TENDER ENQUIRY NO- 01Q2100311-312 dated 16.01.2021
BHEL/TBG/ATS/01

ACTIVITY SCHEDULE

(SEPARATE ACTIVITY SCHEDULE TO BE FILLED-UP FOR EACH PROJECT BY THE SUPPLIER)

Sl. NO.	ACTIVITY	ACTIVITY TIME IN WEEKS	REMARKS IF ANY
1	PO Acceptance	ONE WEEK	Supplier must submit PO acceptance within one week.
2	Submission of Documents necessary for getting manufacturing clearance like Drawings, Date sheet etc.	2 WEEKS	1.) Supplier to ensure drawings submission within 2 (two) Weeks of input/PO (whichever is applicable) received from BHEL-Engineering. 2.) In case of Re-submission, supplier to ensure revised drawing/document within 10 days from date of comments.
3	Approval of documents from BHEL / Customer/issue of Manufacturing clearance/ Approval of QP	3 WEEKS (BHEL ACTIVITY)	Manufacturing clearance date shall be considered as final approval date.
4	Manufacturing time from date of approval of drawings/documents/ MFC for the cleared items/Lot.	12 weeks	
5	BHEL/Customer Inspection	2 WEEK (BHEL ACTIVITY)	Supplier must inform inspection call preferbly before 7 days as advance intimation for domestic supplier.
6	Issue of Dispatch Clearance / BHEL MICC	1 WEEK (BHEL ACTIVITY)	
7	Dispatch	1 WEEK	Supplier to dispatch the material within 1 week from receipt of BHEL MICC.
Note: 1) Supplier to ensure complete and correct documents submission as required by BHEL Engineering for approval.			
2) Inspection call should be given in the prescribed format only.			

SIGNATURE & SEAL OF COMPANY

Addendum to General Terms and Conditions (GTC-2016)

1	Offer Submission/ Opening Time	Offer Submission Time: 14:00 Hrs IST Offer Opening Time: 14:30 Hrs IST
2	Instruction to Bidder(s)	(a) For Supply where Supervision of Erection, Testing & Commissioning (ETC) at Site is in the scope of the supplier or Supply where Testing & Commissioning (T&C) at Site is in scope of the supplier, minimum 10% of total ex-works value shall be quoted under supervision of ETC/T&C. In case bidder quotes less than 10%, then 10% of Total PO value excluding GST and F&I shall be allocated to the supervision of ETC/T&C scope. Service charges shall be back calculated to keep 10% of total cost to BHEL (without GST). This price adjustment shall be done from supply Ex works prices only on prorata basis for all supply line items. (b) For Supply where Erection, Testing & Commissioning (ETC) at Site is in the scope of the supplier, minimum 20% of total ex-works value shall be quoted under ETC. In case bidder quotes less than 20%, then 20% of Total PO value excluding GST and F&I shall be allocated to the ETC scope. Service charges shall be back calculated to keep 20% of total cost to BHEL (without GST). This price adjustment shall be done from supply Ex works prices only on prorata basis for all supply line items. (c) Bidder's offer will be technically acceptable subject to final acceptance of vendor by ultimate customer as approved supplier. Price Bid will be opened only for those bidders in respect of which vendor approval is received from respective customer. Necessary credentials/documents to be submitted to customer for approval.
3	Offer Submission Mode	Clause No. 1.3 of GTC – Tender is invited through e-Procurement System only. The bidder shall submit their bid through e-Procurement platform at https://bhel.abcprocure.com. Vendors participating through e-procurement portal for this tender should have Class-III Digital Signature Certificate (DSC) for Signing & Encryption of bids issued by any of the valid Certifying Authorities (approved by Controller of Certifying Authorities) in India.
4	Validity of Purchase Order	Purchase order shall be valid for two years from date of Purchase Order.
5	Work Address	Bidder to mention their works address below from where material will be supplied Works Address--------------------------- --- ---
6	Pre- Qualification Requirement(PQR)	As per Annexure-I The bidder must ensure that they are meeting the PQR (Technical) and should submit all the requisite credentials as per PQR.
7	Deviation	<u>Technical Deviation:</u> No Technical Deviation is envisaged. <u>Commercial Deviation</u>: No Commercial Deviation envisaged except defined in GTC.
8	Delivery Plan	As per Activity Schedule-Annexure-II
9	Terms of Payment	As per clause 3.1 to 3.7 of GTC (as applicable). Supplier to submit bills alongwith billing checklist as per Annexure-III
10	Performance Bank Guarantee (PBG)	Clause No. 7 of GTC, If no option is specified by the bidder, by default option – B for Bank Guarantee shall be considered. BG for Main supply items and Spares shall be submitted separately alongwith first bill. **Note:** BG should be submitted on non-judicial stamp paper of appropriate value by the supplier alongwith first submission of bill to BHEL.

Addendum to General Terms and Conditions (GTC-2016)

11	Liquidated Damage	Clause no. 13 of GTC - In case of delay in execution of Purchase Order beyond the contractual delivery time, an amount of 0.5% of delayed lot value (Ex Works and F&I charges) for supply per week of delay or part thereof subject to a maximum of 10% of delayed lot value (Ex Works and F&I charges) shall be deducted as Liquidated Damages (LD) along with applicable GST (if any) on LD. LD will calculated for lotwise and Manufacturing Clearance (MFC) date will be the last date of inputs for that particular lot Lot-1: items for which MFC is issued from 1-15 days of calendar month Lot-2: items for which MFC is issued from 16-30/31 days of calendar month Lot-3: items for which MFC is issued from 1-15 days of next calendar month, Lot-4: items for which MFC is issued from 16-30/31 days of next calendar month and so on...
12	Arbitration	As per Annexure-IV
13	Reverse Auction	“BHEL shall be resorting to Reverse Auction (RA) (Guidelines as available on www.bhel.com) for this tender. RA shall be conducted among all the techno-commercially qualified bidders. Price bids of all techno-commercially qualified bidders shall be opened and same shall be considered as initial bids of bidders in RA. In case any bidder(s) do(es) not participate in online Reverse Auction, their sealed envelope price bid along with applicable loading, if any, shall be considered for ranking.” Abridged Version of “Guidelines for Reverse Auction-2020” may also be seen at BHEL website (www.bhel.com) on “Supplier Registration” Page.
14	Splitting of Contract	Splitting of Contract not applicable for this tender.
15	Make In India (PPP-MII)	For this procurement, the local content to categorize a supplier as class-I local supplier / class-II local supplier / Non-Local supplier and purchase preference to class-I local supplier, is as defined in Public Procurement (Preference to Make in India), Order 2017 dated 04.06.2020, issued by DPIIT. In case of subsequent orders issued by the nodal ministry, changing the definition of local content for the items of the NIT, the same shall be applicable even if issued after issue of this NIT but before opening of part-II bids against this NIT. “Bidder to specify the percentage of local content as per the format of self-declaration for local content” as per Annexure-V." “This tender is not a global tender and only class-I and Class II suppliers as defined under the DPIIT order no. P-45021/2/2017-PP (BE-II) dated 04.06.2020 are eligible to bid in this tender. Bids received from Class-II & Non-Local supplier shall be rejected.”
16	Compliance to GOI Order for restrictions under Rule 144 (xi) of General Financial Rules (GFRs), 2017	Refer Clause at Annexure-VI and Certification at Annexure-VII / Annexure-VIII (whichever is applicable) regarding restrictions under Rule 144 (xi) of General Financial Rules (GFRs), 2017. Bidder to comply the clause and submit the certification. Non-compliance/ Non-submission of certification will lead to rejection of Offer.
17	MOP Circular	Bidder to comply the MOP circular dated 02-07-2020 (Annexure-IX) and its subsequent amendment, if any, in prescribed format (Annexure-X). Non-compliance/ Non-submission will lead to rejection of Offer [Not Applicable for cases where local content is 100%]. Vendor to quote as per specified price format of NIT, otherwise their offer shall be liable to be rejected. Following confirmation to be provided by vendor: ***“We confirm that we have quoted as per specified price format provided along with this tender”.***
18	Integrity Pact	*Not Applicable*
19	Risk and Cost	*As per Annexure-XII.*
20	Prevention for cartel formation	The Bidder declares that they will not enter into any illegal or undisclosed agreement or understanding, whether formal or informal with other Bidder(s). 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. In case, the Bidder is found having indulged in above activities, suitable action shall be taken by BHEL as per extant policies/ guidelines.

<u>Addendum to General Terms and Conditions (GTC-2016)</u>

21	Docuemts Required for Customer approval	Bidders to submit below documents alongwith their offer but not limited to: (a) PAN, GST, Certificate of Incorporation (b) Factory Registration Certificate (c) Overall organization Chart with Manpower Details (Design/Manufacturing/Quality etc.) (d) List of Plant and Machinery (e) List of Testing and Measuring equipment (f) Third party approval, if any (viz. ISO, BIS) (g) Pollution clearance wherever applicable (h) Energy conservation & Efficiency Report(Applicable to industries having contact load more than 100KVA) (i) Manufacturing Quality Plan (MQP) (j) List of past supplies references along with copy of major PO (k) Performance certificate from end user (j) Photographs of factory, plant and machinery & testing facilities
22	BHEL Supplier Registration Portal	The link for Online Supplier registration Portal is https://supplier.bhel.in/ The link for Online Supplier Registration Portal may also be seen at BHEL website (www.bhel.com) on “Supplier Registration” Page.

The Notice Inviting Tender (NIT)/ the tender requirement of BHEL will not be henceforth published in newspapers. All the concerned are hereby notified that tender enquiries of BHEL will be published on BHEL tender website (www.bhel.com) and Government’s Central Public Procurement Portal (https://eprocure.gov.in/).

(Sign and seal of Bidder)

TAMIL NADU GENERATION AND DISTRIBUTION CORPORATION LIMITED

From
Er.U.S.PONGIANNAN, B.E,
Chief Engineer / Projects-II,
TANGEDCO, 1st floor,
Udangudi complex,144, Anna Salai,
Chennai – 600 002.
Tele Fax:044-28520878.
Mobile:9445994289
E-mail: cecpr2@tnebnet.org

To
M/s Bharat Heavy Electrical Limited,
Transmission Business Group,
5th Floor, Advant Navis Business Park,
Plot No.7, Sector-142, Expressway,
Noida Dist.
Gautam Budh Nagar,
Uttarpradesh-201305
E Mail: Swapan.Singh@bhel.co.in

Lr. No.CE/Proj-II/SE/C/UTP/EE/El/AEE/ F.Vendor approva/ID. 173/18 dt.10 .09.2018

Sir,

Sub: TANGEDCO – 2X 660 MW Udangudi STPP, Stage-I –Single EPC Contract awarded to M/s BHEL –Vendor List documents - Vendor approval for switchyard items to BHEL/TBG -Reg comments communicated – Reg.

Ref: (i) Lr.No.CE/Proj.II/SE/C/UTPP/EE/E/LOI/D.179/17dt.07.02.2017

(ii) Your letter Ref; TBG/TBCM/TANGEDCO/UDANGUDI/01 dt.23/02/2018.

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Please refer to the letters cited above.

Approval is here by accorded for the Vendors related to switchyard items to BHEL/TBG are furnished below.

Sl No.	ITEM DESCRITION	LIST OF VENDORS	Approval for 2x 660 MW Ennore SEZ vide I D.No./dt	TANGEDCO REMARKS
1	GIS Package	GE T&D India Ltd (Formerly M/s Alstom)	D.228/17 dt 8/7/17	Approved
		Grid solutions SA, France (Formerly as Alstom Grid SA, AREVA T&D SA, France)	D.148/17 dt 27/5/15	
		Hyosung Corporation	D.228/17 dt 8/7/17	
		Mistubishi Electric Corporation (MEC), Japan	do	
		ABB India Ltd	do	
		Siemens Ltd	do	
2	Lighting Arrestor	OBLUM	D.148/17 dt 27/5/15	Approved

		ELPRO	do	
		CGL	do	
3	Conductor	Gupta power infrastructure Ltd, Bhubneshwar	D.148/17 dt 27/5/15	Approved
		Sharavathy Conductores Banglore	do	
		Smita Conductors Ltd, Ghaziabad	do	
4	Clamps and Connector	Klemmen Engineering Corporations Chennai	D.148/17 dt 27/5/15	Approved
		Megha Engg Enterprises Indutreies, Chennai	do	
		Milind Electricals PTD, Mumbai	do	
		National Refractories Morvi Gujarat	do	
		Nootan Engg Inustries, Vadodara.	do	
		PEE VEE Engg Enterprise, Banglore	do	
		Rashtraudhyog Ltd, Kolkata	do	
		Tyco Electronics Corporation India PVT Ltd, Banglore	do	
5	LT ACDB & DCDB for Switch yard	KMG A to Z Systems Pvt LTD	do	Approved
6	Battery (220V & 48V)	Exide	D.148/17 dt 27/5/15	Approved
		Amco	do	
		Amar Raja	do	
		Statcon	do	
		HBL Power system	do	
		Hoppecke Batterien	do	
7	Battery Charger(220v&48V)	Amar Raja	D.148/17 dt 27/5/15	Approved
		STATCON	do	
		HBL Power system	do	
		CHABBI Electricals	do	
		CALDYNE	do	
8	Above Ground Eathing Material (GI Flat)	India Electricals Syndicate, Calcutta	D.210/15 dt 21/7/15	Approved
		Premier Power Productuts (CAL) PVT LTD	D.115/14 dt 19/12/14	

		Ratan Projects & Engineering Co. PVT LTD	do	
		Panty Systems PVT LTD Secunderabad	do	
		Industial Perforation (I) PVT LTD	do	
		Rukmani Electrical & Components PVT LTD	do	
		Unitech Fabricatores and Engineering PVT LTD	do	
		RABI Engineering Works PVT LTD	do	
		Saral Industries, RAEBARELI	D.210/15 dt 21/7/15	
		Jamna Metal Company	D.115/14 dt 19/12/14	
9	Below Ground Earthing Material (MS Rod)	Steel Authority of India	D.115/14 dt 19/12/14	Approved
		Rashriya Ispat Nigam Limited	do	
10	Power & Control cable	Cords Cable Industries Ltd (LT PVC)	D.148/17 dt 27/5/15	Approved
		GEMSCAB Industries LTD (HT/LT XLPE PVC)	do	
		HAVEL INDIA LTD (LT PVC XLPE)	do	
		Krishna Electrical Industries Ltd (HT/LT PVC, XLPE)	do	
		Paramount Cable corporation New Delhi	do	
		Poly cab Wire Pvt Ltd (PVC, XLPE)	do	
		SuYOG Electricals Ltd (LT PVC XLPE)	do	
		Torrent Cables Ltd (LT PVC/XLPE Power control cables, HT XLPE (uto 33 kV)	do	
		Universal Cables (LT/HT/EHT PVC, XLPE)	do	
		KEI Industries Ltd	do	
		CMI Energy India Pvt Ltd (LT PVC)	D.110/17 dt. 20.4.17	
		KEC International LTD	D.115/14 dt 19/12/14	
		Crystal Cable Industries Ltd	D.75/17 dt.21.3.17	

		Advance Cable Technologies (P) Ltd	do	
		Govind Cables Industries	do	
		Ravin Cables LTD	D.115/14 dt 19/12/14	
		Elkay Telelinks Ltd	do	
		Delton cables Ltd	do	
		Special Cables Pvt Ltd	D.75/17 dt.21.3.17	
		Apar Industries Ltd	D.115/14 dt 19/12/14	
		Gupta power Infrastructure Ltd	D.110/17 dt. 20.4.17	
		Thermo Cables Ltd	D.115/14 dt 19/12/14	
		Mansfield Cables Company Ltd	do	
		Cable corporation of India Ltd	do	
		Asian Galaxy Pvt Ltd	D.75/17 dt.21.3.17	
		Sriram Cables Pvt Ltd	D.75/17 dt.21.3.17	
		Suraj Cables	do	
		Triupati Plstomatics Pvt Ltd	do	
		Zenium Cables Ltd	do	
		Dynamic Cables PVT LTD	D.110/17 dt. 20.4.17	
11	Lattice structures	Advance Steels Tubes Ltd	D.148/17 dt 27/5/15	Approved
		Bajaj Electrical Ltd	do	
		Good Luck Steel Tubes Ltd	do	
		Mengi Hightech Ltd	do	
		New Modern Technomech Pvt Ltd Baripada	D.377/17 dt.30.10.2017	
		Richardson & Cruddas (1972) Ltd	D.148/17 dt 27/5/15	
		Steel Products Ltd	do	
		Sujana Towers Ltd	do	
		BHPV Ltd	do	
		VSP Enterprises Pvt Ltd Sonipat	D.377/17 dt.30.10.2017	
		Ratan Projects & Engg Co Pvt Ltd Howrah	do	
		Industrial Perforation (I)	do	

		Pvt Ltd Kolkata		
		Vijay Transmission Pvt Ltd Raipur	do	
12	Pipe Structures	Advance Steels Tubes Ltd	D.148/17 dt 27/5/15	Approved
		Good Luck Steel Tubes Ltd	do	
		New Modern Technomech Pvt Ltd	D.20/16 dt. 22.10.16	
		Steel Products Ltd	D.148/17 dt 27/5/15	
		Sujana Towers Ltd	do	
		BHPV Ltd	do	
		VSP Enterprises Pvt Ltd Sonipat	D.20/16 dt. 22.10.16	
13	Structure Hardware	Nexo Industries Ltd Punjab	D.16/16 dt. 22.10.16	Approved
		Techman (India) Chandigarh	do	
		Forex Fasteners (p) Ltd Punjab	do	
		Arihant Industries Ltd Meerut UP	do	
		Pioneer Nuts 7 Bolts (P) Ltd Punjab	do	
		Deepak Fasterners Ltd	do	
14	Illumination System	Bajaj Electrical Ltd	D.148/17 dt 27/5/15	Approved
		Philips	do	
		CGL	do	
		MIKA Engineers Mumbai	do	
		Avaids Technovators Delhi	do	
15	Fire Protection system	Gunnebo Technico	D.148/17 dt 27/5/15	Approved
		Mather and Platt	do	
		Mehta & Associates	do	
		Kiddie India Ltd	do	
16	Air conditioning and Ventilation system	Voltas	D.148/17 dt 27/5/15	Approved
		Bule star	do	
		C Doctor and company	do	
		Frick India	do	
		Gemini Shrivas Chennai	do	
		ABB Ltd	do	
		Draft- Air (India) PVt Ltd	D.115/14 dt	

			19/12/14	
		MW High Tech Projects (I) Pvt Ltd	do	
		Advance Ventilation Pvt Ltd	do	
		Roots Cooling System Pvt Ltd	D.132/17 dt. 5.5.17	
		Trac Fujico Air system LLP	do	
		SK System Pvt Ltd	do	
		Comfort system	do	
		Pack Plast Industries	D.145/17 dt. 16.5.17	
		Tap Engineering	do	
		AARHAM Engineers Pvt Ltd	do	
17	Single Grider Underslung EOT crane of 5 Tonnes capacity (GIS Hall)	Anupam Industries Ltd	D.115/14 dt 19/12/14	Approved
		Century Crane Engineers Pvt Ltd	do	
		The TATA Iron & Steel Ltd	do	
		Cranex Limited	do	
		Furnace & Foundry Equipments Co.	do	
		Tuobro Furguson (I) Pvt Ltd	do	
		Heavy Engg Corporation Ltd	do	
		Reva Indutrial Handlers Pvt Ltd	do	
		Unique Industrial Handlers Pvt Ltd	do	
		Alpha services	D.125/17 dt.4.5.17	
		Brady & Morris	do	
		Pioneer Cranes & Elevator (P)Ltd	do	
		Mega Cranes India Pvt Ltd	do	
		Techno Industries	do	
18	Cable termination kit/jointing kit	3M ELECTRO AND COMMUNICATION INDIA PVT LTD.	D.115/14 dt 19/12/14	
		RAYCHEM RPG PRIVATE LIMITED	D.115/14 dt 19/12/14	
		YAMUNA POWER and INFRASTRUCTURE LTD	do	

19	Trefoil clamp	AJMERA INDUSTRIAL & ENGINEERING WORKS	D.115/14 dt 19/12/14	Approved
		MOULDED FIBREGLASS PRODUCTS	do	
		AMPControl Equipments Pvt Ltd	do	
20	Cable Tray & Accessories	Eros Metal Works (P) Ltd Nagpur	D.211/15 dt.25.7.15	Approved
		Indiana Grating (P) Ltd Mumbai	do	
		Namdhari Industries Traders Ludiana	do	
		Parmar Metals Pvt Ltd Gujrat	do	
		Passive Infra Projects Pvt ltd Delhi	do	
		Saral Industires Rae Bareli, UP	do	
		Vnfab Engineers Pvt Ltd Thane	do	
		Pentax Ferro Incorporate Munbai	do	
		Indmark Formtech Pvt Ltd Pune	do	
		Rabi Engineering Works /Kolkata	D.115/14 dt 19/12/14	
		Rukumani Electricals Components Pvt Ltd Kolkata	do	
		Premier poer Projectd Pvt Ltd Kolkata	do	
		Advance power Products	D.48/16 dt. 30.12.16	
		Maheshwari Electricals Mfrs Pvt Ltd	do	
		Unitech Fabricators& Engineers Pvt Ltd	D.115/14 dt 19/12/14	

However, M/s BHEL has to ensure the present status of the vendors before placing of the orders.

Yours faithfully,

CHEIF ENGINEER / PROJECTS-II 4/4
TANGEDCO.

Copy to the SE/Civil/ Udangudi site
Copy to M/s Desein Pvt Ltd New Delhi

Annexure-A

Transmission
Business Group

Bharat Heavy Electricals Limited

(A Govt. Of India Undertaking)
INDUSTRIAL SECTOR, TRANSMISSION BUSINESS GROUP
ADVANT NAVIS IT BUSINESS PARK, Plot No. 7,
Sector 142, EXPRESSWAY NOIDA
NOIDA 201 301 (UP)

Contract Information for the Project

Document No:08
Date: 17/09/2018
Rev:00

1.	Project Name Customer LOA No	2x660 MW UDANGUDI SUPERCRITICAL TPP STAGE – I CE/Proj.II/SE/C/UTPP/EE/E/LOI/D.179/2017 dt.07.12.2017
2.	Ultimate Customer	TANGEDCO
3.	Location of Plant	Location: Vill: Udangudi, Dist: Thoothukudi. Access by: Train, Road. Nearest Railway Station: Tiruchendur. Nearest Airport: Thoothukudi. Nearest sea port: Tuticorin Port. Access by road: Yes Major Towns/ Cities: Thoothukudi. Availability of Land: Yes Pin code: 628001.
4.	Delivery Address	SE/Project, Tamilnadu Generation and Distribution Corporation, 2X660 MW, Udangudi Super Critical Thermal Power Project Stage-I at Udangudi, Thoothukudi District.
5.	Consignee Address	SE/Project, Tamilnadu Generation and Distribution Corporation, 2X660 MW, Udangudi Super Critical Thermal Power Project Stage-I at Udangudi, Thoothukudi District.
6.	Mode of Dispatch	By Road
7.	BHEL TBG GST No.	09AAACB4146P2ZC
8.	Customer GSTN	33AADCT4784E1ZC
9.	Inspection Categorization Unit (If approved/available in the contract)	Inspection by customer.
10.	Provision of facilities at Site (Applicable for Turnkey Packages)	Construction Power: TANGEDCO Construction Water: TANGEDCO

11.	Inspection Agency (Domestic supplies)	TANGEDCO
12.	Inspection Agency (Imported supplies)	TANGEDCO
13.	Dispatch Documents required (to be furnished by Vendor for payment by customer)	For materials originating from Indian Territory: 1. Lorry receipt (Original) 2. Packing List (Original) 3. Test Certificate (Original) For materials originating from non-Indian Territory: 1. Bill of ladding (Original) 2. Certificate of origin 3. Packing List (Original) 4. Test Certificate (Original) 5. Gaurantee Certificate (Original)
14.	Project Status (Domestic / Deemed Export / ADB funded / etc)	Domestic.
15.	Taxes & Duties (For Domestic Bidder)	GST as applicable.
16.	Taxes & Duties (For Order Directly to Foreign Bidders)	As applicable.
17.	Defect Liability (Guarantee Specific Clause)	2 Years after PG test completion. **Note: Scheduled date of PG test: 08/04/2021.**
18.	Contractual supply Schedule	As per L2 enclosed (Annex-1).
19.	Customer Approved Vendor List	As enclosed (Annex-2).
20.	Document require for additional vendor approval	1. Vendor approval letter from other TANGEDCO projects 2. Proof of supplies (PO/work order copies of above customers). 3. Performance certificate (wherever applicable).

