



Bharat Heavy Electricals Limited

(A Government of India Undertaking)

BOILER AUXILIARIES PLANT

RANIPET – 632 406, INDIA

Phone No: 04172- 284186

E-mail: msravi@bhelrpt.co.in

QUALITY DEPARTMENT

INVITING TENDER

Tender Notice No	BAP: QC: NDT: MT:17:03 DT: 22.02.2017
Name of work	Magnetic Particle Inspection works at BHEL factory
Type of tender	Open tender(Two Part Bid- Technical and Price Bid)
Period of contract	Two Year
Earnest Money Deposit (EMD) Amount	Rs. 36,600/- (Rs Thirty six Thousands six hundred only)
Last date & Time for Receipt of the Tender	23.03.2017, 10 30 Hrs.
Date of Technical Bid Opening	23.03.2017, 14 30 Hrs.
Place of submission of Tender	Tender Box placed in QC Office, BHEL – BAP - Ranipet – 632 406
Address to be written on the Sealed Tender Cover	SDGM/Q, QUALITY DEPARTMENT BHARAT HEAVY ELECTRICALS LIMITED RANIPET – 632 406 VELLORE DISTRICT, TAMIL NADU
Venue of the Tender Opening	DEMING HALL

Note:


1. The Tender documents can be downloaded from BHEL website (http://www.bhel.com/tender/list_tender.php) and Govt tender web site: <http://tenders.gov.in/> and also in Central Public Procurement Portal (CPP) website: <http://eprocure.gov.in/epublish/app>.
2. All corrigenda, addenda, amendments, clarifications etc. to tender specification will be hosted in the web pages (www.bhel.com > **Tender notifications** > **view corrigendum**) only and not in the newspapers. **Bidders shall keep themselves updated with all such developments.**
3. BHEL reserves the right to accept or reject any or all tenders without assigning any reasons whatsoever.
4. BHEL reserves the right to reject any tender on the basis of unsatisfactory performance of the bidder in any ongoing job or any similar job in the past.
5. All the information as called for in the various clauses and annexure of tender specification should be furnished. The details so furnished should be complete in all respects and as per the formats prescribed in the Tender specification (Statutory requirement of Contract). The bidder may have to produce original documents for verification, if so decided by BHEL.
6. Offers received with any deviation or without relevant information are liable to be rejected.
7. Quoted rates shall be firm throughout the contract period and extended contract period also and no cost escalation is allowed on any account.

Clarification if any can be obtained from the undersigned before submitting the offer.

Kindly acknowledge the receipt of the entire set of tender document.

Thanking you,

Yours faithfully,
For Bharat Heavy Electricals Limited,


SM/QC 22/2/17

1.0 GENERAL

- 1.1 BHEL Ranipet is in the process of outsourcing Magnetic Particle Inspection Work at our shop floor, open yard inside the factory premises and in and around BHEL Ranipet (if required), in their sub contracting vendor works.
- 1.2 **Contractors are advised to visit site of work to understand the actual nature of the work before submitting the offers.**
- 1.3 The NDE Inspection Agency should have a minimum of five years experience in Magnetic Particle Testing of butt welds, fillet welds and machined components using dry/wet method with Prod/Yoke equipments.
- 1.4 NDE Inspection agency should have an office in Ranipet and who don't have local office near to BHEL Ranipet shall establish an office in Ranipet before commencing the work after successful bidding.
- 1.5 Contractor has to use consumables (BHEL approved) & BHEL will provide free power supply in location as exists. For Wet MPI of machined component contractor has to provide his own equipment (Yoke / Coil) and consumable as per requirement
- 1.6 The contractor must start the MPI work immediately after getting instructions from QC-NDTL persons. If contractor delays (more than eight hours), BHEL reserves right to carry out the work using other agencies and back charge the same from the contractor's running bill / security deposit.
- 1.7 The NDE Inspectors deployed by the Contractor shall have minimum qualification of Diploma in Mechanical Engineering / Degree in Science and with certification in MT Level II. They shall have a minimum three years experience in Magnetic Particle Testing. Any retesting due to ignorance or mistake will be to the account of the contractor. The certification of Inspectors shall be current during the tenure of the contractor. Periodic medical checkup including eye test for Inspectors to be carried out by the contractor.
- 1.8 Contractor shall provide inspectors for Normal Working Hours – 8 AM to 4.30 PM and 4.30 PM to 1 AM. In case of urgent / emergency work personnel should be available 24 hours. MPI has to be done on all working days in the mentioned working hours. There may be MPI requirement on Sundays and holidays also, whenever required
- 1.9 The contractor shall conduct Magnetic Particle Testing of components as per the instructions given by BHEL to suit the quality requirements and shall evaluate and furnish the results to BHEL in the required format/register. The Magnetic Particle Testing shall be acceptable to Lloyds, NTPC, Chief Inspector of Boilers and other inspection agencies. The Contractor shall aid BHEL in preparing reports and sketches of job with defect location if required.
- 1.10 It is the responsibility of the Contractor to paint / punch / chalk mark / marker pen the test result by the company on each job and provide sketches of the job with defect location as per instruction of the BHEL
- 1.11 The Contractor shall maintain a register for all jobs tested and their status position along with daily job report on MPT work done.
- 1.12 Contractor's personnel should prepare reports of MPI in BHEL's ORACLE systems / manual reports as per BHEL requirement.

- 1.13 Contractor shall furnish photocopy of the ASNT Level II Certificate for the Technicians posted and produce the original during the negotiation.
- 1.14 The equipment of contractor shall have current calibration and the contractor shall maintain the equipment in good working condition to facilitate smooth inspection.

1.15 Audit and Penal Clause:

1. To ensure correctness in MPI inspection of our job, contractor had to offer completed jobs to BHEL at random as per instruction of BHEL Engineer.
2. If any deviations are found in audit check a penal charge of Rs 1,000/- will be imposed on the Contractor in addition to the recovery of payment made for wrong testing.

