BHEL recently received guidelines from Govt. Of India and Central Vigilance Commission and we have been asked to comply with the guidelines with regard to dealings with Indian Agent/Foreign Agent of Foreign Suppliers.

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1. Mandatory submission of an Agency Agreement

1.1 It shall be incumbent on the Indian agent and the foreign principal to adhere to the relevant guidelines of Government of India, issued from time to time.

1.2 The Agency Agreement should specify the precise relationship between the foreign OEM/foreign principal and their Indian agent and their mutual interest in the business. All services to be rendered by agent/associate, whether of general nature or in relation to the particular contract, must be clearly stated by the foreign supplier/Indian agent. Any payment, which the agent or associate receives in India or abroad from the OEM, whether as commission or as a general retainer fee should be brought on record in the Agreement and be made explicit in order to ensure compliance to laws of the country.

1.3 In the absence of any agency agreement, BHEL shall not deal with any Indian agent (authorized representatives / associate / consultant, or by whatever name called) and shall deal directly with the foreign principal only for all correspondence and business purposes.

1.4 Agents will file an authenticated Photostat copy duly attested by a Notary Public / Original certificate of the Principal confirming the agency agreement and giving the status being enjoyed by the agent and the commission / remuneration / salary / retainer ship being paid by the principal to the agent.

1.5 Wherever the Indian representatives have communicated on behalf of their principals and the foreign parties have stated that they are not paying any commission to the Indian agents, and the Indian representative is working on the basis of salary or as retainer, a written declaration to this effect should be submitted by the Foreign Principal.

2. Disclosure of particulars of agents / representatives in India

2.1 Tenderers of Foreign nationality shall furnish the following details:

2.1.1 The Bidder(s) / Contractor(s) of foreign origin shall disclose the name and address of the agents / representatives in India if any and the extent of authorization and authority given to commit the Principals. In case the agent / representative be a foreign Company, it shall be confirmed whether it is existing Company and details of the same shall be furnished.

2.1.2 The amount of commission / remuneration included in the quoted price(s) for such agents / representatives in India.

2.1.3 Confirmation of the Tenderer that the commission / remuneration, if any, payable to his agents / representatives in India, paid in Indian Rupees only.

2.2 Tenderers of <u>Indian Nationality</u> shall furnish the following details:

2.2.1 The Bidder(s) / Contractor(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any, indicating their nationality as well as their status, i.e. whether manufacturer or agents of manufacturer holding the Letter of Authority of the Principal specifically authorizing the agent to make an offer in India in response to tender either directly or through the agents / representatives.

2.2.2 The amount of commission / remuneration included in the price(s) quoted by the Tenderer for himself.

2.2.3 Confirmation of the foreign principals of the Tenderer that the commission / remuneration, if any, reserved for the Tenderer in the quoted price(s), paid in India in equivalent Indian Rupees on satisfactory completion of the Project or supplies of Stores and Spares in case of operation items.

2.3 Failure to furnish correct and detailed information as called for in paragraph 2.1 & 2.2 above will render the concerned tender liable to rejection or in the event of a contract materializing, the same liable to termination by BHEL Besides this there would be a penalty of banning business dealings with BHEL or damage or payment of a named sum.

Please furnish the above information immediately

Annexure - 2

INTEGRITY PACT

Between

Bharat Heavy Electricals Ltd. (BHEL), a company registered under the Companies Act 1956 and having its registered office at "BHEL House", Siri Fort, New Delhi – 110049 (India) hereinafter referred to as "The Principal", which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the ONE PART

and

____, (description of the party along with address), hereinafter referred to as "The Bidder/ Contractor" which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the OTHER PART

Preamble

The Principal intends to award, under laid-down organizational procedures, contract/s for ____. The Principal values full compliance with all relevant laws of the land, rules and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder(s)/ Contractor(s).

In order to achieve these goals, the Principal will appoint Independent External Monitor(s), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1 – Commitments of the Principal

1.1 The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles:-

1.1.1 No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.

1.1.2 The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential / additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.

1.1.3 The Principal will exclude from the process all known prejudiced persons.

1.2 If the Principal obtains information on the conduct of any of its employees which is a penal offence under the Indian Penal Code 1860 and Prevention of Corruption Act 1988 or any other statutory penal enactment, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

Section 2 – Commitments of the Bidder(s)/ Contractor(s)

2.1 The Bidder(s)/ Contractor(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

2.1.1 The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to the Principal or to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material, immaterial or any other benefit which he / she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

2.1.2 The Bidder(s)/ Contractor(s) will not enter with other Bidder(s) into any illegal or undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.

2.1.3 The Bidder(s)/ Contractor(s) will not commit any penal offence under the relevant IPC/ PC Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.

2.1.4 The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.

2.2 The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.

Section 3 – Disqualification from tender process and exclusion from future contracts

If the Bidder(s)/ Contractor(s), before award or during execution has committed a transgression through a violation of Section 2 above, or acts in any other manner such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/ Contractor(s) from the tender process or take action as per the separate "Guidelines on Banning of Business dealings with Suppliers/ Contractors". framed by the Principal.

Section 4 – Compensation for Damages

4.1 If the Principal has disqualified the Bidder from the tender process prior to the award according to Section 3, the Principal is entitled to demand and recover the damages equivalent Earnest Money Deposit/Bid Security.

4.2 If the Principal has terminated the contract according to Section 3, or if the Principal is entitled to terminate the contract according to section 3, the Principal shall be entitled to demand and recover from the Contractor liquidated damages equivalent to 5% of the contract value or the amount equivalent to Security Deposit/Performance Bank Guarantee, whichever is higher.

Section 5 – Previous Transgression

5.1 The Bidder declares that no previous transgressions occurred in the last 3 years with any other company in any country conforming to the anti-corruption approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.

5.2 If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

Section 6 – Equal treatment of all Bidders/ Contractors/ Sub-contractors

6.1 The Bidder(s)/ Contractor(s) undertake(s) to obtain from all subcontractors a commitment consistent with this Integrity Pact and report Compliance to the Principal. This commitment shall be taken only from those sub-contractors whose contract value is more than 20 % of Bidder's/ Contractor's contract value with the Principal. The Bidder(s)/ Contractor(s) shall continue to remain responsible for any default by his Sub-contractor(s).

6.2 The Principal will enter into agreements with identical conditions as this one with all Bidders and Contractors.

6.3 The Principal will disqualify from the tender process all bidders who do not sign this pact or violate its provisions.

