



**Open Tender for Strategic Pre-bid Tie-up for
workover rig equipment for OIL tender**

Ref No: Oil Rigs/WOR/OIL/001

OPEN TENDER

FOR

STRATEGIC PRE-BID TIE-UP FOR WORKOVER RIG EQUIPMENTS FOR SERVICING OF OIL WELLS

Issued by:

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

BHEL House, Siri Fort New Delhi-110049 and

also office at

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

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

INDIA



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

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



1.0 ABOUT BHEL

Bharat Heavy Electricals Limited (BHEL) is a Central Public Sector Enterprise, wherein Government of India is holding 63.06% of its equity. It is an integrated power plant equipment manufacturer and one of the largest engineering and manufacturing companies of its kind in India having a turnover of about USD 5 billion. The company is engaged in the design, engineering, manufacture, construction, testing, commissioning and servicing of a wide range of products and services for the core sectors of the economy, viz. Power, Transmission, Industry, Transportation, Renewable Energy, Oil & Gas and Defence with over 180 product offerings to meet the needs of these sectors.

Since its inception in 1964, BHEL has been the solid bedrock of evolution of India's Heavy Electrical Equipment industry. BHEL has a mammoth 20,000 MW per annum capability for manufacturing of power generation equipment. A widespread network of 17 manufacturing units, 2 repair units, 4 regional offices, 8 service centres, 1 subsidiary, 4 overseas offices, 6 joint ventures, 15 regional marketing centres and current project execution at more than 150 project sites across India and abroad corroborates the humongous scale and size of its operations. BHEL has extensive steel and aluminium fabrication facilities.

With key focus on project execution, the worldwide installed base of power generating equipment supplied by BHEL has exceeded 178 GW. BHEL's 54% share in India's total installed capacity and 58% share in the country's total generation from thermal utility sets (coal based) as of March 31, 2017 stand a testimony to its valuable contribution towards nation building. BHEL's global competitiveness has established its footprint in all the inhabited continents with references in 82 countries.

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

Experience of BHEL in Rigs Business:

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

BHEL has established itself as an Original Equipment Manufacturer who designs, manufactures and services various types of AC SCR onshore Oil drilling rigs, mobile rigs and work over rigs. Over 3 decades, BHEL has supplied over 90 Oil rigs and has carried out refurbishment and up gradation of more than 40 rigs so far. Key offerings of BHEL include Onshore deep drilling rigs up to a depth of 9000 meters, Mobile rigs up to a depth of 3000 meters, Work-over rigs up to a well – depth of 6100 meters, Onshore drilling rig equipment like draw-works, rotary-table, travelling blocks, swivel, mast & Substructure, mud-systems and Rig electrics (SCR house, MCC house, Cable Interconnection package, DG Sets etc).



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**More details about the entire range of BHEL's products and operations can be obtained by
visiting our web site www.bhel.com.**



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2.0 PURPOSE

- 2.1 This tender document is issued specifically to address the Workover Rig requirement from Oil India Limited for supply of 2 nos. of 125T Work Over Rigs.
- 2.2 BHEL intends to offer complete Workover Rig package to OIL, India, with a Pre-bid tie-up finalized against this tender (Tender no.: SDG8893P19/07).
- 2.3 The intent of this Tender is to invite bids from OEMs or their authorized distributor who are willing to work with BHEL as per the broad scope (refer Annexure-1) and detailed technical specifications (Refer Annexure-3)
- 2.4 BHEL shall shortlist the bidder(s) who meet the PQR (Part-1 bid) as per clause 4.0 for the intended Pre-bid tie-up.
- 2.5 After shortlisting of the bidder(s), BHEL shall open the Techno-commercial bid (Part-2 bid) covering scope of supply and Commercial terms & conditions. These Part-2 bids of only shortlisted bidder(s) against Cl. 2.4 above shall be opened.
- 2.6 BHEL shall evaluate Techno-commercial offers and may seek further clarifications on the bids submitted. After final evaluation of Part-2 Techno-commercial bids of qualified bidders by BHEL, Part-III Price bids shall be opened only of the bidders whose Part-II Techno-commercial bids are found to be meeting BHEL tender requirements.
- 2.7 BHEL shall enter into MoU / agreement valid for a period of 2 (two) years with the finally selected bidder. MoU / agreement shall be limited to specific tender from OIL for which this tender is issued. Validity of MOU may be extended till the completion of OIL Contract with BHEL.
- 2.6 In order to remain competitive during bidding for M/s OIL tender, BHEL intends to manufacture some of the equipment as listed in Annexure-1.



