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These terms and conditions shall form part of BHEL/PS/TPT/2020/1 and shall be part of the contract signed between BHEL and the successful bidder.

Invitation for Sealed Offers (in **Two Parts** comprising **Part-I: Techno-commercial Bid** and **Part-II: Price Bid**) from experienced companies having sound organizational capability to meet BHEL's requirement of recovery of dues from customers of BHEL, on success fee basis, in a timely manner. The organization needs to have a wide network with their own offices and employees available at major cities for effective and timely coordination with BHEL and its customers at various locations spread all over India for carrying out this exercise on behalf of BHEL.

1.0	INTRODUCTION BHEL, one of the largest engineering and manufacturing company in India, is engaged in Design, Engineering, Manufacturing, Erection, Commissioning and Services After Sales of a wide range of products/systems in the area of Power, Transmission, Industry, Transportation, Renewable Energy, Oil & Gas and Defense. With its corporate office located at New Delhi, BHEL has 16 Manufacturing Units, 02 Repair Units, 04 Power Sector Regions, PEM, 08 Regional Service Centers, 03 Overseas Offices, 01 Subsidiary, 03 Joint Ventures and 15 Regional Marketing Centers.
2.0	DEFINITION(S) CONTRACTOR: The Successful Bidder, on signing the Purchase Order Contract with BHEL, shall be called as the Contractor
3.0	SCOPE OF WORK The Scope of Work consists of Recovery of Dues (as specified in Annexure-1 to the Volume II of the NIT) from Customers of BHEL, on success fee basis in a timely manner. The total dues under the ambit of the tender process are to the tune of approximately Rs. 770 Crore, and pertain to both Government sector (Centre as well as State sector) and Private sector customers, spread geographically both across the nation and outside the nation (A tentative summary of the dues under the ambit of the tender is enclosed at Annexure - 1). The BHEL customers have been divided on geographical basis in 6 zones within India, viz. Central, East, West, North, South and North-East. In addition, there is another category comprising Overseas customers of BHEL (Total no. of zones – 07). Bidders shall submit separate bids for recovery of dues from BHEL customers for each of the 7 zones (bidders can submit their bids for one or more than one zones). Interested bidders to submit separate price bid schedules (Volume III) for each of the seven zones. The price bid evaluation and award of contract shall take place separately for each zone.
3.1	TIME FRAME BHEL shall utilize the services for a period of one year from the date of award of contract. If required, the contract may be extended for a mutually agreed period on existing terms and conditions.
3.2	METHODOLOGY TO BE ADOPTED BY CONTRACTOR
3.2.1	PRELIMINARY DISCUSSIONS WITH BHEL:

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	The contractor shall conduct preliminary discussions with BHEL's Business Sector Marketing Divisions and Unit Commercial Divisions, wherein the details of the customers/ projects, project's contract, invoices of the dues, the activities/ products for which they were due, their ageing, status of project, etc. shall be communicated. The Contractor will be provided with all the preliminary documents needed for the same
3.2.2	DEVISING A DETAILED PLAN FOR RECOVERY OF DUES: - Based on the discussions and the documents provided, the Contractor shall, for each zone, create a detailed plan for recovery of dues, detailing the collection timeframes (phase-wise collection plan may be provided, if needed), methodology to be adopted and support needed from BHEL's end. - The same shall be discussed with BHEL, before finalization on a mutually acceptable basis.
3.2.3	APPROACHING THE CUSTOMER WITH BHEL'S AUTHORIZATION - Based on the plan, BHEL shall provide the Contractor with the requisite authorization letters/ certificates and support needed for it to approach BHEL's customers on BHEL's behalf. - The Contractor shall conduct the discussions and proceeding with the customer in a legal and ethical manner, trying to reach a settlement with the customers that is mutually acceptable and helps achieve maximum possible recovery of dues for BHEL. BHEL shall be kept abreast with all the developments and steps being planned to be taken with the customers.
3.2.4	RECOVERY OF DUES AND SUBMISSION OF THE SAME TO BHEL As and when any recovery is effected from the customer, the same shall be deposited: Either directly to the concerned BHEL accounts (details of the same shall be provided during the detailed plan finalization stage, stated in 2.2.2 of TCC) in case of direct transfer through electronic form Or in not later than 2 business days from the date of such collection, in case of cash collection or cheque.
3.2.5	FEEDBACK Feedback presentation shall be made by the Contractor to the management of BHEL on completion of the recovery process/ One year from the date of award of contract, informing about the achievements done, major difficulties faced and learnings gained from the process, as well as suggestions for any such future activity.
3.3	MANPOWER REQUIREMENT The bidder shall have at least 20 number of experienced (minimum 2 years) qualified professionals on their rolls/ contract who have conducted similar activities with reputed organizations like the ones mentioned in the Qualifying and Eligibility criteria. The bidder shall provide the list of such qualified professionals along with their offer.
4.0	BIDDER'S DECLARATION Bidders shall confirm that they have adequate resources to carry out the recovery of dues from BHEL's customers on behalf of BHEL within the time frame as per Clause No. 2.1
5.0	CONFIDENTIALITY & NON DISCLOSURE AGREEMENT All the data collected, information received, reports generated shall be kept confidential and shall be property of BHEL. The bidder acknowledges that the existence and the terms of this Agreement and any oral or written information exchanged between the Parties in connection with the preparation and performance this Agreement are regarded as confidential information. The bidder/contractor shall maintain confidentiality of all such confidential information, and without obtaining the written consent of the BHEL, it shall not disclose any confidential information to any third parties, except for the information that: (a) is or will be in the public

