

# **TENDER SPECIFICATION**

Ref: BHEL/PSSR/SAS/SCT/T-07/2025-26

Date: 19.05.2025

**Arranging of Storage and Erection all risks policy for  
Renovation of Governing system of Turbine driven Boiler feed  
pump (TDBFP) for 3 units (i.e. for 6 TDBFPs) as per SOW at M/s  
NTPC- Ramagundam STPS Stage-II (3x500MW)**

**DUE DATE FOR SUBMISSION: 11.00 Hrs. – 29.05.2025**

## **VOLUME-1 TECHNICAL BID & PRICE BID**



### **BHARAT HEAVY ELECTRICALS LIMITED**

(A Government of India Undertaking)

Power Sector - Southern Region - Services After Sales,  
BHEL Integrated Office Complex (3rd Floor),  
TNEB Road, Pallikaranai, Chennai - 600100.

**Contd./-**

# NOTICE INVITING TENDER (NIT)

## Submission only through E-Procurement Portal

<https://eprocurebhel.co.in>

**Note: Bidder may download Tender Documents from web sites**

To

Dear Sir / Madam

### **Sub: NOTICE INVITING TENDER**

Online Sealed offers in two part bid system are invited from reputed & experienced bidders (meeting PRE QUALIFICATION CRITERIA as mentioned below) **through E-Procurement Portal <https://eprocurebhel.co.in> only**, for the subject job by the undersigned on the behalf of BHARAT HEAVY ELECTRICALS LIMITED as per the tender document. Following points relevant to the tender may please be noted and complied with.

This tender shall be under category of National Competitive Bidding (NCB).

### **1.0 Salient Features of NIT**

Sl. No	ISSUE	DESCRIPTION	
i	TENDER NUMBER	<b>BHEL/PSSR/SAS/SCT/T-07/2025-26 Date:19.05.2025</b>	
ii	BROAD SCOPE OF JOB	<b>Arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e. for 6 TDBFPs) as per SOW at M/s NTPC- Ramagundam STPS Stage-II (3x500MW)</b>	
iii	DETAILS OF TENDER DOCUMENT		
A	VOLUME-1 (Technical Bid)	1. NIT, Conditions of contract and Annexures	Applicable
B	VOLUME-2 (Price Bid)	1. Price Bid	Applicable
iv	Issue of Tender Documents	1. This is an E-tender floated online through our E-Procurement Portal <a href="https://eprocurebhel.co.in">https://eprocurebhel.co.in</a> 2. Download Start: 19.05.2025	Applicable
v	Due Date & Time of Offer Submission	<b>Date : 29.05.2025, Time : 11:00 Hrs</b> The bidder should submit their offer online in e-Procurement portal at <a href="https://eprocurebhel.co.in">https://eprocurebhel.co.in</a> Offers are invited in two-parts only. Bidders are requested to upload their offer well in advance in order to avoid last minute congestion at this website. Hard copy bid or bids through E-mail / fax shall not be accepted.	Applicable

vi	Opening of Tender	<b>Date: 29.05.2025, Time :15:00 Hrs</b> Notes: (1) In case the due date of opening of tender becomes a non-working day, then the due date & time of offer submission and opening of tenders get extended to the next working day. (2) Bidder may witness the opening of tender through e-Procurement portal only.	Applicable
vii	EMD Amount		Not Applicable
viii	Last Date For Seeking Clarification	Bidders may submit their queries at least 3 days before the scheduled due date of offer submission along with soft version also, addressing to undersigned & to others as per contact address of Tender issuing department given below:  For any clarification on the tender document, you may seek the same in writing or through e-procurement portal/platform as per specified format within the last date of seeking clarification as per tender. BHEL shall not be responsible for receipt of queries after due date of seeking clarification due to postal delay, and receipt of any query after due date shall not be entertained.	Applicable
ix	Reverse Auction	BHEL shall be resorting to Reverse Auction (RA) (Guidelines as available on <a href="http://www.bhel.com">www.bhel.com</a> on “supplier registration page”) 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.	Applicable
x	Latest updates	Latest updates on the important dates, Amendments, Correspondences, Corrigenda, Clarifications, Changes, Errata, Modifications, Revisions, etc to Tender Specifications will be hosted on e-tender portal <a href="https://eprocurebhel.co.in">https://eprocurebhel.co.in</a> and not in the newspapers. Bidders to keep themselves updated with all such information. This also form part of tender hence the same shall be enclosed with their offer.	Applicable