Section 7 – Criminal Charges against violating Bidders/ Contractors /Sub-contractors

If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office.

Section 8 –Independent External Monitor(s)

8.1 The Principal appoints competent and credible Independent External Monitor for this Pact. The task of the Monitor is to review independently and objectively, whether and to what extent the parties comply with the obligations under this agreement.

8.2 The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the CMD, BHEL.

8.3 The Bidder(s)/ Contractor(s) accepts that the Monitor has the right to access without restriction to all contract documentation of the Principal including that provided by the Bidder(s)/ Contractor(s). The Bidder(s)/ Contractor(s) will grant the monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to his contract documentation. The same is applicable to Sub-contractor(s). The Monitor is under contractual obligation to treat the information and documents of the Bidder(s)/ Contractor(s) / Sub-contractor(s) with confidentiality.

8.4 The Principal will provide to the Monitor sufficient information about all meetings among the parties related to the contract provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the Monitor the option to participate in such meetings.

8.5 As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will so inform the Management of the Principal and request the Management to discontinue or take corrective action, or heal the situation, or to take other relevant action. The Monitor can in this regard submit non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action or tolerate action.

8.6 The Monitor will submit a written report to the CMD, BHEL within 8 to 10 weeks from the date of reference or intimation to him by the Principal and, should the occasion arise, submit proposals for correcting problematic situations.

8.7 The CMD, BHEL shall decide the compensation to be paid to the Monitor and its terms and conditions.

8.8 If the Monitor has reported to the CMD, BHEL, a substantiated suspicion of an offence under relevant IPC / PC Act, and the CMD, BHEL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the

Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

8.9 The number of Independent External Monitor(s) shall be decided by the CMD, BHEL.

8.10 The word 'Monitor' would include both singular and plural.

Section 9 – Pact Duration

9.1 This Pact begins and shall be binding on and from the submission of bid(s) by bidder(s). It expires for the Contractor 12 months after the last payment under the respective contract and for all other Bidders 6 months after the contract has been awarded.

9.2 If any claim is made / lodged during this time, the same shall be binding and continue to be valid despite the lapse of this pact as specified as above, unless it is discharged/ determined by the CMD, BHEL.

Section 10 – Other Provisions

10.1 This agreement is subject to Indian Laws and jurisdiction shall be registered office of the Principal, i.e. New Delhi.

10.2 Changes and supplements as well as termination notices need to be made in writing. Side agreements have not been made.

10.3 If the Contractor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.

10.4 Should one or several provisions of this agreement turn out to be invalid, the remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement to their original intentions.

10.5 Only those bidders/ contractors who have entered into this agreement with the Principal would be competent to participate in the bidding. In other words, entering into this agreement would be a preliminary qualification.

------------------------------------	------------------------------------
For & On behalf of the Principal	For & On behalf of the Bidder/ Contractor
(Office Seal)	(Office Seal)

Place---------------------

Date----------------------

Witness: ______________________	Witness: ______________________
(Name & Address) ____________	(Name & Address)________________
______________________________	______________________________

THIRD PARTY NON-DISCLOSURE AGREEMENT

I, ____________________, on behalf of the __________________ (Name of Company), acknowledge that the information received or generated, directly or indirectly, while working with BHEL, Trichy on contract is confidential and that the nature of the business of the BHEL, Trichy is such that the following conditions are reasonable, and therefore:

I warrant and agree as follows:

I, or any other personnel employed or engaged by our company, agree not to disclose, directly or indirectly, any information related to the BHEL, Trichy Without restricting the generality of the foregoing, it is agreed that we will not disclose such information consisting but not necessarily limited to:

- Technical information: Methods, drawings, processes, formulae, compositions, systems, techniques, inventions, computer programs/data/configuration and research projects.
- Business information: Customer lists, project schedules, pricing data, estimates, financial or marketing data,

On conclusion of contract, I, or any other personnel employed or engaged by our company shall return to BHEL, Trichy all documents and property of BHEL, Trichy, including: drawings, blueprints, reports, manuals, computer programs/data/configuration, and all other materials and all copies thereof relating in any way to BHEL, Trichy 's business, or in any way obtained by me during the course of contract. I further agree that I, or any others employed or engaged by our company shall not retain copies, notes or abstracts of the foregoing.

This obligation of confidence shall continue after the conclusion of the contract also.

I acknowledge that the aforesaid restrictions are necessary and fundamental to the business of the BHEL, Trichy and are reasonable given the nature of the business carried on by the BHEL, Trichy I agree that this agreement shall be governed by and construed in accordance with the laws of country.

I enter into this agreement totally voluntarily, with full knowledge of its meaning, and without duress.

Dated at ________________, this ____ day of _____, 20__.

Name

Company

Signature

BANK GUARANTEE FOR PERFORMANCE SECURITY

(Non-Judicial Stamp paper/e-stamp paper of appropriate value as per Stamp Act prevailing in the State(s))

Bank Guarantee No:

Date:

To

NAME

& ADDRESSES OF THE BENEFICIARY

IFSC AND MICR CODE

Dear Sirs,

1. In consideration of Bharat Heavy Electricals Limited (hereinafter referred to as the 'Employer' which expression shall unless repugnant to the context or meaning thereof, include its successors and permitted assigns) incorporated under the Companies Act, 1956 and having its registered office at ______________________[1] through its Unit at......................(name of the Unit) having awarded to (Name of the Vendor / Contractor / Supplier) (VENDOR CODE) with its registered office at_________[2] hereinafter referred to as the ' Vendor / Contractor / Supplier ', which expression shall unless repugnant to the context or meaning thereof, include its successors and permitted assigns), a contract Ref No......................dated ....[3] valued at Rs...........[4] (Rupees ----------------------)/FC..................(in words..........) for ....[5] (hereinafter called the 'Contract') and the Vendor / Contractor / Supplier having agreed to provide a Contract Performance Bank Guarantee, equivalent to ......% (.... Percent) of the said value of the Contract to the Employer for the faithful performance of the Contract,

2. we, ..., (hereinafter referred to as the Bank), having registered/Head office at .... and inter alia a branch at .... being the Guarantor under this Guarantee, hereby, irrevocably and unconditionally undertake to forthwith and immediately pay to the Employer any sum or sums upto a maximum amount of Rs ------------------ [6] (Rupees -----------------------) without any demur, immediately on first demand from the Employer and without any reservation, protest, and recourse and without the Employer needing to prove or demonstrate reasons for its such demand.

3. Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this guarantee. However, our liability under this guarantee shall be restricted to an amount not exceeding Rs. _______________.

4. We undertake to pay to the Employer any money so demanded notwithstanding any dispute or disputes raised by the Vendor / Contractor / Supplier in any suit or proceeding pending before any Court or Tribunal, Arbitrator or any other authority, our liability under this present being absolute and unequivocal.

5. The payment so made by us under this Guarantee shall be a valid discharge of our liability for payment thereunder and the Vendor / Contractor / Supplier shall have no claim against us for making such payment.

6. We the ....bank further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said Contract/satisfactory completion of the performance guarantee period as per the terms of the Contract and that it shall continue to be enforceable till all the dues of the Employer under or by virtue of the said Contract have been fully paid and its claims satisfied or discharged.

7. We......................BANK further agree with the Employer that the Employer shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the said Contract or to extend time of performance by the said Vendor / Contractor / Supplier from time to time or to postpone for any time or from time to time any of the powers exercisable by the Employer against the said Vendor / Contractor / Supplier and to forbear or enforce any of the terms and conditions relating to the said Contract and we shall not be relieved from our liability by reason of any such variation, or extension being granted to the said Vendor / Contractor / Supplier or for any forbearance, act or omission on the part of the Employer or any indulgence by the Employer to the said Vendor / Contractor / Supplier or by any such matter or thing whatsoever which under the law relating to sureties would but for this provision have effect of so relieving us.

8. The Bank also agrees that the Employer at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Vendor / Contractor / Supplier and notwithstanding any security or other guarantee that the Employer may have in relation to the Vendor / Contractor / Supplier's liabilities.

9. This Guarantee shall remain in force upto and including.................................... [7] and shall be extended from time to time for such period as may be desired by Employer.

10. This Guarantee shall not be determined or affected by liquidation or winding up, dissolution or change of constitution or insolvency of the Vendor / Contractor / Supplier but shall in all respects and for all purposes be binding and operative until payment of all money payable to the Employer in terms thereof.

11. Unless a demand or claim under this guarantee is made on us in writing on or before the ....[8]we shall be discharged from all liabilities under this guarantee thereafter.

12. Any claim or dispute arising under the terms of this document shall only be enforced or settled in the Courts at Tiruchirappalli.

13. We...................... BANK lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Employer in writing.

Notwithstanding anything to the contrary contained hereinabove:

a) The liability of the Bank under this Guarantee shall not exceed.............................. [6]

b) This Guarantee shall be valid up to ……………[7]

c) Unless the Bank is served a written claim or demand on or before (minimum 3 to 6 months from the expiry date [8] all rights under this guarantee shall be forfeited and the Bank shall be relieved and discharged from all liabilities under this guarantee irrespective of whether or not the original bank guarantee is returned to the Bank.

14. We, ____________ Bank, have power to issue this Guarantee under law and the undersigned as a duly authorized person has full powers to sign this Guarantee on behalf of the Bank.

For and on behalf of
(Name of the Bank)

Dated……………….
Place of Issue……………….

BANK EMAIL ID:

BANK PHONE NO:

AUTHORISED SIGNATORIES CELL PHONE NO:

BANK FAX NO:

[1] *NAME AND ADDRESS OF EMPLOYER I.e Bharat Heavy Electricals Limited*

[2] *NAME AND ADDRESS OF THE VENDOR /CONTRACTOR / SUPPLIER.*

[3] *DETAILS ABOUT THE NOTICE OF AWARD/CONTRACT REFERENCE*

[4] *CONTRACT VALUE*

[5] *PROJECT/SUPPLY DETAILS*
[6] *BG AMOUNT IN FIGURES AND WORDS*

[7] *VALIDITY DATE*

[8] *DATE OF EXPIRY OF CLAIM PERIOD*

List of Consortium Bank			
	Nationalised Bank		**Nationalised Bank**
1	Allahabad bank	19	Vijaya Bank
2	Andhra bank		**Public Sector Banks**
3	Bank of Baroda	20	IDBI
4	Canara Bank		**Foreign bank**
5	Corporation bank	21	CITI Bank N.A
6	Central bank	22	Deutsche Bank AG
7	Indian Bank	23	The Hongkong and Shanghai Banking Corporation Limited
8	Indian Oversea Bank	24	Standard Chartered Bank
9	Oriental bank of Commerce	25	The Royal Bank of Scotland N.V.
10	Punjab National Bank	26	J P Morgan
11	Punjab & Sindh Bank		**Private bank**
12	State Bank of India	27	Axis Bank
13	State Bank of Hyderabad	28	The Federal Bank Limited
14	Syndicate Bank	29	HDFC
15	State Bank of Travancore	30	Kotak Mahindra Bank
16	UCO Bank	31	ICICI
17	Union Bank of India	32	Indusind Bank
18	United Bank of India	33	Yes Bank

Supplier Facility Report

ALLOY STEEL COILED FLATS FOR FIN WELDED PANELS

1. Name of the Company

2. Address of the Registered Office (Telephone, E-Mail, Fax)

3. Factory Location and Address (Telephone, E-Mail, Fax)

4. Installed Capacity (Tonnes / Year)

5. Are you making your own steel YES NO

6. If yes, for Sl. No. 5
   a) Type of Furnace
   b) Capacity of furnaces
   c) Facility for manufacture of Steel

7. If No, for Sl. No. 5
   Source of Raw Material

8. Coiled Flat Manufacturing Facility details

9. Heat Treatment Facility Details
   a) Capacity of the Furnaces
   b) Type of Heat Treatment Carried out

10. In House Testing Equipment's Details

11. Details of Accreditation for Quality Systems (Like ISO, ASME, API etc.,)

12. Are you approved by any Third Party / Statutory Agency?
    If so, specify the Agency (Attach details in ENGLISH)

13. Have you manufactured the tendered sizes to BHEL or any other well-known Boiler Manufacturer for Boiler Application?
    Please provide the details of to whom, when and how much supplied.

14. Please go through the attached Technical Delivery Condition (TDC) and give point-by-point confirmation.

DATE:

SIGNATURE WITH.SEAL

NOTE: Enclose Additional Sheets / Annexures wherever required referring the SI. No. of this format.

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BHARAT HEAVY ELECTRICALS LIMITED
MM/RM/PURCHASE/TUBES
BHEL / TRICHY-620 014.

ANNEXURE-B
ENQ NO. 1501700067

Enquiry Terms & Conditions for Supply of Alloy Steel Coiled Flats

Note: This Annexure has to be mandatorily filled & signed by the manufacturer (or) mill and submitted along with Technical bid.