Bharat Heavy Electricals Limited
(A Govt. Of India Undertaking)
INDUSTRIAL SECTOR, TRANSMISSION BUSINESS GROUP
ADVANT NAVIS IT BUSINESS PARK, Plot No. 7,
Sector 142, EXPRESSWAY NOIDA
NOIDA 201 301 (UP)

21.	Special condition if any	

	Prepared By	Checked By	Reviewed By	Approved By
Name:	Ashish Kumar	Anand Tripathi	Anand Tripathi	Anand Tripathi
Designation:	E3	E7	E7	E7
Signature:		[signature]		
Date:		17/09/2018		

Annexure-IV

(A) CONCILIATION (MODEL CONCILIATION CLAUSE FOR CONDUCTING CONCILIATION PROCEEDINGS UNDER THE BHEL CONCILIATION SCHEME, 2018)

The Parties agree that if at any time (whether before, during or after the arbitral or judicial proceedings), any Disputes (which term shall mean and include any dispute, difference, question or disagreement arising in connection with construction, meaning, operation, effect, interpretation or breach of the agreement, contract or the Memorandum of Understanding (whichever is inapplicable), which the Parties are unable to settle mutually), arise inter-se the Parties, the same may, be referred by either party to Conciliation to be conducted through Independent Experts Committee to be appointed by competent authority of BHEL from the BHEL Panel of Conciliators.

Notes:

1. No serving or a retired employee of BHEL/Administrative Ministry of BHEL shall be included in the BHEL Panel of Conciliators.

2. Any other person(s) can be appointed as Conciliator(s) who is/are mutually agreeable to both the parties from outside the BHEL Panel of Conciliators.

The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided in **Annexure-A to this GCC (Enclosed).**

The Annexure-A together with it's appendices will be treated as if the same is part and parcel hereof and shall be as effectual as if set out herein in these GCC."

(B) ARBITRATION (WITH SOLE ARBITRATOR)

1.1. Except as provided elsewhere in this Contract, in case amicable settlement is not reached between the Parties, in respect of any dispute or difference; arising out of the formation, breach, termination, validity or execution of the Contract; or, the respective rights and liabilities of the Parties; or, in relation to interpretation of any provision of the Contract; or, in any manner touching upon the Contract, then, either Party may, by a notice in writing to the other Party refer such dispute or difference to the Sole Arbitrator and such Arbitrator appointed by Head of the BHEL Unit/Region/Division issuing the Contract.

1.2. The Arbitrator shall pass a reasoned award and the award of the Arbitrator shall be final and binding upon the Parties.

1.3. Subject as aforesaid, the provisions of Arbitration and Conciliation Act 1996 (India) and amended in 2015 and further amendment passed in 2019 or statutory modifications or re-enactments thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceedings under this clause. The seat of arbitration shall be New Delhi. The language of arbitration shall be English and the documents shall be submitted in English.

1.4. The cost of arbitration shall initially be borne equally by the Parties subject to the final apportionment of the cost of the arbitration in the award of the Arbitrator.

1.5. Notwithstanding the existence or any dispute or differences and/or reference for the arbitration, the Contractor shall proceed with and continue without hindrance the performance of its obligations under this Contract with due diligence and expedition in a professional manner except where the Contract has been terminated by either Party in terms of this Contract.

1.6. **SETTLEMENT OF COMMERCIAL DISPUTES BETWEEN CPSES INTER SE AND CPSE(S) AND GOVERNMENT DEPARTMENT(S)/ ORGANISATION(S) – ADMINISTRATIVE MECHANISM FOR RESOLUTION OF CPSES DISPUTES (AMRCD) – REGARDING**

Vide Dept. of Public Enterprises OM No. F. No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018 it has been conveyed that *"To make the mechanism more effective and binding on the disputing parties, a new mechanism namely Administrative Mechanism for resolution of CPSEs Disputes (AMRCD) having two level (tier) structure has been evolved in consultation with various stakeholders to replace the existing PMA mechanism which stands wound up from the date of issue of this OM."* Accordingly, the existing Permanent Machinery of Arbitration (PMA) stands wound up with effect from 22.05.2018 and cases relating to disputes or differences relating to the interpretation and application of the provisions of commercial contract(s) between CPSEs / Port Trust / Central or State Government Department / Organisations (excluding disputes concerning Railways, Income Tax, Customs and Excise Departments) shall be taken up by either party for its resolution through Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).

(C) JURISDICTION AND GOVERNING LAWS

The Courts at New Delhi shall have exclusive jurisdiction over any matter arising out of or in connection with this Contract. This Contract shall be construed as per and be governed by the Laws of India.

Annexure-A

ANNEXURE TO MODEL CONCILIATION CLAUSE FOR CONDUCT OF CONCILIATION UNDER THE BHEL CONCILIATION SCHEME, 2018

BRIEF PROCEDURE FOR CONDUCT OF CONCILIATION PROCEEDINGS

1. The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided herein:

2. The party desirous of resorting to Conciliation shall send an invitation/notice in writing to the other party to conciliate specifying all points of Disputes with details of the amount claimed. The party concerned shall not raise any new issue thereafter. Parties shall also not claim any interest on claims/counter-claims from the date of notice invoking Conciliation till the conclusion of the Conciliation proceedings.

3. The party receiving the invitation/notice for Conciliation shall within 30 days of receipt of the notice of Conciliation intimate its consent for Conciliation along with its counter-claims, if any.

4. The Conciliation in a matter involving claim or counter-claim (whichever is higher) up to Rs 5 crores shall be carried out by sole Conciliator nominated by BHEL while in a matter involving claim or counter-claim (whichever is higher) of more than Rs 5 crores Conciliation shall be carried out by 3 Conciliators nominated by BHEL.

5. The Parties shall be represented by only their duly authorized in-house executives/officers and neither Party shall be represented by a Lawyer.

6. The first meeting of the IEC shall be convened by the IEC by sending appropriate communication/notice to both the parties as soon as possible but not later than 30 days from the date of his/their appointment. The hearings in the Conciliation proceeding shall ordinarily be concluded within two (2) months and, in exceptional cases where parties have expressed willingness to settle the matter or there exists possibility of settlement in the matter, the proceedings may be extended by the IEC by a maximum of further 2 months with the consent of the Parties subject to cogent reasons being recorded in writing.

7. The IEC shall thereafter formulate recommendations for settlement of the Disputes supported by reasons at the earliest but in any case within

15 days from the date of conclusion of the last hearing. The recommendations so formulated along with the reasons shall be furnished by the IEC to both the Parties at the earliest but in any case within 1 month from the date of conclusion of the last hearing.

8. Response/modifications/suggestions of the Parties on the recommendations of the IEC are to be submitted to the IEC within time limit stipulated by the IEC but not more than 15 days from the date of receipt of the recommendations from the IEC.

9. In the event, upon consideration, further review of the recommendations is considered necessary, whether by BHEL or by the other Party, then, the matter can be remitted back to the IEC with request to reconsider the same in light of the issues projected by either/both the Parties and to submit its recommendations thereon within the following 15 days from the date of remitting of the case by either of the Parties.

10. Upon the recommendations by the Parties, with or without modifications, as considered necessary, the IEC shall be called upon to draw up the Draft Settlement Agreement in terms of the recommendations.

11. When a consensus can be arrived at between the parties only in regard to any one or some of the issues referred for Conciliation the draft Settlement Agreement shall be accordingly formulated in regard to the said Issue(s), and the said Settlement Agreement, if signed, by the parties, shall be valid only for the said issues. As regards the balance issues not settled, the parties may seek to resolve them further as per terms and conditions provided in the contract.

12. In case no settlement can be reached between the parties, the IEC shall by a written declaration, pronounce that the Conciliation between the parties has failed and is accordingly terminated.

13. Unless the Conciliation proceedings are terminated in terms of para 22 (b), (c) & (d) herein below, the IEC shall forward his/its recommendations as to possible terms of settlement within one (1) month from the date of last hearing. The date of first hearing of Conciliation shall be the starting date for calculating the period of 2 months.

14. In case of 3 members IEC, 2 members of IEC present will constitute a valid quorum for IEC and meeting can take place to proceed in the matter after seeking consent from the member who is not available. If necessary, videoconferencing may be arranged for facilitating participation of the members. However, the IEC recommendations will be signed by all members. Where there is more than one (1) Conciliator, as a general rule they shall act jointly. In the event of differences between the Members of IEC, the decision/recommendations of the majority of the Members of IEC shall prevail and be construed as the recommendation of the IEC.

15. The Draft Settlement Agreement prepared by the IEC in terms of the consensus arrived at during the Conciliation proceedings between the Parties shall be given by the IEC to both the parties for putting up for approval of their respective Competent Authority.

16. Before submitting the draft settlement agreement to BHEL's Competent Authority viz. the Board Level Committee on Alternative Dispute Resolution (BLCADR) for approval, concurrence of the other party's Competent Authority to the draft settlement agreement shall be obtained by the other party and informed to BHEL within 15 days of receipt of the final draft settlement agreement by it. Upon approval by the Competent Authority, the Settlement Agreement would thereafter be signed by the authorized representatives of both the Parties and authenticated by the members of the IEC.

17. In case the Draft Settlement Agreement is rejected by the Competent Authority of BHEL or the other Party, the Conciliation proceedings would stand terminated.

18. A Settlement Agreement shall contain a statement to the effect that each of the person(s) signing thereto (i) is fully authorized by the respective Party(ies) he/she represents, (ii) has fully understood the contents of the same and (iii) is signing on the same out of complete freewill and consent, without any pressure, undue influence.

19. The Settlement Agreement shall thereafter have the same legal status and effect as an arbitration award on agreed terms on the substance of the dispute rendered by an arbitral tribunal passed under section 30 of the Arbitration and Conciliation Act, 1996.

20. Acceptance of the Draft Settlement Agreement/recommendations of the Conciliator and/or signing of the Settlement Agreement by BHEL shall

however, be subject to withdrawal/closure of any arbitral and/or judicial proceedings initiated by the concerned Party in regard to such settled issues.

21. Unless otherwise provided for in the agreement, contract or the Memorandum of Understanding, as the case may be, in the event of likelihood of prolonged absence of the Conciliator or any member of IEC, for any reason/incapacity, the Competent Authority/Head of Unit/Division/Region/Business Group of BHEL may substitute the Conciliator or such member at any stage of the proceedings. Upon appointment of the substitute Conciliator(s), such reconstituted IEC may, with the consent of the Parties, proceed with further Conciliation into the matter either de-novo or from the stage already reached by the previous IEC before the substitution.

22. The proceedings of Conciliation under this Scheme may be terminated as follows:
    a. On the date of signing of the Settlement agreement by the Parties; or,
    b. By a written declaration of the IEC, after consultation with the parties, to the effect that further efforts at conciliation are no longer justified, on the date of the declaration; or,
    c. By a written declaration of the Parties addressed to the IEC to the effect that the Conciliation proceedings are terminated, on the date of the declaration; or,
    d. By a written declaration of a Party to the other Party and the IEC, if appointed, to the effect that the Conciliation proceedings are terminated, on the date of the declaration.
    e. On rejection of the Draft Settlement Agreement by the Competent Authority of BHEL or the other Party.

23. The Conciliator(s) shall be entitled to following fees and facilities:

Sl No	Particulars	Amount
1	Sitting fees	Each Member shall be paid a Lump Sum fee of Rs 75,000/- for the whole case payable in terms of paragraph No. 27 herein below.
2	Towards drafting of settlement agreement	In cases involving claim and/or counter-claim of up to Rs 5crores. Rs 50,000/- (Sole Conciliator)

Sl No	Particulars	Amount
		In cases involving claim and/or counter-claim of exceeding Rs 5 crores but less than Rs 10 crores. Rs 75,000 (per Conciliator) In cases involving claim and/or counter-claim of more than Rs 10 crores. Rs 1,00,000/- (per Conciliator) Note: The aforesaid fees for the drafting of the Settlement Agreement shall be paid on Signing of the Settlement Agreement after approval of the Competent Authority or Rejection of the proposed Settlement Agreement by the Competent Authority of BHEL.
3	Secretarial expenses	Rs 10,000/- (one time) for the whole case for Conciliation by a Sole Member IEC. Where Conciliation is by multi member Conciliators –Rs 30,000/- (one time)- to be paid to the IEC
4	Travel and transportation and stay at outstation i) Retired Senior Officials of other Public Sector Undertakings (pay scale wise equivalent to or more than E-8 level of BHEL)	As per entitlement of the equivalent officer (pay scale wise) in BHEL.
	Others	As per the extant entitlement of whole time Functional Directors in BHEL.

Sl No	Particulars	Amount
		Ordinarily, the IEC Member(s) would be entitled to travel by air Economy Class.
5	Venue for meeting	Unless otherwise agreed in the agreement, contract or the Memorandum of Understanding, as the case may be, the venue/seat of proceedings shall be the location of the concerned Unit / Division / Region / Business Group of BHEL. Without prejudice to the seat/venue of the Conciliation being at the location of concerned BHEL Unit / Division / Region / Business Group, the IEC after consulting the Parties may decide to hold the proceedings at any other place/venue to facilitate the proceedings. Unless, Parties agree to conduct Conciliation at BHEL premises, the venue is to be arranged by either Party alternately.

24. The parties will bear their own costs including cost of presenting their cases/evidence/witness(es)/expert(s)on their behalf. The parties agree to rely upon documentary evidence in support of their claims and not to bring any oral evidence in IEC proceedings.

25. If any witness(es) or expert(s) is/are, with the consent of the parties, called upon to appear at the instance of the IEC in connection with the matter, then, the costs towards such witness(es)/expert(s) shall be determined by the IEC with the consent of the Parties and the cost so determined shall be borne equally by the Parties.

26. The other expenditures/costs in connection with the Conciliation proceedings as well as the IEC’s fees and expenses shall be shared by the Parties equally.

27. Out of the lump sum fees of Rs 75,000/- for Sitting Fees, 50% shall be payable after the first meeting of the IEC and the remaining 50% of the Sitting Fees shall be payable only after termination of the conciliation proceedings in terms of para 22 hereinabove.

28. The travelling, transportation and stay at outstation shall be arranged by concerned Unit as per entitlements as per Serial No. 3 of the Table at para 23 above, and in case such arrangements are not made by the BHEL Unit, the same shall be reimbursed to the IEC on actuals limited to their entitlement as per Serial No. 4 of the Table at Para 23 above against supporting documents. The IEC Member(s) shall submit necessary invoice for claiming the fees/reimbursements.

29. The Parties shall keep confidential all matters relating to the conciliation proceedings. Confidentiality shall extend also to the settlement agreement, except where its disclosure is necessary for purposes of its implementation and enforcement or as required by or under a law or as per directions of a Court/Governmental authority/ regulatory body, as the case may be.

30. The Parties shall not rely upon or introduce as evidence in any further arbitral or judicial proceedings, whether or not such proceedings relate to the Disputes that is the subject of the Conciliation proceedings:
    a. Views expressed or suggestions made by the other party in respect of a possible settlement of the Disputes;
    b. admissions made by the other party in the course of the Conciliator proceedings;
    c. proposals made by the Conciliator;
    d. The fact that the other Party had indicated his willingness to accept a proposal for settlement made by the Conciliator.

31. The Parties shall not present the Conciliator(s) as witness in any Alternative Dispute Resolution or Judicial proceedings in respect of a Disputes that is/was the subject of that particular Conciliation proceeding.

32. None of the Conciliators shall act as an arbitrator or as a representative or counsel of a Party in any arbitral or judicial proceeding in respect of a Disputes that is/was the subject of that particular Conciliation proceeding.

33. The Parties shall not initiate, during the Conciliation proceedings, any arbitral or judicial proceedings in respect of a Disputes that is the subject matter of the Conciliation proceedings except that a Party may initiate arbitral or judicial proceedings where, in his opinion, such proceedings are necessary for preserving his rights including for preventing expiry of period of limitation. Unless terminated as per the provisions of this Scheme, the Conciliation proceedings shall continue

notwithstanding the commencement of the arbitral or judicial proceedings and the arbitral or judicial proceedings shall be primarily for the purpose of preserving rights including preventing expiry of period of limitation.

34. The official language of Conciliation proceedings under this Scheme shall be English unless the Parties agree to some other language.

Format 2 to BHEL Conciliation Scheme, 2018

FORMAT FOR SEEKING CONSENT FOR REFERRING THE DISPUTES TO CONCILIATION THROUGH IEC

To,

M/s. (Stakeholder's name)

Sub: Resolution of the Disputes through conciliation by Independent Expert Committee (IEC).

Ref: Contract No/MoU/Agreement/LOI/LOA& date ____________.

Sir,

With reference to above referred Contract/MoU/Agreement/LOI/LOA, you have raised certain Disputes/claims. Vide your letter dated____ you have requested BHEL to refer the Disputes/claims to IEC for Conciliation.

We are enclosing herewith Format (3) for giving consent and the terms and conditions of BHEL Conciliation Scheme, 2018 governing conciliation through IEC. You are requested to give your unconditional consent to the said terms and conditions of the Scheme by returning the same duly sealed and signed on each page. On receipt of your consent, matter will be put to the Competent Authority for consideration and decision.

Please note that BHEL has also certain claims against you (if applicable). BHEL reserves its right to agree or not to agree conciliation of the said disputes through BHEL and this letter is being issued without prejudice to BHEL's rights and contentions available under the contract and law.

Yours faithfully,

Representative of BHEL

Format 3 to BHEL Conciliation Scheme, 2018

FORMAT FOR GIVING CONSENT BY CONTRACTOR/VENDOR/CUSTOMER/COLLABORATOR/CONSORTIUM PARTNERSFOR REFERRING THE DISPUTES TO CONCILIATION THROUGH IEC

To,

BHEL

……………………

Sub: Resolution of Disputes through Conciliation by Independent Expert Committee (IEC).

Ref: Contract/MoU/Agreement/LOI/LOA No & date____

With reference to above referred contract, our following bills/invoices/claims submitted to BHEL are still unpaid giving rise to Disputes:

SL. no.	Claim Description	Bill submitted to BHEL (no. and date)	Amount of the bill/claim	Amount received from BHEL	Outstanding Amount

Accordingly we request you to kindly refer the Disputes in respect of above claims to IEC for Conciliation.

We hereby agree and give our unconditional consent to the terms and conditions of BHEL Conciliation Scheme, 2018 governing conciliation through IEC. We have signed the same on each page and enclosed it for your consideration.

Yours faithfully,

(Signature with stamp)

Authorized Representative of Contractor
Name, with designation
Date

Format 5 to BHEL Conciliation Scheme, 2018

STATEMENT OF CLAIMS/COUNTER CLAIMS TO BE SUBMITTED TO THE IEC BY BOTH THE PARTIES

1. Chronology of the Disputes

2. Brief of the Contract/MoU/Agreement/LOI/LOA

3. Brief history of the Disputes:

4. Issues:

5. Details of Clam(s)/Counter Claim(s):

SI. No.	Description of claim(s)/Counter Claim	Amount (in INR)Or currency applicable in the contract	Relevant contract clause

6. Basis/Ground of claim(s)/counter claim(s) (along with relevant clause of contract)

Note– *The Statement of Claims/Counter Claims may ideally be restricted to maximum limit of 20 pages. Relevant documents may be compiled and submitted along with the statement of Claims/Counter Claims. The statement of Claims/Counter Claims is to be submitted to all IEC members and to the other party by post as well as by email.*

Annexure-IX

No.25-111612018-PG
Government of India
Ministry of Power
Shram Shakti Bhawan, Rafi Marg, New Delhi • — 110001
Tele Fax: 011-23730264

Dated 02/07/2020

ORDER

Power Supply System is a sensitive and critical infrastructure that supports not only our national defence, vital emergency services including health, disaster response, critical national infrastructure including classified data & communication services, defence installations and manufacturing establishments, logistics services but also the entire economy and the day-today life of the citizens of the country. Any danger or threat to Power Supply System can have catastrophic effects and has the potential to cripple the entire country. Therefore, the Power Sector is a strategic and critical sector.

The vulnerabilities in the Power Supply System & Network mainly arise out of the possibilities of cyber attacks through malware / Trojans etc. embedded in imported equipment. Hence, to protect the security, integrity and reliability of the strategically important and critical Power Supply System & Network in the country, the following directions are hereby issued:-

1. All equipment, components, and parts imported for use in the Power Supply System and Network shall be tested in the country to check for any kind of embedded malware/trojans/cyber threat and for adherence to Indian Standards.
2. All such testings shall be done in certified laboratories that will be designated by the Ministry of Power (MOP).
3. Any import of equipment/components/parts from "prior reference" countries as specified or by persons owned by, controlled by, or subject to the jurisdiction or the directions of these "prior reference" countries will require prior permission of the Government of India
4. Where the equipment/components/parts are imported from "prior reference" countries, with special permission, the protocol for testing in certified and designated laboratories shall be approved by the Ministry of Power (MOP).

This order shall apply to any item imported for end use or to be used as a component, or as a part in manufacturing, assembling of any equipment or to be used in power supply system or any activity directly or indirectly related to power supply system.

This issues with the approval of Hon'ble Minister of State for Power and New & Renewable Energy (Independent Charge).

(Goutam Ghosh)

Director Tel: 011-23716674 To:

1. All Ministries/Departments of Government of India (As per list)
2. Secretary (Coordination),Cabinet Secretariat
3. Vice Chairman, NITI Aayog

Item/Package Name :	
Enquiry No.:	
Project:	
Type of project	
Percentage of Local Content	***(Bidder to enter the applicable % of local content)***

Self-certification to be submitted in INR 100/- non judicial stamp paper

Format of Self certification regarding Local Content in line with PPP-MII order, 2017 & its revision dated 04.06.2020.

Date:………………

I ____________________________S/o, D/o, W/o, ___________________Resident of____ hereby solemnly affirm and declare as under:

That I will agree to abide by the terms and conditions of the Public Procurement (Preference to Make in India) Order, 2017 (*hereinafter PPP-MII order*) of Government of India issued vide Notification No: P-45021/2/2017-BE-II dated 15/06/2017, its revision dated 04/06/2020 and any subsequent modifications/Amendments**,** if any**.**

That the information furnished hereinafter is correct to the best of my knowledge and belief and I undertake to produce relevant records before the procuring entity/BHEL or any other Government authority for the purpose of assessing the local content of goods/services/works supplied by me for …………………………………… *(Enter the name of the Equipment/Item for Project).*

That the local content for all inputs which constitute the said goods/services/works has been verified by me and I am responsible for the correctness of the claims made therein.

That the goods/services/works supplied by me for …………………………………… *(Enter the name of the Equipment/Item for Project)* **contains………..%** (mention the Local content in %age) Local Content.

That the value addition for the purpose of meeting the 'Minimum Local Content 'has been made by me at …………………….. (*Enter the details of the location(s) at which value addition is made).*

That in the event of the local content of the goods/services/works mentioned herein is found to be incorrect and not meeting the prescribed supplier class categorization criteria as per said order, based on the assessment of procuring agency (ies)/BHEL/Government Authorities for the purpose of assessing the local content, action shall be taken against me in line with the PPP-MII order and provisions of the Integrity pact/ Bidding Documents.

I agree to maintain the following information in the Company's record for a period of 8 years and shall make this available for verification to any statutory authority.

i Name and details of the Local Supplier
(Registered Office, Manufacturing unit location, nature of legal entity)

ii. Date on which this certificate is issued

Item/Package Name :	
Enquiry No.:	
Project:	
Type of project	
Percentage of Local Content	*(Bidder to enter the applicable % of local content)*

Self-certification to be submitted in INR 100/- non judicial stamp paper

iii. Goods/services/works for which the certificate is produced

iv. Procuring entity to whom the certificate is furnished

v. Percentage of local content claimed and whether it meets the Minimum Local Content prescribed

vi. Name and contact details of the unit of the Local Supplier (s)

vii. Sale Price of the product

viii Ex-Factory Price of the product

ix. Freight, insurance and handling

x. Total Bill of Material

xi List and total cost value of input used to manufacture the Goods/to provide services/in construction of works

xii. List and total cost of input which are domestically sourced. Value addition certificates from suppliers, if the input is not in-house to be attached

xiii. List and cost of inputs which are imported, directly or indirectly

For and on behalf of…………………………………………… (Name of firm/entity)

Authorized signatory (To be duly authorized by the Board of Directors)
<Insert Name, Designation and Contact No.>

Annexure-VI

Clause regarding regarding restrictions under Rule 144 (XI) of the General Financial Rules (GFRs), 2017 as per Government of India order OM No.6/18/2019-PPD dated 23.07.2020

I. Any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority.

II. "Bidder" (including the term 'tenderer', 'consultant' or 'service provider' in certain contexts) means any person or firm or company including any member of a consortium or joint venture (that is an association of several persons, or firms or companies), every artificial juridical person not failing in any of the descriptions of bidders stated hereinbefore, including any agency branch or office controlled by such person, participating in a procurement process.