xi	Tender issuing department contact details	<p>Routine correspondences regarding the clarifications, time extensions or any other administrative queries, etc. on the tender issued shall be posted in <a href="https://eprocurebhel.co.in">https://eprocurebhel.co.in</a>. Any other queries may be addressed directly to the tender issuing department as mentioned below:</p> <p>1. Shri. T Sravana Kumar Phone: 044 2458 9538 Mobile: 9866734976 E-mail: <a href="mailto:sravankt@bhel.in">sravankt@bhel.in</a></p> <p>2. Shri. M Sai Kiran Phone: 044 2458 9563 Mobile: 9490493201 E-mail: <a href="mailto:saikiranm@bhel.in">saikiranm@bhel.in</a></p>	
xii	PRE QUALIFICATION CRITERIA (TECHNICAL)	<p>I. Insurance companies shall be registered with IRDA and having business dealings in the last seven years, ending on latest due date of submission of offer.</p> <p>II. Bidder should have valid PAN NUMBER. Relevant Supporting Documents shall be submitted.</p> <p>III. NO CONSORTIUM / JV Bidding is allowed for this tender.</p> <p>IV. Bidder must NOT BE UNDER BANKRUPTCY CODE PROCEEDINGS (IBC) by NCLT OR UNDER LIQUIDATION / BIFR, which will render him INELIGIBLE for participation in this tender and SHALL SUBMIT UNDERTAKING to this effect.</p> <p>Note: After satisfactory fulfilment of all the above criteria, offer shall be CONSIDERED for further evaluation as per NIT and all other terms of the tender.</p>	Applicable
xiii	PRE QUALIFICATION CRITERIA (Financial)		Not Applicable
xiv	INTEGRITY PACT		Not Applicable
xv	ORDER OF PRECEDENCE	<p>In the event of any ambiguity or conflict between the Tender Documents, the order of precedence shall be in the order below:</p> <p>1. Amendments/Clarifications/Corrigenda /Errata/Tender change notice (TCN) etc.</p>	Applicable

		issued in respect of the tender documents by BHEL 2. Notice Inviting Tender (NIT) 3. Conditions of contract. 4. Price Schedule	
xiv	Evaluation currency	INDIAN RUPEES (INR)	Applicable
xv	Cost of Tender	Free	--
xvi	Customer approval		Not Applicable

## 2.0 **MODE OF DEPOSIT OF EMD**

### **Void**

- 3.0 **Procedure for Submission of Tenders:** This is an E-tender floated online through our E-Procurement portal <https://eprocurebhel.co.in>. The bidder should respond by submitting their offer online only in our e-Procurement portal at <https://eprocurebhel.co.in>. Hard copy bid or bids through email/ fax shall not be accepted.

### **Documents Comprising the e-Tender**

The tender shall be submitted online as mentioned below:

#### **a. Technical Tender (UN priced Tender)**

All Technical details (as mentioned below) should be attached in e-tendering module, failing which the tender stands invalid & may be REJECTED. Bidders shall furnish the following information along with technical tender (preferably in pdf format):

- i. Technical Bid (without indicating any prices).

#### **b. Price Bid:**

- i. Prices are to be quoted in the attached Price Bid format online on e-tender portal.
- ii. The price should be quoted for the accounting unit indicated in the e-tender document.
- iii. Note: It is the responsibility of tenderer to go through the Tender document to ensure furnishing all required documents in addition to above, if any. Any deviation would result in REJECTION of tender and would not be considered at a later stage at any cost by BHEL.
- iv. A person signing (manually or digitally) the tender form or any documents forming part of the contract on behalf of another shall be deemed to warrantee that he has authority to bind such other persons and if, on enquiry, it appears that the persons so signing had no authority to do so, the purchaser may, without prejudice to other civil and criminal remedies, cancel the contract and hold the signatory liable for all cost and damages.
- v. A tender, which does not fulfil any of the above requirements and/or gives evasive information/reply against any such requirement, shall be liable to be ignored and rejected.