Any deviation to the below mentioned terms shall be stated specifically in the comments column for each term and also in case of acceptance to our terms, it will be construed that the whole term is understood and agreed in totality without any deviation. (If otherwise mentioned).

Sl No	BHEL Requirements	Supplier Confirmation/ Comments
01.	**Material specification:** Supply shall be made strictly as per Specifications mentioned in the enquiry.	
02.	**Specification, Size & Quantity:** a) Specification, size and quantity shall be as given in enquiry. b) All the Flats are to be supplied fully meeting the **Technical Delivery Conditions (TDC 303 Rev 07)**. c) If there is any deviation, the same should be mentioned clearly with the specific clause no. of the TDC and the deviation against it in the e- **procurement** offer itself. d) Supplier shall indicate the place of manufacture & mill name in the offer.	
03.	**Pre-Qualification Requirement (PQR)** In addition to the TDC requirements, suppliers shall meet the below Pre-Qualification Requirements (PQR). The offers of the suppliers who fail to do so will be liable for rejection A) **Organizational Capability:** 1. Manufacturers of coiled Flats are only eligible to participate. Offer from traders, fabricators and stockists are not acceptable and will not be considered for evaluation. Vendor to indicate the nature of the firm. Product catalogue shall be submitted. 2. Suppliers shall submit filled in supplier facility report for Coiled Flat (Format enclosed). Suppliers without basic manufacturing facilities in-house, shall not be considered for evaluation. In house facilities for Heat treatment is mandatory requirements for consideration of the offer. 3. If the supplier is not having steel making facility, then source of raw material for the manufacturing shall be submitted. *If the supplier is dependent on more than one source for steel making, all the sources should be indicated; and the supplies should be restricted to the indicated list of raw material suppliers.* For the submitted raw material sources, the supplier shall confirm that the raw material test certificate/s will be furnished along with product test certificate/s. 4. Chemical, Mechanical testing shall be done in house or at Labs certified as per ISO 17025 or Government approved labs. 5. Suppliers shall submit a valid ISO 9001 certificate or Quality management system certificate or Written down procedure. 6. BHEL/End customer reserve the right to inspect the item ordered at any stage at vendor's works and if found not meeting the stipulated conditions, material is liable for rejection. 7. BHEL/End customer reserves the right to inspect the first lot of materials at vendor's works for giving clearance before bulk production. 8. BHEL reserves the right to visit supplier's works to audit and inspect to ensure the capability for technical evaluation.	

	B) Technical Competence: 1. Point by point confirmation to the TDC requirements is mandatory for consideration of offer and signed TDC shall be submitted. 2. Suppliers shall submit manufacturing process flow chart (Raw material to finished product) & manufacturing quality plan to meet the TDC requirements along with technical bid. 3. Suppliers shall submit the experienced manpower details specific to Manufacturing & Quality. **C) Past Experience/ Performance:** 1. Suppliers shall indicate their annual installed capacity for the tendered specifications & it shall be more than the tendered quantity. 2. Suppliers shall have supplied Coiled Flats in each of the tendered specification. Details of supplies made in the recent past detailing the quantity, Specification, size & customer details, year wise along with the unpriced PO copies, proof of supply (such as invoice / bill of lading copies and sample test certificates) covering minimum and maximum sizes (either in SA387GR12/ GR22) meeting the tendered size requirements shall be submitted. **D) Financial Soundness:** 1. Indigenous suppliers shall submit Audited copies of annual reports (Balance Sheets), Profit & Loss statement for the last four years (or from date of incorporation whichever is less). 2. Import suppliers shall submit latest report from a reputed third party business rating agency like Dun & Bradstreet, Credit reform. **Necessary supporting documents shall be submitted for meeting each of the above Pre-Qualification Criteria for evaluation of the offers.** **BHEL reserves the right to consider/Not-consider the offers based on the evaluation of documents submitted for the above Pre-Qualification Criteria. BHEL also reserves the right to have on-site assessment of the facilities at supplier's works during the bid evaluation.**	
04	**Online Supplier Registration:** All vendors who are not registered vendor of BHEL, Trichy for the tendered specification may also submit duly filled-in Supplier Registration form through online portal http://www.supplier.bhel.in and submit all relevant documents as required.	
05	**Offer Submission:** ➢ Offer is to be submitted in **TWO part bids system** (Technical bid + Price bid) in the E-Procurement portal **https://bheleps.buyjunction.in**. Scanned copy of the filled Annexure-B, Tender documents etc., shall be uploaded in the EPS portal. ➢ The offer is to be submitted within **2.00 P.M** on or before the due date. ➢ At its option, BHEL may consider extending the due date/s for the tender openings. Sufficient notice would be given by BHEL for such extensions and it will be published as corrigendum in following websites, **https://bheleps.buyjunction.in** **http://tenders.gov.in** **http://eprocure.gov.in** ➢ After the scrutiny of PQR & technical bids, the price bids of only techno-commercially qualified offers shall be opened with prior intimation.	
06	**Authorization for participation in EPS portal through DSC:** **i) E-Tender Participation requirements** Either Principal or authorized agent shall register their Digital Signature Certificate (DSC) (Class 3- SHA2- 2048 BIT-SIGNING & ENCRYPTION). Suppliers are advised to go through the FAQ available in the web portal (**https://bheleps.buyjunction.in**). DSC shall be registered for the authorized person and all transaction done using that DSC against our tenders shall be taken as valid communication and shall be binding on principal/agent and is valid legally. **ii) For foreign Principal** In case of Principal (being foreigner), they may apply for DSC through Indian embassy at their country and can register with us for participating in E-tenders. Details of the applicable procedure is available in the webpage **http://www.cca.gov.in/cca/.**	

	iii) <u>For Indian agent</u> In case of agents participating/registering their DSC (of authorized person), it will be at the sole authorization of principal to their agents to participate on their behalf and all transactions done using that DSC against our tenders shall be known as valid communication and shall binding on principal and is legally valid. **Please intimate the authorized person name, Mail ID for registering DSC with BHEL to participate in E-Tenders**	
07	**<u>Validity:</u>** Offer/Price validity of **60 days is required** from the Price bid opening date.	
08	**<u>Delivery</u>**: The offer shall clearly indicate delivery period in **fixed number of weeks/Months** from the date of Purchase Order.	
09	**A. <u>IMPORTS:</u>** • Import vendors to submit offers on CFR (Cost & Freight), Chennai port (LILO – Liner in Liner Out) basis.	
	• Port of loading should be indicated without fail.	
	• Port of discharge should be Chennai.	
	• The shipment mode shall be **"Containerized Cargo"** only and to be specified clearly in the offer. • For Japanese sources only, the shipment mode shall be **"Containerized Cargo** or **Break Bulk**" and to be specified clearly in the offer.	