1.16 Termination / Cancellation of Contract

BHEL reserves the right to terminate the contract for any of the following reasons.

1. Non – Satisfactory Workmanship.
 2. Any false statement given in the tender.
 3. Not attending the work when required.
- 1.17 Earnest Money Deposit (EMD) amount of Rs. 36,600/- (Rupees Thirty six Thousand and six hundred only) in the form of crossed Demand Draft drawn in favor of Bharat Heavy Electricals Limited payable at Ranipet shall be sent along with your offer.
- 1.18 Successful Contractor will have to provide a Security Deposit for 5% of the contract value. It can be anyone or a combination of the following.
- a) Cash (as permissible under the Income Tax Act)
 - b) Pay Order, Demand Draft in favour of BHEL.
 - c) Local cheques of scheduled banks, subject to realization.
 - d) Securities available from Post Offices such as National Savings Certificates, Kisan Vikas Patras etc. (Certificates should be held in the name of Contractor furnishing the security and duly pledged in favour of BHEL and discharged on the back).
 - e) Bank Guarantee from Scheduled Banks / Public Financial Institutions as defined in the Companies Act subject to a maximum of 50% of the total security deposit value. The balance 50% has to be remitted either by cash or in the other form of security. The Bank Guarantee format should have the approval of BHEL.
 - f) Fixed Deposit Receipt issued by Scheduled Banks / Public Financial Institutions as defined in the Companies Act . The FDR should be in the name of the contractor, A/C BHEL, duly discharged on the back.
 - g) Security deposit can also be recovered at the rate of 10% from the running bills. However in such cases at least 50% of the Security Deposit should be collected before start of the work and the balance 50% may be recovered from the running bills.
 - h) The security deposit shall not carry any interest.
- NOTE:** Acceptance of Security Deposit against Sl. No. (d) and (f) above will be subject to hypothecation or endorsement on the documents in favour of BHEL. However, BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith.

2.0 SCOPE OF WORK

- 2.1 Magnetic Particle examination (Dry method) to be performed on fillet welds, butt welds and plug welds of Fans, Air Preheaters, Gates, Dampers and other components manufactured in shop floor, open yard inside the factory premises and around BHEL Ranipet. Only Portable MPI equipment and power supply will be provided by BHEL free of cost. All other consumables required should be provided by contractor. The approximate quantum of weld (dry method) will be **40,000 meters**.
- 2.2 Magnetic Particle Examination (Wet method) to be performed on machined components and other jobs in our shop floor. BHEL will provide free power in locations as exists for operating the MPI Equipment. For wet method the equipment(Yoke/Coil) and consumable should be provided by the

contractor. The approximate quantum of work will be **100 sq. meter**. For wet method the equipment(Bench Type WET MPI machine) will be provided by the BHEL and consumable like Black powder and kerosene should be provided by the contractor. The approximate quantum of work will be **400 sq. meter**.

- 2.3 There may be a variation in the estimated value of contract depending upon the production plan variation that may arise then and there. BHEL does not guarantee for the quantum of work.
- 2.4 Magnetic Particle Examination to be carried out as per BHEL NDE procedure or as per the instruction of NDTL personnel.
- 2.5 The consumable used shall be of BHEL Approved make.

3.0 CONTRACT PERIOD

- 3.1 The period of contract will be two years from 12.06.2017 to 11.06.2019.
- 3.2 The contract can be extended for further period based on mutual agreement between BHEL and NDE Inspection agencies.

4.0 GENERAL GUIDELINES & INSTRUCTION TO BIDDERS FOR SUBMITTING THE OFFER

Is detailed in Annexure – II.

5.0 INVOICE & PAYMENT

- 5.1 The contractor will submit bills in sufficient copies for the certified quantum of MPI carried out. BHEL-QC-NDTL Executive will be the certifying authority
- 5.2 Payment will be made in 30 – 45 days time from the date of submission of bills with necessary documents.
- 5.3 Electronic Fund Transfer / RTGS Transfer form attached in the tender documents is to be submitted by the bidder in the same form duly filled in.

6.0 PERSONNEL WELFARE

- 6.1 All Labor regulation laws like Provident Fund, ESI, minimum wage etc., applicable either existing or enacted in future shall be strictly complied with.
- 6.2 Safety, Provident fund, ESI, Insurance and all statutory requirements and BHEL safety rules and regulations shall be taken care by the Inspection Agency. BHEL shall not be held responsible for any injury or damage that is caused to the staff / property during the course of inspection or otherwise.

GENERAL GUIDELINES & INSTRUCTIONS TO BIDDERS FOR SUBMITTING OFFER

Vendors are requested to read the following points / guidelines / instructions and ensure that the offer is prepared and submitted strictly as per the requirements. Offers with insufficient details would not be considered for evaluation. The following points/guidelines/ instructions are part and parcel of the tender and non-compliance will result in rejection of offer.

1.0 QUOTATIONS for Magnetic Particle Inspection at BHEL Factory.

Considering the nature of contract which requires a good amount of technical details, etc. to be submitted along with the offer as well as the confidentiality required to be maintained during the offer evaluation process, bidders are requested to submit their offers only through sealed bids. As the part II (the price bid) would not be opened before the Part I technical bid evaluation is completed, bidders are requested not to submit their bids through email / fax etc.

Bidders shall submit the offer in **TWO INNER ENVELOPES** as indicated below which shall be sealed in one outer envelope.

Envelope I This sealed envelope should contain Technical & Un-priced Commercial Bid with document evidence as per Annexure – III, EMD of Rs 36,600/-. This envelope should be clearly marked “**Part I - Technical and Unpriced commercial bid**”, indicating Enquiry No, Magnetic Particle Inspection BHEL factory, Due Date, Address and Reference of the Bidder.