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3.0 INSTRUCTION TO APPLICANTS:

- 3.1 Reputed business entities may submit their application as per Annexure -2 (along with supporting documents for PQR and evaluation Criteria) by Post/Email to reach us on or before **26th September 2018, 15:00 hrs.** at the following address:

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

Email: technicalbid_hyd@bhel.in (for Part-1 & Part-2)

pricebid_hyd@bhel.in (for part-3 Price Bid)

Phone: **+91 40 23185341 (office), +91 9490746975 (mobile)**

- 3.2 The details submitted by the Applicant(s) shall be complete in all respects and BHEL may seek clarifications/additional information as considered necessary. Such clarifications / additional information must be provided within 5 days of BHEL request.
- 3.3 Any request for further information or clarification on the tender document may be submitted to within 5 days from date of issue of this tender document.
- 3.4 Responses to tender are to be submitted in English only. Supporting documents, as required, should also be in English language. In case of some documents being available in languages other than English, the Applicant shall necessarily provide duly authenticated translated version of the same in English.
- 3.5 Duly authorized representative of the Applicant(s) shall sign on each page of the bid document.
- 3.6 Notwithstanding anything contained in this tender document, BHEL reserves the right to accept or reject any bid and to annul the tender Process in whole or part, at any time without any liability or any obligation for such acceptance, rejection or annulment, and without assigning any reasons thereof.

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- 3.7 BHEL reserves the right to verify all statements, information and documents submitted by the applicant in response to the tender. Any such verification or lack of such verification by BHEL shall not relieve the applicant of his obligations or liabilities hereunder nor will it affect any rights of BHEL.
- 3.8 The tender process shall be governed by, and construed in accordance with, the laws of India and the Courts at New Delhi shall have exclusive jurisdiction over all disputes arising under, pursuant to and/ or in connection with the tender process.
- 3.9 All costs incurred for participation in the tender shall be borne by the respective Applicant.
- 3.10 Pre-bid tie-up shall have back-to-back arrangements / commitments with prospective Pre-bid partner to meet BHEL-Customer Contractual conditions.
- 3.11 Pre-bid tie-up shall be framed with a condition that in the event of price reduction during negotiations by BHEL with Customer, corresponding reduction to be passed on by Pre-bid partner for their scope of supply/services.
- 3.12 Within 30 days of signing of Pre-bid tie-up with pre-bid partner, 1% of the value of Pre-bid tie-up shall be taken from the Pre-bid partner as bid bond in the form of Bank Guarantee or security deposit etc.
- 3.13 BHEL shall place purchase orders based on Pre-bid tie-up and agreed prices (after final negotiations with Customer) in favor of Pre-bid partner upon receipt of contract from customer i.e. Oil India Ltd, India.
- 3.14 Bids to be submitted only by Rig manufacturer (OEM) or their authorized distributor.
- 3.15 Bidders banned by BHEL & M/s OIL are requested not to submit bids as their bids shall not be considered for evaluation. Also, bids from the bidders who takes the products/services of such banned firms shall not be considered for evaluation. Lists of such banned firms is available on BHEL & OIL web sites.
- 3.16 Bidders to whom with BHEL will enter into Pre-Bid Tie-up/agreement shall not directly participate in the tender issued by M/s OIL (Reference OIL Tender No.: SDG8893P19/07) An undertaking confirming this shall be submitted by bidder with Part-1 bid (Pre-qualification bid).
- 3.17 **Payment terms**
- i. 100% for material portion against irrevocable, unconfirmed LC, payable within 90 days of the Bill of Lading (B/L) date. The LC shall be established 2 months prior to shipment date, valid for period of 90 days, unless agreed otherwise. LC shall be opened after issuance of Performance bank guarantee @ 10% of contract value which should remain valid for the execution period and entire warranty period
 - ii) 50% of service portion for testing at BHEL Hyderabad works against "Work Completion Certificate" issued by BHEL within 90 days of the Invoice date for completed portion of service thru e-payment

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- ii) 50% of service portion for commissioning at customer designated site against "Work Completion Certificate" issued by BHEL within 90 days of the Invoice date for completed portion of service thru e-payment.
- iii) In case BHEL considers any deviation in payment terms i.e. early payment based on vendor's request, then bids shall be evaluated with loading of State bank of India Base rate plus 6%, for the credit period short of 90 days.