<u>FOR CFR INCO TERMS – CONTAINERIZED CARGO</u>

a) For CFR terms, moved through CONTAINERS (Suppliers should clearly specify this in their offer) it would be presumed by BHEL that the freight charges quoted is on LILO (LINER IN LINER OUT) basis including extra charges, if any, like Container Imbalance Charges, Trade Imbalance charges or any other charges payable to the Liner. No other charges other than the quoted Freight rate will be paid by BHEL excepting applicable Terminal Handling Charges, Container cleaning Charges, DO charges to Shipping Liner at Discharge Port. 14 FREE DAYS FOR Container detention shall be provided. If any deviation is taken by Tenderer, a loading of 22% on the freight rate per MT shall be considered by BHEL for arriving at the Total landed Cost.

b) In case of shipment through Containers on CFR basis, the BL should bear the endorsement that "14 free days for Container Detention is applicable".

<u>BREAKBULK CARGO (Applicable for Japanese sources only):</u>

a) For CFR terms, moved through BREAK BULK BASIS (Suppliers should clearly specify this in their offer) it would be presumed by BHEL that the freight charges quoted is on LILO (LINER IN LINER OUT) basis.

b) The materials will be Custom cleared from Port itself.

<u>INFORMATION TO IMPORT SUPPLIERS:</u>

A) The Indian Customs imposed, a penalty on late filing of Bill of Entries (Air/Sea Shipments) by the importer. The maximum free time allowed is 24 hrs from the time of arrival of cargo at final port of discharge. Rs.5000/- per day (for initial 03 days) & Rs.10000/- per day (thereafter)

a.) The vendor should furnish the Non-Negotiable Documents (Air Way Bill/Bill of Lading, Commercial Invoice, Packing List, and Certificate of Origin) either by email or post/courier to BHEL well before the landing of cargo at final port of discharge.

b.) Vendor will be held responsible for the penalty arises against the late filing of Bill Of entry due to:
   (i) Non availability of Non-Negotiable Documents (NNDs) before the cargo arrival
   (ii) Discrepancy in documents
   (iii) Short landing of Consignments (For shipments on CFR/CPT/CIF/CIP – Chennai Port)

B) All the shipments for the contracts (POs) finalized on CFR -Chennai Port basis

(i) Delivery Orders involving multiple agencies like liners/freight forwarders are not allowed. There must be a single agency office at the final discharge Port (Chennai) for issuing the Delivery Order to BHEL.

(ii) The detention/demurrage charges arise due to the delay in collection of Delivery Orders from multiple agencies of liner/freight forwarder also whose offices are not at available Chennai, the same amount will be deducted from Vendor's bills only.

(iii) Apart from the normal charges like Terminal Handling Charges, Container cleaning Charges, Delivery Order Charges at final port of discharge no other charges will be borne by BHEL.

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	(iv) The liner/freight forwarders should be properly communicated by the Vendor for not to claim such charges for issuing Delivery Order. If the liner/freight forwarder claims such charges in their invoices, the same amount will be deducted from the Vendor bills without any prior intimation in order to avoid the delay in Customs clearance. The likely additional/hidden costs or charges are: a. CIC - Container Imbalance Charges/Surcharges b. EIC - Equipment Imbalance Charge/Surcharges c. CAF - Container/Currency Adjustment Factor d. BAF - Bunker adjustment Factor e. RDS - Rupee Depreciation Surcharge f. CDS - Currency Depreciation Surcharge	
10	**Transport Conditions for Import:** The Original Documents (Bill of Lading, Invoice, Packing List, Certificate of Origin & Test Certificate) shall reach BHEL well in advance before the vessel arrival. The soft copies of the above shall be forwarded to BHEL immediately after shipment. a) In the event of delayed submission of documents by the supplier, an amount up to 5% of the invoice value will be retained towards demurrage & other charges and the difference if any between actual charges and recovery will be settled separately through supplementary invoice. b) In such cases, the Supplier shall authorize the Steamer / Shipping agent / transporter to freely release the consignment to BHEL by providing a "Surrender Bill of Lading". c) Otherwise, No-objection Certificate shall be issued to the Liner, authorizing BHEL to get the Delivery Order without producing the Original Bill of Lading. **d)** This is required to ensure avoidance of demurrage at Chennai Sea-port that may arise in case of delayed presentation of documents by the Seller.	
11	**Payment terms:** **A. Indigenous:** i) BHEL Payment term is 100% direct EFT payment after 45 days from the date of receipt and acceptance of materials.	
	ii) The duplicate copy of the invoice meant for the transporters should accompany the material as stipulated under C.E. rules 52a and 173c (or) 57gg. A Photostat copy of the above invoice for each Delivery Challan should be submitted along with the original bills routed through bank or submitted directly to BHEL finance department. iii) Any deviation in the above payment term will attract loading as mentioned below. "Base rate of SBI (as applicable on the date of bid opening. Techno-commercial bid opening in case of two part bids) + 6% shall be considered for loading for the period of relaxation sought by bidders. iv) Payment through bank is not preferred. In case of payment through bank is opted by supplier, BHEL prefers documents submission through bank with copy of LR and door delivery of goods to site/stores with consignee copy attached. In this case loading will be 3% on the offered value. iv) Offers of indigenous Suppliers with payment terms as LC / Advance Payment are liable for rejection.	
	B. Imports: i) BHEL Payment term is 100% payment on CAD basis after 45 days from the date of receipt of documents, specified in PO, at BHEL bank. Respective bank charges to respective account.	
	ii) Vendors supplying for first time to BHEL (for the tendered specification), the payment will be made after 45 days of receipt and acceptance of materials after testing at BHEL Lab. In case of supplier quoting for LC payment, first lot of mutually agreed quantity shall be supplied with payment as CAD basis after 45 days from the date of receipt & acceptance of material after testing at our Lab. After acceptance of first lot, LC may be opened for the remaining lot.	
	iii) Any deviation in the above payment term will attract loading as mentioned below. "Base rate of SBI (as applicable on the date of bid opening. Techno-commercial bid opening in case of two part bids) + 6% shall be considered for loading for the period of relaxation sought by bidders.	
	iv) If the LC payment is insisted, **TWO** sets of original TCs to be submitted prior to dispatch and a certificate to that effect from BHEL should form a part of the documents to be negotiated. If this condition is not complied by the vendor, the offer is liable for rejection.	