Envelope II This sealed envelope should contain **price details**, duly filled and signed **Annexure IV** in inspection agency letter head. This envelope should be clearly marked “**Part II - Price bid**”, indicating Enquiry No., Magnetic Particle Inspection at BHEL factory, Due Date, Address & Reference of the Bidder.

Both the envelopes I & II shall be put in one cover, duly sealed, super scribing as Part I and Part II indicating Enquiry No., Magnetic Particle Inspection at BHEL Factory, Due Date, Address & Reference of the Bidder. The above tender (envelope containing Part I & II) should reach this office on or before the due date and time. Tenders received after due date and time will not be considered for evaluation. Tender should not be addressed to any Individual’s name but only by designation to:

**SDGM / Quality
Quality Department,
BHEL Ranipet – 632 406.**

Tenders should be free from **CORRECTION AND ERASURES**, Corrections if any, must be attested. All amounts shall be indicated both in words as well as in figures.

BHEL reserves the right to reject any offer without assigning any reason and also enter into contract with more than one Inspection Agency. **If the past performance of a vendor in any of the previous Purchase orders / contracts/ in any projects, of BHEL Units, and NON-BHEL, is not satisfactory BHEL then reserves the full right to reject such offers of those vendors straightaway irrespective of their suitability and will not be considered for further processing of the tender.**

2.0 SPECIAL TERMS AND CONDITIONS TO ENQUIRY

2.1 BHEL reserves the right to increase or decrease the tendered quantity.

- 2.2 BHEL reserves the right to negotiate or refloat the tender opened, if L1 Price is not lowest acceptable price to them inter-alia other reasons.
- 2.3 BHEL reserves the right to negotiate the L1 rate.
- 2.4 The contract may be pre closed as decided by BHEL during tenure of the contract with one-month prior intimation.
- 2.5 The contract will be finalized based on the overall LOWEST value.
- 2.6 In respect of work within the premises of BHEL Ranipet, the bidder shall, while quoting, take into account the likely expenditure in complying with statutory obligation including PF and ESI related laws and the expenditure that would be incurred in making contribution towards PF and ESI as per the NIT. The bidder shall refer to the general condition of contract which forms a part of NIT in this regard.
- 2.7 The documentary evidence must be shown against qualification criteria clause 1.0 of annexure-III of technical bid. Any false information by the bidder, BHEL has right to reject their bid and it will not be proceeding for further process.

3.0 Proof of MSE Certificate:

If vendor have their MSE Certificate, EMD need not to pay for this work.

MSE suppliers can avail the intended benefits only if they submit along with the offer, attested copies of either 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 (as below) where deemed validity of EM II certificate 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 last 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 this enquiry if any deficiencies 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 a Gazettes officer.

All MSE suppliers shall continue to be in PMD with MSE status based on the EM II certificate or valid NSIC certificate. Any new supplier will be eligible for registration with BHEL as MSE supplier provided at least any one of the following documents are submitted along with application for registration.

- a. Valid NSIC certificate or
- b. Entrepreneurs Memorandum part II(EM II) certificate (valid based on deemed validity of 5 years) or
- c. EM II certificate along with attested copy of CA certificate (as per prescribed format as below applicable for the relevant financial year(latest audited) , where the deemed validity of EM II is over.

However credentials of all MSE suppliers will be verified before considering the intended benefits for MSE suppliers as per clause9 (ii) at the time of tender evaluation.

Certificate by Chartered Accountant on **Letter head**

This is to certify that M/s....., (hereinafter referred to as 'Company') having its registered office at..... is registered under

MSMED Act 2006,(Entrepreneur memorandum No(Part-II).....
dt:.....Category:.....(Micro/Small).(Copy enclosed)

Further verified from the Books of Accounts that the investment of the company as per the latest audited financial year as per MSMED Act 2006 is as follows:

1. For Manufacturing Enterprises: Investment in plant and machinery(i.e. original cost excluding land and building and the items specified by the Ministry of Small Scale Industries vide its notification No.S.O.1722(E) dated October 5, 2006:
Rs..... Lacs
2. For Service Enterprises: Investment in equipment(original cost excluding land and building and furniture, fittings and other items not directly related to the service rendered or as may be notified under the MSMED Act, 2006.
Rs..... Lacs

(Strike off whichever is not applicable)

The above investment of Rs.....Lacs is within permissible limit of Rs.....Lacs for.....Micro/Small(Strike off which is not applicable)Category under MSMED Act 2006.

Or

The company has been graduated from its original category (Micro/Small)(Strike off which is not applicable) and the date of graduation of such enterprise from its original category is..... (dd/mm/yyyy) which is within the period of 3 years from the date of graduation of such enterprise from its original category as notified vide S.O.No.3322(E) dated 01-11-2013 published in the gazette notification dated 04-11-2013 by Ministry of MSME.

Date:

(Signature)

Name:

Membership number:

Seal of Chartered Accountant:

Signature of the Tenderer with seal

4.0 Discrepancy in words & figures quoted in price bid will be evaluated as per following guidelines

- a) If there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the BHEL there is an obvious misplacement of the decimal point in the unit price, in which case the total as quoted shall govern and the unit price corrected accordingly.
- b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected
- c) If there is a discrepancy between words and figures, the amounts in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject of a) and b) above.
- d) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date up to which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored.