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	domain; (b) is under the obligation to be disclosed pursuant to the applicable laws or regulations, rules of any stock exchange, or orders of the court or other government authorities; or (c) is required to be disclosed to its legal counsels, employees or financial advisors regarding the transaction contemplated hereunder, provided that such legal counsels, employees or financial advisors shall be bound by the confidentiality obligations similar to those set forth in this Section. Disclosure of any confidential information by the staff members or agencies hired by the bidder/contractor shall be deemed disclosure of such confidential information by the bidder/contractor and shall be held liable for breach of this confidentiality obligation. This clause shall survive the termination of this Agreement for any reason for a period of 10 years from the date of such termination. Any loss at any stage sustained by BHEL by breach of contract shall be ascertained by BHEL and shall be made good by the contractor.
6.0	PRICE SCHEDULE
	Bidder shall quote price in the format enclosed as “Volume - III” for the scope of work specified in this document.
7.0	TERMS OF PAYMENT (PART OF EVALUATION CRITERIA)
7.1	The bidder shall specify the success fee percentage, against the amount of recovery effected against the invoices/ dues given in the scope of work of the Purchase Order that shall be signed with the Contractor. The payment to the Contractor shall be: $P = (S/100) \times A$ Where, P = Amount to be paid to the Contractor S = Success Fee %age (that shall be specified by the bidder in the Price Schedule, in Volume III) A = Amount Recovered by the Contractor, on Behalf of BHEL, from BHEL’s customers
7.2	The payment shall be made after (i) a certification/ confirmation is provided to the Contractor by BHEL that the recovered amount from BHEL’s customer has been received in BHEL’s accounts, and (ii) a GST compliant invoice has been received by BHEL from Contractor’s end for the success fee (of amount arrived using the formula provided in Clause 7.1).
7.3	Any Bank charges are to be borne by the contractor.
7.4	Any income tax liability of the Contractor at source shall be deducted in accordance with Indian Income Tax law as applicable from time to time and necessary certificate in respect of such deduction in accordance with Law shall be furnished to the Contractor at their written request to BHEL.
7.5	Based on CVC directives, E-Payment would be the preferred mode of payment. Hence, vendors are requested to confirm their acceptance to E-Payment in their offer along with bank details.
7.6	GST and Income Tax for Services rendered: Any applicable service charges payable will be released after deduction of Income Tax as per the Govt. of India rules. The TDS certificate will be issued by BHEL. The bid will be inclusive of all taxes & duties.
8.0	INSURANCE
8.1	It is the sole responsibility of the bidder to insure his workman against accident and injury while at work as required by relevant rules and to pay compensation, if any, to workmen as per workmen’s compensation Act. Contractor shall insure his staff against accidents/injuries. Bidder has to take insurance cover for his tools, assets etc.

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	The work will be carried out in a protected area and all the rules and regulations of BHEL / BHEL's customers in the area of project, which are in force from time to time, will have to be followed by the contractor.
8.2	If due to negligence and /or non-observations of safety and other precautions, any accident / injury occur to any other person/public, the Contractor shall have to pay necessary compensation and other expenses, if so decided by the appropriate authorities. Third party insurance coverage is to be made by the contractor.
8.3	These insurance covers have to be taken prior to start of work at project and bidder shall make available the policy to BHEL for necessary verification before commencement of work. However, irrespective of such verification/ acceptance, the sole responsibility to maintain adequate insurance cover for his workmen, assets, etc at all times during the period of contract shall lie with bidder. Regarding the aforesaid insurance cover, bidder shall directly deal with the Insurance Company for all matters regarding the insurance in his scope
8.4	If due to contractor's carelessness, negligence or non-observance of safety precautions damage to BHEL's /Customer's property and personnel should occur, and if BHEL is unable to recover, in full cost from the Insurance Company, the balance will be recovered from the Contractor.
9.0	SECURITY DEPOSIT
	Not Applicable
10.0	ACTIVITY SCHEDULE
	BHEL shall utilize the services for a period of one year from the date of award of contract. If required, the contract may be extended for a mutually agreed period on existing terms and conditions. The contractor's scope of work will be deemed to have been completed in all respect, only when all the activities are completed satisfactorily and so certified by BHEL. The decision of BHEL in this regard shall be final and binding on the contractor.
11.0	CHANGE IN SCOPE OF CONTRACT
	Apart from the dues detailed in Annexure I, additional dues may be added by BHEL in the scope of the contract, based on the performance of the Contractor, and if acceptable to the Contractor. The payment terms for the additional dues shall remain the same as those for the initial dues (that have been detailed in Annexure I). Based on the performance of the Contractor, requirements of BHEL or its customers, statutory conditions or any other reason, some of the dues informed in the Annexure – I may be removed from the ambit of the contract by BHEL. Such a decision can be taken solely by BHEL, with no acceptance of the Contractor necessary. The removal of such dues from the ambit of the contract shall not change the payment terms or any other condition for the balance dues.
12.0	CONTRACT PRICE
	The bidder shall quote their rate as per Volume-III, rate/price schedule only. Once the contract is finalized, no change is allowed in the decided success fee percentage.
13.0	TAXES AND DUTIES
	The payment made to bidder as per clause 7.1 will be inclusive of all taxes and duties including GST. No taxes and duties will be payable extra. Any upward statutory variation during the tenure of the contract shall not be payable by BHEL. However, benefits against any downward variation shall be passed on to BHEL.

