



GLOBAL EXPRESSION OF INTEREST (EOI)

FOR

**STRATEGIC PRE-BID TIE-UP FOR HYDRAULICALLY
RAISED MAST, SUBSTRUCTURE & CROWN BLOCK FOR
ONSHORE RIG**

Issued by:

Bharat Heavy Electricals Limited, RC Puram Hyderabad, India having registered office at

BHEL House, Siri Fort New Delhi-110049 and

also, office at

Industry Sector, 6th floor, Integrated Office Complex, Lodhi Road,

NEW DELHI-110 003 (hereinafter referred to as 'BHEL')

INDIA



**Expression of Interest (EOI) for Strategic Pre-Bid Tie-up for
Hydraulically raised Mast, Substructure & Crown Block for
onshore rig**

Ref No: OR/ACVFD/002

DISCLAIMER

All information contained in this EOI provided / clarified are in good interest and faith. The information contained in this Expression of Interest document or subsequently provided to Applicant(s), whether verbally or in documentary or any other form, by or on behalf of BHEL, is provided on the terms and conditions set out in this EOI and such other terms and conditions subject to which such information is provided.

The purpose of this EOI is to provide interested parties with information that may be useful to them in the formulation of their application for qualification and subsequent selection pursuant to this EOI. This EOI is not an offer by BHEL to the prospective Applicant(s) or any other person. This EOI is neither intended nor shall it be construed as creating or requiring any ongoing or continuing relationship or commitment with any party or person. This is not an offer or invitation to enter into an agreement of any kind with any party.

Though adequate care has been taken in the preparation of this EOI document, the interested firms shall satisfy itself that the document is complete in all respects. The information is not intended to be exhaustive. Interested Agencies are required to make their own enquiries and assumptions wherever required. Intimation of discrepancy, if any, should be given to the specified office immediately. If no intimation is received by this office by the date mentioned in the document, it shall be deemed that the EOI document is complete in all respects and firms submitting their interest are satisfied with the EOI Document in all respects.

The issue of this EOI does not imply that BHEL is bound to select and shortlist Applicant(s) for next stage or to enter into any agreement(s) with any Applicant(s). BHEL reserves all right to reject any applications submitted in response to this EOI document at any stage without assigning any reasons thereof. BHEL also reserves the right to withhold or withdraw the process at any stage. Neither BHEL nor its employees and associates will have any liability any loss, expense or damage which may arise from or be incurred or suffered in connection with anything contained in this EOI document or any matter deemed to form part of this EOI document, the information and any other information supplied by or on behalf of BHEL. BHEL accepts no liability of any nature whether resulting from negligence or otherwise howsoever caused arising from reliance/use of any statements/information contained in this EOI by the Applicant. BHEL is not making any representation or warranty, express or implied, as to the accuracy or completeness of any information/statements made in this EOI.

The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by BHEL or any other costs incurred in connection with or relating to its Application. All such costs and expenses will remain with the Applicant and BHEL shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation or submission of the Application, regardless of the conduct or outcome of the EOI.



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1.0 ABOUT BHEL

Bharat Heavy Electricals Limited (BHEL) is a Central Public Sector Enterprise, wherein Government of India is holding 63.17% of its equity. It is an integrated power plant equipment manufacturer and one of the largest engineering and manufacturing companies of its kind in India having a turnover of about USD ~4 billion. The company is engaged in the design, engineering, manufacture, construction, testing, commissioning and servicing of a wide range of products and services for the core sectors of the economy, viz. Power, Transmission, Industry, Transportation, Renewable Energy, Oil & Gas and aerospace & Defense with over 180 product offerings to meet the needs of these sectors.

Since its inception in 1964, BHEL has been the solid bedrock of evolution of India's Heavy Electrical Equipment industry. BHEL has a mammoth 20,000 MW per annum capability for manufacturing of power generation equipment. A widespread network of 16 manufacturing units, 2 repair units, 4 regional offices, 8 service centers, 4 overseas offices, 15 regional marketing centers corroborates the humongous scale and size of its operations. BHEL has extensive steel and aluminum fabrication facilities.

BHEL also has extensive experience in executing EPC projects in power plants and other industrial sectors. BHEL supplied equipment account for 60% of India's power generation, with an global installed capacity base of 185 GW (coal, lignite, nuclear, solar, hydro). BHEL has also served several overseas customers, with a global footprint in over 83 countries.

The high level of quality & reliability of BHEL products is a testimony to its adherence to international standards by acquiring and adapting some of the best technologies from leading companies in the world including General Electric, Siemens AG, Mitsubishi Heavy Industries Ltd. etc., together with technologies developed in its own R&D centers. BHEL invests more than 2.5% of turnover on R&D and innovation.