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TECHNICAL BID

Enquiry No. BAP: QC: NDT:MT: 17:03 dtd 22/02/2017

SI No	TECHNICAL BID CRITERIA	Accepted / Not Accepted
1.0	QUALIFICATION CRITERIA (Proofs to be submitted along with technical bid).	
1.1	The NDE Inspection Agency should have a minimum of two years' experience in Magnetic Particle Testing of butt welds, fillet welds and machined components using dry/wet method with Prod/Yoke/BENCH type equipment.	
1.2	Reference list of customers and performance certificate from customers (minimum one customer) with full contact details of contact person.	
1.3	NDE inspection agency should have a minimum of two numbers portable MPI Equipment (prod type) delivering current of 1000 Amps and one number yoke equipment	
1.4	Calibration of MPI equipments shall be current and ammeter calibration to be ensured.	
1.5	NDE Inspection agency should have minimum four inspectors with minimum qualification of Diploma in Mechanical Engineering / Degree in Science with certification in MT Level-II. They shall have minimum three years experience in Magnetic Particle Testing.	
1.6	NDE Inspection agency should have valid approval from Small Scale Industries / other local government approval and copy of the same to be enclosed.	
1.7	NDE Inspection agency should not have any nonperformance letter/show cause notice from any BHEL units and NON-BHEL. Confirmation is required.	YES/NO
2.0	TENDER REQUIRMENTS	
2.1	NDE Inspection agency should have an office in Ranipet and who don't have local office near to BHEL Ranipet shall establish an office in Ranipet before commencing the work after successful bidding.	
2.2	Contractor's personnel should prepare reports of MPI in BHEL's ORACLE systems / manual reports as per BHEL requirement.	
2.3	Contractor has to use consumables (BHEL approved) & BHEL will provide free power supply in location as exists. For Wet MPI of machined component contractor has to provide his own equipment (Yoke / Coil) and consumable as per requirement	
2.4	Copy of Approval obtained from BHEL units for Magnetic Particle Testing, if available to be enclosed by the vendor.	
2.5	The contractor must start the MPI work immediately after getting instructions from QC-NDTL persons. If contractor delays (more than eight hours), BHEL reserves right to carry out the work using other agencies and charge the same from the contractor's running bill / security deposit.	
2.6	Any retesting due to ignorance or mistake will be to the account of the contractor. The certification of Inspectors shall be current during the tenure of the contractor. Periodic medical checkup including eye test for the technicians to be ensured by the contractor.	
2.7	Contractor shall provide inspectors for Normal Working Hours – 8 AM to 4.30 PM and 4.30 PM to 1 AM. In case of urgent / emergency work personnel should be available 24 hours. MPI has to be done on all working days in the mentioned working hours. There may be MPI requirement on Sundays and holidays also, whenever required.	

2.8	The contractor shall conduct Magnetic Particle Testing of components as per the instructions given by BHEL to suit the quality requirements and shall evaluate and furnish the results BHEL in the required format/register. The Magnetic Particle Testing shall be acceptable to Lloyds, NTPC, Chief Inspector of Boilers and other inspection agencies. The Contractor shall aid BHEL in preparing reports and sketches of job with defect location if required.	
2.9	It is the responsibility of the Contractor to paint / punch / chalk mark / marker pen the acceptance by the company on each job and provide sketches of the job with defect location as per instruction of the BHEL	
2.10	The Contractor shall maintain a register for all jobs tested and their status position along with daily job report on MPT work done.	
2.11	Contractor shall furnish photocopy of the ASNT Level II Certificate for the Technicians posted and produce the original during the negotiation.	
2.13	Audit and Penal Clause: 1. To ensure correctness in MPI inspection of our job, contractor had to offer completed jobs to BHEL at random as per instruction of BHEL Engineer. 2. If any deviations are found in audit check a penal charge of Rs 1,000/- will be imposed on the Contractor in addition to the recovery of payment made for wrong testing.	
2.14	Termination / Cancellation of Contract BHEL reserves the right to terminate the contract for any of the following reasons. 1. Non – Satisfactory Workmanship. 2. Any false statement given in the tender. 3. Not attending the work when required.	
2.15	Earnest Money Deposit (EMD) amount of Rs. 36,600/- (Rupees Thirty six Thousand Three hundred only) in the form of crossed Demand Draft drawn in favor of Bharat Heavy Electricals Limited payable at Ranipet shall be sent along with your offer.	
2.16	Successful Contractor will have to provide a Security Deposit for 10% of the contract value as per clause 1.18	
2.17	There may be a variation in the estimated value of contract depending upon the production plan variation that may arise then and there. BHEL does not guarantee for the quantum of work.	
2.18	Magnetic Particle Examination to be carried out as per BHEL NDE procedure or as per the instruction of NDTL personnel and consumables used shall be of BHEL Approved make.	
2.19	The contract can be extended for further period based on mutual agreement between BHEL and NDE Inspection agencies	
2.20	All Labor regulation laws like Provident Fund, ESI, minimum wage act etc., applicable either existing or enacted in future shall be strictly complied with.	
2.21	Safety, Provident fund, ESI, Insurance and all statutory requirements and BHEL safety rules and regulations shall be taken care by the Inspection Agency. BHEL shall not be held responsible for any injury or damage that is caused to the staff / property during the course of inspection or otherwise.	
2.22	Price quoted should include all taxes and duties excluding service tax. Service tax to be quoted and will be reimbursed based on valid documentary evidence. The price will be firm and is applicable through out the contract period.	
2.23	No other pre conditions along with your offer will be entertained by BHEL.	

Encl: Supporting document proofs for all above Technical bid requirements shall be attached along with this annexure duly signed in Part I technical bid inner Envelope.

**Signature with Seal of
Authorized signatory of contractor**

ANNEXURE – IV

Tender No – BAP: QC: NDT:MT:17:03 dtd 22.02.2017

PRICE BID

Sl No	Description	Scope of contractor	Scope of BHEL	Approx. Quantum of work.	Unit	Rate (in Rs) / unit	Total Cost (in Rs)	%Allocation of work
1	MPI testing of weld (using dry powder and prod type MPI equipment)	Consumables – Dry powder, Torch, Chalk etc.	MPI equipment	40,000	Meter (Length)			97.5
2	Wet MPI on machined components and other parts.	Consumables - Black powder and kerosene.	Bench Type Equipment	400	Sq. meter (Area)			1.80
3	Wet MPI on machined components and other parts.	Equipment(Yoke/Coil) Consumables - Black powder and kerosene	-	100	Sq. meter (Area)			.70
Total (SL No.1, SL No.2 and SI No. 3)								
Service Tax at% on Total above								
GRAND TOTAL								
(Rupees ..							only)	

Service Tax: The bidder shall not include service tax in their quoted rates, but the bidder has to separately indicate the service tax rate, amount and working thereof in the price bid schedule included in the bid documents. If service tax amount is not indicated separately in the price bid schedule include in the bid documents, it will be presumed that the quoted rate is inclusive of applicable service tax and bids will be evaluated accordingly.