3.18 Above clauses shall supersede any similar clauses of the ITB (Instructions to bidders).

Part-1 Bid

4. Pre-Qualifying Criteria (PQR):

The prospective pre-bid partner must meet **all** the following pre-qualification requirement (PQR) supported with relevant documents/ credentials/ certificates for further consideration on the submission date of tender documents:

Financial :

4.1 Applicant must meet following financial parameters:

4.1.1 Having net positive worth (Paid up share capital + Reserves) in last three years based on latest audited accounts for financial year ending on 31st March 2016, 2017 and 2018 or 31st Dec 2015, 2016 and 2017.

(The bidder should submit last three year's balance sheet/D&B report including the profit and loss account and net worth duly audited by a Chartered Accountant.)



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Technical :

- 4.2 The Prospective Pre-bid partner should have authorization from API for Monogramming their products for API 4F as on the date of this tender document. (To be substantiated by documentary evidence with copies of API).

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

Supporting document attached: Yes/ No

- 4.3 Prospective Pre-bid partner should have experience of supplying at least 02 (two) nos. of 125MT or higher capacity mobile rig packages in the last five years preceding the original closing dated of this tender to exploration and Production companies/ service providers other than its own subsidiaries/co-subsidiaries/parent company.
(To be substantiated by documentary evidence such as **Notarized** list of rigs / rig equipment or copies of customer contract, with dates of supply).

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

Supporting document attached: Yes/ No

- 4.4 Bidder must submit an undertaking for uninterrupted supply of spares and availability of services for at least 10 years from the date of supply of total package.

Delivery:

- 4.5 Bidder must categorically confirm in their technical bid that the rig packages shall be shipped or dispatched within 6 months from the date of LOI.

- 4.6 Bidder shall quote for all 2 nos. of rig packages. Conditional offer or offer for lesser quantity shall not be considered and shall be rejected straightaway.

Note :

Self-attested list of contracts, PPT, and catalogues will not be considered as documented evidence.



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Annexure 1

Bidder's broad scope

Broad Scope of Supply & services to be provided by Pre-bid Partner :

1. Supply of Carrier with carrier mounted equipment like Draw works, engines, transmissions and other equipment which are necessary for operation of the rig.
2. Complete under carrier assembly with differential, transmission, suspension, power steering, brakes, tyres and other equipment which are essential for operation and transportation of the rig..
3. Hydraulic Cylinder for raising/lowering of mast.
4. Telescopic cylinder.
5. Successful bidder (L1 bidder) shall provide detailed manufacturing drawings along with material specifications to manufacture following components at BHEL Hyderabad works:
 - i. Mast & Substructure
 - ii. Crown Block
 - iii. V-door
 - iv. Catwalk
 - v. Pipe rack
 - vi. Rotary elevated drive
6. Trial assembly of rig at BHEL Hyderabad works under the supervision of pre-bid partner
7. Testing & commissioning at BHEL Hyderabad works under the supervision of pre-bid partner
8. Testing & commissioning at M/s OIL site under the supervision of pre-bid partner
9. Supply of spare parts as per the Annexure-3



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Annexure 2

Information to be submitted by Applicant

1. Name of the Company:
2. Legal status of the Company:
3. Brief description of the Company including details of its business groups/subsidiaries/
affiliates:
4. Date of Incorporation:
5. Date of Commencement of Business:
6. Full address including Telephone nos. / Fax nos.:
Registered Office:

Head Office:

Address for communication:
Contact Details:

Office Address in India, if any:

7. Documents to be enclosed:
8.
 - a) Technical Credentials – Relevant Product/System catalogues, Experience /Reference List, Copies of Customer Certificates, Engineering strengths, quality accreditations, etc & mandatory documents as listed in Clause 4.0 (PQR).
 - b) Financial Credentials – Copies of Audited Financial statements (Annual Reports) for last 3 years, Credit Rating & mandatory documents as listed in Clause 4.0 (PQR)
 - c) Other documents considered relevant to meet PQR and support evaluation criteria.

(Sign & Company Seal)

Authorized signatory