	Note: LC will be opened one month prior to material readiness. Hence supplier shall intimate the material readiness accordingly for opening of LC. LC validity period will be 90 days and for any extension, applicable charges will be to supplier's account. ➢ In the case of Usance LC with 45 days credit, the loading will be considered @ 1.5% on the offered Value. Due date for payment will be considered from the date of receipt of documents at BHEL bank, as specified in PO. ➢ For LC at sight the loading will be considered @ 3.5% on the offered Value. ➢ Normally CAD at sight and Confirmed LCs are liable for rejection. ➢ Offers of import supplier with payment terms as Advance Payment will be rejected. ➢	
12	**Liquidated Damage (Indigenous & Imports):** 1. For staggered delivery schedule, LD shall be 0.5% of the total order value per week or part thereof subject to a maximum of 10% of the total order value.	
	2. Any deviation from the above LD clause, loading will be applied to the extent to which it is not agreed by the bidder (at offered value).	
	a) IMPORT: For CFR terms, BL date will be considered for LD calculation. b) INDIGENOUS: For "FOR Delivery terms", Lorry way bill date will be taken for LD calculation.	
13	**Risk Purchase clause :** BHEL at its option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or despatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute thereof. The supplier shall be liable for any loss which BHEL may sustain by reason of such risk purchases in addition to LD at the maximum rate mentioned in the LD clause above. Confirm your acceptance.	
14	**Performance Bank Guarantee :** The Bidder, in the event of an order, should furnish a bank Guarantee from BHEL's consortium banks (List attached) or counter – guaranty by vendor's bank to BHEL's consortium banks, at no extra cost to BHEL, in a proforma prescribed by BHEL, provided along with the order, for an amount equivalent to 10% of the contract value. The BG shall be valid for period of 18 months from the date of last shipment or 12 months from the date of receipt / acceptance at BHEL, Trichy whichever is later, with a claim period of two months. **PBG shall be strictly as per BHEL format and to be submitted before the dispatch/shipping of the materials.**	
15	**Non-Disclosure Agreement(NDA):** The bidders shall enter into the Non-disclosure agreement totally voluntarily, with full knowledge of its meaning and without duress. (Format attached).	
16	**Patent Right** The supplier shall, at all times, indemnify and keep indemnified the purchaser, free of cost, against all claims which may arise in respect of goods & services to be provided by the supplier under the contract for infringement of any intellectual property rights or any other right protected by patent, registration of designs or trademarks. In the event of any such claim in respect of alleged breach of patent, registered designs, trademarks etc. being made against the purchaser, the purchaser shall notify the supplier of the same and the supplier shall, at his own expenses take care of the same for settlement without any liability to the purchaser.	
17	**Comprehensive Economic Partnership Agreement (CEPA):** Foreign suppliers shall ensure that the benefits as applicable under comprehensive economic partnership agreement (CEPA) with government of India are disclosed in the bid and relevant documents such as certificate of country of origin, issued by the appropriate authority in the country of exports, is provided by the vendor along with dispatch documents. Bids shall be evaluated with such applicable benefits. In the event of seller failing to provide appropriate documents for purchasers to avail disclosed concessional duty benefits in India, financial loss, so incurred, will be to the seller's account.	
18	**Role of Agents** a. BHEL strongly discourages the engagement of Agents by foreign principals, to deal with BHEL, in BHEL's tenders. b. In case of foreign suppliers representing through their Indian/foreign agents, agency agreement should be submitted, else offer is liable for rejection. Agency agreement requirements attached as separate file and full compliance to it shall be ensured while submitting the same. a. BHEL, due to business reasons would ban, would have banned Indian agents from dealing with BHEL. Any foreign principal who engages such a banned agent, or an employee of the banned agency, or any other person connected with the banned agency, at any time during the tender proceedings, would be disqualified from the tender proceedings. The decision of BHEL in this regard shall be final and be binding on the OEM. Hence in their own interests, prospective tenderers may check with BHEL. The list of banned firms is available on BHEL website www.bhel.com. In view of the requirement of BHEL, it is strongly suggested that in their own interest, foreign principals may desist from engaging any Indian agent and deal with BHEL directly and it is stressed that any Main producer proposing to deal with BHEL by engaging and through an Indian Agent does so at their own risk. BHEL shall in no way be responsible for any consequences that may arise to the foreign principal on account of the antecedents / actions of their Indian agent.	

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19	**Agency Commission :** ➢ In respect of offers from overseas suppliers, agency commission, if any, payable to their agents in India, shall invariable be shown separately in the Performa invoice and this will be paid by us in India, in Indian rupees, on satisfactory completion of the contract. ➢ If overseas principal has any tie-up with any third party in respect of agency commission it should be declared while submitting offers. ➢ Copies of current agency agreement / authorization letter in respect of agency commission shall be furnished along with offer, if not made available earlier. ➢ For calculation of rupee equivalent agency commission, exchange rate as prevailing on the date of order will be taken.	
20	**Evaluation Criteria:** The offers of both import vendors and indigenous vendors will be evaluated on total landed cost to BHEL, Trichy. The evaluation details with respect to the import & indigenous vendors is detailed below: **I) Indigenous Vendors** **Total Landed cost = FOR Rate in INR (A) + Applicable Taxes (B) + Loading for payment term & LD (C) – Applicable input tax credit (D)** **A.** Indigenous vendors submit offers on Free on Road (FOR), Trichy in INR. **B.** GST and any other charges quoted by indigenous vendors will be added to the base price. **C.** Loading for payment terms & non-acceptance of Liquidated Damages (LD) will be added to the FOR value for arriving the landed rate. **D.** However, input credit is availed for GST (SGST, CGST/IGST), hence the same is excluded for arriving at the landed cost. **II) Import Vendors** **Total Landed cost = CFR Rate in INR (A) + Applicable Duties (B) + Incidental Charges (C) + Loading for Container Shipment (D) + Loading for payment term & LD (E)** A. Import vendors to submit offers on CFR (Cost & Freight), Chennai port (LILO – Liner In Liner Out) basis in foreign currency, which will be converted to INR by multiplying with the Exchange rate (SBI TT Selling rate) as on the technical bid opening date. B. Customs duty, Safe guard duty (as per the notification No 02/2014-Customs (SG) dated 13th August 2014) and antidumping duty (as per the notification No 18/2016-Customs (ADD) dated 17.05.2016) as applicable will be added to the INR price. C. Incidental charges of 1.5% will be added to the CFR Value. The incidental charge is inclusive of Insurance, port handling charges, & freight charges for movement from Chennai port to BHEL, Trichy. D. In case of shipment through containers, if 14 free days for Container detention is not provided in the offer, a loading of 22% on the freight rate per MT shall be considered by BHEL for arriving at the Total landed Cost. **E.** Loading for payment terms & Non-acceptance of Liquidated Damages (LD) will be added to the CFR value for arriving at the landed cost.	
21	**General condition:** a) Bids including all enclosures and supporting documents like catalogues, pamphlets, etc., shall be submitted / uploaded in ENGLISH language only. If the documents submitted have other than English language, translation of the same shall be provided for evaluation. b) Mill TCs should be provided along with dispatch of Flats. Two sets of original and one copy of all such TCs are to be provided to BHEL, Trichy. c) Acceptance of Test Certificates by BHEL before dispatch is must. d) We require the shipment of the Flats to be as per the dates mentioned against the individual items in the enquiry. e) Multiple PO may also be placed considering the applicable duty structure of the respective requirement/Qty. f) Confirmation for partial ordering to be indicated in the offer itself. g) No revision of prices will be entertained after the tenders are opened. h) For the evaluation purposes, exchange rate (TT selling rate of SBI) as on schedule date of tender opening (Part I, i.e technical bid, in case of two part bid) shall be considered. i) BHEL will consider the ranking after the loading is applied as referred above wherever deviations are observed. j) Lowest price received against BHEL tenders need not be the technically acceptable one and in that case, BHEL reserves the right not to consider the same.	