Pure Service not involving any supply of materials by contractor.

Bidders have to quote the applicable service tax payable in the price bid format include in the bid document which shall be considered for evaluation. The same shall be considered for reimbursement against valid documentary evidence to successful bidders.

Method for Evaluation of offer – Overall L1 (Grand Total as mentioned above) value will be considered for comparison of offers and the work will be awarded to single party only.

GENERAL CONDITIONS OF CONTRACT (APPLICABLE FOR ALL TENDERS) Annexure-V

1 DEFINITION: - In these General Conditions of Contract, the following terms shall have the meaning hereby assigned to them, except where the context otherwise requires: -

a)The "Contract" means, the documents forming the tender and acceptance thereof, together with all the documents referred to therein including general and special conditions to contract. All these documents as applicable taken together shall be deemed to form one contract and shall be complementary to one another.

b)The "work" means, the work described in the tender documents in individual work-orders as may be issued from time to time to the contractor by the Officer-In charge within the power conferred upon him including all notified or additional items of works and obligations to be carried out as required for the performance of contract.

c)The "contractor" means, the individual Firm or Company whether incorporated or not, undertaking the work and shall include the legal personal representatives of such individuals or the persons composing the firm or Company or the successors of the firm or company and the permitted assigns of such individual or firm or Company.

d) "The Officer-In charge" means, the Officer deputed by the SDGM/Q to supervise the work or part of the work.

e) "Approved" and "Directed" means, the approval or direction of SDGM/Q, or person deputed by him for the particular purposes.

f) "BHARAT HEAVY ELECTRICALS LIMITED" (herein after referred to as BHEL) shall mean the Board of Directors, Chairman, Executive Director, General Manager or other Administrative Officer of the said Company including AGM/Q authorized to invite tenders and enter into contract for works on behalf of the Company.

g) The "Contract sum" means, the sum accepted or the sum calculated in accordance with the prices accepted in tender and / or the contract rates as payable to the contractor for the execution of the work during the currency of the contract.

h) A "week" means, Seven Days, without regard to the number of hours worked or not worked in any day in that week.

i) A "day" means, the day of 24 hours (TWENTY FOUR) irrespective of the number of hours worked or not worked in that day.

j) A "working day" means, any day other than that prescribed by the NEGOTIABLE INSTRUMENTS

ACT as being a Holiday, and consists of the number of hours of labor as commonly recognized by good employers in the trade in the district where the work is carried out or as laid down in the BHEL regulations.

2. HEADING TO THE CONTRACT CONDITIONS: - The heading to these conditions shall not affect the interpretations thereof.

3. WORK TO BE CARRIED OUT: - All labor, materials, tools, plant equipment and transport required for the execution of the work included in the unit price agreed herein-in-above. The Contractor shall be deemed to have satisfied himself as to the nature of the site, local facilities of access and all matters affecting the

execution of work having entered into the contract. No extra charges consequent on any misunderstanding in these respects or otherwise will be allowed.

4. DEVIATIONS:- The contractor shall not carry out any work not covered by schedule except in pursuance of the written instructions of AGM/Q. No such work shall be valid unless the same has been specifically confirmed and accepted by BHEL in writing and incorporated in the Contract.

5. ASSIGNMENT OF TRANSFER OF CONTRACT:- The Contractor shall not without the prior written approval of the BHEL, assign or transfer the contract or any part thereof, or any share, or interest thereon to any other persons. No sum of money which may become payable under the contract shall be payable to any person, other than the contractor unless the prior written approval of the BHEL to the assignment or transfer of such money is given.

6. SUB-CONTRACT: - The Contractor shall not sub-let any portion of the contract without the prior written approval of the BHEL.

7. COMPLIANCE TO REGULATIONS AND BYE-LAWS: - The Contractor shall confirm to the provisions of any statute relating to the work and regulations and Bye-Laws of any local authority. The Contractor shall be bound to give all notices required by statute regulations or By-Laws as aforesaid and to pay all fees and taxes payable to any authority in respect thereof.

8. SECURITY DEPOSIT: - (1) Security Deposit should be paid by the contractor before the start of the work. The Security Deposit rate will be as follows: -

The total amount of Security Deposit will be 5% of the contract value.

The Earnest Money paid at the time of tender will be adjusted as part of the Security Deposit and the balance amount will be recovered by deduction from the running bills of the contractor at the rates mentioned above.

Security Deposit shall not be refunded except in accordance with the terms of Security Bond or Agreement. Security may be furnished in any one of the following terms:

- i) Cash, (as permissible under the Income Tax Act)
- ii) Pay Order, Demand Draft in favor of BHEL.
- iii) Local cheques of Scheduled Banks, subject to realization.
- iv) Securities available from Post Office such as National Savings Certificates, Kisan Vikas Patras etc., (Certificates should be held in the name of Contractor furnishing the Security and duly pledged in favor of BHEL and discharged on the back).
- v) Bank Guarantee from Scheduled Bank / Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format should have the approval of BHEL.
- vi) Fixed Deposit Receipt issued by Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The FDR should be in the name of the contractor, A/C BHEL, duly discharged on the back.
- vii) Security Deposit can also be recovered at the rate of 10% from the running bills. However in such cases at least 50% of the Security Deposit should be collected before start of the work and the balance 50% may be recovered from the running bills.
- viii) EMD of the successful tenderer shall be converted and adjusted against the Security Deposit.
- ix) **The Security Deposit shall not carry any interest.**

BHEL shall not be responsible for any loss of securities, due to liquidation for any other reasons, what-so-ever or any depreciation in the value of the securities while in their charge or for any loss of interest there on.