**DO NOT'S**

Bidders are requested NOT to submit the hard copy of the Bid. In case offer is sent through hard copy/fax/telex/cable/electronically in place of e-tender, the same shall not be considered. Also, uploading of the price bid in prequalification bid or technical bid may RESULT IN REJECTION of the tender.

**Digital Signing of e-Tender**

Tenders shall be uploaded with all relevant PDF/zip format. The relevant tender documents should be uploaded by an authorized person having Class 3- SHA2- 2048 BIT- SIGNING & ENCRYPTION digital signature certificate (DSC).

**The Requirement:**

1. A PC with Internet connectivity &
2. DSC (Digital Signature Certificate) (Class 3- SHA2- 2048 BIT- SIGNING & ENCRYPTION)

BHEL has finalized the e-procurement service Provider:-

NIC PORTAL (<https://eprocurebhel.co.in>)

For E-PROCUREMENT ASSISTANCE & TRAINING, NIC PORTAL HELPDESK CONTACTS AS PER FOLLOWING: -

For any technical related queries please call at 24 x 7 Help Desk Number

0120-4001 002

0120-4200 462

0120-4001 005

0120-6277 787

1. Peter Raj, NIC, Ph: 9942069052

Email Support: [support-eproc@nic.in](mailto:support-eproc@nic.in)

The process of utilizing e-procurement necessitates usage of DSC (Digital Signature Certificate) (Class 3- SHA2- 2048 BIT- SIGNING & ENCRYPTION) and you are requested to procure the same immediately, if not presently available with you. Please note that only with DSC, you will be able to login the eprocurement secured site and take part in the tendering process.

The contact details of the DSC Certifying Authority as given below:

Sl. No.	Name	Website Link
1	(n) Code solutions	<a href="https://www.ncodesolutions.com/">https://www.ncodesolutions.com/</a>
2	e-Mudhra	<a href="https://www.e-mudhra.com/">https://www.e-mudhra.com/</a>
3	Safescrypt	<a href="http://www.safescrypt.com">www.safescrypt.com</a>

Vendors are also requested to go through seller manual available on <https://eprocurebhel.co.in>

**4.0 DOCUMENTS TO BE UPLOADED & MODALITY OF UPLOADING in E-PROCUREMENT PORTAL <https://eprocurebhel.co.in> SHALL BE AS DETAILED BELOW:**

Sl.No	Description	Remarks
	Techno-Commercial Bid CONTAINING THE FOLLOWING:-	
i	Covering letter / Offer forwarding letter of Tenderer.	Refer "Bidders Manual Kit" available at <a href="https://eprocurebhel.co.in">https://eprocurebhel.co.in</a> .
ii	All Amendments / Correspondences / Corrigenda / Clarifications / Changes / Errata etc. pertinent to this NIT.	
iii	NIT document and Un-priced price bid (price bid without disclosing rates/price, but mentioning only 'QUOTED' or 'UNQUOTED' against each item) Annexure-VII	
iv	Declaration by bidder for price opening through Reverse Auction.	
v	Declaration by bidder regarding NIL Insolvency proceedings.	
vi	Supporting documents of IRDA Registration	
vii	Deviation Statement – Annexure I. Deviations, if any, are to be mentioned in the deviation statement only. The deviations mentioned elsewhere in the techno-commercial bid or the Price bid shall not be considered by BHEL.	
viii	Declaration sheet – Annexure II	
ix	Certificate of Declaration for Confirmation of IRDA / TAC guidelines – Annexure III	
x	Declaration – Annexure IV.	
xi	List of Internationally accepted exclusions – Annexure V	
xii	Discount in Premium beyond Policy period – Annexure VI	
xiii	Supporting documents of business dealings in last Five years	
xiv	PAN NO & Photo Copy of PAN CARD.	
xv	Photo Copy of GSTN Registration Certificate.	
xvi	Bank Account Details for E-Payment	
xvii	Valid Power of attorney.	
xviii	Any other details preferred by bidder with proper indexing.	