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	k) BHEL reserves the right to negotiate L1 rate or re-float the tender opened if L1 price is not the lowest acceptable price to them inter-alia other reasons. l) In the event of our customer order covering this tender being cancelled / placed on hold / otherwise modified, BHEL would be constrained to accordingly cancel / hold / modify the tender / your purchase order at any stage of execution. m) Offer will be evaluated based on Landed cost to BHEL- Trichy on individual line item basis only. n) Vendor should physically weigh the materials before stuffing them into container and incorporate the same in BL and packing slip o) Offers for part quantities on item level basis are not acceptable to BHEL. While tenderers can quote for some or all the tendered items, no supplier shall quote for partial quantity of any given enquiry item. Such partial offer would not be considered in the enquiry for that item. p) No payment will be made for the excess quantity. q) Offer should be submitted only as per the Unit of Measurement (UOM) specified in the enquiry. r) The offers of the bidders who are on the banned list as also the offer of bidders who engage the services of the banned firms, shall be rejected. The list of banned firms is available on the BHEL website -www.bhel.com. s) All documents submitted with the offer shall be signed and stamped in each page by authorized representative of the bidder. t) The bidder shall submit his response through bid submission to the tender on e-procurement platform at https://bheleps.buyjunction.in. The bidder would be required to register on the e-procurement market place https://bheleps.buyjunction.in and submit their bids online. SEALED COVER BIDS / E-MAILS / FAX / MANUAL OFFERS WILL NOT BE ACCEPTED.	
22	**Fraud Prevention Policy** "The bidder along with its associate/collaborators/sub-contractors /consultants/service providers shall strictly adhere to BHEL Fraud prevention policy displayed on BHEL website htpp://www.bhel.com and shall immediately bring to the notice of BHEL Management about fraud or suspected fraud as soon as it comes to their notice."	
23	**Cartel Formation:** All the firms should desist from forming cartel as the practice is prohibited under Section 3(3) (a) & (d) of the competition Act 2002. If any such instance is observed during this tender will attract disciplinary action as per BHEL policies.	
24	**Integrity Pact (IP):** Signed Integrity pact should be furnished along with the offer. Offers without signed IP will not be considered for evaluation. IP should be signed by authorized official of the bidder / Vendor / Contractor.	
25	**Resolution of Disputes:** a. If dispute or difference of any kind shall arise between the Purchaser/Consignee and the supplier in connection with or relating to the contract, the parties shall make every effort to resolve the same amicably by mutual consultations. b. If the parties fail to resolve their dispute or difference by such mutual consultation within 30 days of its occurrence, then, unless otherwise provided in the contract, either the Purchaser/Consignee or the supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided the applicable arbitration procedure will be as per the Arbitration and Conciliation Act, 1996 of India. In the case of a dispute or difference arising between the Purchaser/Consignee and a domestic Supplier relating to any matter arising out of or connected with the contract, such dispute or difference shall be referred to the sole arbitration of an officer in BHEL Trichy, appointed to be the arbitrator by the General Manager/MM BHEL Trichy. The award of the arbitrator shall be final and binding on the parties to the contract subject to the provision that the Arbitrator shall give reasoned award in case the value of claim in reference exceeds Rupees One lakhs (Rs. 1,00,000/-) c. Venue of Arbitration: The venue of arbitration shall be the place from where the contract has been issued, i.e., BHEL Trichy. d. Jurisdiction of the court will be from the place where the tender enquiry document has been issued, i.e., Trichy, India.	
26	**In the event of Force Majeure:** a. Notwithstanding the provisions contained in other clauses, the supplier shall not be liable for imposition of any such sanction so long the delay and/or failure of the supplier in fulfilling its obligations under the contract is the result of an event of Force Majeure. For purposes of this clause, Force Majeure means an event beyond the control of the supplier and not involving the supplier's fault or negligence and which is not foreseeable and not brought about at the instance of the party claiming to be affected by such event and which has caused the non – performance or delay in performance. Such events may include, but are not restricted to, wars or revolutions, hostility, acts of public enemy, civil commotion, sabotage, fires, floods, explosions, epidemics, quarantine restrictions, strikes excluding by its employees, lockouts excluding by its management, freight embargoes and Acts of GOD. b. If a Force Majeure situation arises, the supplier shall promptly notify the Purchaser/Consignee in writing of such conditions and the cause thereof within twenty one days of occurrence of such event. Unless otherwise directed by the Purchaser/Consignee in writing, the supplier shall continue to perform its obligations under the contract as far as reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.	

