemed validity (Five Years from the date of issue of acknowledgement in EM II) or valid NSIC certificate or EM II certificate along with attested copy of a CA Certificate (Format enclosed at Annexure 1 where deemed validity of EM II of five years has expired) applicable for the relevant Financial year (latest audited). Date to be reckoned for determining the deemed validity will be the date of bid opening (Part 1 in case of two part bid). Non Submission of such documents will lead to consideration of their bid part with other bidders. No benefit shall be applicable for this enquiry if any deficiency in the above required documents are not submitted before price bid opening. If the tender is to be submitted through E-procurement portal, then the above required documents are to be uploaded on the portal. Documents should be notarized or attested by Gazetted officer."

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

21. SUBLETTING

The Vendor 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 Vendor 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 Vendor and the Vendor 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.

22. DELAYED EXECUTION, FAILURE & TERMINATION OF CONTRACT

i. 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 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 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 Vendor.

ii. Compensation against damage of Plant & Machinery / Tools/ and Gauges

BHEL reserves the right to claim adequate compensation from the Vendor 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 Vendor.

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 Vendor'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, Labor Acts, Factory Act etc., will have to be taken care of by the Vendor. 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 Vendor and recovered as a due from any pending / future bills.

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 persons available to oversee the operation and compliance of safety regulation etc.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

All documents of BHEL made available to the Vendor 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 vendors 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.

**CANCELLATION / TERMINATION OF CONTRACT, DEFAULT / BREACH OF CONTRACT
AND RISK PURCHASE :**

By Submitting the bid, Bidder explicitly accepts to BHEL's requirement, as per Standard Risk and Cost clause document Enclosed.

23. VENDOR PERFORMANCE RATING:

Quality, right at the first time and delivery in time are the essence of the contract.

Based on the site feedback on the quality of the finished goods received, delivery performance and service rendered; a General Feedback on the Performance will be sent to vendor vendors or hosted in B2B system. Vendors are required to take note of the deviations enumerated in this and improve their performance in subsequent despatches. Vendors, whose performance is poor continuously, are liable to be delisted and no orders shall be placed on them.

24. CONFIDENTIALITY OBLIGATION:

All the documents of BHEL (inclusive of Drawings, GMS and Standards) made available to the vendor 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 should be returned to BHEL after completion of the work ordered and also as and when BHEL demands.

The above confidentiality clause is binding on the employees of the vendors also. Any contravention will be viewed very seriously and may include cancelling the contract or legal action on the vendor.

25. VENDOR INFORMATION SYSTEM (VIS):

BHEL will establish communication with vendors through **Vendor Information system**. Most of the mass communications are sent through VIS and hence vendors are advised to access our web regularly. Vendors are required to have Internet connectivity.

Vendors are required to access our web site on a regular basis.

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.

26. FRAUD PREVENTION POLICY

The Vendor along with its associate/ collaborators/ sub- contractors/ sub-vendors/ consultants/ service provider 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. Fraud prevention policy and List of Nodal Officers shall be hosted on BHEL website, vendor portals of Units/ Regions intranet.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

27. ARBITRATIONS & CONCILIATION

- Except as provided elsewhere in this contract, in case amicable settlements is not reached between the parties, 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, then, either party may, by a notice in writing to other party refer such dispute or difference to the sole arbitration of an arbitrator appointed by Head of the BHEL unit, Trichy.
- The Arbitrator shall pass a reasoned award and the award of the Arbitrator shall be final and binding upon the parties.
- Subject as aforesaid, the provisions of arbitration and conciliation Act 1996 (India) or statutory modifications or re-enactments thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceedings under this clause. The seat of arbitration shall be BHEL, Trichy. The cost of arbitration shall be borne as per the award of the Arbitrator.
- Subject to the arbitration, the courts at Trichy shall have exclusive jurisdiction over any matter arising out of or in connection with this Contract.
- Notwithstanding the existence or any dispute or difference and/or reference for the arbitration, the contractor shall proceed with and continue without hindrance the performance of its obligations under this contract with due diligence and expedition in a professional manner except where the contract has been terminated by either party in terms of this contract.

28. GENERAL CONDITIONS

1. DEFINITION

Throughout these conditions and in the specifications, the terms:

- a) 'THE CONTRACTEE' / 'BHEL' means the Bharat Heavy Electricals Ltd, acting through Additional General Manager, Outsourcing, Piping Centre, Chennai, unless the contract otherwise provides.
- b) 'THE VENDOR' / 'FABRICATOR' / 'SUB VENDOR' means the person, firm, or company with whom the order for fabrication is placed and shall be deemed to include the Vendor's successor (as approved by the contractee), representatives, heirs, executors and administrators as the case may be unless excluded by the term of contract.
- c) 'DRAWINGS' means the drawings exhibited or issued for the guidance of the Vendor.

2. EXECUTION

The whole contract is to be executed in the most approved substantial and workman like manner to the entire satisfaction of the BHEL or the Inspecting Officer, who shall have power to reject any of the fabrication of which he may disapprove and his decision thereon and on any question as to the true intent and meaning of the specifications of drawing or of the work necessary for the proper completion of the contract shall be final and conclusive. The BHEL may require alterations if any to be made during the progress of fabrication/machining and should these alterations be such that either party to the contract considers an alteration in the charges is justified, such alterations shall not be carried out until amended cost of fabrication /machining charges have been submitted by the Vendor and accepted by the BHEL.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

Should the Vendor proceed to fabricate and without obtaining the consent of the BHEL in writing to an amended cost of fabrication/machining charges, the Vendor shall be deemed to have agreed to execute fabrication at such charges as may be considered reasonable by the BHEL.