**Caution to Bidders: -**

The duly signed & stamped copies of NIT document along with Scope of works, specific conditions, HSE PLAN FOR SITE OPERATIONS BY BHEL'S SUBCONTRACTORS and GENERAL & SPECIAL CONDITIONS OF CONTRACT [FOR SERVICES JOB] and Un-priced price bid are to be attached under the form Techno-commercial Bid. For any further queries, Refer "Bidders Manual Kit" available at <https://eprocurebhel.co.in>.

Sl.No	Description	Remarks
i	<p>Price/ Total Amount corresponding to the total works as specified shall be quoted in the format named 'PRICE BID. Format to quote Total Amount' available in e-Procurement portal under 'Packet details -&gt; Tender covers -&gt; Finance '(Cover Type Description – Price Bid).</p> <p>Bidders to note that total amount quoted by the bidder in this format shall be considered for evaluation of offer.</p>	Refer "Bidders Manual Kit" available at <a href="https://eprocurebhel.co.in">https://eprocurebhel.co.in</a> .

**SPECIAL NOTE:**

- i) All documents / annexures submitted with the offer shall be properly attached / entered / uploaded in the respective sections. BHEL shall not be responsible for any missing documents.
  - ii) Your offer & documents submitted along with offer shall be signed & stamped in each page/digitally signed on cover page by your authorized representative. No overwriting / correction in tender documents by bidders shall be allowed. However, if correction is unavoidable, the same may be signed by authorized signatory.
- 5.0 No deviation with respect to tender clauses and no additional clauses/ suggestions/clarification in Techno-commercial bid/Price bid shall normally be considered by BHEL. Bidders are requested to positively comply with the same. Offers with deviation are liable for rejection.
  - 6.0 BHEL may decide holding Pre-bid Discussion [PBD] with all intending bidders. On such communication from BHEL, the bidder shall ensure participation for the same at the appointed time, date and place as may be decided by BHEL. Outcome of PBD (if any) shall also form part of tender.
  - 7.0 In the event of any conflict between requirement of any clause of this specification/ documents /drawings /data sheets etc. or requirements of different codes/ standards specified/ contradictions between any two clauses of tender document, the same to be brought to the knowledge of BHEL by bidders in writing for clarification before due date of seeking clarification, otherwise, more stringent requirement as may be interpreted by BHEL shall prevail and shall be binding on you. Any typing error/missing pages/ other clerical errors in the tender documents, noticed



by bidder must be pointed out before submission of offer, or else, BHEL's interpretation shall prevail & binding on you.

8.0 Unless specifically mentioned otherwise, bidder's quoted price shall deemed to be in compliance with tender including PBD.

9.0 Bidders are requested to note that the accepted / agreed tender terms (technical, commercial or on Reverse Auction) in their original offer cannot be altered / withdrawn by their own during the processing of tender.

10.0 Bid should be free from correction, over writings using any interlineation, cutting or overwriting shall be valid only if they are attested under full signature(s) of person(s) signing the bid else bid shall be liable for rejection.

**11.0 Total price:**

➤ Price to be quoted in the enclosed Price Schedule Format.

➤ GST REGISTRATION NUMBER TO BE QUOTED SEPARATELY BELOW THE TOTAL PRICE.

➤ Prices quoted will be taken as the TOTAL PRICE FOR CARRYING OUT THE ENTIRE WORK AS PER THE SCOPE OF WORK SPECIFIED AND ALL THE RELEVANT DETAILS FURNISHED IN THIS TENDER.

11.1 The rates offered shall be firm inclusive of everything and no variation will be allowed whether in cost of labour or any other factor affecting the price of the contract.