	c. If the performance in whole or in part or any obligation under this contract is prevented or delayed by any reason of Force Majeure for a period exceeding sixty days, either party may at its option terminate the contract without any financial repercussion on either side. d. In case due to a Force Majeure event the Purchaser/Consignee is unable to fulfil its contractual commitment and responsibility, the Purchaser/Consignee will notify the supplier accordingly and subsequent actions taken on similar lines described in above sub-paragraphs.
27	**Execution of the order:** a. BHEL will have the option to pre-inspect the materials at Supplier's works by BHEL's own inspector or by third party agency appointed by BHEL or BHEL"s end customer/s. The mere act of the pre-dispatch inspection (PDI) does not absolve the Supplier from giving the specifications as agreed upon in the Purchase Order. b. In the case of overseas suppliers Inspection call for carrying out the inspection shall be given 30 days before the scheduled contract delivery date. The Inspection date/s given by the Supplier shall be on firm basis. For local Suppliers the Notice period of Inspection shall be 10 working days c. In the event of any short supply, it shall be the responsibility of the supplier to deliver such short supplied/ missing items on Free-of-Cost basis at BHEL stores, including customs clearances at Indian Ports in the case of foreign suppliers.
28	**Enclosures:** a) Technical Delivery Conditions b) PBG Format & List of Consortium Banks c) NDA Format d) Supplier Facility Report Format e) Agency Agreement requirements f) Integrity Pact

ON BEHALF OF BHEL	**SIGNED BY MANUFACTURER / MILL**
BHASKARNATH BISWAS Asst. Engineer - Gr-II MM / Purchase / Tubes BHEL, TRICHY - 620 014.	Name of Mill: Designation / Department: Seal & Signature

Revision record:
Rev: 00: Fresh issue
Rev: 01: Clause 5.0 to 11.0 Edited and renumbered. Requirement for packing enhanced.
Rev: 02: Text re-written, Criteria for finish clarified.
Rev: 03: Clause 4.0, 5.0, 7.0 & 8.0 altered.
Rev: 04: Cold rolled permitted. Cl. No.2.0, 4.0 modified
Rev: 05: Cl 1 and title of TDC modified
Rev: 06: Cl 3.0 OD Dimension minimum added. Cl 4.0 – Delivered product condition for SA 387 Gr 12 & 22 added. Cl 7.0 – Weldable primer added
Rev 07: Cl.4.0 - Details for Heat Treatment added. Cl.9.0 modified

1. **MATERIAL:**
ASTM & ASME {Latest on date of Purchase Order (PO)} : Test certificate to indicate actual grade supplied
Carbon Steel - ASTM A 576 Gr.1008, 1010, 1012, 1015 & 1016; Alloy Steel - SA 387 Gr 12 & SA 387 Gr 22
Additional Requirement : As listed below (supplementary to Specification).
Size, Grade and Qty. : As per Purchase order

2. **PROCESS OF MANUFACTURE:**
Flats to be in hot/cold rolled coiled form and shall be of weldable quality.

3. **DIMENSIONAL TOLERANCES:**
Thickness : As per specification Coil ID: 508 mm
Width : +/- 0.5 mm Coil OD: Minimum: 1400mm, Maximum: 1800 mm Coil weight: 2 Tonnes (max.)

4. **HEAT TREATMENT: As Delivered Condition – For Alloy Steel: Normalised and Tempered** *as per the temperatures indicated below:*

Material	*Heat Treatment Temp, Deg. C*	
	Normalizing	*Tempering*
SA387 Gr 12 Class 2	*920-960*	*650 - 700*
SA387 Gr 22 Class 2	*920-960*	*680 - 750*

In order to ensure uniform structure throughout out the length of the fin flat, normalizing shall be done in the decoiled condition. The normalizing operation shall be done in a continuous discharge furnace of suitable capacity at the fin manufacturer's works. Normalizing may be done before or after the slitting operation.

Tempering shall be done after the slitting operation.

The furnaces, thermocouples, temperature measuring instruments and recorders used for carrying out the heat treatment operations shall have valid calibration. Calibration shall be done by Government approved Agencies. Calibration reports shall be furnished when called for.

5. **FINISH AND REPAIR**
Flats to have a workman like finish, be free of harmful defects like cracks, laminations, scrabs etc., and surfaces to be free from scales, rust, pitting, wrinkles etc.
For hot rolled coils the edges of coils to be of machine cut (cold slit) ends in order to ensure squareness of edges & flatness of width. Edges cut by shearing or hot saw cut are not acceptable. Flats to be without fish tails. Coils should not contain any weld seams. Repair by fusion welding is prohibited. When defects are rectified by mechanical means, min. thickness as per specification shall be met and the rectified areas to be smoothly dressed up.

6. **MARKING:** (in English only)
Following details to be marked on the flats at ends of coils & on the packing by paint stenciling.
1. Specification and grade 2. Melt number 3. Purchase order No 4. Maker's emblem/code
5. Coil number and Weight 6. Size (width & thickness).

7. **PACKING & PRESERVATION:**
It is the responsibility of the supplier to ensure that no damage occurs during transit.
Coils to be applied with a suitable weldable primer coating to avoid rusting during transportation & storage, which will not produce defects like porosity in welding.
Individual coils to be packed in air/water tight polythene covering of sufficient thickness and strength to withstand rigorous handling.
Further, the coils to be rigidly packed with Galvanized Iron sheets along the circumference and end caps at both ends. Coils to be wrapped with 1 inch hoop iron bands at one place along the circumference and at 8 places through the eye of the coil and supported on suitable wooden skids/ steel crates. Handling hook is to be provided for lifting by crane.

8. **INSPECTION AND CERTIFICATION:**
Products must be inspected and tested at works and the details as below furnished in mill test Certificate legibly, in English language only:
1. Purchase Order No.(BHEL),TDC No. & Test certificate number
2. Specification and Grade with applicable year of Standard, Quantity, Heat Number, Plate number.
3. Steel making & finishing process **4.** Chemistry including incidental elements. Heat Treatment details with actual temperature and soaking time, Mechanical test Results. **5.** Dimension report (Width, thickness, flatness, squareness)

9. **END USE**
The coils are for use as fins by welding to tubes to form in fin-welded tubular panels by automatic submerged arc welding machines, MIG welding or Flux cored arc welding machines.

04.04.17	04-4-17	04/04/17	04/04/17	04/04/17	04/04/17
Abdur Rahman Sultan	G. Panneer Selvam	S. Selvarajan	M. Nadanakumar	R. Dharmar	C. Revisankaran
Sr.Engineer/QA	DGM/QA	SDGM/QA	AGM/MM	AGM/QC	AGM/QA&BE
Prepared By	**Reviewed By**				**Approved By**