III. "Bidder from a country which shares a land border with India" for the purpose of this Order means:

a. An entity Incorporated, established or registered in such a country; or
b. A subsidiary of an entity Incorporated, established or registered in such a country; or
c. An entity substantially controlled through entitles incorporated, established or registered in such a country; or
d. An entity whose *beneficial owner* is situated in such a country, or
e. An Indian (or other) agent of such an entity; or
f. A natural person who is a citizen of such a country; or
g. A consortium or joint venture where any member of the consortium or joint venture falls under any of the above

IV. The *beneficial owner* for the purpose of (iii) above will be as under:

1. In case of a company or Limited Liability Partnership, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has a controlling ownership interest or who exercises control through other means.

   Explanation-

   a. "Controlling ownership interest" means ownership of or entitlement to more than twenty-five per cent. of shares or capital or profits of the company;
   b. "Control" shall include the right to appoint majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholder's agreements or voting agreements;

2. In case of a partnership firm, the beneficial owner is the natural person(s) who, whether acting alone or together, or through one or more juridical person, has ownership of entitlement to more than fifteen percent of capital or profits of the partnership;
3. In case of an unincorporated association or body of individuals, the beneficial owner is the natural person(s), who, whether acting alone or together, or through one or more juridical person, has ownership of or entitlement to more than fifteen percent of the property or capital or profits of such association or body of Individuals;
4. Where no natural person is Identified under (1) or (2) or (3) above the beneficial owner is the relevant natural person who holds the position of senior managing official;
5. In case of a trust, the identification of beneficial owner(s) shall include identification of the author of the trust, the trustee, the beneficiaries with fifteen percent or more interest in the trust and any other natural person exercising ultimate effective control over the trust through a chain of control or ownership.

V. An Agent is a person employed to do any act for another or to represent another in dealings with third person.

Annexure-VI

Clause regarding regarding restrictions under Rule 144 (XI) of the General Financial Rules (GFRs), 2017 as per Government of India order OM No.6/18/2019-PPD dated 23.07.2020

VI. The successful bidder shall not be allowed to sub-contract works to any contractor from a country which shares a land border with India unless such contractor is registered with the Competent Authority.

***** *The above clause is not applicable to the bidders from those countries (even if* sharing a land border with India) to which the GoI has extended lines of credit or in which the GoI is engaged in development projects.

* List of countries to which lines of credit have been extended or in which development projects are undertaken are available on the Ministry of External affaires website (https://www.mea.gov.in/)

Annexure-VII

Compliance to be submitted in INR 100/- non judicial stamp paper

Sub: **Compliance to Government of India order OM No.6/18/2019-PPD dated 23.07.2020 regarding restrictions under Rule 144 (XI) of the General Financial Rules (GFRs), 2017**

Sl No.	Description	Bidder's confirmation
1	*We, M/s_____________have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India; We hereby certify that we are not from such a country.*	*Agreed*

(Note: Non-compliance of above said GoI Order and its subsequent amendment, (if any), by any bidder(s) shall lead for commercial rejection of their bids by BHEL)

Bidder's authorized signatory with stamp & seal

Annexure-VIII

Compliance to be submitted in INR 100/- non judicial stamp paper

Sub: **Compliance to Government of India order OM No.6/18/2019-PPD dated 23.07.2020 regarding restrictions under Rule 144 (XI) of the General Financial Rules (GFRs), 2017**

Sl No.	Description	Bidder's confirmation
1	*We, M/s______________have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India. We are from such a country which shares a land border with India & have been registered with the Competent Authority as specified in above said order. We hereby certify that we fulfil all requirements in this regard and are eligible to be considered.* ***Evidence of valid registration by the Competent Authority is attached.***	*Agreed*

(Note: Non-compliance of above said GoI Order and its subsequent amendment, (if any), by any bidder(s) shall lead for commercial rejection of their bids by BHEL)

Bidder's authorized signatory with stamp & seal

Annexure-X

Vendor Compliance format in bidder letter head

In view of order No. 25-111612018-PG, Dated 02.07.2020 of Ministry of Power, GOI

Enquiry No/ PO No & Date :
Project :
Name of items/Package :

This is to certify that all equipment, components, and parts imported for use in the Power Supply System and Network are in strict compliance to directions issued by Ministry of Power, Govt. of India vide order No. 25-111612018-PG dated 02.07.2020. The imported component(s), part or assembly item(s) does not carry any malware/Trojan etc.

Note: Non-compliance of MoP Order and its subsequent amendment(s), (if any), by vendor shall lead to rejection of their offer or cancellation of contract, which is awarded by BHEL.

Bidder's authorized signatory

with stamp & seal

Annexure-XII

RISK PURCHASE

1.1. In case the Supplier / Contractor fails to supply or fails to comply with terms & conditions of the Purchase Order / Contract or delivers equipment / material not of the contracted quality or fails to adhere to the contract specifications or fails to perform as per the activity schedule and there are sufficient reasons even before expiry of the delivery / completion period to justify that supplies shall be inordinately delayed beyond contractual delivery / completion period, BHEL reserve the right to cancel the Purchase Order / Contract either in whole or in part thereof without compensation to Supplier / Contractor and if BHEL so desires, may procure such equipment / material / items not delivered or others of similar description where equipment / material / items exactly complying with particulars are not readily procurable in the opinion of BHEL which is final and in such manner as deemed appropriate, at the risk and cost of the Supplier / Contractor and the Supplier / Contractor shall be liable to BHEL for any excess cost to BHEL. However, the Supplier / Contractor shall continue execution of the Purchase Order / Contract to the extent not cancelled under the provisions of this clause.

1.2. Risk & Cost Clause, in line with Conditions of Contract may be invoked in any of the following cases:

i) Contractor/ supplier’s poor progress of the work vis-à-vis execution timeline as stipulated in the Contract, backlog attributable to contractor/ supplier including unexecuted portion of work/ supply does not appear to be executable within balance available period considering its performance of execution.

ii) Withdrawal from or abandonment of the work by contractor/supplier before completion as per contract.

iii) Non completion of work/ Non-supply by the Contractor/ supplier within scheduled completion/delivery period as per Contract or as extended from time to time, for the reasons attributable to the contractor/ supplier.

iv) Termination of Contract on account of any other reason(s) attributable to Contractor/ Supplier.

v) Assignment, transfer, subletting of Contract without BHEL’s written permission resulting in termination of Contract or part thereof by BHEL.

vi) Non-compliance to any contractual condition or any other default attributable to Contractor/ Supplier.

1.3. **Risk and Cost amount against Balance Work**:

In case Risk & Cost is invoked, the amount of Risk & Cost against balance work shall be calculated as under:

Risk & Cost Amount= [(A-B) + (A x H/100)]

Where,

A= Value of Balance scope of Work/ Supply (*) as per rates of new contract

B= Value of Balance scope of Works/ Supply (*) as per rates of old contract being paid to the contractor/ supplier at the time of termination of contract i.e. inclusive of PVC & ORC, if any.

H = Overhead Factor to be taken as 5 (five)

In case (A-B) is less than 0 (zero), value of (A-B) shall be taken as 0 (zero).

***(Balance scope of work/ supply)**

Difference of Contract Quantities and Executed Quantities as on the date of issue of Letter for 'Termination of Contract', shall be taken as balance scope of Work / Supply for calculating risk & cost amount.

Contract quantities are the quantities as per original contract. If, Contract has been amended, quantities as per amended Contract shall be considered as Contract Quantities.

Items for which total quantities to be executed have exceeded the Contract Quantities based on drawings issued to contractor from time to time till issue of Termination letter, then for these items total Quantities as per issued drawings would be deemed to be contract quantities.

Substitute/ extra items whose rates have already been approved would form part of contract quantities for this purpose. Substitute/ extra items which have been executed but rates have not been approved, would also form part of contract quantities for this purpose and rates of such items shall be determined in line with contractual provisions.

However, increase in quantities on account of additional scope in new tender shall not be considered for this purpose.

NOTE: Incase portion of work is being withdrawn, contract quantities pertaining to portion of work withdrawn shall be considered as 'Balance scope of work/supply' for calculating Risk & Cost amount.

1.4. LD against delay in executed work/supply in case of Termination of Contract

LD against delay in executed Work /Supply shall be calculated in line with LD clause of the contract for the delay attributable to contractor/ supplier. For this purpose, contract value shall be taken as Executed Value of work/supply for the purpose of limiting maximum LD value.

Method for calculation of “LD against delay in executed Work/ supply” is given below:

i) Let the time period from scheduled date of start of work till termination of contract excluding the period of Hold (if any) not attributable to contractor/ supplier= T1
ii) Let the value of executed work/ supply till the time of termination of contract= X
iii) Let the Total Executable Value of work/ supply for which inputs/fronts were made available to contractor/ supplier and were planned for execution till termination of contract = Y
iv) Delay in executed work/ supply attributable to contractor/supplier i.e. $T2=(1-\frac{X}{Y})x\ T1$
v) LD shall be calculated in line with LD clause of the Contract for the delay attributable to contractor/ supplier taking “X” as Contract Value and “T2” as delay attributable to contractor/ supplier.

Note: In case portion of service/ supply is withdrawn, no LD shall be applicable for portion of service/ supply withdrawn.

1.5. Recovery from Supplier

Recoveries from contractor/ supplier on whom risk & cost has been invoked shall be as per Clause No. 23 of GTC.

BHARAT HEAVY ELECTRICALS LTD.
(TRANSMISSION BUSINESS GROUP)

GENERAL TERMS AND CONDITIONS FOR TENDER ENQUIRY / CONTRACT

This is to be submitted duly signed by bidder in original. Clause-wise deviations and / or additional conditions / clarifications, if any, are to be brought out clearly in "Schedule of Commercial Deviation". Deviations and / or additional conditions / clarifications, if any, mentioned elsewhere in the bid / offer, shall not be considered.

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1.	**INSTRUCTION TO BIDDERS :** 1.1 Sealed bids are invited for the items mentioned in the tender enquiry conforming to the NIT including Technical Specifications. Bids should be typed and free from overwriting and erasures. Corrections or additions / deletions, if any, must be clearly written and attested, otherwise offer may be rejected. 1.2 Bidder must ensure that their bid is submitted / dropped in the tender box on or before **14-00 Hrs.** IST on the due date of opening, unless otherwise specified in the NIT, at the address as follows :- Tender Box, Materials Management, Transmission Business Group, Bharat Heavy Electricals Limited, 5th Floor, Tower-A, Advant Navis IT Business Park, Plot-7, Sector-142, Noida Expressway, Noida, Dist. G. B. Nagar, U. P. – 201305 1.3 In case tender enquiry is floated though the e-procurement system, offer / bid has to be submitted through the e-procurement system **ONLY** as per instructions given in the e-procurement portal (https://bheleps.buyjunction.in). 1.4 The bids shall be opened at 14-30 Hrs. IST on the due date of opening, in the presence of participating bidders who may like to be present, unless otherwise specified in the NIT. Bids received late are liable for rejection. Bidders sending bids by courier or post will have to ensure that it is timely delivered at the above address. 1.5 Bids are to be submitted duly signed with seal in two parts :- a) **Techno-commercial Bid (Part-I**) – To be submitted in 2 sets (original + copy). A copy of Price Bid (Part-II) clearly mentioning all the necessary information as per format **without prices** "Un-Priced Bid" is also to be enclosed in Part-I Bid. b) **Price Bid (Part-II)** – To be submitted only in one set in a separate sealed envelope. This should not contain any Technical and / or Commercial Terms and Conditions. The rates should be quoted both in figures and words. 1.6 The Part-I and Part-II Bids are to be sealed in separate envelopes and marked

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	as "Techno-commercial Bid (Part-I)" and "Price Bid (Part-II)" respectively. Both the envelopes are to be kept in another common envelope and marked as "BID". Each envelope should be sealed and super scribed with tender enquiry no., item / package name, project name and due date of opening. Bidder's name and address shall also be mentioned on each envelope. 1.7 For any technical clarification, please contact official mentioned in the tender enquiry / NIT. 1.8 For any commercial clarification please contact official issuing tender enquiry / NIT. 1.9 Price bid (Part-II) should not contain any additional information / description other than given in "Un-Priced Bid" submitted with "Techno-commercial Bid (Part-I)" except prices, otherwise bid is liable for rejection. 1.10 Price Bid submitted along with the bid shall remain valid up to validity of offer. Any discount / revised offer submitted by the bidder on its own shall be accepted provided it is received before the due date and time of offer submission (i.e. Part-I Bid). The discount shall be applied on pro-rata basis to all items including optional items, if any, unless specified otherwise by the bidder. Discount offered shall be valid for full duration of validity of the offer including extension of validity, if any. Unsolicited Supplementary / Revised Price Bid submitted after the due date and time of offer submission (i.e. Part-I Bid), during validity period of offer, unless asked by BHEL, shall not be considered. Withdrawal of quotation by the bidder, at any stage after its opening, may entail suitable action against such bidder by BHEL. 1.11 The consultants / firm (and any of its affiliates) shall not be eligible to participate against tender enquiry for the related goods or works or services for the same project, if they were engaged by BHEL-TBG for the consultancy services. 1.12 In case any Foreign OEM / Foreign Principal insists on engaging the services of an agent, such agent shall not be allowed to represent more than one manufacturer / supplier in the same tender. Moreover, either the agent could bid on behalf of the manufacturer / supplier or the manufacturer / supplier could bid directly but not both. In case bids are received from the manufacturer / supplier and the agent, bid received from the agent shall be ignored. 1.13 Non-conformities / errors / discrepancies in quoted prices in price bids shall be dealt as follows :- a) If, in the price structure quoted for the required goods / services / works, 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 BHEL there is an obvious misplacement of the decimal point in the unit price, in which case the total price 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 amount in

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	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 to (a) and (b) above. d) If there is such discrepancy in an offer as mentioned in (a), (b) & (c) above, the same shall be conveyed to the bidder with target date upto which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the BHEL, the bid is liable to be ignored. 1.14 In case the scope of the successful bidder / supplier against this tender enquiry includes Erection, Testing and Commissioning (ETC) of the equipment / material at site in addition to Supply, Purchase Order shall be placed for Supply Portion and Contract shall be separately awarded for ETC at Site Portion. General Terms and Conditions for Tender Enquiry / Contract mentioned herein shall be applicable for both Supply & ETC at Site. Additional Terms and Conditions for Tender Enquiry / Contract for Erection, Testing and Commissioning at Site "BHEL/TBG/GTC-ETC/2016" shall be applicable for ETC at Site only which is to be read in conjunction with General Terms and Conditions for Tender Enquiry / Contract mentioned herein. However, any breach of either the Purchase Order or the Contract shall be deemed to be breach of the other. 1.15 Taxes and Duties payable extra as per Clause No. 2.3 in NIT, if not specified/quoted clearly as extra shall be considered as included in Ex-works Price and therefore shall not be reimbursed. Taxes and duties not payable extra as per NIT shall be deemed to be included in Ex-works Price. 1.16 If the rates for taxes and duties in respect of the quoted materials and / or services assumed by the Supplier are less than the tariff prevailing at the time of tendering, Supplier will be responsible for such under quotations. However if the rates assumed are higher than the correct rates prevailing at the time tendering, the difference will be to the credit of BHEL. Note : Representative / official deputed by the bidder to witness tender opening must produce authorization letter for the same.
2.	**PRICES :** 2.1 Unless specifically indicated in the NIT, all prices shall be FIRM. No enhancement of rate for whatsoever reasons unless and until asked by BHEL shall be allowed. 2.2 Unless specifically indicated in the NIT, the prices shall be on INR basis. 2.3 2.3 Unless specifically indicated in the NIT, the prices are to be quoted on FOR (Site / Destination) basis excluding GST. The break-up of prices shall be as under :- a) **Ex-works Price: Ex-works price including packing & forwarding charges.** b) **Freight: Freight for door delivery up to destination / site / store are to be quoted separately.** c) **Insurance: Insurance for door delivery up to destination / site / store are to be quoted separately.** d) **Type Test Charges: If asked in the technical specification, it is to be**

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quoted separately for each test.

e) **Charges for Supervision of Erection, Testing & Commissioning (ETC) at Site: To be quoted separately if specified in NIT/Price Schedule.**

f) **Charges for Testing & Commissioning at Site: To be quoted separetaly if specified in NIT/Price Schedule.**

g) **Charges for Erection, Testing & Commissioning at Site: To be quoted separately if specified in NIT/Price Schedule.**

h) **Training Charges: To be quoted separately if specified in NIT/Price Schedule.**

2.4 GST rates along with HSN/SAC code as applicable on Sr No (a) to (h) above is to be mentioned separately in percentage in both un-priced bid and price bid.

Note :

i) Unless otherwise specified in the NIT, the purchase order shall be placed on Ex-works basis for Indian bidders.

ii) Prices quoted by Indian bidders shall be in Indian Rupees only..

iii) In case Supervision of Erection, Testing & Commissioning (ETC) at Site or Testing & Commissioning at Site or Erection, Testing & Commissioning at Site is also in scope of the bidder along with supply, bidder has to ensure that prices quoted for such services also are in line with special terms & conditions of the NIT, if any.

iv) Unless otherwise specified in the NIT, Unloading at Site / Destination shall not be in the scope of the supplier.

v) Prices in respect of Sr No (a) to Sr No (h) of Clause 2.3 above are to be quoted inclusive of all taxes & Duties, charges. Levies, royalty etc. If any, excluding GST.

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TERMS OF PAYMENT :

3.1 For Only Supply is in scope of the supplier

a) 100% of payment within 60 days from the date of receipt of complete invoice along with documents in 3 sets (original + 2 copies) as follows :

- LR / GR duly endorsed by BHEL Site Official..
- Material Receipt Certificate issued by BHEL Site Official.
- GST Compliant Tax Invoice
- Packing List (Case-wise)
- Copy of Transit Insurance Certificate from underwriters.
- Material Inspection Clearance Certificate (MICC) issued by BHEL Quality Management
- Guarantee Certificate
- Copy of Performance Bank Guarantee (PBG)
- Certificate of acceptance of Type Test Reports issued by BHEL Engineering Management wherever specifically mentioned in the Purchase Order.

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	3.2 For Supply where Supervision of Erection, Testing & Commissioning (ETC) at Site is in scope of the supplier or Supply where Testing & Commissioning at Site is in scope of the supplier: a) 95% of payment within 60 days from the date of receipt of complete invoice along with documents in 3 sets (original + 2 copies) as follows : • LR / GR duly endorsed by BHEL Site Official. • Material Receipt Certificate issued by BHEL Site Official. • GST Compliant Tax Invoice • Packing List (Case-wise) • Copy of Transit Insurance Certificate from underwriters. • Material Inspection Clearance Certificate (MICC) issued by BHEL Quality Management • Guarantee Certificate • Copy of Performance Bank Guarantee (PBG) • Certificate of acceptance of Type Test Reports issued by BHEL Engineering Management wherever specifically mentioned in the Purchase Order b) 5% of payment within 60 days from the date of receipt of complete invoice along with documents in 3 sets (original + 2 copies) as follows : • Certificate of successful completion of Supervision of Erection, Testing & Commissioning at Site if it is in the scope of the supplier or Certificate of successful completion of Testing & Commissioning at Site if it is in the scope of the supplier. • Certificate of completion of final documentation as per Purchase Order / Technical Specification issued by BHEL Engineering Management 3.3 For Supply where Erection, Testing & Commissioning (ETC) at Site is in scope of the supplier: a) 90% of payment within 60 days from the date of receipt of complete invoice along with documents in 3 sets (original + 2 copies) as follows : • LR / GR duly endorsed by BHEL Site Official. • Material Receipt Certificate issued by BHEL Site Official. • GST Compliant Tax Invoice • Packing List (Case-wise) • Copy of Transit Insurance Certificate from underwriters. • Material Inspection Clearance Certificate (MICC) issued by BHEL Quality Management • Guarantee Certificate • Copy of Performance Bank Guarantee (PBG) • Certificate of acceptance of Type Test Reports issued by BHEL Engineering Management wherever specifically mentioned in the Purchase Order b) 10% of payment within 60 days from the date of receipt of complete invoice along with documents in 3 sets (original + 2 copies) as follows : • Certificate of successful completion of Erection, Testing & Commissioning at Site issued by BHEL Site Official / Construction Management. • Certificate of completion of final documentation as per Purchase Order / Technical Specification issued by BHEL Engineering Management

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	3.4 **For Type Test Charges:** 100% payment along with applicable GST within 60 days from the date of receipt of complete GST compliant Tax invoice along with copy of Certificate of acceptance of Type Test Reports issued by BHEL Engineering Management in 3 sets (original + 2 copies) on completion of delivery (at site, if F&I is in scope of supplier) of main supplies (excluding spares) for which Type Tests are applicable. List of main supplies (excluding spares) for which Type Tests are applicable shall be certified by BHEL Engineering Management. 3.5 **For Charges for Supervision of Erection, Testing & Commissioning at Site:** 100% payment along with applicable GST within 60 days from the date of receipt of complete GST compliant Tax invoice along with certificate of successful completion of Supervision of Erection, Testing & Commissioning at Site issued by BHEL Site Official / Construction Management in 3 sets (Original + 2 copies). 3.6 **For Charges for Testing & Commissioning at Site:** 100% payment along with applicable GST within 60 days from the date of receipt of complete GST compliant Tax invoice along with certificate of successful completion of Testing & Commissioning at Site issued by BHEL Site Official / Construction Management in 3 sets (Original + 2 copies). 3.7 **For Training Charges** 100% payment along with applicable GST within 60 days from the date of receipt of complete GST compliant Tax invoice along with certificate of completion of training issued by BHEL Engineering Management in 3 sets (Original + 2 copies). Note : i) Supplier has to submit invoice(s) as per PO or approved billing break-up of prices (if applicable as per NIT). ii) In case of supplies for overseas project, Material Receipt Certificate issued by BHEL Authorized Representative shall also be acceptable. iii) In case of Transit Insurance under Open Insurance Policy, Intimation / Declaration of Transit Insurance as per terms of the relevant Open Insurance Policy along with copy of Open Insurance Policy from underwriters shall also be acceptable. iv) Supplier has to ensure commencement of transit insurance from the date not later than LR / GR date. v) Supplier has to submit Tax Invoice(s). Supplier should ensure that Tax Invoice should comply all statutory requirements under GST Law to enable BHEL to avail input credit. vi) MSMED Act, 2006 and the rules made thereunder as amended from time to time shall be applicable for release of payment to suppliers qualified & registered as Micro & Small Enterprises based on documents mentioned in the NIT for MSME. vii) Supplier has to submit PBG (as per BHEL format) & Guarantee Certificate as per PO terms. viii) In case any shortages and / or damages in supplies, an amount calculated based on comments against Material Receipt Certificate issued by the BHEL Site Official shall be withheld from the supply payment against 3.1(a) or 3.2(a)

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	above to be deemed fit by BHEL subject to a minimum of 10% of the total ex-works value of the invoice corresponding to the LR / GR against which any shortages and / or damages are reported. The withheld amount shall be released after the shortages and / or damages in supplies are supplied / replenished against Certification by BHEL Site Official. ix) Payment of GST component shall be made only if vendor has deposited the Tax and credit for the same is reflected in GSTN (GST Network). In case credit of the same is not reflected in GSTN , vendor may alternatively furnish BG of GST Amount for a period valid for not less than 1 month .In case of disallowance of credit /non reflection of credit in GSTN , amount will be recovered from supplier along with applicable Interest , penalty etc from any dues. x) If GST is payable by BHEL on reverse Charge Mechanism basis, vendor should ensure the submission of GST compliant Tax invoice immediately on dispatch/ preformation of service. In case of non-compliance any additional charges towards interest, penalty etc., will be to vendors account. xi) TDS under GST Act, if applicable, shall be deducted unless Exemption Certificate, if applicable, from the appropriate authority is furnished to BHEL along with Invoice.
	INTEREST LIABILITY : In case of any delay in payment due to any reason, BHEL shall not pay any interest on delayed payment. Also, no interest shall be payable by BHEL on the bank guarantee / deposit amount or balance payment or any other money which may become due owing to difference or misunderstanding or any dispute before any quasi judicial authority between BHEL and the Supplier / Contractor.
5.	**GUARANTEE :** The equipment / material supplied and services rendered (if applicable) shall be guaranteed to be free from all defects and faults in design & engineering, material, workmanship & manufacture and in full conformity with the Purchase Order / Contract, Technical Specifications & approved drawings / data sheets, if any, for 18 months from the date of last delivery or 12 months from the date of commissioning, whichever is earlier. Wherever Erection, Testing & Commissioning at Site are also in the scope of the Supplier, the guarantee period shall be 18 months from the date of last delivery or 12 months from the date of commissioning, whichever is later. The defective equipment / material / component shall be replaced free of cost at site. Freight & Insurance during transit shall also be in the scope of the supplier / contractor. Any expenditure for dismantling and re-erection of the replaced equipment / material / component shall be to supplier's / contractor's account. All replacements during the guarantee period shall be delivered at site promptly and satisfactorily within a period not more than 45 days from the date of reporting the defect / rejection etc. In the event of the supplier / contractor failing to replace the defective equipment / material / component within the time period mentioned above, BHEL may proceed to undertake the replacement of such defective equipment / material / component at the risk and cost of the supplier / contractor without prejudice to any other rights under the contract and recover the same from PBG / other dues of this Purchase Order / Contract or any other Purchase Order / Contract executed by the supplier / contractor.

