



भारत हेवी इलेक्ट्रिकल्स लिमिटेड

(भारत सरकार का उपक्रम)

BHARAT HEAVY ELECTRICALS LIMITED

(A Govt. of India Undertaking)

TCN - 03

Ref: PSER:SCT:ABJ-B1183:TCN-03

Date: 12/05/2011

Sub	Tender change notice (TCN) 03	
Job	Package A:- Receipt , Handling at site , Erection , testing , commissioning , trial run , handing over of boiler , Rotating Machines and Duct, ESP , Critical Piping , Misc. Piping , Boiler Integral piping , Insulation & Final Painting etc. of Unit # 1 at 2x520 MW HNPCL/VIZAG Thermal Power Project . Package B:- Receipt , Handling at site , Erection , testing , commissioning , trial run , handing over of boiler , Rotating Machines and Duct, ESP , Critical Piping , Misc. Piping , Boiler Integral piping , Insulation & Final Painting etc. of Unit # 2 at 2x520 MW HNPCL/VIZAG Thermal Power Project .	
Ref	1.0	Tender no PSER:SCT:VIZ-B1192:11
	2.0	BHEL's NIT, vide ref no Ref: PSER:SCT:VIZ-B1192 Dated 25/04/2011
	3.0	BHEL's TCN-01 vide ref. no. PSER:SCT:VIZ-B1192:TCN-01 Dated 06/05/2011
	4.0	BHEL's TCN-02 vide ref. no. PSER:SCT:VIZ-B1192:TCN-02 Dated 10/05/2011
	5.0	Other references (if any)

With reference to above, following points, relevant to tender, may please be noted and complied with while submitting offer.

- 1 Para no 4 & 6 of Clause no 2.3.50.1 (COLLECTION AND RETURN OF MATERIALS) page no. 107 of 139 of (VOLUME-IF PACKAGE-A & B) regarding deployment of computer with accessories, operator and helper stands deleted. The above provision shall be governed by Clause no. 18.1 (PLANNING & MONITORING) Page no. 16 of 139 of VOLUME-IF PACKAGE-A & B.
2. Clarification to bidder's query as per Annexure-A to TCN-03.
3. Clause no. 36.1 (STAGES OF PROGRESSIVE PRO-RATA PAYMENTS) of ANNEXURE A TO TCN-01 shall be revised as per Annexure-A to TCN-03.
4. Format for integrity pact Agreement indicated as applicable in NIT cover letter is attached herewith. Bidder to submit the duly filled , stamped and signed by their authorised representative as detailed in the tender
5. Due date of submission of tender is extended from 16/05/2011 to 18/05/2011 at 1400 Hrs.
- 6 Revised 'No deviation certificate' is attached. Bidder to submit the 'No deviation certificate' as per attached Format only.
7. All other terms & conditions shall remain unchanged.

Thanking you,

Yours faithfully,
for BHARAT HEAVY ELECTRICALS LTD

ENGR (SCT)

Encl

- 1.0 Annexure-A to TCN-03
- 2.0 Integrity Pact Agreement
- 3.0 Revised 'No Deviation Certificate' format.

पावर सेक्टर पूर्वी क्षेत्र (मुख्यालय)

POWER SECTOR EASTERN REGION, DJ-9/1, SALT LAKE CITY, KOLKATA - 700 091

फैक्स/Fax : (033) 23211960 फोन/Phone : बोर्ड/EPABX : 23211798/ 1691

**ANNEXURE-A TO TCN-03
TENDER NO. PSER:SCT:VIZ-B1192:11**

CLARIFICATION TO BIDDERS QUERY

Sl. No.	Page No	Clause No	Subject	Bidders Queries	BHEL Clarification
01.		Sl. No. 49 Annexure -IV Rev- 02 to TCN-02	(MAJOR TOOLS AND PLANTS TO BE DEPLOYED BY THE CONTRACTOR)	In Rev. 02 of price schedule of package A & B it is stipulated that lumpsum price for providing passenger cum goods elevator as per requirement wherein quantity is reflected 1 NO. but in contractor's T&P Annexure -IV it is reflected in sl. no 49 qty is 2 nos for each unit. Pl. clarify.	1. Passenger cum goods elevator and item at sl. No. 49 (i. e. Man lifter hydraulic platform) of Annexure-IV, Rev 02 are two different items which shall be provided by the bidder as per tender provision. 2. Quantity of item at sl. No. 49 (i. e. Man lifter hydraulic platform) of Annexure-IV, Rev 02 shall be one (1) no. in place of Two (2) for each unit
02.		Sl. No. 48 Annexure -IV Rev- 02 to TCN-02	(MAJOR TOOLS AND PLANTS TO BE DEPLOYED BY THE CONTRACTOR)	Pl. also confirm the nos. of sky-climber as per sl. no. 48 of contractor's T & P required for each package.	1. Item at sl. No. 48 (i. e. Sky climber) of Annexure-IV, Rev 02 is deleted from the scope of the vendor. Same shall be provided by BHEL free of cost.