11.2 In case offered price is mentioned in multiple documents by the bidder and in case of variation between offered price, the offered price advantageous to BHEL shall be taken as final for all purposes. BHEL decision in this regard shall be final and binding on contractor.

11.3 BHEL does not bind itself to accept the lowest tender. BHEL reserves the right to accept or reject the lowest or any other tender without assigning any reason and the work may be allotted to one or more than one contractors.

11.4 Incomplete price bid is liable to be rejected.

**12.0 Policy Period for this Contract:**

12.1 **From the date of payment of first instalment premium i.e. May-2025 to completion of facilities of last equipment/system (Up to completion of Trial operation of 90 days as per SCC clause no.01) i.e. Nov-2026 (Tentatively).**

**13.0 TAXES AND DUTIES**

**13.1 All taxes and duty other than GST & Cess and BOCW Cess**

The contractor shall pay all (except GST, which is dealt separately) taxes, fees, license charges, deposits, duties, tools, royalty, commissions, Stamp Duties, or other charges / levies, which may be levied on the input goods & services consumed and output goods & services delivered in course of his operations in executing the contract and the same shall not be reimbursed by BHEL. In case BHEL is forced to pay any of such taxes, BHEL shall have the right to recover the same from his bills or otherwise as deemed fit.

### 13.2 **Goods and service Tax (GST) & Cess**

#### **For GST Registered bidder:**

The successful bidder shall furnish proof of GST registration under GST Law, covering the supply and services under this contract. Registration should also bear endorsement for the premises from where the billing shall be done by the successful bidder on BHEL for this project/ work. The bidder to specify in their offer the category of registration under GST i.e. Regular dealer or composite dealer.

Bidder's price/rates shall be exclusive of GST & GST Compensation Cess (herein after termed as GST).

Vendor / Contractor require to ensure that all benefits as per existing laws have been considered.

Price quoted by the composite dealer shall be considered as inclusive of GST. In the event of any change in the status of vendor / Contractor from composite to regular dealer after the submission of the bid but before completion of supply of services or goods, Contract value shall be amended to remove the embedded GST and any ITC benefit arising due to change of status, which shall be passed on to BHEL. GST paid on the amended contract value shall be reimbursed at actuals against the Tax invoice if BHEL is able to take input tax credit. However, no reimbursement of GST shall be made if BHEL is not able to take input tax credit. The decision of BHEL in this regard will be final and binding on the vendor/contractor.

It is the responsibility of the vendor / contractor to adhere to all the provisions of E- Invoicing under GST Act (if applicable). As per the E-Invoicing provisions vendor / Contractor has to generate IRN and QR Code from the E-Invoicing system and the same need to be printed in the invoice submitted to their customer. Invoices that do not comply to the above requirements, will not be accepted by BHEL. If the successful Bidder is not falling under the preview of E-Invoicing, then he has to submit a declaration in that respect along with relevant financial statements. However, applicability of E-invoicing, shall be verified from the E-Invoicing portal on submission of vendor / Contractor GSTN. BHEL shall reimburse GST only if all the provisions of E-invoicing are complied with.

It is the responsibility of the vendor/ Contractor to issue the Tax Invoice strictly as per the format prescribed under the GST Act within the prescribed time period in order to enable BHEL to avail input tax credit within the due date. Invoices shall be submitted on time to the concerned BHEL Engineer In Charge. Tax invoice should also contain below details

- a. Contractor Name and Contact details.
- b. GST No of Contractor
- c. PAN No of Contractor
- d. Document Type: Tax Invoice/ Debit Note/ Credit Note
- e. Category: B2B / B2C (B2B is only applicable w.r.t BHEL)
- f. Customer Name and Contact details / Bill To Details (as mentioned below)
- g. Unique Tax Invoice Number
- h. Invoice Date

- i. IRN No, QR Code, Acknowledgment No and Acknowledgment Date generated from E-Invoice Portal as per E-invoicing provisions under GST Act (If applicable)
- j. Place of Supply (as mentioned below)
- k. Description of service provided
- l. 8 Digit SAC code
- m. GST Rate
- n. Gross value of Invoice
- o. Taxable Value
- p. Tax / GST Amount
- q. Total Invoice value including GST.