All compensation or other sums of money payable by the Contractor to BHEL under the terms of this contract or under any other contract with BHEL may be deducted from the Security Deposit or realized by the sale of the securities or from the interest arising therefrom or from any sums which may be due or may become due to

the contractor by BHEL and in the event of this Security Deposit being deducted by reason of such deductions or sale, as aforesaid, the Contractor shall within 7 days thereafter, make good in cash or in securities endorsed as aforesaid, any sum by which the Security Deposit has been reduced.

9. ORDERS UNDER THE CONTRACT: - All orders, notices etc. to be given under the contract shall be in writing, type-script or printed and if sent by registered post to the address given in the tender of the Contract, shall be deemed to have been served on the date, when in the ordinary course they would have been delivered to him. The Contractor shall carry out without delay all orders given to him.

10. CONTRACTOR'S SUPERVISION :- The Contractor shall either himself supervise the execution of the contract or shall appoint a competent agent acceptable to the SDGM/Q to act in his stead. Orders given to the Contractor's agent shall be considered to have the same force as if they have been given to the Contractor himself. The Contractor or his accredited agent shall attend when required without making any claim for doing so, either the office of the SDGM/Q or the OFFICER-INCHARGE, to receive instructions. AGM/Q shall have full powers and without assigning any reason, require the Contractor to immediately cease to employ in connection with this contract, any agent, servant or employee where continued employment is, in his opinion undesirable. The Contractor shall not be allowed any compensation on this account.

11. LABOUR:- The Contractor shall remain liable for the payment of all wages and PF,ESI to his work-people or employees under the payment of Wages Act 1936, Employees Liability Act. 1938, Workmen's Compensation Act 1923 or any other Act or enactment, relating thereto and rules framed, thereunder from time to time.

12. PRECAUTIONS AGAINST RISK:- The Contractor shall be responsible for providing at his own expense for all precautions to prevent loss or damage from any and all risks and to minimize the amount of any such loss or damage and for the necessary steps to be taken for the said purpose.

13. DAMAGE & LOSS TO PRIVATE PROPERTY & INJURY TO WORKMEN :- The Contractor shall at his own expense reinstate and make good to the satisfaction of the DGM/QC and pay compensation for any injury, loss or damage occurred to any property or rights whatever including property and rights of BHEL (or agents) servants or employee of BHEL, the injury loss or damage arising out of or in any way in connection with the execution or purported execution of the contract and further the contractor shall indemnify, the BHEL against all claims enforceable against BHEL (or any agent, servant or employee of BHEL) or which would be so enforceable against BHEL where BHEL is a private person, in respect of any such injury (including injury resulting in death) loss or damage to any person whomsoever or property including all claims which may arise under the Workmen's Compensation Act or otherwise.

14. LAWS GOVERNING THE CONTRACT:- The contract shall be governed by the Indian Laws for time being in force.

15. CANCELLATION OF CONTRACT FOR CORRUPT ACTS:- BHEL , whose decision shall be final and conclusive, shall without prejudice to any other right or remedy which shall have accrued shall accrue thereafter to BHEL cancel the contract in any of the following cases and the Contractor shall be liable to make payment to BHEL for any loss or damage resulting from any such cancellation to the same extend as provided in the case of cancellation for default.

If the Contractor shall :-

(i) Offer or give or agree to give to any person in BHEL service any gift or consideration of any kind, as an inducement or reward for doing or for bearing to do or for having done or for borne to do any act, in relation to the obtaining or execution of this or any other contract for BHEL service,

OR

(ii) enter in to a contract with BHEL in connection with which commission has been paid or agreed to be paid by him or with his knowledge, unless the particulars of any such commission and the terms of payment thereof have previously been disclosed in writing to BHEL,

OR

(iii) obtain a contract with BHEL as a result of ring tendering or by non-bonafide methods of competitive tendering, without first disclosing the fact in writing to BHEL.

16. RISK PURCHASE CLAUSE: If the contractor fails to carry out the specified works as per the contract scope of work within the time, as directed by SDGM/Q or his authorized officials and continues in that state after a reasonable notice from AGM/Q or his authorized officials, BHEL reserves the right to have the work done by any means at the Contractor's risk and expenses provided always that in the event of the cost of the work so done (as certified by SDGM/Q which is final and conclusive) being less than the contract cost, the advantage shall accrue to the BHEL and if the cost exceeds the money due to Contractor under the contract, the Contractor shall either pay the excess amount ordered by AGM/Q or the same shall be recovered from the Contractor by other means.

17. CANCELLATION OF CONTRACT FOR INSOLVENCY ASSIGNMENT OF TRANSFER OR SUB-LETTING OF CONTRACT: -

BHEL, without prejudice to any other right or remedy, which shall have accrued or shall accrue thereafter to BHEL shall cancel the contract in any of the following cases: If the Contractor,

a) being an individual or if a firm any partner thereof shall at any time be adjudged bankrupt or have a receiving order for administration of his estate, made against him or shall take any proceedings for liquidation or composition under any bankruptcy Act or assignment of his effects of composition or arrangement for the benefit of his creditors or purport to do so, or if any application made under any Bankruptcy Act for the time being in force for the sequestration of his estate or if a trust deed be granted by him on behalf of his creditors

OR

b) being a Company, shall pass a resolution or the Court shall make an order for the liquidation of its affairs, or a receiver or Manager on-behalf of the debenture holders shall be appointed or circumstances shall arise which entitle the Court or debenture holders to appoint a receiver or Manager,

OR

c) Assigns, Transfers, Sub-lets or attempts to assign, transfer or sub-let any portion of the work without the prior written approval of the BHEL.

d) Whenever BHEL exercise the authority to cancel the contract under this conditions, BHEL may have the work done by any means at the Contractor's risks and expenses provided always that in the event of the cost of the work so done (as certified by DGM/QC which is final and conclusive) being less than the contract cost, the advantage shall accrue to the BHEL and if the cost exceeds the money due to Contractor under the contract, the Contractor shall either pay the excess amount ordered by AGM/Q or the same shall be recovered from the Contractor by other means.