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	Note : i) In case of Illumination System, items viz. Lamps, Tubes, Ballast, Starters, and Capacitors & Fuses will not be under Guarantee after commissioning. ii) In addition to the above guarantee period, Extended Guarantee / Warranty, if any, shall be as per NIT / Technical Specifications. iii) In case offer of agent of Foreign OEM / Foreign Principal is considered, as per Clause No. 1.12 above, Guarantee as mentioned above has to be provided by the Foreign OEM / Foreign Principal also.
6.	**LATENT DEFECT :** Liability for latent defects shall be for defects inherently lying within material or arising out of design deficiency which does not manifest itself during guarantee period but later and shall be limited to five years from the expiry of the guarantee period.
7.	**PERFORMANCE BANK GUARANTEE (PBG) :** Supplier shall arrange to submit Performance BG / Deposit on a non-judicial stamp paper of appropriate value along with first invoice or within 60 days from placement of Purchase Order (PO) whichever is earlier, in line with one of the applicable options as follows :- Option “A” A single rolling PBG for Rs. 50 Lakhs initially valid for 18 months with claim period of 3 months extra over and above 18 months for all the Purchase Orders being executed for Transmission Business Group, BHEL. However, validity of the PBG shall be extended till 18 months from the date of last delivery with 3 months claim period extra over and above 18 months. Single Rolling PBG option shall not be applicable in case Ex-works value of the PO at the time of placement of PO exceeds Rs. One Crore. Option “B” PBG for 10% of the total Ex-works PO value, valid for 18 months from the date of last delivery with claim period of 3 months extra over and above 18 months. Ex-works PO value at the time of placement of PO shall be considered for calculation of the PBG amount. Option “C” In case the total Ex-works PO value at the time of placement of PO does not exceed Rs. Ten Lakhs, interest free Deposit of 10% of the total Ex-works PO value at the time of placement of PO in form of Demand Draft favouring “Bharat Heavy Electricals Limited” and payable at New Delhi / Delhi / Noida shall also be acceptable to BHEL in lieu of PBG, which shall be released after expiry of 21 months from the date of last delivery after deduction, if any, within 60 days from receipt of invoice in 3 sets (original + 2 copies) to be submitted by the supplier. Note : i) The Bank Guarantee shall be from any bank as per Annexure for List of Banks (32 Nos.). The original PBG should be sent by issuing Bank directly to AGM (Finance), TBG, BHEL, Noida. ii) Extension of validity of the PBG in original, as per above clause, should be sent by issuing Bank directly to AGM (Finance), TBG, BHEL, Noida at least 45 days before expiry of validity of the PBG. iii) Unless otherwise specified in the NIT, deviation taken for non-submission of

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	PBG / Deposit, as applicable, shall not be accepted. iv) Supplier has to confirm one of the applicable options for submission of PBG / Deposit before placement of PO. v) In case of non–submission PBG / Deposit, as applicable, BHEL reserve the right for Risk Purchase as per terms of the NIT and impose Suspension of Business Dealings with the Supplier / Contractor. vi) BHEL reserve the right to encash the Bank Guarantee and forfeit the amount in the event of any default, failure or neglect on part of the Supplier in fulfilment of performance of the Purchase Order. vii) Value of the Bank Guarantee (at the time of submission) shall remain unchanged for any subsequent variations in Purchase Order value up to ± 20%. Beyond this variation of ± 20%, the Supplier shall arrange to enhance or may reduce the value of the Bank Guarantee accordingly for the total variation promptly. viii) Vendor to ensure submission of Certificate of Final Documentation /Confirmation regarding Non applicability of Final Documentation, as the case may be, as referred in clause No 9 regarding Final Documentation. BG shall be released only after submission of the same to BHEL TBMM.
8.	**SUBMISSION OF DRAWINGS / DOCUMENTS FOR APPROVAL :** Supplier shall submit the master document list within 7 days from date of Purchase Order / Contract, unless otherwise specified in the NIT, with planned dates for submission which shall be in line with activity schedule as per Purchase Order / Contract and shall be finalized with BHEL Engineering Management. Date of first submission of drawings / documents shall be certified by BHEL Engineering Management after the receipt of applicable drawings / documents (e.g. project specific cover sheet, GTP, OGA drawings, schemes, type test reports etc.) by BHEL. During detailed engineering stage, necessary hard copies of the engineering drawings / documents shall also be submitted by the supplier as per the Purchase Order / Contract requirement. The supplier shall also submit the packing drawings as per technical specifications. In case item(s) offered require any interface details of other item (not in the scope of supplier & required for operating the equipment), the supplier has to submit interfaces schedule along with submission of engineering drawings / documents. It shall be responsibility of the supplier to get the details of the interfaced item from BHEL before manufacturing to avoid any mismatch at site.
9.	**FINAL DOCUMENTATION :** Final documentation as called in the Technical /contract specification is to be submitted within 3 months from the date of first delivery of respective equipment, item/material .After submission of Final Documentation, BHEL Engineering Management (TBEM) will issue a Certificate of Completion of Final Documentation. Wherever Final Documentation is not applicable, BHEL Engineering Management (TBEM) will issue confirmation regarding the same, Vendor to submit the Certificate of Final Documentation /Confirmation regarding Non applicability of Final Documentation, as the case may be+D131, to BHEL TBMM. In case of Non Submission of Certificate of Final Documentation /Confirmation regarding Non applicability of Final Documentation, BG will be liable for encashment.
10.	**INSPECTION :** BHEL / customer / third party shall inspect equipment / material before despatch. Stage inspection during manufacturing may also be carried out. Material to be despatched only after getting Material Despatch Clearance Certificate (MDCC) / MICC issued by BHEL. Supplier shall send inspection call on prescribed format / web site only, with an advance notice of 15 days.

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	Supplier to ensure submission of all routine / acceptance test reports, inspection reports and all other documents related to inspection, immediately to BHEL. BHEL representative is authorised to carry out audits along with Third Party Inspection Agency at vendor's / supplier's works before clearing the items for despatch.
11.	**DESPATCH DOCUMENTS :** Despatch documents to be immediately sent to BHEL on despatch are as follows :- • Copy of Invoice • Copy of LR / GR in case of Indian suppliers or BL / AWB in case of foreign suppliers • Copy of Packing List (Case-wise) • Copy of Transit Insurance Certificate from underwriters • Copy of Guarantee Certificate
12.	**DELIVERY PERIOD :** Delivery / Completion requirement shall be mentioned in the NIT. Bidder to specify best delivery / completion period possible in weeks from the date of LOI / PO as per activity schedule for consideration by BHEL. Time required for type test, if applicable, is to be separately indicated. Note : LR / GR date or invoice date (whichever is later) for indigenous supplies and BL / AWB date for FOB / CIF (if applicable) contracts shall be considered as delivery date.
13.	**LIQUIDATED DAMAGES FOR DELAYED DELIVERY** In case of delay in execution of Purchase Order beyond the contractual delivery time, an amount of 0.5% of the total Purchase Order value for supply (incl. taxes and duties, freight & insurance as applicable) per week of delay or part thereof subject to a maximum of 10% of the total Purchase Order value for supply (incl. taxes and duties, freight & insurance as applicable) shall be deducted as Liquidated Damages (LD) along with applicable GST (if any) on LD. However, in case of staggered (lot-wise) contractual delivery schedule, an amount of 0.5% of the total Purchase Order value for supply (incl. taxes, duties, freight & insurance as applicable) of delayed lot per week of delay or part thereof subject to maximum of 10% of the total Purchase Order value. (Incl taxes, duties, Freight &Insurance as applicable) shall be deducted as Liquidated Damages (LD) along with applicable GST (if any) on LD. Note : i) In case of any amendment / revision, the LD shall be linked to the amended / revised Purchase Order / Contract value and delivery / completion time / schedule, if applicable. ii) LR / GR date or invoice date (whichever is later) for indigenous supplies and BL / AWB date for FOB / CIF (if applicable) for imported supplies shall be treated as the date of dispatch for levying LD as above. iii) However, for indigenous supply, if time period between date of receipt of material at site / destination by Site Official & the date of LR / GR or invoice (whichever is later) is more than 30 days, where distance from place of despatch as per LR / GR is upto 1000 Kms or if time period between date of receipt of material at site / destination by Site Official & the date of LR / GR or invoice (whichever is later) is more than 45 days, where distance from place of despatch as per LR / GR is more than 1000 Kms, such excess period shall also be considered for LD purpose. iv) If, as per supplier, delay is not attributable to the supplier, delay analysis with documentary evidence may be submitted by the supplier at the earliest but not

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	later than six months from the end of the financial year in which the payment is withheld. Based on the above details / documents submitted by the supplier, BHEL shall take final decision and if considered appropriate by BHEL, withheld amount (full or part as the case may be) shall be released, otherwise, full or balance withheld amount shall be treated as deduction of Liquidated Damages (LD) towards delayed delivery..
14.	**VALIDITY OF OFFER :** The offer shall be valid for 120 days from the due date of opening of tender (i.e. techno-commercial bid unless otherwise specified in the NIT). Prices of Spares, wherever they optional items, shall be valid till two years from the date of placement of PO.
15.	**ACCEPTANCE / REJECTION OF TENDER :** BHEL reserve the right to reject in full or part, any or all tender without assigning any reason thereof. BHEL also reserve right to vary the quantities as mentioned in the NIT. Acceptance of offer is subject to vendor approval by customer before opening of price bid. BHEL shall not be bound by any power of attorney granted by tenderer or by changes in composition of the firm made subsequent to award of order / contract. BHEL may however recognize such power of attorney and changes after obtaining proper legal advice, cost of which will be chargeable to the seller / contractor concerned. If the tenderer deliberately gives wrong information, BHEL reserves the right to reject such an offer at any stage or cancel the order / contract, if awarded, and forfeit the security deposit and bank guarantee.
16.	**DEVIATION :** The bids having deviation(s) w.r.t. tender are liable for rejection. However, BHEL, at its discretion, may load the prices for evaluation of offer with prior intimation to bidder.
17.	**TENDER EVALUATION :** Comparative statement shall be prepared and evaluated on total cost basis at destination/site (as per terms of NIT) considering overall quantity indicated in NIT unless contrary to same is specifically mentioned in the tender enquiry / NIT. Total cost for this purpose shall include cost of scope of work as mentioned in NIT along with applicable taxes & duties, and other services etc. (if applicable). GST input credit available to BHEL shall be reduced from prices while determining L1 status. In case all bidders are foreign & Port of Import (destination port) is same for all the bidders, evaluation of offers shall be done on CIF (Port of Import) basis. Otherwise, evaluation of offers shall be done on the basis of delivered cost at site / destination to BHEL. Further, in case of foreign bidders, marine freight & insurance are to be quoted separately & the purchase order may be placed on FOB basis with an option for delivery on CIF / CFR basis, if required, later. In case of foreign bidders, Exchange Rate (TT selling rate of State Bank of India) as on date of tender opening (Part-I Bid in case of two part bid) shall be considered. If the relevant day happens to be a bank holiday, then the forex rate as on the previous bank (SBI) working day shall be taken for tender evaluation.
18.	**LOADING CRITERIA :** List of permissible deviations & loading criteria thereof are as follows :- a) Payment Terms Base rate of SBI (as applicable on the date of bid opening / techno-commercial bid opening in case of two part bids) + 6% shall be considered for loading for the period of relaxation sought by bidder(s) against terms of payment in the NIT. b) Liquidated Damages (LD) for Delayed Delivery Loading on LD clause shall be to the extent to which it is not agreed to by the

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	bidder (at offered value). c) In case of foreign bidders, if the quoted prices is on CIF basis only, it shall be loaded to arrive at total FOR (Site / Destination) price, as applicable, by factors as follows :- i) Port handling / clearing charges: @ 1% of CIF value to arrive at Customs Assessable Value. ii) Custom Duty (including CVD & SAD) as per NIT prevailing on date of price bid opening. iii) Inland Freight & Transit Insurance: @ 5% of CIF value where distance between site / destination and Port of Discharge is upto 1000 Kms or @ 7% of CIF value where distance between site / destination and Port of Discharge is more than 1000 Kms. Note : Additional deviations (if considered acceptable by BHEL) & the loading criteria shall be communicated to all the qualified bidders before price bid opening.
19.	**ARBITRATION :** In the event of any dispute emanating from and relating to this contract, the matter shall be referred to the sole arbitration of the person appointed by the competent authority of BHEL. Subject to aforesaid, the provisions of "The Arbitration and Conciliation Act, 1996" and the rules made thereunder as amended from time to time in India shall apply to the arbitration proceedings. The venue of arbitration shall be in New Delhi. Further there shall be no claim for any pre-reference or pendente-lite interest on the claims and any claim for such interest made shall be void. However, in case of contract with Public Sector Enterprise / Undertaking (PSE/PSU) or Govt. Dept., the extant guidelines of Govt. of India shall be followed.
20.	**LEGAL SETTLEMENT :** Indian Courts at New Delhi / Delhi shall have exclusive jurisdiction to decide the dispute, if any, arising out of or in respect of the contract(s) to which these conditions are applicable. Contract, including all matters connected with contract, shall be governed by the Indian Law, both substantive and procedural, for the time being in force including modification thereto.
21.	**SUB-CONTRACTING :** In case further subcontracting of BHEL Purchase Order / Contract or part thereof is envisaged by supplier, the same can be done after written permission is obtained from BHEL. However it shall not absolve the Supplier / Contractor of the responsibility of fulfilling BHEL Purchase Order / Contract requirements. In case of subcontracting of Purchase Order / Contract awarded by BHEL or part thereof without such permission, BHEL reserve the right to cancel the Purchase Order / Contract and source such material / component / equipment / system from any other agency at the risk and cost of the Supplier / Contractor. If Supplier / Contractor is an individual or proprietary concern and the individual or the proprietor dies or the partnership is dissolved or substantially affected, then unless BHEL is satisfied that legal representative of individual Supplier / Contractor or proprietor of proprietary concern and surviving partners of partnership firm are capable of carrying out and completing the Purchase Order / Contract, BHEL shall be entitled to cancel the Purchase Order / Contract as to its incomplete portion and without being in any way liable to payment of any compensation to legal representative of Supplier / Contractor and / or to surviving partners of Supplier's / Contractor's firm on account of cancellation of the Purchase Order / Contract. Decision of BHEL that legal representatives of deceased Supplier / Contractor or surviving partners of the Supplier's / Contractor's firm cannot carry out and complete

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	the Purchase Order / Contract shall be final and binding on the parties hereto. Terms and Conditions shall not get affected in case of de-merger / amalgamation / taking-over / re-constitution etc.
22.	**RISK PURCHASE :** In case the Supplier / Contractor fails to supply or fails to comply with terms & conditions of the Purchase Order / Contract or delivers equipment / material not of the contracted quality or fails to adhere to the contract specifications or fails to perform as per the activity schedule and there are sufficient reasons even before expiry of the delivery / completion period to justify that supplies shall be inordinately delayed beyond contractual delivery / completion period, BHEL reserve the right to cancel the Purchase Order / Contract either in whole or in part thereof without compensation to Supplier / Contractor and if BHEL so desires, may procure such equipment / material / items not delivered or others of similar description where equipment / material / items exactly complying with particulars are not readily procurable in the opinion of BHEL which is final and in such manner as deemed appropriate, at the risk and cost of the Supplier / Contractor and the Supplier / Contractor shall be liable to BHEL for any excess cost to BHEL. However, the Supplier / Contractor shall continue execution of the Purchase Order / Contract to the extent not cancelled under the provisions of this clause. Recovery amount on account of purchases made by BHEL at the risk and cost of Supplier / Contractor shall be the difference of total value of new Purchase Order (PO) value and total value of old Purchase Order for applicable items, where the total value of new PO is more than total value of old PO for applicable items, plus additional 15% of the total ex-works value of new PO as overheads. The Supplier / Contractor shall on no account be entitled to any gain on such risk & cost purchase. In case the purchase order (PO) value of the new PO is less than the PO value of the old PO, 15% of the total ex-works value of the new PO shall be recovered as overheads and the difference between the PO value of the old PO and the new PO shall not be considered for calculation of the recovery amount.
23.	**ADJUSTMENT OF RECOVERY :** Any amount payable by the Supplier / Contractor under any of the condition of this contract shall be liable to be adjusted against any amount payable to the Supplier / Contractor under any other Purchase Order / Contract awarded to him by any BHEL unit. This is without prejudice to any other action, as may be deemed fit, by BHEL.
24.	**FORCE MAJEURE CONDITION :** If by reason of war, civil commotion, act of god, Government restrictions, strike, lockout which are not in control of Supplier / Contractor the deliveries / services are delayed, Supplier / Contractor shall not be held responsible. If at any time during the continuance of the Purchase Order / Contract, the performance in whole or in part by either party of any obligations under the Purchase Order / Contract is prevented or delayed by reason of any war hostilities, acts of the public enemy, restrictions by Govt. of India, civil commotion, sabotage, fires, floods, explosion, epidemics, quarantine restrictions, strike, lock-outs or acts of God (hereinafter referred to as “event”), which are not in control of Supplier / Contractor or BHEL, then provided notice of the happening of such event is given by either party to the other within fifteen (15) days from the date of occurrence thereof, neither party shall by reason of such event be entitled to terminate the Purchase Order / Contract nor shall have any claim for damages against each other in respect of such non-performance and delay in performance. Performance under the Purchase Order / Contract shall be resumed immediately after such event has come to an end or ceased to exist and decision of BHEL as to whether the deliveries have to be

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	resumed or not shall be final, conclusive and binding on the parties hereto. In the event of the parties hereto not able to agree that a force majeure event has occurred, the parties shall submit the disputes for resolution pursuant to the provisions hereunder, provided that the burden of proof as to whether a force majeure event has occurred shall be upon the party claiming such an event. Notwithstanding above provisions, BHEL shall reserve the right to cancel the Purchase Order / Contract, wholly or partly, in order to meet the overall project schedule and make alternative arrangements for completion of delivery and other schedules.
25.	**MANUFACTURING QUALITY PLAN (MQP) :** Supplier to submit approved MQP in line with requirement of BHEL/customer.
26.	**SUPPLIER PERFORMANCE MONITORING AND RATING SYSTEM :** BHEL reserve the right for evaluation of Supplier Performance Rating as per Supplier Performance Monitoring and Rating System of BHEL for necessary action. Details are available at BHEL Website www.bhel.com for reference.
27.	**DEALING WITH BANNED SUPPLIERS / CONTRACTORS IN BHEL :** Offers of the bidders, who are on the banned list, as also the offers of the bidders who engage the services of the banned firms, shall be rejected. The list of banned firms is available on BHEL website www.bhel.com for reference.
28.	**ORDER OF PRECEDENCE :** The order of precedence shall be as follows :- a) Special Terms & Conditions (STC) for Tender Enquiry / Contract, if any b) General Terms & Conditions (GTC) for Tender Enquiry / Contract & Additional General Terms & Conditions (GTC) for Tender Enquiry / Contract for Erection Testing & Commissioning (ETC) at Site, if applicable Provisions in (a) above shall prevail over (b). In case of conflict, between Technical Specifications and STC / GTC, bidder to seek necessary clarifications from BHEL concerned official as specified in NIT.
29.	**PACKING :** Packing shall be in conformity with specifications and shall be such as to ensure prevention of damages, corrosion, deterioration, shortages, pilferage and loss in transit or storage. In case of shipment by sea or air, the packing shall be sea-worthy or air-worthy respectively and of international standards. Different types of spares i.e. start-up / commissioning spares and initial spares (mandatory spares and recommended O&M spares) are to be packed separately. Packing List shall be submitted as per standard format along with advance set of documents for claiming payment which shall also indicate :- a) Case / Packing size (as applicable). b) Gross weight and net weight of each package. c) Detailed contents of the package with quantity of each item separately. Project, Item / Package Description, BHEL's PO No. with date & Case / Packing Mark should also be clearly mentioned on the Case / Packing and Packing List for identification. Also, Packing List must be duly signed & should include respective Invoice No. & LR No. Note : Foreign suppliers to furnish details to arrange inland transportation by BHEL, if applicable, as follows :- i) No. of Packages ii) Size with Weight (Gross & Net) of each Package iii) No. of Containers with type & size required for inland transportation iv) Type of Cargo (Break Bulk / LCL / FCL)

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	v) Customs Tariff No.
30.	**COLOUR CODING :** Aluminium stickers are required to be attached to large components but plastic sheet tags should be tied with small components, giving details like purchase order, description of the component, quantity etc. Tags should be of the colour as follows :- a) Main equipment : Yellow or White tag b) Start-up / Commissioning spares : Blue tag c) Mandatory spares : Pink or Red tag d) Recommended / O&M spares : Green tag
31.	**MICRO, SMALL & MEDIUM ENTERPRISES (MSME) :** MSMED Act 2006 as amended from time to time & extant regulations of Govt. of India for MSME will be applicable. Micro & Small Enterprises (MSE) can avail the intended benefits only if they submit along with the offer / bid, attested copies of either Acknowledgement of Entrepreneur Memorandum Part-II (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 per BHEL format where deemed validity of EM-II certificate of five years have expired) applicable for the relevant financial year (latest audited). Date to be reckoned for determining the deemed validity will be the date of opening (for Techno-commercial Bid: Part-I 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 deficiency 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 arrested (in original) by a Gazetted officer. Copy of Udyog Aadhaar Memorandum with Acknowledgement of Ministry of Micro, Small & Medium Enterprises should also be furnished.
32.	**BUSINESS ETHICS / SUSPENSION OF BUSINESS DEALINGS WITH SUPPLIERS / CONTRACTORS :** If any bidder / supplier / contractor during pre-tendering / tendering / post tendering / award / execution / post-execution, indulges in malpractices cheating, bribery, fraud or other misconduct or formation of cartel so as to influence the bidding process or influences the price or fails to perform or is in default without any reasonable cause etc or performs any act considered objectionable as per extant guidelines, action may be taken against such bidders/supplier/contractor as per extant "Guidelines for Suspension of Business Dealings with Suppliers/Contractors". Abridged version of same is available at BHEL website (www.bhel.com) on "Supplier Registration" Page.
33.	**REVERSE AUCTION :** BHEL reserve the right to go for Reverse Auction (RA) instead of opening the sealed envelope price bid, submitted by the bidder or price bid submitted by the bidder through e-procurement system. This will be decided after techno-commercial evaluation. All bidders to give their acceptance for participation in RA. Non-acceptance to participate in RA may result in non-consideration of their bids, in case BHEL decides to go for RA. In case BHEL decides to go for Reverse Auction, only those bidders who have given their unconditional acceptance to participate in RA will be allowed to participate in the Reverse Auction. Those bidders who have given their acceptance to participate in Reverse Auction will have to necessarily submit "online sealed bid in the Reverse Auction. Non-submission of "online sealed bid by the bidder will be considered as tampering of the tender process and will invite action by BHEL as per extant guidelines in vogue. General Terms and Conditions of RA are available at Annexure. Business Rules for RA shall be sent to the bidders before conducting RA.