Experience of BHEL in Rigs Business:

At present, Oil rig equipment are being manufactured at two manufacturing facilities of BHEL situated at Hyderabad & Bhopal wherein manufacture of mechanical equipment & fabrication of structures, carried out at Hyderabad unit and electrical equipment including motors & generators are manufactured at Bhopal. Complete assembly and testing of Rig is carried out at the Rig-up yard facility at BHEL Hyderabad.

BHEL has established itself as an Original Equipment Manufacturer for Drilling rigs, offering various types of AC SCR & AC VFD onshore Oil drilling rigs, mobile rigs and work over rigs. BHEL has supplied over 90 Oil rigs and has carried out refurbishment and up gradation of more than 40 rigs so far. Key offerings of BHEL include Onshore deep drilling rigs up to a depth of 9000 meters, Mobile rigs and Work-over rigs, standalone Rig equipment like draw-works, rotary-table, travelling blocks, swivel, mast & substructure, mud-systems and rig electrics (SCR house, MCC house, cable interconnection package, DG Sets etc).

For more details about BHEL, product range of BHEL and its operations, please visit our web site www.bhel.com.



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2.0 PURPOSE

- 2.1 This EOI is issued specifically to address the 5 nos. of AC Rig requirement from M/s Oil India Limited (OIL). It is expected that there will be requirement of approximately 5 Nos. of Onshore drilling rigs of 2000 HP capacity by M/s OIL.
- 2.2 BHEL intends to offer complete AC rig package to M/s OIL, with a Pre-bid tie-up with a rig manufacturer to manufacture Hydraulically raised Mast, Substructure and crown block at BHEL, Hyderabad works with the design provided by pre-bid partner. Hydraulic Cylinders, HPU and controls shall be supplied by pre-bid partner. BHEL shall be the OEM of the Rig and the complete Rig shall be built at Rig-up-yard at BHEL Hyderabad facility.
- 2.3 The intent of this Expression of Interest here in after referred to as the "EOI" is to invite applications from interested organizations/ companies who are willing to work with BHEL as per the broad scope indicated in **Annexure-1**.
- 2.4 BHEL shall shortlist the party(s) who meet the PQR as per clause 4.0 for the intended Pre-bid tie-up.
- 2.5 After shortlisting of the party(s), BHEL shall issue a Tender/Enquiry with detailed scope of supply, Technical specifications and Commercial terms & conditions to the shortlisted party(s) for submission of Techno-commercial bids.
- 2.5 BHEL shall enter into MoU / agreement valid for a period of 5 (five) years with the finally selected party. MoU / agreement shall be limited to specific tender from OIL for which this EOI is being issued. Validity of MoU may be extended beyond 5 (five) years till the completion of OIL Contract with BHEL.
- 2.6 A one-time payment shall be paid to Pre-bid partner against the design documentation provided to BHEL.

3.0 INSTRUCTION TO RESPONDENTS:

- 3.1 Reputed business entities may submit their application as per **Annexure -2** (along with supporting documents for PQR and evaluation Criteria) by Post/Email so as to reach us on or before **9th June 2020** at the following address:

**The Purchase Officer / CMM
Vendor Complex
Purchase Co-Ordination Cell
Bharat Heavy Electricals Limited
R.C.Puram, Hyderabad Pincode – 502032 India.**

Email: technicalbid_hyd@bhel.in

Phone: +91 40 23185290 (office), +91 9490746965 (mobile)

- 3.2 The details submitted by the respondents shall be complete in all respects and BHEL may seek clarifications/additional information as considered necessary. Such clarifications / additional information must be provided within 5 days of BHEL request.
- 3.3 The EOI process involves seeking willingness of interested parties and selecting party(s) amongst all who respond to this EOI.



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- 3.4 Any request for further information or clarification on the EOI document may be submitted within 5 days from date of issue of EOI.
- 3.5 Responses to EOI are to be submitted in English only. Supporting documents, as required, should also be in English language. In case of some documents being available in languages other than English, the Applicant shall necessarily provide duly authenticated translated version of the same in English.
- 3.6 Response to the EOI to be submitted only by Original Equipment Manufacturer (OEM) of Mast & Substructure for onshore deep drilling rig or by OEM authorized representatives on behalf of OEM. Bids submitted by traders/agents/distributors etc shall not be considered for evaluation. Duly authorized representative of the Applicant(s) shall sign on each page of the document. Response to EOI should be prepared in such a way so as to provide a straight forward, concise description of Applicant's capabilities.
- 3.7 Notwithstanding anything contained in this EOI, BHEL reserves the right to accept or reject any Application and to annul the EOI Process in whole or part, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof.
- 3.8 BHEL reserves the right to verify all statements, information and documents submitted by the Applicant in response to the EOI. Any such verification or lack of such verification by BHEL shall not relieve the Applicant of his obligations or liabilities hereunder nor will it affect any rights of BHEL.
- 3.9 The EOI process shall be governed by, and construed in accordance with, the laws of India and the Courts at New Delhi shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the EOI process.
- 3.10 All costs incurred for participation in the EOI shall be borne by the respective Applicant.