18. CANCELLATION OF CONTRACT IN PART OF FULL FOR CONTRACTOR'S DEFAULT

If the Contractor :

a) makes default in carrying out the work as directed and continues in that state after a reasonable notice from AGM/Q or his authorized representative ;

- b) fails to comply with any of the Terms and Conditions of the contract or after reasonable notice in writing with orders properly issued thereunder ;
- c) BHEL, may without prejudice to any other right or remedy which shall have accrued or shall accrue thereafter to BHEL CANCEL the contract as whole or in part thereof or only such work order or items of work in default from the contract. Whenever BHEL exercise the authority to cancel the contract as whole or part under this condition BHEL may complete the work at the contractor's risk and cost (as certified by SDGM/Q which is final and conclusive) being less than the contract cost, the advantage shall accrue to the BHEL. If the cost exceeds the moneys due to the Contractor under this contract the Contractor shall either pay the excess amount ordered by AGM/Q or the same shall be recovered from the Contractor by other means. In case the BHEL carries out the work or any part thereof under the provisions of the conditions the cost to be taken into account in determining the excess cost to be charged to the Contractor under this condition shall consist of the cost of the materials, hire charges of tools and plant provided by the BHEL with an addition of such percentage to cover the superintendence and establishment charges as may be decided by the AGM/Q whose decision shall be final and conclusive.

19. TERMINATION OF CONTRACT ON DEATH OF CONTRACTOR. :-

Without prejudice to any of the rights or remedies under this contract, if the Contractor dies, or if the firm is dissolved or the company is liquidated BHEL shall have the option of terminating the contract without compensation to the Contractor.

20.SPECIAL POWER TO TERMINATION:- If at any time after the award of contract, BHEL shall for any reason whatsoever not require whole or any part of the work to be carried out the AGM/Q shall give notice in writing of the fact to the Contractor who shall have no claim to any payment of compensation or otherwise howsoever on account of any profit or advantage which he might have derived from the execution of the work in full but which he did not derive in consequence of the fore-closing of the work.

“If any employee working in the contract is found involved in corruption activities, the contract will be terminated and the contractor will be banned for applying for any future contract for 3 years.”

21.SUBMISSION OF BILLS BY CONTRACTOR :- The Contractor at the end of each month shall submit a bill in triplicate detailing the various items of work done during the month supported by the requisitions issued from time to time. The Contractor shall, once in every month, submit to the SDGM/Q separately details of his claims for the work done by him up to and including the previous month which are not covered by his contract agreement in any of the following respects:

- a) Deviation from the items provided in the contract documents.
- b) Extra items / new items of work.
- c) Items in-respect of which rates have not been settled. He should in addition furnish a clear certificate to the effect that the claims submitted by him as aforesaid cover all his claims and that no further claims shall be raised by him in respect of the work done up to and including the period under report.
- d) The contractor has to remit the PF&ESI contribution in their own code and BHEL will not allot sub code. In respect of work within the premises of BHEL Ranipet, the contractor shall comply with labor laws including PF and ESI related laws and shall make contribution towards PF and ESI notwithstanding the numerical strength of the employees of the contractor.
- e) Every month bill will be entertained only after remittance of the PF&ESI amount and has to obtain clearance certificate from the welfare department of BHEL. The final bill will be cleared only after submission of clearance certificate from the authorities concerned.
- f) The contractor shall ensure the payment of their employees as per minimum wage act and other statutory requirement. Basic pay consists of minimum wage, DA , BHEL Adhoc and the same shall be process further for payment of PF and ESI.

22.PAYMENT OF BILLS: - All payments to be made to the Contractor, under this contract shall be by NEFT / RTGS payment within a reasonable time after the certification of bills by authorized Officials of BHEL.

23.RECOVERY FROM CONTRACTOR: - Whenever under the contract, any sum of money, shall be recoverable from or payable by the Contractors, the same may be deducted from or any sum then due or which at any time thereafter may become due to Contractor under the contract or under any other contract with BHEL or from his Security Deposit or he shall pay the claim on demand.

24. POST TECHNICAL AUDIT OF WORK AND BILLS:- BHEL reserves the right to carry out the post-payment Audit and technical examination of the work and final bill including all supporting vouchers, abstracts etc., and enforce recovery of any sum becoming due as a result thereof in the manner provided in the presiding sub-paragraphs. However no such recovery shall be enforced after three years of passing the final bill.

25.REFUND OF SECURITY DEPOSIT:- The Security Deposit mentioned in condition 8 above may be refunded to the Contractor after a period of one month on termination or expiry of the contract provided always that the Contractor shall first have been paid the last and final bill and have rendered a "NO DEMAND CERTIFICATE".

26.FORCE MEJEURE CLAUSE:- If, at any time during the continuance of this Contract the performance in whole or in part by either party of any obligations under this Contract shall be prevented or delayed by reason of any War, Hostile acts of the public enemy Civil Commotion, Epidemics, or Acts of God (Floods, Storm/Cyclone, Hurricane, Earth Quake etc.) then provided notice of happening of any such event is given by either party to other within 7 days from the date of occurrence therefor neither party shall by reason of such event be entitled to terminate this Contract nor shall either party have any claim for damages against the other in respect of such non-performance and delay in performance under the contract shall be resumed as soon as practicable after such event has come to an end or ceased to exist. If the performance in whole or part of any obligation under this Contract is prevented or delayed by reason of any such event, claims for extension of time shall be granted for periods considered reasonable by the AGM/Q subject to prompt notification by the contractor.