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	Abridged Version of “Common Guidelines for Conducting Reverse Auction” may also be seen at BHEL website (www.bhel.com) on “Supplier Registration” Page & “Tender Notifications” Page.
34.	**INTEGRITY PACT :** Bidders shall have to enter into Integrity Pact with BHEL, duly signed with seal in original, if specified in NIT / RFQ failing which bidder’s offer shall be liable for rejection.
35.	**TERMINATION OF CONTRACT :** BHEL shall have the right to cancel the Purchase Order / Contract without any financial implication to BHEL if vendor approval by end user / customer is withdrawn or in case of Suspension of Business Dealings with the Suppliers / Contractors by BHEL. BHEL shall have the right to cancel Purchase Order / Contract, wholly or in part, in case they are obliged to do so on account of any decline, diminution, curtailment or stoppage of their business and in that event, the Supplier’s / Contractor' compensation claim shall be settled mutually. In case of cancellation of Purchase Order / Contract for main supply, all other associated Purchase Orders / Contracts like those for Mandatory Spares / Recommended Spares / Erection, Testing & Commissioning (ETC) / Supervision of ETC, if any, would also get cancelled.
36.	**SHELF LIFE :** Supplier has to inform the list of the items / sub-items which have limited shelf life like consumables or those required for the first fill and shall indicate the corresponding shelf life period in the offer. Such items / sub-items shall be manufactured / despatched only after getting formal clearance from BHEL.
37.	**LIMITATION OF LIABILITY :** Notwithstanding any other provisions, except in cases of wilful misconduct and / or criminal negligence / acts, a) Neither the Supplier / Contractor nor BHEL shall be liable to the other, whether in Purchase Order / Contract, tort, or otherwise, for any consequential loss or damage, loss of use, loss of production or loss of profits or interest costs, provided however that this exclusion shall not apply to any obligation of the Supplier / Contractor to pay Liquidated Damages to the BHEL and b) Notwithstanding any other provisions incorporated elsewhere in the contract, the aggregate liability of the Contractor in respect of this contract, whether under the Contract, in tort or otherwise, shall not exceed total Contract Price, provided however that this limitation shall not apply to any obligation of the Vendor to indemnify BHEL with respect to Patent Infringement or Intellectual Property Rights.
38.	**SHORTAGES / DAMAGES :** a) Against Supply only or Supply where Supervision of Erection, Testing & Commissioning (ETC) at Site or Supply where Testing & Commissioning at Site is in scope of the supplier : Any shortages and / or damages in supplies shall be supplied / replenished free of cost by the supplier as early as possible but not later than 30 days from the date of intimation by BHEL to the supplier. b) Against Supply where Erection, Testing & Commissioning (ETC) at Site is in scope of the supplier :

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	Any shortages and / or damages in supplies and during handling / storage, erection, testing and commissioning at site shall be supplied / replenished free of cost by the Supplier / Contractor, as early as possible, to meet the contractual completion time / schedule. Note: There shall not be any extension in the contractual delivery time / schedule due to any shortages and / or damages in supplies.
39.	**VARIATION OF CONTRACT VALUE / QUANTITY VARIATION :** BHEL shall have the right to variation in quantities of items within ± 30% of the total Purchase Order / Contract value at the time of placement of PO or award of Contract on overall basis for all amendments together within two years from the date of original Purchase Order / Contract or completion of execution of the Purchase Order / Contract whichever is earlier but quantities of individual items may vary to any extent or may get deleted unless otherwise specified in the technical specifications. No compensation is payable due to variation in the quantities and the Supplier / Contractor shall be bound to accept the same the contracted prices / rates without any escalation. However, if the Purchase Order / Contract is on “Lumpsum” basis, no variation of Purchase Order / Contract value shall be admissible to the Supplier / Contractor within the scope of Purchase Order / Contract, as long as the inputs remain unchanged.
40.	**STATUTORY VARIATION :** (a) GST rates prevailing at the time of dispatch of goods/ completion of services shall be payable by BHEL. All other taxes, duties, charges, royalty, cess, other levies shall be deemed to be included in the Ex Works Prices /Charges quoted by bidders and no variations shall be payable in respect thereof. No other variations such as on customs duty, exchange rate, minimum wages, prices of controlled commodities, any other input etc. shall be payable by the BHEL. (b) Notwithstanding anything above, where the actual completion of the supply / services occurs beyond the period stipulated in the Purchase Order / Contract or any extension thereof, variations referred to above, will be limited to the rates prevailing on the dates of such agreed completion periods only. For variations after the agreed completion periods, the Supplier / Contractor alone shall bear the impact for the upward revisions and for downward revisions BHEL shall be given the benefit of reduction in applicable taxes /GST. This will be without prejudice to the levy of liquidated damages for delay in delivery / completion. (c) If new tax is introduced by Central/State Govt/Municipality becomes directly applicable on items specified in Bill of Quantities/Purchase Order/Contract, full reimbursements shall be made provided it becomes applicable on items specified in Bill of Quantities. However, any additional tax implication due to delay in delivery, beyond the Contractual Delivery, attributable to supplier shall be borne by supplier.
41.	**MODE OF PAYMENT :** Payment shall be made directly to the Supplier / Contractor by BHEL through NEFT / RTGS.
42.	**CONFIDENTIALITY :** Supplier / Contractor shall, at all times, undertake to maintain complete confidentiality of all data, information, software, drawings & documents etc. belonging to BHEL and also of systems, procedures, reports, input documents, manuals, results and any other BHEL documents discussed and / or finalized during the course of execution of Purchase Order / Contract.
43.	**INDEMNIFICATION :** The Supplier / Contractor shall indemnify and keep indemnified and hold harmless BHEL and its employees and officers from and against any and all claims, suits,

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	actions or administrative proceedings, demands, losses, damages, costs and expenses and any other claim of whatsoever nature in respect of the death or injury of any person or loss of or damage to any property arising during the course and out of the execution of the Purchase Order / Contract.
44.	**TITLE OF GOODS :** a) Ownership of the equipment / material procured in India, shall be transferred to BHEL upon loading on to the mode of transport to be used for transportation of the said equipment / material from the works to the site / destination and upon endorsement of the dispatch documents in favour of BHEL. b) Ownership of the equipment / material to be imported into the country where the site is located, if not procured in India, shall be transferred to BHEL upon loading on the mode of transport to be used for transportation of the equipment / material from the country of origin to that country / destination and upon endorsement of despatch document in favour of BHEL. c) Notwithstanding the transfer of ownership of the equipment / material, the responsibility for care and safe custody thereof together with the risk of loss or damage thereto for whatsoever reason shall remain with the Supplier.
45.	**COMPLIANCE OF STATUTORY REQUIREMENTS :** The vendor shall comply with all State and Central Laws / Acts, Statutory Rules, Regulations etc., as may be enacted by the Government during the tenure of the Purchase Order / Contract and having in force and applicable to the Purchase Order / Contract and nothing shall be done by the Supplier / Contractor in contravention of any Law / Act and / or Rules / Regulations, thereunder or any amendment thereof. The Supplier / Contractor shall pay all taxes, fees, licence charges / deposits, duties, tolls, royalty, commissions or other charges which may be levied on account of any of his operations connected with the Purchase Order / Contract. In case BHEL is constrained to make any of such payments, BHEL shall recover the same from the Supplier / Contractor either from moneys due to him or otherwise as deemed fit.
46.	**ACCEPTANCE OF ORDER :** Supplier should acknowledge and accept the Letter of Award / Purchase Order issued by BHEL within 7 days of the issue of Letter of Award / Purchase Order. In case of any discrepancy / typographical error in issue of Purchase Order / Contract, the agreed terms & conditions, scope of work, rates / prices for placement of PO / award of contract shall be applicable and BHEL reserves the right to issue amendment(s) to PO / Contract for correction of discrepancies / typographical errors in the PO / Contract at a later date.
47.	**FRAUD PREVENTION POLICY :** The Bidder along with its associate / collaborators / sub-contractors / sub-vendors / consultants / service providers shall strictly adhere to BHEL Fraud Prevention Policy displayed on BHEL website http://www.bhel.com and shall immediately bring to the notice of BHEL Management about any fraud or suspected fraud as soon as it comes to their notice.

Signature of Bidder (Authorized Signatory) with Date & Seal

No. P-45021/2/2017-B.E.-II
Government of India
Ministry of Commerce and Industry
Department of Industrial Policy and Promotion
****

Dated 15th June, 2017
Udyog Bhawan, New Delhi

To

All Central Ministries/Departments/CPSUs/All concerned

ORDER

Subject: Public Procurement (Preference to Make in India), Order 2017

Whereas it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

Now therefore the following Order is issued :

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions**: For the purposes of this Order:

   'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

   'Local supplier' means a supplier or service provider whose product or service offered for procurement meets the minimum local content as prescribed under this Order or by the competent Ministries / Departments in pursuance of this order.

   'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

   'margin of purchase preference' means the maximum extent to which the price quoted by a local supplier may be above the L1 for the purpose of purchase preference.

   'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services.

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'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

3. **Requirement of Purchase Preference**: Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to local suppliers in all procurements undertaken by procuring entities in the manner specified hereunder:

   a. In procurement of goods in respect of which the Nodal Ministry has communicated that there is sufficient local capacity and local competition, and where the estimated value of procurement is Rs. 50 lakhs or less, only local suppliers shall be eligible. If the estimated value of procurement of such goods is more than Rs. 50 lakhs, the provisions of sub-paragraph b or c, as the case may be, shall apply.

   b. In the procurements of goods which are not covered by paragraph 3a and which are divisible in nature, the following procedure shall be followed:

      i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract for full quantity will be awarded to L1.

      ii. If L1 bid is not from a local supplier, 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the local suppliers, will be invited to match the L1 price for the remaining 50% quantity subject to the local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such local supplier subject to matching the L1 price. In case such lowest eligible local supplier fails to match the L1 price or accepts less than the offered quantity, the next higher local supplier within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on local suppliers, then such balance quantity may also be ordered on the L1 bidder.

   c. In procurements of goods not covered by sub-paragraph 3a and which are not divisible, and in procurement of services where the bid is evaluated on price alone, the following procedure shall be followed:

      i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract will be awarded to L1.

      ii. If L1 is not from a local supplier, the lowest bidder among the local suppliers, will be invited to match the L1 price subject to local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such local supplier subject to matching the L1 price.

      iii. In case such lowest eligible local supplier fails to match the L1 price, the local supplier with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the local suppliers within the margin of purchase preference matches the L1 price, then the contract may be awarded to the L1 bidder.

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4. **Exemption of small purchases**: Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

5. **Minimum local content**: The minimum local content shall ordinarily be 50%. The Nodal Ministry may prescribe a higher or lower percentage in respect of any particular item and may also prescribe the manner of calculation of local content.

6. **Margin of Purchase Preference**: The margin of purchase preference shall be 20% .

7. **Requirement for specification in advance**: The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.

8. **Government E-marketplace**: In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.

9. **Verification of local content**:

   a. The local supplier at the time of tender, bidding or solicitation shall be required to provide self-certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.

   b. In cases of procurement for a value in excess of Rs. 10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

   c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.

   d. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.

   e. Nodal Ministries and procuring entities may prescribe fees for such complaints.

   f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

   g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the

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duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9h below.

h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:

   i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;

   ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);

   iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

10. **Specifications in Tenders and other procurement solicitations**:

a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.

b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.

c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.

d. If a Nodal Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/ or other items relating to that Nodal Ministry. A copy of every instruction or decision taken in this regard shall be sent to the Chairman of the Standing Committee.

e. For the purpose of sub-paragraph 10 d above, a supplier or bidder shall be considered to be from a country if (i) the entity is incorporated in that country, or ii) a majority of its shareholding or effective control of the entity is exercised from that country; or (iii) more that 50% of the value of the item being supplied has been added in that country. Indian suppliers shall mean those entities which meet any of these tests with respect to India."

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11. **Assessment of supply base by Nodal Ministries**: The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.

12. **Increase in minimum local content**: The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.

13. **Manufacture under license/ technology collaboration agreements with phased indigenization**: While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

14. **Powers to grant exemption and to reduce minimum local content**: Ministries /Departments of Government of India and the Boards of Directors of Government companies or autonomous bodies may, by written order,

    a. reduce the minimum local content below the prescribed level;

    b. reduce the margin of purchase preference below 20% ;

    c. exempt any particular item or procuring or supplying entities or class or classes of items or procuring or supplying entities from the operation of this Order or any part of the Order.

    A copy of every such order shall be marked to the Member-Convenor of the Standing Committee constituted under this Order.

15. **Directions to Government companies**: In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.

16. **Standing Committee**: A standing committee is hereby constituted with the following membership:

    Secretary, Department of Industrial Policy and Promotion—Chairman
    Secretary, Commerce—Member
    Secretary, Ministry of Electronics and Information Technology—Member
    Joint Secretary (Public Procurement), Department of Expenditure—Member
    Joint Secretary (DIPP)—Member-Convenor

    The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

......Contd.p.6/-

17. **Functions of the Standing Committee**: The Standing Committee shall meet as often as necessary but not less than once in six months. The Committee

   a. shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.

   b. shall annually assess and periodically monitor compliance with this Order

   c. shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content

   d. may require furnishing of details or returns regarding compliance with this Order and related matters

   e. may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures

   f. may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization

   g. may consider any other issue relating to this Order which may arise.

18. **Removal of difficulties**: Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.

19. **Ministries having existing policies**: Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1st January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.

20. **Transitional provision**: This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.

Nayak

(B. S. Nayak)
Under Secretary to Government of India
Ph. 23061257

No. P-45021/2/2017-PP (BE-II)
Government of India
Ministry of Commerce and Industry
Department of Industrial Policy and Promotion
(Public Procurement Section)
****

Dated 28th May, 2018
Udyog Bhawan, New Delhi

To
All Central Ministries/Departments/CPSUs/All concerned

ORDER

Subject: Public Procurement (Preference to Make in India), Order 2017 – Revision; regarding.

Department of Industrial Policy and Promotion, in partial modification of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017, hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017" with immediate effect:-

Whereas it is the policy of the Government of India to encourage 'Make in India' and promote manufacturing and production of goods and services in India with a view to enhancing income and employment, and

Whereas procurement by the Government is substantial in amount and can contribute towards this policy objective, and

Whereas local content can be increased through partnerships, cooperation with local companies, establishing production units in India or Joint Ventures (JV) with Indian suppliers, increasing the participation of local employees in services and training them,

Now therefore the following Order is issued :

1. This Order is issued pursuant to Rule 153 (iii) of the General Financial Rules 2017.
2. **Definitions**: For the purposes of this Order:

   'Local content' means the amount of value added in India which shall, unless otherwise prescribed by the Nodal Ministry, be the total value of the item procured (excluding net domestic indirect taxes) minus the value of imported content in the item (including all customs duties) as a proportion of the total value, in percent.

   'Local supplier' means a supplier or service provider whose product or service offered for procurement meets the minimum local content as prescribed under this Order or by the competent Ministries / Departments in pursuance of this order.

   'L1' means the lowest tender or lowest bid or the lowest quotation received in a tender, bidding process or other procurement solicitation as adjudged in the evaluation process as per the tender or other procurement solicitation.

   'margin of purchase preference' means the maximum extent to which the price quoted by a local supplier may be above the L1 for the purpose of purchase preference.

.....Contd. p/2

'Nodal Ministry' means the Ministry or Department identified pursuant to this order in respect of a particular item of goods or services or works.

'Procuring entity' means a Ministry or department or attached or subordinate office of, or autonomous body controlled by, the Government of India and includes Government companies as defined in the Companies Act.

'Works' means all works as per Rule 130 of GFR- 2017, and will also include *'turnkey works'*.

3. **Requirement of Purchase Preference :** Subject to the provisions of this Order and to any specific instructions issued by the Nodal Ministry or in pursuance of this Order, purchase preference shall be given to local suppliers in all procurements undertaken by procuring entities in the manner specified hereunder"

   a. "In procurement of goods, services or works in respect of which the Nodal Ministry has communicated that there is sufficient local capacity and local competition, and where the estimated value of procurement is Rs. 50 lakhs or less, only local suppliers shall be eligible. If the estimated value of procurement of such goods or services or works is more than Rs. 50 lakhs, the provisions of sub-paragraph b or c, as the case may be, shall apply";

   b. "In the procurements of goods or works which are not covered by paragraph 3a and which are divisible in nature, the following procedure shall be followed";

      i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract for full quantity will be awarded to L1.

      ii. If L1 bid is not from a local supplier, 50% of the order quantity shall be awarded to L1. Thereafter, the lowest bidder among the local suppliers, will be invited to match the L1 price for the remaining 50% quantity subject to the local supplier's quoted price falling within the margin of purchase preference, and contract for that quantity shall be awarded to such local supplier subject to matching the L1 price. In case such lowest eligible local supplier fails to match the L1 price or accepts less than the offered quantity, the next higher local supplier within the margin of purchase preference shall be invited to match the L1 price for remaining quantity and so on, and contract shall be awarded accordingly. In case some quantity is still left uncovered on local suppliers, then such balance quantity may also be ordered on the L1 bidder.

   c. "In procurements of goods or works not covered by sub-paragraph 3a and which are not divisible, and in procurement of services where the bid is evaluated on price alone, the following procedure shall be followed":-

      i. Among all qualified bids, the lowest bid will be termed as L1. If L1 is from a local supplier, the contract will be awarded to L1.

.....Contd. p/3

ii. If L1 is not from a local supplier, the lowest bidder among the local suppliers, will be invited to match the L1 price subject to local supplier's quoted price falling within the margin of purchase preference, and the contract shall be awarded to such local supplier subject to matching the L1 price.

iii. In case such lowest eligible local supplier fails to match the L1 price, the local supplier with the next higher bid within the margin of purchase preference shall be invited to match the L1 price and so on and contract shall be awarded accordingly. In case none of the local suppliers within the margin of purchase preference matches the L1 price, then the contract may be awarded to the L1 bidder.

4. **Exemption of small purchases**: Notwithstanding anything contained in paragraph 3, procurements where the estimated value to be procured is less than Rs. 5 lakhs shall be exempt from this Order. However, it shall be ensured by procuring entities that procurement is not split for the purpose of avoiding the provisions of this Order.

5. **Minimum local content**: The minimum local content shall ordinarily be 50%. The Nodal Ministry may prescribe a higher or lower percentage in respect of any particular item and may also prescribe the manner of calculation of local content.

6. **Margin of Purchase Preference**: The margin of purchase preference shall be 20% .

7. **Requirement for specification in advance**: The minimum local content, the margin of purchase preference and the procedure for preference to Make in India shall be specified in the notice inviting tenders or other form of procurement solicitation and shall not be varied during a particular procurement transaction.

8. **Government E-marketplace**: In respect of procurement through the Government E-marketplace (GeM) shall, as far as possible, specifically mark the items which meet the minimum local content while registering the item for display, and shall, wherever feasible, make provision for automated comparison with purchase preference and without purchase preference and for obtaining consent of the local supplier in those cases where purchase preference is to be exercised.

9. **Verification of local content**:

   a. The local supplier at the time of tender, bidding or solicitation shall be required to provide self-certification that the item offered meets the minimum local content and shall give details of the location(s) at which the local value addition is made.

   b. In cases of procurement for a value in excess of Rs. 10 crores, the local supplier shall be required to provide a certificate from the statutory auditor or cost auditor of the company (in the case of companies) or from a practicing cost accountant or practicing chartered accountant (in respect of suppliers other than companies) giving the percentage of local content.

   c. Decisions on complaints relating to implementation of this Order shall be taken by the competent authority which is empowered to look into procurement-related complaints relating to the procuring entity.

.....Contd. p/4

d. Nodal Ministries may constitute committees with internal and external experts for independent verification of self-declarations and auditor's/ accountant's certificates on random basis and in the case of complaints.

e. Nodal Ministries and procuring entities may prescribe fees for such complaints.

f. False declarations will be in breach of the Code of Integrity under Rule 175(1)(i)(h) of the General Financial Rules for which a bidder or its successors can be debarred for up to two years as per Rule 151 (iii) of the General Financial Rules along with such other actions as may be permissible under law.

g. A supplier who has been debarred by any procuring entity for violation of this Order shall not be eligible for preference under this Order for procurement by any other procuring entity for the duration of the debarment. The debarment for such other procuring entities shall take effect prospectively from the date on which it comes to the notice of other procurement entities, in the manner prescribed under paragraph 9h below.

h. The Department of Expenditure shall issue suitable instructions for the effective and smooth operation of this process, so that:

   i. The fact and duration of debarment for violation of this Order by any procuring entity are promptly brought to the notice of the Member-Convenor of the Standing Committee and the Department of Expenditure through the concerned Ministry /Department or in some other manner;

   ii. on a periodical basis such cases are consolidated and a centralized list or decentralized lists of such suppliers with the period of debarment is maintained and displayed on website(s);

   iii. in respect of procuring entities other than the one which has carried out the debarment, the debarment takes effect prospectively from the date of uploading on the website(s) in the such a manner that ongoing procurements are not disrupted.

10. **Specifications in Tenders and other procurement solicitations**:

a. Every procuring entity shall ensure that the eligibility conditions in respect of previous experience fixed in any tender or solicitation do not require proof of supply in other countries or proof of exports.

b. Procuring entities shall endeavour to see that eligibility conditions, including on matters like turnover, production capability and financial strength do not result in unreasonable exclusion of local suppliers who would otherwise be eligible, beyond what is essential for ensuring quality or creditworthiness of the supplier.

c. Procuring entities shall, within 2 months of the issue of this Order review all existing eligibility norms and conditions with reference to sub-paragraphs 'a' and 'b' above.

d. If a Nodal Ministry is satisfied that Indian suppliers of an item are not allowed to participate and/ or compete in procurement by any foreign government, it may, if it deems appropriate, restrict or exclude bidders from that country from eligibility for procurement of that item and/ or other items relating to that Nodal Ministry. A copy of every instruction or decision taken in this regard shall be sent to the Chairman of the Standing Committee.

.....Contd. p/5

e. For the purpose of sub-paragraph 10 d above, a supplier or bidder shall be considered to be from a country if (i) the entity is incorporated in that country, or ii) a majority of its shareholding or effective control of the entity is exercised from that country; or (iii) more that 50% of the value of the item being supplied has been added in that country. Indian suppliers shall mean those entities which meet any of these tests with respect to India."

11. **Assessment of supply base by Nodal Ministries**: The Nodal Ministry shall keep in view the domestic manufacturing / supply base and assess the available capacity and the extent of local competition while identifying items and prescribing minimum local content or the manner of its calculation, with a view to avoiding cost increase from the operation of this Order.

12. **Increase in minimum local content**: The Nodal Ministry may annually review the local content requirements with a view to increasing them, subject to availability of sufficient local competition with adequate quality.

13. **Manufacture under license/ technology collaboration agreements with phased indigenization**: While notifying the minimum local content, Nodal Ministries may make special provisions for exempting suppliers from meeting the stipulated local content if the product is being manufactured in India under a license from a foreign manufacturer who holds intellectual property rights and where there is a technology collaboration agreement / transfer of technology agreement for indigenous manufacture of a product developed abroad with clear phasing of increase in local content.

14. **Powers to grant exemption and to reduce minimum local content**: Ministries /Departments of Government of India and the Boards of Directors of Government companies or autonomous bodies may, by written order,

    a. reduce the minimum local content below the prescribed level;

    b. reduce the margin of purchase preference below 20% ;

    c. exempt any particular item or procuring or supplying entities or class or classes of items or procuring or supplying entities from the operation of this Order or any part of the Order.

    A copy of every such order shall be marked to the Member-Convenor of the Standing Committee constituted under this Order.

15. **Directions to Government companies**: In respect of Government companies and other procuring entities not governed by the General Financial Rules, the administrative Ministry or Department shall issue policy directions requiring compliance with this Order.