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36.1	STAGES OF PROGRESSIVE PRO-RATA PAYMENTS				
36.1.1	The contractor shall submit his running bill once in a month at the end of each month in line with billing schedule indicated below. The R.A. bill complete in all respects accompanied by BHEL engineers certified/measurement sheet, jointly signed, will be paid after passing of the bill subject to completeness and correctness. The measurement will be taken as specified in terms and conditions of contract and certified by the BHEL engineer of actual work. However, no extra payment shall be made in the event of delay in release of payment.				
36.1.2	Subject to any deduction which BHEL may be authorized to make under the contract the contractor shall on the certification of the BHEL engineer at site, be entitled to payment explained hereunder.				
36.1.2.1	Boiler and it's auxiliaries {applicable for sl. Nos. 1 to 4 i.e. Group I to Group IV of volume-II, price schedule}. The quoted rates per MT for different groups shall be distributed in the following manner for releasing payments against RA bills:				
36.1.2.1.1	Stages of payment	Group-I Pr parts	Group-II Integral / Trim piping	Group-III Non-pr parts	Group-IV Rotating machines
36.1.2.1.2	Completion of pre-assembly	15%	----	15%	----
36.1.2.1.3	Placement in position	26%	36%	26%	41%
36.1.2.1.4	Alignment, grouting & welding including bolting as required	30%	30%	35%	30%
36.1.2.1.5	Completion of non destructive examination & stress relieving/ heat treatment	10%	10%	----	----
36.1.2.1.6	Bolting & completion hangers & supports etc wherever necessary	----	10%	06%	10%
36.1.2.1.7	Completion of hydraulic test (drainable)	02%	03%	----	----
36.1.2.1.8	Completion of air & gas tightness test for equipment	----	----	01%	----
36.1.2.1.9	Boiler light up and ABO	02%	----	01%	03%
36.1.2.1.10	Completion of acid/ EDTA cleaniiing	02%	----	02%	----
36.1.2.1.11	On completion of steam blowing & Safety Valve floating	02%	----	----	----
36.1.2.1.12	Coal firing	01%	----	02%	04%
36.1.2.1.13	Full loading	--	----	03%	03%
36.1.2.1.14	Submission of as-built drawings	01%	02%	NA	NA

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36.1.2.1.15	Painting	5%	5%	5%	5%
36.1.2.1.16	Liquidation of pending points	2%	2%	2%	2%
36.1.2.1.17	Reconciliation of issued materials	01%	01%	01%	01%
36.1.2.1.18	Completion of all contractual Obligation and de mobilization of site office.	01%	01%	01%	01%
36.1.2.1.19	TOTAL	100%	100%	100%	100%
36.1.2.2	The quoted rates per MT of ESP group (SI no 5.0 of Price schedule, Vol-II, (Group V) shall be distributed in the following manner for releasing payments against RA bills:				
36.1.2.2.1	The quoted / awarded rate per MT shall be released on pro-rata basis as per the following distribution				
	i) Pre-assembly and Erection	-	15 %.		
		-	21%, if pre-assembly is involved		
	or				
	Direct erection	-	36 %.		
	ii) Alignment, bolting, welding	-	35.0 %.		
	iii) Gas tightness test of ESP	-	5 %.		
	iv) Gas distribution test of ESP	-	2 %.		
	v) Comm. of collecting rapping sys	-	2 %.		
	vi) Comm. of emitting rapping Sys	-	2 %.		
	vii) Charging of all fields of ESP	-	2 %.		
	viii) Light-up of the Unit	-	2 %.		
	ix) Coal firing of the Unit	-	3 %.		
	x) Full Load of the Unit	-	2 %		
	xi) Painting	-	5%		
	xi) Liquidation of pending points	-	2 %		
	xii) Reconciliation of issued material	-	1 %		
	xiii) Site Demobilisation	-	1 %.		