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14.0	INDEMNITY CLAUSE
	The contractor agrees to defend, indemnify, pay and hold BHEL harmless from any claims, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs and expenses arising out of unlawful actions of the contractor or actions beyond the scope of the contract. BHEL shall not be liable for any loss/ liability in case of a breach of contract on part of the contractor.
15.0	PRICE VARIATION CLAUSE
	Not applicable.
16.0	OVER RUN COMPENSATION
	Not applicable.
17.0	MOBILISATION ADVANCE
	Not applicable.
18.0	FORCE MAJEURE
	Notwithstanding any other thing contained anywhere else in the contract, In case the discharge of obligation under the contract by either party is impeded or made unreasonably onerous, neither party shall be considered in breach of the contract to the extent that performance of their respective obligation is prevented by an event of Force Majeure that arises after the effective date. In the above clause, Force Majeure means an event beyond the control of the parties to the contract which prevents a party from complying with any obligation of the contract including but not limited to: a) Act of God (Such as but not limited to earthquake, drought, tidal waves, floods etc.). b) War (whether war be declared or not), Hostilities Invasion, Act of foreign enemy etc. c) Rebellion, revolution, insurrection, civil war etc. d) Contamination of Radio Activity from any nuclear fuel or from any other nuclear waste or any other hazardous materials. e) Riots, commotions, strike unless restricted to the employees of supplier. f) Acts of terrorism. g) Other unforeseeable circumstances beyond the control of the parties and which the affected party cannot avoid even by using its best efforts. h) Cancellation of contract by customer. i) Change in law / government. Regulation making the performance impossible. The party claiming to be affected by force majeure shall notify the other party in writing immediately without delay on the intervention and on the cessation of such circumstances. Irrespective of any extension of time, if an event of force majeure occurs and its effect continues for more than 180 days the affected party shall have right to cancel the contract. As soon as reasonably practicable following the date of commencement of a Force Majeure Event, and within a reasonable time following the date of termination of a Force Majeure Event, either Party invoking it shall submit to the other Party reasonable proof of the nature of the Force Majeure Event and of its effect upon the performance of the Party's obligations under this Agreement.
19.0	JURIDICTION
	The courts of New Delhi, India, shall have exclusive jurisdiction over any suit, action or proceedings seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated herein.

ANNEXURE I

ZONE-WISE & STATE-WISE BREAKUP OF DUES

(All Data in Crores)

Zone/ State	Private Sector	State Sector	Centre Sector	Overseas	Grand Total
Central Zone	90.9	11.5	13.2		115.6
Chhattisgarh	90.4	9.6			100.0
Madhya Pradesh	0.5	1.9	13.2		15.5
East Zone	0.9	42.4	9.7		53.0
Bihar		0.1			0.1
Jharkhand		0.3			0.3
West Bengal	0.9	42.0	9.6		52.5
Odisha			0.1		0.1
North Zone	3.3	7.8	28.4		39.5
Delhi	0.2	7.8	20.9		28.9
Rajasthan	0.9				0.9
Uttar Pradesh	2.2		3.8		6.1
Haryana			3.6		3.6
North-East Zone			53.5		53.5
Assam			53.5		53.5
South Zone	5.7	362.8	22.6		391.1
Andhra Pradesh		2.5	6.8		9.3
Karnataka	1.5	257.3			258.8
Tamil Nadu	2.5	103.0	0.9		106.4
Telangana	1.8				1.8
Kerala			14.9		14.9
West Zone	16.7	74.5	5.8		96.9
Gujarat	9.9	70.4	4.3		84.5
Maharashtra	6.8	4.1	1.5		12.4
Overseas Zone				20.2	20.2
Overseas				20.2	20.2
Grand Total	117.6	499.1	133.0	20.2	769.8