16. **Standing Committee**: A standing committee is hereby constituted with the following membership:

    Secretary, Department of Industrial Policy and Promotion—Chairman
    Secretary, Commerce—Member
    Secretary, Ministry of Electronics and Information Technology—Member
    Joint Secretary (Public Procurement), Department of Expenditure—Member
    Joint Secretary (DIPP)—Member-Convenor

.....Contd. p/6

The Secretary of the Department concerned with a particular item shall be a member in respect of issues relating to such item. The Chairman of the Committee may co-opt technical experts as relevant to any issue or class of issues under its consideration.

17. **Functions of the Standing Committee**: The Standing Committee shall meet as often as necessary but not less than once in six months. The Committee

   a. shall oversee the implementation of this order and issues arising therefrom, and make recommendations to Nodal Ministries and procuring entities.

   b. shall annually assess and periodically monitor compliance with this Order

   c. shall identify Nodal Ministries and the allocation of items among them for issue of notifications on minimum local content

   d. may require furnishing of details or returns regarding compliance with this Order and related matters

   e. may, during the annual review or otherwise, assess issues, if any, where it is felt that the manner of implementation of the order results in any restrictive practices, cartelization or increase in public expenditure and suggest remedial measures

   f. may examine cases covered by paragraph 13 above relating to manufacture under license/ technology transfer agreements with a view to satisfying itself that adequate mechanisms exist for enforcement of such agreements and for attaining the underlying objective of progressive indigenization

   g. may consider any other issue relating to this Order which may arise.

18. **Removal of difficulties**: Ministries /Departments and the Boards of Directors of Government companies may issue such clarifications and instructions as may be necessary for the removal of any difficulties arising in the implementation of this Order.

19. **Ministries having existing policies**: Where any Ministry or Department has its own policy for preference to local content approved by the Cabinet after 1st January 2015, such policies will prevail over the provisions of this Order. All other existing orders on preference to local content shall be reviewed by the Nodal Ministries and revised as needed to conform to this Order, within two months of the issue of this Order.

20. **Transitional provision**: This Order shall not apply to any tender or procurement for which notice inviting tender or other form of procurement solicitation has been issued before the issue of this Order.

(B. S. Nayak)
Under Secretary to Government of India
Ph. 23061257

BHARAT HEAVY ELECTRICALS LTD.
(TRANSMISSION BUSINESS GROUP)

ADDITIONAL GENERAL TERMS AND CONDITIONS

FOR
TENDER ENQUIRY / CONTRACT
FOR
ERECTION, TESTING & COMMISSIONING (ETC) AT SITE

This is to be read in conjunction with General Terms and Conditions for Tender Enquiry / Contract "BHEL/TBG/GTC/2016" & submitted duly signed by bidder in original. Clause-wise deviations and / or additional conditions / clarifications, if any, are to be brought out clearly in "Schedule of Commercial Deviation". Deviations and / or additional conditions / clarifications, if any, mentioned elsewhere in the bid / offer, shall not be considered.

Sr. No.	
1.	**SCOPE OF WORK :** The scope of work of the successful bidder / contactor shall comprise but not limited to the following :- ~~1.1 Receipt of equipment / material at site, unloading, handling, transportation to storage area.~~ ~~1.2~~ Inspection / verification of equipment / material received for any shortage / damage after opening the packing / cases and intimating the same to BHEL / Owner and underwriters within the time period specified by BHEL / Underwriters and to strictly follow the procedures specified. ~~Storage of equipment in open / indoor store to be provided by BHEL in line with the instructions of BHEL.~~ ~~1.3 Conservation / maintenance / up-keeping of the equipment / item in the store.~~ ~~1.4 Temporary lighting in stores and construction area wherever required for their work.~~ 1.5 ~~Safety / Security of equipment / material~~. 1.6 Transportation of equipment / material from store to erection site, erection of equipment / material in line with the drawings / instructions to be furnished by BHEL, testing, commissioning including PG test (if applicable) and handing over. 1.7 Maintenance of associated equipment till handing over & any other activity necessary for completion of the job but not specifically mentioned in this specification. ~~1.8 Unloading, transportation to storage area, storing, up-keeping and handing over of spare items / equipment.~~ ~~1.9 Safety, watch & ward of material at site which shall be sole responsibility of the Contractor.~~ Note : In case unloading / watch & ward of material at site is not executed by the Contractor, BHEL reserve the right to get it executed with the available resources at the risk & cost of the Contractor.

Sr. No.	
2.	**PRICES :** Prices shall be firm for the total contract period and no price variation shall be applicable. Prices shall be inclusive of all taxes and duties, except GST. GST shall be payable extra only if quoted separately.
3.	**TESTING AND COMMISSIONING :** 2.1 All the electrical / mechanical test of the equipment & material and shall be arranged by the contractor as per standard specification / Field Quality Plan / Erection Manual / Directives of the Site Official / Owner. The contractor shall fill the check list for storage, erection, testing and commissioning of all their equipment as per BHEL systems to ensure proper quality of work. 2.2 All the testing equipment required to carry out the site test for all their equipment or the erected equipment shall be arranged by the contractor at his own cost. However, necessary instructions and guidelines will be given by BHEL / Owner. 2.3 The contractor shall be entirely responsible for the satisfactory erection and providing test equipment & skilled manpower for testing & commissioning of all equipment. 2.4 Before charging, the system shall have to be approved by Statutory Govt. Authorities like Electrical Inspector other concerned agency and the contractor has to arrange approval for the same.
4.	**CONSUMABLES :** The contractor shall maintain adequate inventory of necessary consumables at site prior to erection so that timely completion of the works under the contract is not held-up due to non-availability of consumables / spares.
5.	**COMMENCEMENT OF WORK :** Start / Zero date for the work shall be date of Contract / letter of intent or as specified in the Contract / activity schedule.
6.	**COMPLETION SCHEDULE :** The entire work under this tender enquiry is required to be completed as specified in NIT / Tender Enquiry.
7.	**OVER RUN CHARGES :** No over run charges are payable.
8.	**IDLE LABOUR CHARGES :** No idle labour charges will be admissible in the event of any stoppage of work resulting in the contractor's workmen being rendered idle due to any reason at any time.
9.	**SECURITY-CUM-PERFORMANCE BANK GUARANTEE :** The Contractor shall arrange to submit Security-cum-Performance BG for 10% of total Contract value for ETC at Site excluding taxes & duties along with first invoice or within 60 days from award of Contract whichever is earlier valid till guarantee period on a non-judicial stamp paper of appropriate value. • The Bank Guarantee shall be from any bank as per Annexure for List of Banks (32 Nos.). The original BG should be sent by issuing Bank directly to BHEL/TBG Sector Head, unless otherwise specified in the NIT. • Extension of validity of the BG in original, as per above clause, should be sent by issuing Bank directly to BHEL/TBG Sector Head, unless otherwise specified in the NIT, at least 45 days before expiry of validity of the BG. • Unless otherwise specified in the NIT, deviation taken for non-submission of BG, as applicable, shall not be accepted. • In case of non–submission BG / Deposit, as applicable, BHEL reserve the right for Risk Purchase as per terms of the NIT and impose Suspension of Business

<table>
<tr><th>Sr. No.</th><th></th></tr>
<tr><td></td><td>Dealings with the Supplier / Contractor.
• BHEL reserves the right to encash the Bank Guarantee and forfeit the amount in the event of any default, failure or neglect on part of the Contractor in fulfilment of performance of the Contract.
• Value of the Bank Guarantee (at the time of submission) shall remain unchanged for any subsequent variations in Contract value up to ± 20%. Beyond this variation of ± 20%, the Contractor shall arrange to enhance or may reduce the value of the Bank Guarantee accordingly.</td></tr>
<tr><td>10.</td><td>INSURANCE :
The Contractor shall take insurance to cover his Tools and Plants, assets, workmen’s compensation and third party liabilities. The contractor shall make available the original insurance certificates to the Site Official for necessary verification before commencement of work.</td></tr>
<tr><td>11.</td><td>VARIATION OF CONTRACT VALUE / QUANTITY VARIATION :
BHEL shall have the right to variation in quantities of items within ± 30% of the total Contract value at the time of award of Contract on overall basis for all amendments together within two years from the date of original Contract or completion of execution of the Contract whichever is earlier but quantities of individual items may vary to any extent or may get deleted unless otherwise specified in the technical specifications. No compensation is payable due to variation in the quantities and the Contractor shall be bound to accept the same the contracted prices / rates without any escalation. However, if the Contract is on “Lumpsum” basis, no variation of Contract value shall be admissible to the Contractor within the scope of Contract, as long as the inputs remain unchanged.</td></tr>
<tr><td>12.</td><td>GUARANTEE :
The equipment / material supplied and services rendered (if applicable) shall be guaranteed to be free from all defects and faults in design & engineering, material, workmanship & manufacture and in full conformity with the Contract, Technical Specifications & approved drawings / data sheets, if any, for 18 months from the date of last delivery or 12 months from the date of commissioning, whichever is later.

The defective equipment / material / component shall be replaced free of cost at site. Any expenditure for dismantling and re-erection of the replaced equipment / material / component shall be to supplier’s / contractor’s account. All replacements during the guarantee period shall be delivered at site promptly and satisfactorily within a period not more than 45 days from the date of reporting the defect / rejection etc.

In the event of the contractor failing to replace the defective equipment / material / component within the time period mentioned above, BHEL may proceed to undertake the replacement of such defective equipment / material / component at the risk and cost of the contractor without prejudice to any other rights under the contract and recover the same from BG / other dues of this Contract or any other Purchase Order / Contract executed by the contractor.

Note :

• In case of Illumination System, items viz. Lamps, Tubes, Ballast, Starters, and Capacitors & Fuses will not be under Guarantee after commissioning.
• In addition to the above guarantee period, Extended Guarantee / Warranty, if any, shall be as per NIT / Technical Specifications.
• In case offer of agent of Foreign OEM / Foreign Principal is considered, Guarantee as mentioned above has to be provided by the Foreign OEM / Foreign Principal also.</td></tr>
</table>

Sr. No.	
13.	**TERMS OF PAYMENT :** For Erection, Testing & Commissioning (ETC) at Site a) 70% of the Contract value against monthly progressive bills on pro-rata basis for unloading, storage and completion of erection as certified by BHEL Site Official with 60 days from the date of receipt of GST Compliant Tax Invoice (Original +2 Copies) b) 20% of the Contract value against monthly progressive bills on pro-rata basis for testing & successful commissioning as certified by BHEL Site Official within 60 days from the date of receipt of GST Compliant Tax invoice in 3 sets (original + 2 copies) c) 10% of the Contract value after Acceptance Test, Re-test (if any), PG Test (if any) and Handing Over as certified by BHEL Site Official within 60 days from the date of receipt of GST Compliant Tax invoice in 3 sets (original + 2 copies) Note: a. It should be ensured that Tax Invoice complies with statutory Requirements under GST law to enable BHEL to avail Input Tax Credit. b. Payment of GST component shall be made only if vendor has deposited the Tax and credit for the same is reflected in GSTN (GST Network) c. Copy of GST Registration Certificate(s) shall be also be attached with Tax Invoice
14.	**PRICE VARIATION / ESCALATION :** Prices shall be firm for total contract period and extended period, if any, and no price escalation / price variation will be applicable.
15.	**LIQUIDATED DAMAGES FOR DELAY IN ERECTION, TESTING & COMMISSIONING (ETC) AT SITE:** In case of delay in execution of Contract beyond the contractual completion time for Erection, Testing & Commissioning at Site, an amount of 0.5% of the total Contract value for ETC at Site per week of delay or part thereof subject to a maximum of 10% of the total Contract value for ETC at Site shall be deducted as Liquidated Damages (LD) along with applicable GST (if any) on LD. However, in case of staggered (lot-wise) contractual completion schedule, an amount of 0.5% of the total Contract value for ETC at Site of delayed lot per week of delay or part thereof shall be deducted as liquidated damages , subject to maximum of 10% of the total Contract value for ETC at Site along with applicable GST(if any) on LD. Note : i) In case of any amendment / revision, the LD shall be linked to the amended / revised Contract value and completion time / schedule for ETC at Site, if applicable. ii) If, as per contractor, delay is not attributable to the contractor, delay analysis with documentary evidence may be submitted by the contractor at the earliest but not later than six months from the end of the financial year in which the payment is withheld. Based on the above details / documents submitted by the contractor, BHEL shall take final decision and if considered appropriate by BHEL, withheld amount (full or part as the case may be) shall be released, otherwise, full or balance withheld amount shall be treated as deduction of Liquidated Damages (LD) towards delay in Erection, Testing & Commissioning at Site..
16.	~~**FACILITIES TO BE PROVIDED AT SITE BY THE CONTRACTOR :**~~ ~~Watch and ward for the store and safe custody of the equipment / material in the scope of Contractor shall be his responsibility.~~ ~~It is the responsibility of the contractor to dismantle and take away all the material of~~

Sr. No.	
	~~his office accommodation as soon as the work is handed over to BHEL / Owner and clean the area of debris.~~
17.	**ADDITIONAL EXPENDITURE :** In case any additional expenditure is incurred in the works arising out of the faulty execution of the works by the contractor, such additional expenditure shall be borne by the contractor.
18.	**REGULATION OF LOCAL AUTHORITIES & COMPLIANCE OF STATUTORY REQUIREMENTS :** The contractor shall give to the local Governing Body, Police and other concerned Authorities all such notice as may be required under law. The contractor, as required, will obtain independent licence under The Contract Labour (Regulation and Abolition) Act, 1970 from the concerned authorities based on the certificate (Form-V) issued by the Principal Employer / Customer. In case Contractor is not registered with GST authorities of state where project is located , vendor shall have to obtain registration with GST Authorities of state .The vendor shall comply with all State and Central Laws / Acts, Statutory Rules, Regulations etc., as may be enacted by the Government during the tenure of the Contract and having in force and applicable to the Contract and nothing shall be done by the Contractor in contravention of any Law / Act and / or Rules / Regulations, thereunder or any amendment thereof. Provisions of The Building & Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and The Building & Other Construction Workers Welfare Cess Act, 1996 shall also be applicable. The Contractor shall pay all taxes, fees, licence charges / deposits, duties, tolls, royalty, commissions or other charges which may be levied on account of any of his operations connected with the Contract. In case BHEL is constrained to make any of such payments, BHEL shall recover the same from the Contractor either from moneys due to him or otherwise as deemed fit.
19.	**DISCIPLINE OF WORKMEN :** The contractor shall adhere to the disciplinary procedure set by the BHEL / owner in respect of his employees and workmen at site.
20.	**ELECTRICITY & WATER :** Electricity for ETC work shall be provided at one point on free of cost basis. The contractor shall have to make his own arrangements for distribution to various locations for their works including proper switches / fuse units, distribution boards, cables, poles etc. to ensure safety of employees, workmen and equipment. If required the contractor shall employ DG Set operated equipment in addition to electrically operated ones to ensure timely completion of work. Unless otherwise stated in NIT, the contractor shall make his own adequate arrangement for clear water to be used for various work.
21.	**ARBITRATION :** In the event of any dispute emanating from and relating to this contract, the matter shall be referred to the sole arbitration of the person appointed by the competent authority of BHEL. Subject to aforesaid, the provisions of “The Arbitration and Conciliation Act, 1996” and the rules made thereunder as amended from time to time in India shall apply to the arbitration proceedings. The venue of arbitration shall be in New Delhi. Further there shall be no claim for any pre-reference or pendente-lite interest on the claims and any claim for such interest made shall be void. However, in case of contract with Public Sector Enterprise / Undertaking (PSE/PSU) or Govt. Dept., the extant guidelines of Govt. of India shall be followed.

Signature of Bidder (Authorized Signatory) with Date & Seal

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) .... dtd:........................., 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

GUIDELINES FOR
REVERSE AUCTION - 2020

(AA:SSP:RA:04)
revised as on 04.03.2020

(applicable for all NITs issued on or after 04.05.2020)

SOURCING STRATEGY & POLICY
CORPORATE OPERATIONS MANAGEMENT

BHARAT HEAVY ELECTRICALS LIMITED
Regd. Office: BHEL House, Siri Fort, New Delhi – 110049, India
Website: www.bhel.com
CIN: L74899DL1964GOI004281

Guidelines for Reverse Auction – 2020

Doc. No. AA:SSP:RA:04
Dated: 04.03.2020

1.0 Scope

This document describes the guidelines to be followed by each Unit/ Division/ Region for conducting Reverse Auction (RA) for procurement of material/ works/ services. These guidelines will be applicable for all purchases/ contracts to be awarded under Purchase/ Works policy and the RA shall follow the philosophy of English Reverse (No ties). Based on these guidelines, Units/ Divisions/ Regions (hereinafter referred as 'units') may issue their own Departmental Procedures without changing the intent and spirit of the guidelines contained in this document. These guidelines will supersede earlier guidelines issued vide AA:SSP:RA:03 dated 26.09.2016.

English Reverse (No ties) is a type of auction where the starting price and bid decrement are announced before start of online reverse auction. The interested bidders can thereupon start bidding in an iterative process wherein the lowest bidder at any given moment can be displaced by an even lower bid of a competing bidder, within a given time frame. The bidding is with reference to the current lowest bid in the reverse auction. All bidders will see the current lowest quoted price and their rank. The term 'No ties' is used since more than one bidder cannot give an identical price, at a given instant, during the reverse auction. In other words, there shall never be a tie in the bids.

2.0 Intent of Reverse Auction

To derive maximum benefit in cost savings through competitive bidding.

3.0 Upfront declaration in NIT

Wherever it is felt that procurement may be done through Reverse Auction, the bids shall be invited in two parts/ three parts or single part bid (Price Bid) where Techno-Commercial MoU already exists. Wherever, the evaluation is done for individual line item, separate sealed envelope price bid for each line item shall be taken.

Decision to go for RA would be taken before floating of the tender. In case it is decided to go for RA, same shall be declared upfront in NIT by inserting the following **clause:**

"BHEL shall be resorting to Reverse Auction (RA) (Guidelines as available on <u>www.bhel.com</u>) for this tender. RA shall be conducted among all the

techno-commercially qualified bidders.

Price bids of all techno-commercially qualified bidders shall be opened and same shall be considered as initial bids of bidders in RA. In case any bidder(s) do(es) not participate in online Reverse Auction, their sealed envelope price bid along with applicable loading, if any, shall be considered for ranking."

4.0 Aspects to be considered for RA

Following aspects may be considered by the competent authority (empowered to approve the ordering) to decide before floating of the tender if RA is to be conducted for that particular tender:

a) Number of techno-commercially qualified bidders in previous tender for same/ similar class of item
b) Price volatility of the item(s) under consideration
c) Past purchase experience of similar item(s)
d) Tender Value of the item(s) under procurement
e) Any other aspect which may be specific to tender

Note: Decision to go for RA or not will be on case to case basis with recorded reasons.

5.0 RA Committee

Purchase/ Tender committee, if already in place, shall also act as RA committee. Purchase representative will be the convener. In case Purchase/ Tender committee has not been formed, the Product Manager/ MM Head/ Department Head, shall constitute RA committee consisting of representatives (rank as per DoP of tender/ negotiation committee) from departments of Engineering/ Indenter/ User, Purchase and Finance. This committee will work for a specific tender. The role of RA committee shall be as below:

- To vet the statement comprising sealed envelope price bids received, MSE status, qualification against Public Procurement (Preference to Make in India), Order 2017 (PPP-MII, Order 2017) of all techno-commercially qualified bidders before sending it to the service provider for RA.
- To decide and record the 'Start-Price' and 'Bid Decrement'.
- To observe the RA process and declare RA as successful or failed.

6.0 Business rules for RA

Model Business rules (annexure -I) and other annexures II to VI are attached. MM shall prepare and fill in the required details in the annexures at appropriate places like:

- Enquiry/ Request For Quotation (RFQ) number
- Name and Addresses of the bidders
- Items description, quantities/ weight, Specification
- Date and time of opening and closing of RA
- Extension conditions
- Loading Criteria/ Formulae
- Foreign Exchange (FE) rates for evaluation
- Taxes & Duties
- Freight & Insurance
- Bidders' training, if required, etc.

The calculation sheet e.g. excel sheet (which will help to arrive at 'Total Cost to BHEL') which is communicated to respective bidders of RA, will be prepared by MM and vetted by Finance. This calculation sheet will be finalized based on the evaluation criteria specified in the NIT and will be same based on which sealed envelope price bids have been evaluated.

MM shall issue a mandate (annexure II) to the service provider covering business rules etc. and inform about event, calculation sheet etc. to all techno-commercially accepted bidders.

7.0 Role of Service Provider

- Acknowledge the receipt of mandate from BHEL.
- Contact the bidders, provide business rules and train them, as required.
- Get the process compliance form (annexure III) signed by all the participating bidders before RA event.
- Conduct the event as per the contract and business rules.
- Submit the Login Reports, Results, History sheet and authorized final bid from the bidders.
- To obtain price breakup from successful bidder and submit the same to BHEL.

8.0 Start price for RA shall be lower of:

a) Lowest sealed envelope price bid
&
b) Estimate

Note: Wherever more than one lowest sealed envelope price bids are identical and lower than the estimate, RA committee shall declare the start price by reducing the lowest sealed envelope price bid by maximum of one decrement.

9.0 Witnessing Auction

Access to witness the RA shall be available to the concerned officials of BHEL (Indenter/ Finance Officials/ Purchase Officials), nominated by Head MM/ Purchase/ Contracts.

10.0 Reverse Auction Process

10.1 Reverse Auction will be conducted if three or more bidders are techno-commercially qualified. In case of more than four techno-commercially qualified bidders, H1 bidder (whose quote is highest in sealed envelope price bid) shall not be allowed to participate in RA. However, there will be no H1 removal in case H1 happens to be MSE or qualifying under PPP-MII, Order 2017 irrespective of the number of bidders qualifying techno-commercially.

In case of multiple H1 bidders, all H1 bidders (excluding MSEs and bidders qualifying under PPP-MII, Order 2017) shall be removed provided minimum three bidders remain in fray, else no H1 removal.

10.2 If the lowest sealed envelope price bid is the starting price, then the lowest bidder in sealed envelope price bid shall be shown as current L1 automatically by the system. System shall have the provision to indicate this bid as current L1 for further bidding.

If the start price is lower than the lowest sealed envelope price bid (in line with clause 8.0), on acceptance of such start price by any bidder this bid would be indicated as current L1 for further bidding.

In case of no further bidding, RA will be deemed to have been successful with current L1 bidder.

During RA, all bidders will see their rank and current L1 price and their ranking L1, L2 etc. on the screen. Once the RA is done, the ranking status would be based on the last quoted price of the bidder(s) irrespective of the quote received in RA or sealed envelope price bid.

10.3 No bidder shall be allowed to lower its bid below the current L1 by more than 5 decrements at one go.

11.0 Failure of RA/ Tender

a) In cases where the start price is (a) estimate or (b) one decrement (maximum) lower than the lowest of the sealed envelope price bid and no bidder accepts the start price.

b) In case less than three techno-commercially qualified bids received in the tender.

Wherever, the evaluation is done for individual line items, RA/ Tender shall be treated as failed only for those line item(s) for which any of the above satisfies.

12.0 Treatment of failed scenarios

In cases of failure of RA/ Tender, re-tendering shall be resorted to without conducting RA in the subsequent tender.

13.0 Processing of case after RA

13.1 Wherever the evaluation is done on total cost basis, after Reverse Auction, prices of individual line items shall be reduced on pro-rata basis.

13.2 In case of splitting requirement, H1 bidder(s) who were removed from participation in RA may also be considered for counter offer if the pre-stated (NIT) numbers of suppliers do not accept the counter offer. However, principle of splitting to N-1 bidder shall be maintained in line with extant Purchase Policy/ Work Policy.

14.0 Payment to the Service Provider

Payment shall be made as per the agreed terms of the Framework Agreement with the service provider based on the mandate issued and service provider's invoice certified by the respective MM.

If the RA event is conducted as per the mandate given by BHEL and agreed procedure, payment shall be made to the service provider irrespective of the auction outcome.

15.0 Others

15.1 If RA is being conducted for multiple line items and L1 is to be decided for individual items, number of items in single screen be restricted to 10 (ten) to avoid scrolling by the bidders.

15.2 In case of enquiry through e-Procurement, the sealed electronic price bid (e-bid) is to be treated as sealed envelope price bid.

15.3 BHEL will inform bidders the details of service provider who will provide business rules, all necessary training and assistance before commencement of online bidding.