3. 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 Vendor to the BHEL subject to prompt notification by the Vendor 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.

4. TERMINATION OF CONTRACT

If as a result of difficulty in the supply of finished clamps in time or due to force majeure reasons or any other reasons whatsoever the Vendor 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 Vendor.

5. INTERPRETATION

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

i. Book Examination Clause:

Vendor 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 Vendor.

Vendor 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 Vendor'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 Vendor or any sub-Vendor or any

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

subsidiary or an allied firm or Company, the authorized officer of the BHEL shall have power to secure the books of such Vendor or sub-Vendor or any subsidiary or allied firm or company and the same shall be open for inspection.

ii. Set off Clauses

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

iii. Laws Governing the Contract:

- a) The contract shall be governed by the Laws of the Government of India in force.
- b) 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.

iv. 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.

v. 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 Organization.
- *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 Organizations

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.

Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019

- Support a precautionary approach to environmental challenges.
- Undertake initiatives to promote greater environmental responsibility.
- Encourage development and diffusion of environmentally friendly technologies.

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

29. OTHER CONDITIONS

- a) BHEL reserves the right to increase or decrease the tendered quantity and split the tendered quantity among more than one tenderer and place orders accordingly in any proportion, based on commitment, requirement and supplier's capability in terms of delivery and quality, or any other reason like contract priorities, logistics etc.
- b) Abnormally Low Bid shall be dealt as per BHEL Policy. Upon rejection of the Abnormally Low Bid (Item wise), only the remaining bidders will be ranked and Lowest Bidder shall be arrived for that particular item.
- c) 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.
- d) BHEL reserves the right to negotiate the L1 rate/finalize the tender thro' reverse auction/price bid opening.
- e) BHEL may order on more than one bidder at the lowest acceptable price to BHEL.
- f) All Bidders shall maintain quality system and organization as per BHEL requirement. This will be periodically audited by BHEL.
- g) All welding process shall be approved. Approval for new process should necessarily be obtained before initiating regular production.
- h) BHEL has developed a Vendor Information System site, Vendors shall establish compatible system to interact with BHEL and download the online data through the Internet.
- i) All inspection documents like IRs, History Cards, in process reports/charts, COC, MDCC, Lloyds / Third party IRs etc to be submitted as soft file in a CD to Quality Department.
- j) Non-Disclosure Agreement (NDA) forms part and parcel of the Contract. Non submission of NDA will disqualify the firm. Format of the agreement is part of the techno commercial bid. The same has to be downloaded from EPS and to be duly signed and uploaded by vendors in EPS during submission of Bid as a confirmation to accept the provisions of Non-Disclosure Agreement (NDA).

In addition to the above terms and conditions, the overall points to be considered for understanding the tender requirements and BHEL practices are indicated below:

- Bidders shall be conversant with relevant standards adopted by BHEL, and manufacture in accordance with standards, and relevant quality plans, drawings.
- Bidders shall get familiarized and understand fully all BHEL drawings, Quality Control Procedures, Quality plans.

**Fabrication of Pipe Clamps-SA387 Grade-91 material on Conversion Basis with
BHEL Material against Open tender Enquiry No : 4601900001 dt 21.09.2019**

- Bidders shall have established infrastructures and capability in handling, receipt of materials and usage etc. for carrying out the jobs in the most fitting manner to meet the expectations of Industry standards and meeting the manufacturing, design and quality requirements.
 - Bidders shall submit a complete current profile of their organization and existing facilities with full details of financial back ground with audited Balance sheets, income tax returns filed for the last three years.
 - The quantum of work indicated is for overall appreciation of the job content and BHEL reserves the right to distribute the work to more than one bidder, or restrict ordering to limited items and limited quantity.
 - Contract specific QP and Painting Scheme will be handed over at the time of ordering along with P.O.
 - Weight indicated in the GMS only will be considered for determining the weight of each clamp for payment purpose.
 - Raw materials will be issued free of cost with cutting / machining allowance as per BHEL standard practice.
 - GST will be applicable as per prevailing rates. BHEL will provide GST supply invoice for finished goods to despatch to site.
 - All applicable taxes mentioned are subject to change as per government norms issued time to time.
 - BHEL will place purchase orders for the items usually in small lots as and when requirement arises during the framework agreement period.
 - Bidders are cautioned that, withdrawal after price bid opening or counter offer acceptance or after contract signing or PO will be construed as tampering with BHEL's tender process. Suitable action for suspension of further business with the bidder may be taken as per BHEL corporate procedures.
 - Bidders shall ensure to fill in all mandatory forms of E-procurement website during Tender submission.
- Attachments to be made separately are:
- Declaration – Annexure F duly filled in with seal and signature. - Mandatory
 - Integrity Pact- Annexure D duly filled in with seal and signature. Mandatory
 - MSE document (if required) as per Micro & Small Enterprises Vendors Loading.
- All eligible bidders who enter into the Framework Agreement shall submit the Integrity Pact (duly filled in with seal and signature) in Hard copy
 - Bidders shall view the link about the Guidelines for Reverse Auction for their guidance in the BHEL Supplier Registration Portal http://www.bhel.com/vender_registration/vender.php

Yours Faithfully,

For Bharat Heavy Electricals Limited