4.0 Pre-Qualifying Criteria (PQR):

The prospective pre-bid partner must meet all the following pre-qualification requirement (PQR) supported with relevant documents/ credentials/ certificates for further consideration.

Financial :

- 4.1 Applicant must meet following financial parameters:
 - 4.1.1 Applicant's average net worth (Paid up share capital + Reserves) should be positive based on latest audited accounts for last three consecutive financial year ending on 31st March (for financial years 2016-17, 2017-18, 2018-19) or 31st Dec (for financial years 2017, 2018, 2019) as applicable for the applicant.
 - 4.1.2 Applicant to submit last three consecutive year's (2016-17, 2017-18, 2018-19 for financial year ending on 31st March **OR** 2017, 2018, 2019 for financial year ending on 31st Dec) Balance sheet/D&B report including the profit and loss account and net worth duly audited by a Chartered Accountant.



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Technical :

- 4.2 The applicant must have valid API 4F certification from American Petroleum Institute (API) for Monogramming Hydraulic Mast, Substructure & crown block. The Applicant must have API 4F certification for a minimum period of 5 (five) years (5 years' period shall be reckoned from the date of opening of EOI). To be substantiated by documentary evidence with copies of API 4F.

Applicant's Response (meeting the above criteria): Yes/ No.

Supporting document attached: Yes/ No

- 4.3 Applicant must be an Original Equipment Manufacturer (OEM) for Hydraulic Mast & Hydraulic Substructures (of min. hook load capacity 1000 Kips) meant for on-shore deep drilling rigs. Applicant must have manufactured and supplied at least 2 nos. of Hydraulic Lift Mast & Substructures of hook load capacity 1000 Kips or higher in last 5 (five) years (5 years' period as stated shall be reckoned from the date of opening of EOI).

To be substantiated by documentary evidence such as Customer certificate/Inspection report of supplied rigs with details of Mast & substructure like Mast height, Base width, Static Hook-load capacity, wind load capacity, Substructure Floor Height, Clear height below rotary beam, set back, rotary and Hook Load capacities, PSL etc.

Applicant's Response (meeting the above criteria): Yes/ No.

Supporting document attached: Yes/ No



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Annexure 1

BHEL's and Partners' broad scope

Broad Scope of Supply & services expected to be Provided by Prospective Pre-bid Partner:

- i) Supply of complete design documentation for Hydraulically raised Mast, Substructure & Crown Block of rated capacity (Minimum 1250 Kips Hook load capacity) for Onshore deep drilling AC VFD rig. Supply of Design documentation includes Design calculations including calculations of critical welds/components, Design Source File (STAAD file), Design and Development records as per API Q1 & 4F (latest edition), Manufacturing drawings (in Auto CAD), Schedule of parts (BOM's), Product specification sheets for components or subassemblies to be outsourced, Raw material Purchase Specifications, Assembly drawings, Rig-up & Rig-down procedures, Soil Bearing Diagram, O&M Manual and any other information required by BHEL and/or end customer for carrying out manufacture of Hydraulic Mast & Substructure at BHEL- Hyderabad facility and operation by end customer.
- ii) Supply of 5 sets of Hydraulic cylinders for raising/lowering of Mast & substructure, Hydraulic Power Unit (HPU) and its controls.
- iii) Manufacturing & commissioning support at BHEL, Hyderabad/End customer.
- iv) Only one-time payment shall be made for the design documentations and BHEL shall be free to use the design documentation without any commercial implications in future.
- v) Pre-bid partner shall inform and provide the necessary documentation as indicated above in respect of any change or modification in the design.
- vi) All design documentations shall be in English language only.



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Annexure 2

Information to be submitted by Respondent

1. Name of the Company:
2. Legal status of the Company:
3. Brief description of the Company including details of its business groups/subsidiaries/
affiliates:
4. Date of Incorporation:
5. Date of Commencement of Business:
6. Full address including Telephone nos. / Fax nos.:
Registered Office:
Head Office:
Address for communication:
Contact Details:
Office Address in India, if any:
7. Documents to be enclosed:
 - a) Technical Credentials – Relevant Product/System catalogues, Experience /Reference List, Copies of Customer Certificates, Engineering strengths, quality accreditations, etc & mandatory documents as listed in Clause 4.0 (PQR).
 - b) Financial Credentials – Copies of Audited Financial statements (Annual Reports) for last 3 years, Credit Rating & mandatory documents as listed in Clause 4.0 (PQR)
 - c) Other documents considered relevant to meet PQR and support evaluation criteria.

(Sign & Company Seal)
Authorized signatory