15.4 Bidders are advised to read the 'Business Rules' indicating details of RA event carefully, before reverse auction event.

15.5 Model annexures are enclosed. However, to suit specific requirement of the Units changes in the annexures may be done with the approval of respective MM Head of Unit. Such changes shall specifically be communicated to the service provider before the RA event.

---xxx---

Doc. No. AA:SSP:RA:04
Dated: 04.03.2020

Business Rules for Reverse Auction

Annexure – I

This has reference to tender no ***{tender number....date***...}. BHEL shall finalise the Rates for the supply of *{item name}* through Reverse Auction mode. BHEL has made arrangement with M/s. *{Service provider}*, who shall be BHEL's authorized service provider for the same. Bidders should go through the instructions given below and submit acceptance of the same.

The technical & commercial terms are as per (a) BHEL Tender Enq. No. {...} dated {...}, (b) Bidders' technical & commercial bid (in case of two part bid) and (c) subsequent correspondences between BHEL and the bidders, if any.

1. Procedure of Reverse Auctioning

i. Price bids of all techno-commercially qualified bidders shall be opened and same shall be considered as initial bids of bidders in RA.

ii. **Online Reverse Auction**: The 'bid decrement' will be decided by BHEL.

iii. If BHEL decides the lowest sealed envelope price bid as the starting price, then the lowest bidder in sealed envelope price bid shall be shown as current L1 automatically by the system and no acceptance of that price is required. System shall have the provision to indicate this bid as current L1.

iv. Bidders by offering a minimum bid decrement or the multiples thereof can displace a standing lowest bid and become "L1" and this continues as an iterative process. However, no bidder shall be allowed to lower its bid below the current L1 by more than 5 decrements at one go.

v. After the completion of the online reverse auction, the Closing Price (CP) shall be available for further processing.

vi. Wherever the evaluation is done on total cost basis, after Reverse Auction, prices of individual line items shall be reduced on pro-rata basis.

2. Schedule for reverse auction: The Reverse Auction is tentatively scheduled on *{date}: ;{start time}: ;{Close Time: }.*

Business Rules for Reverse Auction

Annexure – I

3. **Auction extension time:** If a bidder places a bid in the last {...} minutes of closing of the Reverse Auction and if that bid gets accepted, then the auction's duration shall get extended automatically for another {...} minutes, for the entire auction (i.e. for all the items in the auction), from the time that bid comes in. Please note that the auto-extension will take place only if a bid comes in those last {...} minutes and if that bid gets accepted as the lowest bid. If the bid does not get accepted as the lowest bid, the auto-extension will not take place even if that bid might have come in the last {...} minutes. In case, there is no bid in the last {...} minutes of closing of Reverse Auction, the auction shall get closed automatically without any extension. However, bidders are advised not to wait till the last minute or last few seconds to enter their bid during the auto-extension period to avoid complications related with internet connectivity, network problems, system crash down, power failure, etc.

   The above process will continue till completion of Reverse Auction.

   Complaints/ Grievances, if any, regarding denial of service or any related issue should be given in writing thru e-mail/ fax to M/s. {Service provider} with a copy to BHEL within 15 minutes prior to initial closing time of Online Reverse Auction.

4. **Bid price:** The Bidder has to quote the {......................} Price inclusive of Packing & Forwarding charges, all the routine & type tests as per tender scope, taxes, duties, freight and insurance as specified in tender document. including loading (if indicated by BHEL due to deviations in technical/ commercial terms) for the Items specified. Details are as shown in Excel Sheet for calculation of total cost to BHEL (To be specified by Unit as per NIT conditions).

5. **Bidding currency and unit of measurement:** Bidding will be conducted in *Indian Rupees* per *Unit* of the material as per the specifications {...}

   In case of foreign currency bids, exchange rate (TT selling rate of State Bank of India) as on scheduled date of tender opening (Part-I bid) shall be considered for conversion in Indian Rupees. If the relevant day happens to be a Bank holiday, then the forex rate as on the previous bank (SBI) working day shall be taken.

Business Rules for Reverse Auction

Annexure – I

6. **Validity of bids:** Price shall be valid for {... *days}* from the date of reverse auction. These shall not be subjected to any change whatsoever.

7. **Lowest bid of a bidder**: In case the bidder submits more than one bid, the lowest bid at the end of Online Reverse Auction will be considered as the bidder's final offer to execute the work.

8. Unique user IDs shall be used by bidders during bidding process. All bids made from the Login ID given to the bidders will be deemed to have been made by the bidders/ bidders' company. MSEs and Bidders qualified under PPP-MII, Order 2017 would see their category at all time in their login. Purchase preference, however, is subject to falling within the purchase preference criteria.

9. **Post auction procedure**: BHEL will proceed with the Lowest Bid in the Reverse Auction for further processing.

10. Any commercial/ technical loading shall be intimated to bidders prior to RA. The excel sheet provided in this regard shall cover all these aspects. Commercial/ technical loading if any, shall be added by the respective bidder in its price during online sealed bid & Online Reverse Auction. Modalities of loading & de-loading shall be separately intimated to the bidders. The responsibility for correctness of total cost to BHEL shall lie with the bidders.

11. Computerized reverse auction shall be conducted by BHEL (through M/s {*Service Provider}*), on pre-specified date, while the bidders shall be quoting from their own offices/ place of their choice. Internet connectivity shall have to be ensured by bidders themselves.

    During the RA process if a bidder is not able to bid and requests for extension of time by FAX/ email/ phone then time extension of additional 15 minutes will be given by the service provider provided such requests come before 5 minutes of auction closing time. However, only one such request per bidder can be entertained.

    In order to ward-off contingent situation of connectivity failure bidders are requested to make all the necessary arrangements/ alternatives whatever required so that they are able to circumvent such situation and still be able to participate in the reverse auction successfully. Failure of power or loss of connectivity at the premises of bidders during the Reverse auction cannot be the cause for not participating in the reverse auction. On account of this, the time for the auction cannot be extended and neither BHEL nor M/s. {*Service provider*} is responsible for such eventualities.

12. Proxy bids: Proxy bidding feature is a pro-bidder feature to safe guard the bidder's interest of any internet failure or to avoid last minute rush. The proxy feature allows bidders to place an automated bid in the system directly in an auction and bid without having to enter a new amount each time a competing bidder submits a new offer. The bid amount that a bidder enters is the minimum that the bidder is willing to offer. Here the software bids on behalf of the bidder. This obviates the need for the bidder participating in the bidding process until the proxy bid amount is decrementally reached by other bidders. When proxy bid amount is reached, the bidder (who has submitted the proxy bid) has an option to start participating in the bidding process.

The proxy amount is the minimum amount that the bidder is willing to offer. During the course of bidding, the bidder cannot delete or change the amount of a proxy bid.

Bids are submitted in decrements (decreasing bid amounts). The application automates proxy bidding by processing proxy bids automatically, according to the decrement that the auction originator originally established when creating the auction, submitting offers to the next bid decrement each time a competing bidder bids, regardless of the fact whether the competing bids are submitted as proxy or standard bids. However, it may please be noted that if a manual bid and proxy bid are submitted at the same instant manual bid will be recognized as the L1 at that instant.

In case of more than one proxy bid, the system shall bid till it crosses the threshold value of 'each lowest proxy bid' and thereafter allow the competition to decide the final L1 price.

Proxy bids are fed into the system directly by the respective bidders. As such this information is privy only to the respective bidder(s).

Business Rules for Reverse Auction

Annexure – I

13. Bidders are advised to get fully trained and clear all their doubts such as refreshing of Screen, quantity being auctioned, tender value being auctioned etc from M/s {*Service provider*}.

14. M/s. {*Service provider}*, shall arrange to demonstrate/ train the bidder or bidder's nominated person(s), without any cost to bidders. M/s. {*Service provider}*, shall also explain the bidders, all the business rules related to the Reverse Auction. Bidders are required to submit their acceptance to the terms/ conditions/ modalities before participating in the Reverse Auction in the process compliance form as enclosed. Without this, the bidder will not be eligible to participate in the event.

15. Successful bidder shall be required to submit the final prices (L1) in prescribed format (Annexure – VI) for price breakup, quoted during the Online Reverse Auction, duly signed and stamped as token of acceptance without any new condition (other than those already agreed to before start of auction), after the completion of auction to M/s. {*Service provider*} besides BHEL within two working days of Auction without fail.

16. Any variation between the final bid value and that in the confirmatory signed price breakup document will be considered as tampering the tender process and will invite action by BHEL as per extant guidelines for suspension of business dealings (as available on www.bhel.com).

17. Bidders' bid will be taken as an offer to execute the work/ supplies the item as per enquiry no. *{...}* dt. *{...}*. Bids once made by the bidder, cannot be cancelled/ withdrawn and bidder shall be bound to execute the work as mentioned above at bidder's final bid price. Should bidder back out and not execute the contract as per the rates quoted, BHEL shall take action as per extant guidelines for suspension of business dealings (as available on www.bhel.com).

18. Bidders shall be able to view the following on their screen along with the necessary fields during Online Reverse Auction:

a. Leading (Running Lowest) Bid in the Auction (only total price of package)
b. Bid Placed by the bidder
c. Start Price
d. Decrement value

Business Rules for Reverse Auction

Annexure – I

e. Rank of their own bid during bidding as well as at the close of auction.

19. BHEL's decision on award of contract shall be final and binding on all the Bidders.

20. BHEL reserves the right to extend, reschedule or cancel the Reverse Auction process at any time, before ordering, without assigning any reason, with intimation to bidders.

21. BHEL shall not have any liability to bidders for any interruption or delay in access to the site irrespective of the cause. In such cases, the decision of BHEL shall be binding on the bidders.

22. Other terms and conditions shall be as per bidder's techno-commercial offers and other correspondences, if any, till date.

23. If there is any clash between this business document and the FAQ available, if any, in the website of M/s. *{Service provider},* the terms & conditions given in this business document will supercede the information contained in the FAQs. Any changes made by BHEL/ service provider (due to unforeseen contingencies) after the first posting shall be deemed to have been accepted if the bidder continues to access the portal after that time.

24. Bidder shall not divulge either his Bids or any other exclusive details of BHEL to any other party. If the Bidder or any of his representatives are found to be involved in Price manipulation/ cartel formation of any kind, directly or indirectly by communicating with other bidders, action *as per extant BHEL guidelines for suspension of business dealings (as available on www.bhel.com)*, shall be initiated by BHEL.

Mandate to Service Provider

Annexure – II

Ref : **Date :**

To,
M/s. {*Service provider*}
Sub: Providing of Services for Reverse Auction.
Ref: No {…} date {…}
Dear Sirs,

Please conduct Reverse Auction as per the following details:

- **Scope:** Auction event management with training of BHEL and its bidders.
- Ensure process compliance form from all the bidders before start of RA event. In case of postponement of event to some other date, ensure acknowledgement from each bidder.
- Price: Rs. {……}/- . No other duties, Taxes, levies etc. except service tax @ {……}% shall be payable for conducting reverse auction. This price is firm.
- Payment Terms: 100% payment after successful completion of Auction.
- Completion of Auction Process: The auction process shall be deemed to have been successfully completed on receipt and acceptance of final report including hard copy/ email of the final bid with price break up, duly signed by the successful bidder who has participated in the reverse auction. The bill shall be submitted along with the completion report to the undersigned.
- Business Rules of the Reverse Auction are as per *Annexure – I*.
- The list of bidders with their contact details is given in *Annexure – IV*. and the details of the item (s) to be Reverse Auctioned are as per *Annexure – V*.
- Please acknowledge receipt of this letter order and also confirm that final report (duly signed and stamped by M/s. {*Service provider*}) including hard copy/ email of the final bid with breakup of prices duly signed by the successful bidder (duly endorsed by M/s. {*Service provider*}) shall be submitted within **four** working days of conclusion of auction.

Yours sincerely,

(for and on behalf of BHEL)

Mandate to Service Provider

Annexure – II

Note:

i) The case of rescheduled auction event will be considered separate event for the purpose of payment.
ii) If the event has been conducted as per mandate, you shall be paid irrespective of RA outcome.

Buyer Name	- *Name of BHEL Unit* - *Full postal address* - *Fax:* - *Phone:* - *Email:* - *Contact person name:* - *Phone:* -
Auction to be conducted by	- *Name of Service provider* - *Full postal address* - *Fax:* - *Phone:* - *Email:* - *Contact person name:* - *Phone:* -
Date of Auction	- *Date of Auction* - *Online sealed bid auction time:* - *Online reverse auction time:* - *Online auction website:* -
Documents Attached: **(To be sent to the bidders)**	1) Business rules for Reverse Auction (*Annexure-I*) 2) Process Compliance Form (*Annexure-III)* 3) Details of item (s) to be Reverse Auctioned (*Annexure-V*) 4) Post RA Price confirmation by bidder (*Annexure-VI)*

Process Compliance Form

Annexure – III

(The bidders are required to print this on their company's letterhead and sign, stamp before RA)

To
- M/s. {*Service provider*
- *Postal address}*

Sub: Agreement to the Process related Terms and Conditions

Dear Sir,

This has reference to the Terms & Conditions for the Reverse Auction mentioned in the RFQ document for {Items} against BHEL enquiry/ RFQ no.{………} dt. {…….} This letter is to confirm that:

1) The undersigned is authorized official/ representative of the company to participate in RA and to sign the related documents.
2) We have studied the Reverse Auction guidelines (as available on www.bhel.com), and the Business rules governing the Reverse Auction as mentioned in your letter and confirm our agreement to them.
3) We also confirm that we have taken the training on the auction tool and have understood the functionality of the same thoroughly.
4) We also confirm that, in case we become L1 bidder, we will FAX/ email the price confirmation & break up of our quoted price as per *Annexure - VI* within **two** working days (of BHEL) after completion of RA event, besides sending the same by registered post/ courier both to M/s. BHEL and M/s. {*Service provider.}*

We, hereby confirm that we will honor the Bids placed by us during the auction process.

With regards
Signature with company seal
Name –
Company / Organization
Designation within Company / Organization
Address of Company / Organization

- **Sign this document and FAX/ email it to M/s *{Service provider}* at *{……..}* prior to start of the Event.**

List of bidders and their address/ contact person details

Annexure – IV

Sl. No.	Address	Contact Person
1	- *Name of bidder* - *Full postal address* - *Fax:* - *Phone:* - *Email:* - *Initial bid (sealed envelope price bid)* - *MSE status* - *PPP-MII status*	- *Contact person name:* - *Phone:* - *Email:* -
2		
3		
..		
..		

Details of item (s) for Reverse Auction

Annexure – V

1. ***{Details of items including quantity, specification, Enquiry no. & date***

    1.
    2.
    ..

    ..
    ..
    }

RA price confirmation and breakup
(To be submitted by L1 bidder after completion of RA)
Annexure – VI

To
- M/s. *Service provider*
- *Postal address*

CC: M/s BHEL
{Unit-
Address-}
Sub: **Final price quoted during Reverse Auction and price breakup**

Dear Sir,

We confirm that we have quoted.

Rs.{____in value & in words_______} for item(s) covered under tender enquiry No. {...} dt.{...}

Total price of the items covered under above cited enquiries is inclusive of {*Packing & forwarding, GST, E.D., C.S.T., freight and insurance charges up to {………………………} District,{…………………..} State and Type Test Charges etc., (exclusive of service tax)*, *other as per NIT*}

as our final landed prices as quoted during the Reverse Auction conducted today {*date*} which will be valid for a period of {___ **in nos. & in words** ___} days.

The price break-up is as given below.

========
Total - Rs. **in value & in words**
========

Yours sincerely,

For ________________

Name:
Company:
Date:
Seal:

Prateek Kumar

From: Satish Mohite <skmohite@bhel.in>
Sent: 28 December 2020 09:42
To: 'tbmm'
Subject: FW: Clarifications w.r.t. CIRCULAR NO 31 OF 2019-20 REGARDING PROCUREMENT THROUGH GeM

Please find clarification regarding circular no. 31 from Corp. SS&P

Regards,
Satish Mohite/TBG-SDC
0120-674-8460

From: minocha@bhel.in <minocha@bhel.in>
Sent: 24 December 2020 20:31
To: Ajay Kumar Chowdhary-TBG <akchowdhary@bhel.in>; Satish Kumar Mohite(Sr Engineer/TBG_MM) <skmohite@bhel.in>
Subject: Fwd: Clarifications w.r.t. CIRCULAR NO 31 OF 2019-20 REGARDING PROCUREMENT THROUGH GeM

--
Sent from Mail.ru app for Android

-------- Forwarded Message --------
From: C.Venkat Rao cvr@bhel.in
To: rakesh.singh@bhel.in, vagrawal@bhel.in, mohan.k@bhel.in, prawat@bhel.in, bhaskar.rao@bhel.in, rbabu@bhel.in, ajaysharma@bhel.in, pravi@bhel.in, prchiwarkar@bhel.in, ev@bhel.in, bsandipan@bhel.in, atul.pandey@bhel.in, S Chandrashekar(Addl GM/CS140000/FSIP) sshekhar1@bhel.in, mandvi@bhel.in, kumarrakesh@bhel.in, rksaxena@bhel.in, minocha@bhel.in, nalini@bhel.in, amit.shrivastav@bhel.in, ajayjain@bhel.in, arn@bhel.in, Addl GM/CE-MM/EDN' jpmasand@bhel.in, patelsm@bhel.in, Asim Mishra(Addl GM/PGIII/PS-PEM asim.mishra@bhel.in
Cc: cmurthy@bhel.in, amitkerketta@bhel.in, tsmurali tsmurali@bhel.in, tkbagchi@bhel.in, akjain1@bhel.in, pgupta@bhel.in, snair@bhel.in, anandac@bhel.in, subhas@bhel.in, tlal@bhel.in, shakil@bhel.in, vnigam@bhel.in, csdeolikar@bhel.in, vkchugh@bhel.in, gs@bhel.in, r_singh@bhel.in, ratnanav@bhel.in, vivekkumar.raizada@bhel.in, aniljoshi@bhel.in, sgulati@bhel.in, kaushika@bhel.in
Date: Thursday, 24 December 2020, 08:26PM +05:30
Subject: Clarifications w.r.t. CIRCULAR NO 31 OF 2019-20 REGARDING PROCUREMENT THROUGH GeM

> In view of our recent Circular No 31 of 2020-21 dated 11.12.2020, it is clarified that the following functionalities are not yet enabled by GeM and are expected to go live by 15.01.2021 :
>
> - Milestone Payment Terms (Supply , E & C, etc)
> - Price Variation Clause

While we shall inform whenever such functionalities are enabled on GeM, till such time the tenders (with firm quantities) which call for above features are to be floated on NIC portal with approval of Competent Authority empowered for ordering.

Thanks and Regards,

C Venkat Rao

GM / S S & P

Corporate Office, BHEL,

New Delhi

From: C.Venkat Rao [mailto:cvr@bhel.in]
Sent: 11 December 2020 20:19
To: 'rakesh.singh@bhel.in' <rakesh.singh@bhel.in>; 'vagrawal@bhel.in' <vagrawal@bhel.in>; 'mohan.k@bhel.in' <mohan.k@bhel.in>; 'prawat@bhel.in' <prawat@bhel.in>; 'bhaskar.rao@bhel.in' <bhaskar.rao@bhel.in>; 'rbabu@bhel.in' <rbabu@bhel.in>; 'ajaysharma@bhel.in' <ajaysharma@bhel.in>; 'pravi@bhel.in' <pravi@bhel.in>; 'virender.gupta@bhel.in' <virender.gupta@bhel.in>; 'prchiwarkar@bhel.in' <prchiwarkar@bhel.in>; 'ev@bhel.in' <ev@bhel.in>; 'bsandipan@bhel.in' <bsandipan@bhel.in>; 'atul.pandey@bhel.in' <atul.pandey@bhel.in>; S Chandrashekar(Addl GM/CS140000/FSIP) <sshekhar1@bhel.in>; 'mandvi@bhel.in' <mandvi@bhel.in>; 'kumarrakesh@bhel.in' <kumarrakesh@bhel.in>; 'rksaxena@bhel.in' <rksaxena@bhel.in>; 'minocha@bhel.in' <minocha@bhel.in>; 'nalini@bhel.in' <nalini@bhel.in>; 'amit.shrivastav@bhel.in' <amit.shrivastav@bhel.in>; 'ajayjain@bhel.in' <ajayjain@bhel.in>; 'arn@bhel.in' <arn@bhel.in>; 'Addl GM/CE-MM/EDN'' <jpmasand@bhel.in>; 'patelsm@bhel.in' <patelsm@bhel.in>
Cc: 'ankurtandon@bhel.in' <ankurtandon@bhel.in>; 'Siddharth Saini(Dy Manager/COM-SS&P/CO)' <ssaini@bhel.in>; 'vasav@bhel.in' <vasav@bhel.in>; 'vikasekka@bhel.in' <vikasekka@bhel.in>; 'rusiag' <rusiag@bhel.in>; 'प्रीत सागर, Preeti Sagar' <preetisagar@bhel.in>; 'Ashwani sahu DGM, CSSP' <ashwanisahu@bhel.in>
Subject: FW: CIRCULAR NO 31 OF 2019-20 REGARDING PROCUREMENT THROUGH GeM

Please refer the trailing mail addressed to Heads of all Units / Regions / Divisions for necessary compliance

Thanks and Regards,

C Venkat Rao

GM / S S & P

Corporate Office, BHEL,

New Delhi

From: C.Venkat Rao [mailto:cvr@bhel.in]
Sent: 11 December 2020 20:17
To: 'cmurthy@bhel.in' <cmurthy@bhel.in>; 'ratnanav@bhel.in' <ratnanav@bhel.in>; 'akjain1@bhel.in' <akjain1@bhel.in>; 'csdeolikar@bhel.in' <csdeolikar@bhel.in>; 'sgulati@bhel.in' <sgulati@bhel.in>; 'anandac@bhel.in' <anandac@bhel.in>; 'tsmurali@bhel.in' <tsmurali@bhel.in>; 'amitkerketta@bhel.in' <amitkerketta@bhel.in>; 'pjreddy@bhel.in' <pjreddy@bhel.in>; 'shakil@bhel.in' <shakil@bhel.in>; 'kaushika@bhel.in' <kaushika@bhel.in>; 'aniljoshi@bhel.in' <aniljoshi@bhel.in>; 'tlal@bhel.in' <tlal@bhel.in>; 'subhas@bhel.in' <subhas@bhel.in>; 'r_singh@bhel.in' <r_singh@bhel.in>; 'tkbagchi@bhel.in' <tkbagchi@bhel.in>; 'gs@bhel.in' <gs@bhel.in>; 'gangadhar@bhel.in' <gangadhar@bhel.in>; 'rsrayalu@bhel.in' <rsrayalu@bhel.in>; 'chokhani@bhel.in' <chokhani@bhel.in>; 'vkchugh@bhel.in' <vkchugh@bhel.in>; 'pulak@bhel.in' <pulak@bhel.in>; 'pnm@bhel.in' <pnm@bhel.in>; 'pmgus@bhel.in' <pmgus@bhel.in>; 'gmurali@bhel.in' <gmurali@bhel.in>; 'snair@bhel.in' <snair@bhel.in>; 'pndmas@bhel.in' <pndmas@bhel.in>; 'ksm@bhel.in' <ksm@bhel.in>; 'Balvir Talwar' <btalwar@bhel.in>; 'sbnaithani@bhel.in' <sbnaithani@bhel.in>; 'atuteja@bhel.in' <atuteja@bhel.in>; 'aksarkar@bhel.in' <aksarkar@bhel.in>; 'pjain@bhel.in' <pjain@bhel.in>; 'rajivb@bhel.in' <rajivb@bhel.in>; 'parwani@bhel.in' <parwani@bhel.in>; 'vnigam@bhel.in' <vnigam@bhel.in>; 'Rajiv Sharma(Genl Manager/ROD/ROD' <rsharma@bhel.in>; 'skbaveja@bhel.in' <skbaveja@bhel.in>
Cc: 'ani@bhel.in' <ani@bhel.in>; 'sameer@bhel.in' <sameer@bhel.in>; 'sanju@bhel.in' <sanju@bhel.in>; 'satyan@bhel.in' <satyan@bhel.in>; 'bani@bhel.in' <bani@bhel.in>; 'Saurabh Srivastava(Sr Dy GM/CMDSECT/CO' <saurabh@bhel.in>; 'A B Gupta, Genl Manager/COM/CO' <abgupta@bhel.in>; 'amitpal@bhel.in' <amitpal@bhel.in>; 'Pravin Chandra Jha(Genl Manager/VIG/CO)' <pcjha@bhel.in>; 'rpadmanabhan@bhel.in' <rpadmanabhan@bhel.in>; 'ykrajesh@bhel.in' <ykrajesh@bhel.in>
Subject: CIRCULAR NO 31 OF 2019-20 REGARDING PROCUREMENT THROUGH GeM

Sir,

Further to the trailing mail dated 07.08.2020, please find enclosed the copy of Circular No 31 of 2019-20 of Corporate SS & P, wherein guidelines have been issued regarding enhancing procurements through GeM.