27.ARBITRATION :- All disputes between the parties to the contract, arising out-of or relating to the contract, other than those for which the decision of the AGM/Q or Accepting Officer or any other person is by the contract expressed to be final and conclusive shall after written notice by either party to the contract to the other party be referred to the sole Arbitration of Unit Head or other Officers of BHEL appointed as Arbitrator, by the Unit Head of BHEL in his sole discretion. Unless the parties otherwise agree, such reference shall not take place until after the completion, alleged completion or abandonment of the work of the determination of the contract. The venue of Arbitration shall be such a place or places as may be fixed by the Arbitrator in his sole discretion. The award of the Arbitrator shall be final, conclusive and binding on both parties to the contract.

28. SIGNING OF CONTRACT: - Each contract document shall be signed by the Contractor with his usual signature. Contract by partnership of Hindu Joint Family firm, may be signed in the FIRM'S name by one of the Partners or the Karta or Manager as the case may be or by any other duly authorized representative followed by the name and designation of the persons so signing. Contracts by a Company shall be signed with the name of the Company by a person authorized in this behalf and a power of attorney or other satisfactory proof showing that the persons signing the Contract documents on behalf of the Company is duly authorized to do so, shall accompany the contract.

29. All statutory requirements under Minimum Wages Act,1948, Factories Act 1948, Workmen Compensation Act 1923, Employees Provident Fund and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act 1972,

Employee State Insurance Act 1948, Contract Labor (R&A) Act 1970, Payment of Bonus Act 1965, Income Tax Act, Service Tax Act and all other applicable Acts shall be complied with by the Contractor.

30. Contractor shall comply with all statutory requirements, rules, regulations, notifications in relation to employment of his employees issued from time to time by the concerned authorities.

31. Contractor shall indemnify BHEL against all claims and losses under various Labor Laws, statutes or any civil or criminal law in connection with employees deployed by him.

32. Contractor wherever applicable shall maintain proper records prescribed by the concerned statutory authorities and provides a copy of the same to BHEL.

33. Contractor shall furnish proper returns to the concerned statutory authorities and provide a copy of the same to BHEL.

34. BHEL shall have the right to recover any money due from the contractor from any money due to the contractor under this contract or any other contract or from the security deposit.

35. SAFETY PRECAUTIONS TO BE TAKEN BY THE CONTRACTORS

- a. The Contractor must inspect the area of work to decide the safety precautions necessary for executing this contract.
- b. Wherever any area declared as dangerous, the workers shall not be allowed to work till a written clearance is obtained from appropriate authorities.
- c. The necessary safety equipment such as gloves, boots, helmets etc. must be issued to the workmen and strictly to be used while carrying out the work.
- d. If the contractor's workmen are found to be violating the safety precautions, punitive action will be taken by withholding a sum of Rs.500/- to Rs.1000/- from the contractor's bill for each violation.
- e. The working area shall be kept clean and free from all obstructions.
- f. All temporary electrical connections shall be properly earthed, insulated and periodically checked.
- g. The contractor should arrange WORKMEN COMPENSATION/ INSURANCE POLICY covered for all his/her workmen. A copy of the policy has to be submitted before commencement of work.
- h. All safety precautions are to be taken by the contractor at his cost.
- i. These safety measures shall be deemed to form an integral part of the Work Order/ Agreement.

36. TERMS AND CONDITIONS WITH REGARD TO COMPLIANCE OF VARIOUS LABOUR LAWS BY THE CONTRACTORS FOR BHEL.

- a. The contractor shall not employ in connection with the work any person who has not completed 18 years of age.
- b. The contractor shall in respect of labor employed by him either directly or through sub-contractors, comply with or cause to be complied with the following statutory provisions and rules and in regard to all matters provided therein.
- c. The contract labor (Regulation and abolition Act 1970) and the related Tamilnadu Rules.
- d. The minimum wages Act 1948 and the related Tamilnadu Rules.
- e. The payment of wages act 1936 and the related Tamilnadu Rules.
- f. The Factories Act 1948 and the related Tamilnadu Rules.
- g. The Employees Provident Fund and Miscellaneous Provisions Act 1952.
- h. The Employees State Insurance Act 1948.
- i. The workmen's Compensation Act 1923.
- j. The Industrial Dispute Act 1947, and any other law, or modifications to the above or to the rules made thereunder from time to time.
- k. The payment of Bonus Act.
- l. BHEL Adhoc payment should be paid.

37. REGISTRATION AND LICENSING:

Every contractor shall register his/her name with the welfare section of BHEL before taking up the work awarded to him/her by giving the following information and getting a code number:

- a. The name of the contractor.
- b. Nature of contract work.
- c. Period of work.
- d. Number of maximum labor employed by him on any one day.
- e. License No. and date (applicable in case of contractors employing 20 or more worker)
- f. Whether enrolled for PF, ESI etc., and enrolment No. (contractor shall obtain their own PF code)
- g. This information is called for the purpose of informing the inspector of Factories wherever they call for information regarding contracts.

38. NOTICE OF ACCIDENT: Notwithstanding anything contrary to this, in the event of accident the contractor shall be required to fill injury report and submit the Engineer In charge immediately and ensure the compliance of ESI/Workmen's Compensation Act, Factories Act and Rules made there under. He shall also maintain a register of accident as per the Act.

39. CONFIDENTIALITY: The Parties agree and acknowledge that in the course of their discussions and interaction, BHEL may disclose information of confidential and proprietary nature relating to its business, products, know-how, technology, customers, employees and financial position or other information to you. Such information shall be considered and kept confidential at all times.

The Contractor agrees not to disclose the same to any party other than its employees or authorized personnel strictly on a need to know basis for the execution of the work under this Contract.

40. SET OFF Clause: BHEL shall have the right to recover any money due from the contractor under this contract or any other contract or from the security deposit.