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	----- TOTAL - 100 %		
36.1.2.3	Stages of Progressive Pro-Rata Payments of Piping Group (SI no 6.0 of Price schedule , Vol-II) (Group VI) 100% PAYMENT BREAK UP		
36.1.2.3.1	STAGES OF PAYMENT	PIPINGS including VALVES ETC. (SI. No. 6.1, 6.2, 6.3)	STRUCTURES, HANGERS, PLATFORMS ETC. (SI. No. 6.4 & 6.5).
36.1.2.3.1.1	Completion of Pre-assembly	15 %	----
36.1.2.3.1.2	Placement in Position	26 %	51 %
36.1.2.3.1.3	Alignment, welding, grouting & bolting as required	30 %	35 %
36.1.2.3.1.4	Completion of non destructive examination & stress relieving / heat treatment	10 %	----
36.1.2.3.1.5	Completion of Hydraulic test(drainable)	04 %	----
36.1.2.3.1.6	Pre-Boiler System Flushing/chemical cleaning	01 %	----
36.1.2.3.1.7	Boiler light up and ABO	01 %	01 %
36.1.2.3.1.8	Completion of steam blowing	01 %	---
36.1.2.3.1.9	Hot correction of hangers	01 %	02 %
36.1.2.3.1.10	COAL FIRING	01 %	01 %
36.1.2.3.1.11	FULL LOADING	01 %	01 %
36.1.2.3.1.12	Submission of As-built drawings	01 %	01 %
36.1.2.3.1.13	Painting	05%	05%
36.1.2.3.1.14	Liquidation of pending points	01 %	01 %
36.1.2.3.1.15	Reconciliation of issued materials	01 %	01 %
36.1.2.3.1.16	Completion of all contractual Obligation and de mobilization of site office.	01 %	01 %
36.1.2.3.1.17	TOTAL	100 %	100 %
36.1.2.4	Stages of Progressive Pro-Rata Payments of Insulation Application (SI no 7.0 of Price schedule, Vol-II)		100% break up
36.1.2.4.1	Surface preparation/void closing/application of bituminous paints/hook welding etc		14 %.
36.1.2.4.2	Application/erection		60 %
36.1.2.4.3	Completion of work, like sheeting, sealing completion etc		15 %
36.1.2.4.4	BOILER LIGHT UP		3%
36.1.2.4.5	STEAM BLOWING		2%
36.1.2.4.6	SYNCHRONISATION & COAL FIRING		2%
36.1.2.4.7	TRIAL OPERATION		2%

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36.1.2.4.8	COMPLETION OF WORK IN ALL RESPECT	2 %
36.1.2.4.9	Total	100%
36.1.2.5	Stages of Progressive Pro-Rata Payments of PG Test assistance (SI no 8.0 of Price schedule , Vol-II)	100% break up
36.1.2.5.1	On completion of the PG test of the unit which is to be certified by the BHEL Engineer	100%
36.1.5.6	DELETED	

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) _____

FORMAT FOR NO DEVIATION CERTIFICATE
(To be submitted in the bidder's letter head)

BHARAT HEAVY ELECTRICALS LIMITED,
Power Sector - Eastern Region,
Plot no 9/1, DJ Block, Sector – II, Salt Lake City,
Kolkata – 700 091

Sub	No Deviation Certificate.	
Job	Package A:- Receipt , Handling at site , Erection , testing , commissioning , trial run , handing over of boiler , Rotating Machines and Duct, ESP , Critical Piping , Misc. Piping , Boiler Integral piping , Insulation & Final Painting etc. of Unit # 1 at 2x520 MW HNPCL/VIZAG Thermal Power Project . Package B:- Receipt , Handling at site , Erection , testing , commissioning , trial run , handing over of boiler , Rotating Machines and Duct, ESP , Critical Piping , Misc. Piping , Boiler Integral piping , Insulation & Final Painting etc. of Unit # 2 at 2x520 MW HNPCL/VIZAG Thermal Power Project .	
Ref	1.0	Tender no PSER:SCT:VIZ-B1192 :11
	2.0	BHEL's NIT, vide ref no PSER:SCT:VIZ-B1192 Dated 25/04/2011
	3.0	BHEL's TCN-01 vide ref. no. PSER:SCT:VIZ-B1192:TCN-01 Dated 06/05/2011
	4.0	BHEL's TCN-02 vide ref. no. PSER:SCT:VIZ-B1192:TCN-02 Dated 10/05/2011
	5.0	BHEL's TCN-03 vide ref. no. PSER:SCT:VIZ-B1192:TCN-03 Dated 12/05/2011
	6.0	Other references (if any).

Dear Sirs,

With reference to above, this is to confirm that as per tender conditions, we have visited site before submission of our offer and noted the job content & site conditions etc. We also confirm that we have not changed/ modified the tender documents as appeared in the website/ issued by you and in case of such observance at any stage, it shall be treated as null and void.

We hereby confirm that we have not taken any deviation from tender clauses together with other references as enumerated in the above referred NIT. We hereby confirm our unqualified acceptance to all terms & conditions, unqualified compliance to technical specification and acceptance to reverse auctioning process.

In the event of observance of any deviation in any part of our offer at a later date whether implicit or explicit, the deviations shall stand null & void.

We confirm to have submitted offer in accordance with tender instructions and as per aforesaid references.

Thanking you,

Yours faithfully,

(Signature, date & seal of authorized
representative of the bidder)