The salient points are as under:

➢ For estimated value exceeding Rs. 5 lakhs, the NIT shall be published on the GeM portal by utilizing the **'Custom Bid'** feature, in case the required good or service is not available on the GeM Portal,

➢ In case of Framework Agreements entered into for goods and services , whose validity period has expired, fresh requirements for such cases should be tendered on GeM after due demand aggregation.

➢ For tenders floated outside GeM, the GeM Seller ID shall be mandatory before placement of order / award of contract for goods and services to the successful bidder(s).

This Circular is not applicable for (a) Works Contracts and (b) Items which are sourced from Foreign bidders (after due approvals from Competent Authority as per GFR), as these are not covered presently on GeM.

Thanks and Regards,

C Venkat Rao

GM / S S & P

Corporate Office, BHEL,

New Delhi

From: C.Venkat Rao [mailto:cvr@bhel.in]
Sent: 07 August 2020 21:58
To: 'cmurthy@bhel.in' <cmurthy@bhel.in>; 'jps@bhel.in' <jps@bhel.in>; 'jai@bhel.in' <jai@bhel.in>; 'ratnanav@bhel.in' <ratnanav@bhel.in>; 'akjain1@bhel.in' <akjain1@bhel.in>; 'csdeolikar@bhel.in' <csdeolikar@bhel.in>; 'gautam.chaklader@bhel.in' <gautam.chaklader@bhel.in>; 'sgulati@bhel.in' <sgulati@bhel.in>; 'anandac@bhel.in' <anandac@bhel.in>; 'tsmurali@bhel.in' <tsmurali@bhel.in>; 'amitkerketta@bhel.in' <amitkerketta@bhel.in>; 'brd@bhel.in' <brd@bhel.in>; 'pjreddy@bhel.in' <pjreddy@bhel.in>; 'rpadmanabhan@bhel.in' <rpadmanabhan@bhel.in>; 'shakil@bhel.in' <shakil@bhel.in>; 'kaushika@bhel.in' <kaushika@bhel.in>; 'aniljoshi@bhel.in' <aniljoshi@bhel.in>; 'tlal@bhel.in' <tlal@bhel.in>; 'subhas@bhel.in' <subhas@bhel.in>; 'r_singh@bhel.in' <r_singh@bhel.in>; 'tkbagchi@bhel.in' <tkbagchi@bhel.in>; 'gs@bhel.in' <gs@bhel.in>; 'gangadhar@bhel.in' <gangadhar@bhel.in>; 'rsrayalu@bhel.in' <rsrayalu@bhel.in>; 'chokhani@bhel.in' <chokhani@bhel.in>; 'vkchugh@bhel.in' <vkchugh@bhel.in>; 'rsahrma@bhel.in' <rsahrma@bhel.in>; 'pulak@bhel.in' <pulak@bhel.in>; 'pnm@bhel.in' <pnm@bhel.in>; 'pmgus@bhel.in' <pmgus@bhel.in>; 'gmurali@bhel.in' <gmurali@bhel.in>; 'snair@bhel.in' <snair@bhel.in>; 'pndmas@bhel.in' <pndmas@bhel.in>; 'renuka@bhel.in' <renuka@bhel.in>; 'ksm@bhel.in' <ksm@bhel.in>; 'Balvir Talwar' <btalwar@bhel.in>; 'mmukundan@bhel.in' <mmukundan@bhel.in>; 'sbnaithani@bhel.in' <sbnaithani@bhel.in>; 'atuteja@bhel.in' <atuteja@bhel.in>; 'aksarkar@bhel.in' <aksarkar@bhel.in>; 'marora@bhel.in' <marora@bhel.in>; 'drgbhatla@bhel.in' <drgbhatla@bhel.in>; 'pjain@bhel.in' <pjain@bhel.in>; 'kkcoari@bhel.in' <kkcoari@bhel.in>; 'rajivb@bhel.in' <rajivb@bhel.in>; 'parwani@bhel.in' <parwani@bhel.in>
Cc: 'Pravin Chandra Jha' <pcjha@bhel.in>; 'ani@bhel.in' <ani@bhel.in>; 'sameer@bhel.in' <sameer@bhel.in>; 'amalhotra@bhel.in' <amalhotra@bhel.in>; 'sanju@bhel.in' <sanju@bhel.in>; 'satyan@bhel.in' <satyan@bhel.in>; 'bani@bhel.in' <bani@bhel.in>; 'Saurabh Srivastava(Sr Dy GM/CMDSECT/CO' <saurabh@bhel.in>; 'A B Gupta, Genl Manager/COM/CO' <abgupta@bhel.in>; 'amitpal@bhel.in' <amitpal@bhel.in>
Subject: CIRCULAR NO 10 OF 2019-20 REGARDING PROCUREMENT THROUGH GeM

Sir / Madam,

Further to the trailing mail dated 16.05.2020, please find enclosed the copy of Circular No 10 of 2019-20 of Corporate SS & P, wherein guidelines have been issued regarding enhancing procurements through GeM.

The salient points are as under:

- Target for procurement through GeM for the month of August 2020 shall be atleast Rs 30 crores at Company level.
- GeM Pool Account (GPA) shall be operated by all Units / Regions, in consultation with Corporate Finance
- Indents to clearly indicate the availability of the good/ service on GeM or otherwise.
- Indentors to necessarily ensure ‘GeM Availability Report and Past Transaction Summary’ (GeMAR&PTS)
    - Units/ Regions to ensure that provision for suitable system lock is in place to prevent indent generation and floating a tender without GeMAR&PTS.
- GeMAR&PTS shall be a pre-requisite for arriving at a decision by Competent Authority for floating a bid outside GeM.
- Wherever, GeMAR&PTS indicates availability of the category on GeM, procurement shall necessarily be made through GeM, and in all such cases, the procurement procedures / policies/ terms and conditions etc. and logics enabled on GeM Portal, as available on its platform (https://gem.gov.in), shall supersede all relevant Policies/ procedures / guidelines of BHEL. Few exceptions are defined.

Thanks and Regards,

C Venkat Rao

GM / S S & P

Corporate Office, BHEL,

New Delhi

From: C.Venkat Rao [mailto:cvr@bhel.in]
Sent: 16 May 2020 19:10
To: 'rakesh.singh@bhel.in' <rakesh.singh@bhel.in>; 'prawat@bhel.in' <prawat@bhel.in>; 'skbaveja@bhel.in' <skbaveja@bhel.in>; 'adarsh@bhel.in' <adarsh@bhel.in>; 'vagrawal@bhel.in' <vagrawal@bhel.in>; 'avnaga@bhel.in' <avnaga@bhel.in>; 'nalini@bhel.in' <nalini@bhel.in>; 'mohan.k@bhel.in' <mohan.k@bhel.in>; 'pravi@bhel.in' <pravi@bhel.in>; 'bhaskar.rao@bhel.in' <bhaskar.rao@bhel.in>; 'rcd@bhel.in' <rcd@bhel.in>; 'rbabu@bhel.in' <rbabu@bhel.in>; 'kumarrakesh@bhel.in' <kumarrakesh@bhel.in>; 'atul.pandey@bhel.in' <atul.pandey@bhel.in>; 'ashuani@bhel.in' <ashuani@bhel.in>; 'rksaxena@bhel.in' <rksaxena@bhel.in>; 'virender.gupta@bhel.in' <virender.gupta@bhel.in>; 'subrata.sen@bhel.in' <subrata.sen@bhel.in>; 'prchiwarkar@bhel.in' <prchiwarkar@bhel.in>; 'bsandipan@bhel.in' <bsandipan@bhel.in>; 'ev@bhel.in' <ev@bhel.in>; 'indra.pal.singh@bhel.in' <indra.pal.singh@bhel.in>; 'mandvi@bhel.in' <mandvi@bhel.in>; 'minocha@bhel.in' <minocha@bhel.in>; 'rprabha@bhel.in' <rprabha@bhel.in>; 'dvkrsd@bhel.in' <dvkrsd@bhel.in>; 'sshekhar1@bhel.in' <sshekhar1@bhel.in>; 'prasannag@bhel.in' <prasannag@bhel.in>; 'rks@bhel.in' <rks@bhel.in>; 'prasannagk@bhel.in' <prasannagk@bhel.in>; 'sunilhaldia@bhel.in' <sunilhaldia@bhel.in>
Cc: 'cmurthy@bhel.in' <cmurthy@bhel.in>; 'jps@bhel.in' <jps@bhel.in>; 'jai@bhel.in' <jai@bhel.in>; 'ratnanav@bhel.in' <ratnanav@bhel.in>; 'akjain1@bhel.in' <akjain1@bhel.in>; 'csdeolikar@bhel.in' <csdeolikar@bhel.in>; 'gautam.chaklader@bhel.in' <gautam.chaklader@bhel.in>; 'sgulati@bhel.in' <sgulati@bhel.in>; 'anandac@bhel.in' <anandac@bhel.in>; 'tsmurali@bhel.in' <tsmurali@bhel.in>; 'amitkerketta@bhel.in' <amitkerketta@bhel.in>; 'brd@bhel.in' <brd@bhel.in>; 'pjreddy@bhel.in' <pjreddy@bhel.in>; 'rpadmanabhan@bhel.in' <rpadmanabhan@bhel.in>; 'shakil@bhel.in' <shakil@bhel.in>; 'kaushika@bhel.in' <kaushika@bhel.in>; 'aniljoshi@bhel.in' <aniljoshi@bhel.in>; 'tlal@bhel.in' <tlal@bhel.in>; 'subhas@bhel.in' <subhas@bhel.in>; 'r_singh@bhel.in' <r_singh@bhel.in>; 'tkbagchi@bhel.in' <tkbagchi@bhel.in>; 'gs@bhel.in' <gs@bhel.in>; 'gangadhar@bhel.in' <gangadhar@bhel.in>; 'rsrayalu@bhel.in' <rsrayalu@bhel.in>; 'chokhani@bhel.in' <chokhani@bhel.in>; 'satyan@bhel.in' <satyan@bhel.in>; 'A B Gupta' <abgupta@bhel.in>
Subject: CONSOLIDATED GUIDELINES ISSUED BY DPE FOR IMPLEMENTATION OF TReDS and GeM

Please find enclosed DPE vide OM No. DPE-7(4)/2007-Fin dated 04.05.2020 wherein consolidated guidelines have been issued to expedite the following two initiatives being pursued by Government of India (GoI) :

- Trade Receivable e Discounting System (TReDS)
- Government e Market place (GeM)

A. TReDS

Regarding TReDS, the issues pointed in the DPE OM have been communicated earlier also, and the same are reiterated again. The latest status on implementation of TReDS is enclosed. While some of the Units are already onboarded TReDS and bill discounting is being done, and there is also visible improvement in the past fortnight in other Units / Regions , the major focus areas which remain to be addressed are as under :

- TP, Jhansi; CFP, Rudrapur; EMRP, Mumbai; PSWR Nagpur and Corp R&D are yet to register as Buyers on TReDS

- HPEP, Hyderabad ; PSSR Chennai and HERP, Varanasi are yet to resolve the issues of Bank Mandate

- While BAP Ranipet is waiting to Go Live for the past two months, this needs to be expedited

- ERP integration is pending for long in many Units. This area requires traction and a focussed approach.

B. <u>GeM</u>

As mentioned earlier, Goods and services for which categories are available on GeM are to be procured through GeM.

While a communication was given on 03.05.2020 (copy enclosed) to all Units / Regions to provide the **statement of annual targets of procurement** through GeM for the year 2020-21, information is still awaited from HPBP, HPEP,HEEP, HEP, BAP, EDN, TP, HPVP, IVP, ISG, TBG, HERP and all PS Regions. The same be expedited.

Further to above, following is clarified w.r.t. instructions issued in DPE OM :

<u>New Features</u>

(i) If the goods and services are not available on GeM, GeM to be approached for category creation along with specifications of the goods and services utilising available mechanisms (a) **Request Management System** (b) **Module for crowd sourcing of categories and sellers.**

(ii) Registered suppliers and known sources to be communicated for on boarding GeM. The **seller invitation module** available in the GeM Portal may also be used for this purpose.

<u>Compliances which would become mandatory from 01.07.2020</u>

Indents to clearly indicate the availability of the goods and services on GeM or otherwise. To ensure effective implementation, a new provision of GeM Availability Report and Past Transaction Summary (**GeMAR & PTS**) has been introduced on GeM portal. Once operational, GeMAR&PTS will be a pre-requisite for floating a tender outside GeM.

While all other issues in the DPE OM are being taken up separately with DPE, due priority be accorded to the above two initiatives of GoI

Thanks and Regards,

C Venkat Rao

GM / S S & P

Corporate Office, BHEL,

New Delhi

Enquiry to be quoted through ABC Procure of e-Procurement portal.

1. Enquiry is floated through NIC Portal and hence Offer has to be submitted through CPP portal only (https://eprocurebhel.co.in/nicgep/app).

2. For any technical clarification, please contact Mrs. Ayushi Jindal, Sr. Engr (TBEM); Contact No. 0120-6748459; e-mail: ayushi@bhel.in/skshukla@bhel.in

3. For any commercial clarification, please contact Mr. Prateek Kumar, Dy. Manager (TBMM); Contact No. 0120- 6748480; e-mail: pkp@bhel.in / akchaudhary@bhel.in

4. **Supply and ETC Delivery schedule:** as per enclosed activity schedule as Annexure-II in NIT. Vendor has to submit signed and stamped copy of activity schedule along with offer. Supplier need to provide make list of equipment's with imported as well as domestic bifurcation along with offer.

5. **Evaluation Criteria:** There will be combined evaluation for Ventilation System - supply, spare as well as services as mentioned in price bid, but Separate purchase orders for Supply and Spare shall be issued for Ventilation System. Similarly, Separate Work order will be placed as per NIT documents.

6. **Reverse Auction (RA): Applicable** as per new RA guidelines 2020. (Enclosed for ready reference)

7. Project Status: Domestic.

8. Vendor to clearly certify in the unpriced and priced bid that they have quoted as per the specified price format mentioned in the tender, otherwise their offer shall be liable for rejection.

9. Offer acceptance for price bid opening is subject to approval by Customer. Vendor to furnish signed copy of enclosed formats, which is given below for vendor approval. Failing to submit below documents, bidder is liable for rejection.
    - Last 05 years work order copy along with completion certificate (and performance certificate) is required
    - Last 05 years Balance sheet with Profit and loss account.
    - Last 05 years Copy of IT returns may also be submitted

10. Payment shall be applicable as per clause no. 3.3 of BHEL/TBG/GTC/2016 REV01 and clause no. 13 of BHEL/TBG/GTC-ETC/2016 REV 01. Supplier need to submit their bills strictly compliance with checklist (enclosed). Each bills should have signed checklist as a part of their bill for further processing.

11. Technical Requirement as per Technical Specification Doc. No. **TB-400-553-124 Rev 00.**

12. **Pre-Qualifying requirement**: attached in Annexure-I.
13. **GeM Seller ID-** GeM seller ID is mandatory for the bidders and must be mentioned in their offer. In case at the time of submission of offer GeM seller ID is not available with bidder, then successful tenderer should ensure to have GeM Seller ID prior to award of contract. Department of Expenditure (DOE) OM no. 6/9/2020-PPD dated 24.08.2020 may be referred in this regard

14. **Clause-5 (Guarantee clause) of GTC:** The equipment / material supplied and services rendered (if applicable) shall be guaranteed to be free from all defects and faults in design & engineering, material, workmanship & manufacture and in full conformity with the Purchase Order / Contract, Technical Specifications & approved drawings / data sheets, if any, for 2 Years after PG test completion or 18months from last supply, whichever is later. Note: Scheduled date of PG test: 08/04/2021. Other conditions follow as per GTC - BHEL/TBG/GTC/2016 Rev-1.

15. **Clause-7 (PBG validity) of GTC**: Supplier shall arrange to submit Performance BG / Deposit on a non-judicial stamp paper of appropriate value along with first invoice or within 60 days from placement of Purchase Order (PO) whichever is earlier, **in line with one of the applicable options given in enclosed General Terms and Condition** (GTC - BHEL/TBG/GTC/2016 Rev-1). PBG should valid till guarantee period with claim period of 3 months extra over and above guarantee period.

16. **Clause-39 (quantity variation) of GTC:** Please note that overall quantity/value may vary upto +-30%.

17. **Bidder to submit Govt. of India compliances given time to time as MoP compliance, Border sharing compliance etc (Format enclosed).**

18. **Integrity Pact- Not** Applicable.

19. **LIQUIDATED DAMAGES FOR DELAYED DELIVERY FOR SUPPLY:**
    Clause no. 13 of GTC shall be read as below:
    In case of delay in execution of Purchase Order beyond the contractual delivery time, an amount of 0.5% of the TOTAL PO EX-WORKS VALUE & F & I CHARGES for supply per week of delay or part thereof subject to a maximum of 10% of the TOTAL PO EX-WORKS VALUE & F & I CHARGES shall be deducted as Liquidated Damages (LD) along with applicable GST (if any) on LD.
    However, in case of staggered (lot-wise) contractual delivery schedule, an amount of 0.5% of the total delayed lot of PO EX-WORKS VALUE & F & I CHARGES of for supply per week of delay or part thereof subject to maximum of 10% of the total delayed lot of PO EX-WORKS VALUE & F & I CHARGES shall be deducted as Liquidated Damages (LD) along with applicable GST (if any) on LD.

20. **LIQUIDATED DAMAGES FOR DELAYED DELIVERY FOR ETC WORKS:**
    Clause no. 15 of GTC-ETC shall be read as below:
    In case of delay in execution of Contract beyond the contractual completion time for Erection, Testing & Commissioning at Site, an amount of 0.5% of the total Contract value for ETC except GST at Site per week of delay or part thereof subject to a maximum of 10% of the total Contract value for ETC except GST at Site shall be deducted as Liquidated Damages (LD) along with applicable GST (if any) on LD.
    However, in case of staggered (lot-wise) contractual completion schedule, an amount of 0.5% of the total Contract value for ETC except GST at Site of delayed lot per week of delay or part thereof shall be deducted as liquidated damages, subject to maximum of 10% of the total Contract value for ETC except GST at Site along with applicable GST (if any) on LD.

21. **Arbitration Clause:**
    ARBITRATION Clause No. 19 of GTC 2016 shall be read as follows:

(A) <u>CONCILIATION (MODEL CONCILIATION CLAUSE FOR CONDUCTING CONCILIATION PROCEEDINGS UNDER THE BHEL CONCILIATION SCHEME, 2018)</u>

The Parties agree that if at any time (whether before, during or after the arbitral or judicial proceedings), any Disputes (which term shall mean and include any dispute, difference, question or disagreement arising in connection with construction, meaning, operation, effect, interpretation or breach of the agreement, contract or the Memorandum of Understanding (whichever is inapplicable), which the Parties are unable to settle mutually), arise inter-se the Parties, the same may, be referred by either party to Conciliation to be conducted through Independent Experts Committee to be appointed by competent authority of BHEL from the BHEL Panel of Conciliators.

Notes:

1. No serving or a retired employee of BHEL/Administrative Ministry of BHEL shall be included in the BHEL Panel of Conciliators.

2. Any other person(s) can be appointed as Conciliator(s) who is/are mutually agreeable to both the parties from outside the BHEL Panel of Conciliators.

The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided in **Annexure-A to this GCC (Enclosed).**

The Annexure-A together with it's appendices will be treated as if the same is part and parcel hereof and shall be as effectual as if set out herein in these GCC."

(B) <u>ARBITRATION (WITH SOLE ARBITRATOR)</u>

1.1. Except as provided elsewhere in this Contract, in case amicable settlement is not reached between the Parties, in respect of any dispute or difference; arising out of the formation, breach, termination, validity or execution of the Contract; or, the respective rights and liabilities of the Parties; or, in relation to interpretation of any provision of the Contract; or, in any manner touching upon the Contract, then, either Party may, by a notice in writing to the other Party refer such dispute or difference to the Sole Arbitrator and such Arbitrator appointed by Head of the BHEL Unit/Region/Division issuing the Contract.

1.2. The Arbitrator shall pass a reasoned award and the award of the Arbitrator shall be final and binding upon the Parties.

1.3. Subject as aforesaid, the provisions of Arbitration and Conciliation Act 1996 (India) and amended in 2015 and further amendment passed in 2019 or statutory modifications or re-enactments thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceedings under this clause. The seat of arbitration shall be New Delhi. The language of arbitration shall be English and the documents shall be submitted in English.

1.4. The cost of arbitration shall initially be borne equally by the Parties subject to the final apportionment of the cost of the arbitration in the award of the Arbitrator.

1.5. Notwithstanding the existence or any dispute or differences and/or reference for the arbitration, the Contractor shall proceed with and continue without hindrance the performance of its obligations under this Contract with due diligence and expedition in a professional manner except where the Contract has been terminated by either Party in terms of this Contract.

1.6. **<u>SETTLEMENT OF COMMERCIAL DISPUTES BETWEEN CPSES INTER SE AND CPSE(S) AND GOVERNMENT DEPARTMENT(S)/ ORGANISATION(S) – ADMINISTRATIVE MECHANISM FOR RESOLUTION OF CPSES DISPUTES (AMRCD) – REGARDING</u>**

Vide Dept. of Public Enterprises OM No. F. No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22.05.2018 it has been conveyed that *"To make the mechanism more effective and binding on the disputing parties, a new mechanism namely Administrative Mechanism for resolution of CPSEs Disputes (AMRCD) having two level (tier) structure has been evolved in consultation with various stakeholders to replace the existing PMA mechanism which stands wound up from the date of issue of this OM."* Accordingly, the existing Permanent Machinery of Arbitration (PMA) stands wound up with effect from 22.05.2018 and cases relating to disputes or differences relating to the interpretation and application of the provisions of commercial contract(s) between CPSEs / Port Trust / Central or State Government Department / Organizations (excluding disputes concerning Railways, Income Tax, Customs and Excise Departments) shall be taken up by either party for its resolution through Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD).

(C) JURISDICTION AND GOVERNING LAWS

The Courts at New Delhi shall have exclusive jurisdiction over any matter arising out of or in connection with this Contract. This Contract shall be construed as per and be governed by the Laws of India.

22. For this procurement, Public Procurement (Preference to Make in India), Order 2017 dated 15.06.2017 & 28.05.2018 and subsequent orders issued by the respective nodal ministry shall be applicable even if issued after issue of this NIT but before finalization of contract/PO/WO against this NIT.

Minimum local content in this tender shall be as per latest MMI applicable circular. Bidder shall provide self-certification regarding local content in the prescribed format.

In the event of any Nodal Ministry prescribing higher or lower percentage of purchase preference and/ or local content in respect of this procurement, same shall be applicable.

Preference to Make in India will be as per the Public Procurement (Preference to Make in India), Order 2017 available in the following link:

http://dipp.nic.in/sites/default/files/publicProcurement_MakeinIndia_15June2017.pdf
http://dipp.nic.in/sites/default/files/Revised-PPP-MII-Order-2017_28052018.pdf

IMPORTANT INSTRUCTION: -

- Preference to Make in India will be as per the Public Procurement (Preference to Make in India), Order 2017
- The Notice Inviting Tender (NIT)/ the tender requirement of BHEL will not be henceforth published in newspapers. All the concerned are hereby notified that tender enquiries of BHEL will be published on BHEL tender website (www.bhel.com) and Government's Central Public Procurement Portal (https://eprocure.gov.in/).
- You are requested to kindly note and refer above website for tender of BHEL.
- Bidder to mention their works address below from where material will be supplied to Site.
- All remaining terms and conditions of GTC which are not mentioned here shall remain unchanged.

Works Address- --

ALL OTHER TERMS AND CONDITIONS SHALL BE AS PER GTC Rev-1.

(Sign and seal of Bidder)