Above are inclusive and not exhaustive list of requirements.

Bidder should mention the “Bill To “and “Place of supply” as below in the Tax Invoice

Bill To:

BHEL PSSR, Survey No 24/4,  
Velachery Main Road,  
Pallikaranai, Chennai,  
Tamil Nadu, 600100

**BHEL GST Registration No: 33AAACB4146P2ZL**

Place of Supply: Location of BHEL Site office

BHEL SITE OFFICE,  
NTPC RAMAGUNDAM STPP, JYOTHINAGAR,  
RAMAGUNDAM VILLAGE,  
KARIMNAGAR,  
TELANGANA – 505 215.

**BHEL GST Registration No: 36AAACB4146P1ZG**

(Above details will be given later, contractors may contact BHEL, PSSR before billing)

The amount equivalent to the GST amount shall be withheld from the vendor / contractor payments towards non-compliance of GST/ Statutory provisions if below requirements are not satisfied:

Vendor / Contractor submitted original copy of Tax invoice /debit note as per the prescribed format under the GST act within the prescribed time period in order to enable BHEL to avail input tax credit within the due date.

The details of the invoice or debit note referred to in clause (a) has been furnished/filed by the Vendor/ Contractor in the statement of outward supplies (presently in GSTR1 or IFF) and such details get reflected in the BHEL GST login (Presently in GSTR 2B) in the manner specified under GST Act.

Details of vendor/contractor invoice reflected in BHEL GST login should match with the details in the tax invoice submitted by the vendor/contractor (Like Invoice no, Invoice date, GSTN, Place of supply).

The tax charged in the invoice /debit note referred to in clause (a) has been has been actually paid to the Government, either in cash or through utilization of input tax credit admissible by the Vendor/ Contractor.

In case, any GST credit is delayed/denied to BHEL or BHEL has to incur any liability (like interest / penalty) due to non/delayed receipt of goods or submission of tax invoice after the expiry of timeline prescribed in the relevant GST Act for availing ITC, or any other reasons not attributable to BHEL, Then the same shall be recovered from the vendor/contractor along with interest levied/ leviable on BHEL.

GST shall be levied on recoveries, wherever applicable and same shall be recovered from payments. BHEL shall issue / raise Tax invoice on contractor/vendors for such recoveries.

E-way bills / Transit passes / Road Permits, if required for materials / T&P etc., bought into the project site is to be arranged by the Vendor / Contractor themselves. BHEL shall not issue or raise any Road Permit/ E-Way Bill for this purpose. Any claim or demand raised by the GST department for non- generation / non submission of E-way bill shall be to the contractor/ vendor account

BHEL shall not reimburse any expenditure incurred by the contractor towards demand, additional liability or interest / penalty etc., raised by the GST department due to issues such as wrong rates / wrong classification of services or goods.

Where GST is payable by BHEL under reverse charge basis, any demand raised or any interest or penalty levied / leviable by the GST department due to non-submission or delayed submission of invoice by the contractor or for any other reason not attributable to BHEL, the same shall be recovered from the vendor/contractor.

Tax Deduction at Source (TDS) as per Sec 51 of the CGST Act shall be deducted (if applicable). GST TDS certificate in Form GSTR -7A shall be issued to be contractor. However, GST TDS certificate can be generated only if the contractor accepts the TDS details uploaded by BHEL and files his return. If any specific exemption from GST TDS is applicable to any contractor/vendor, then a declaration to that effect along with relevant documents as may be required by BHEL, substantiating such exemption in line with GST law provisions or notification, shall be submitted by the vendor/contractor.

**For GST Unregistered bidder:**

In case, bidder is not required to register under Goods and service Tax (GST) & Cess, the same is to be specified in the offer.

Successful bidder to furnish a Self-declaration that registration under GST is not required or not applicable as per the provisions of GST Law along with relevant document and provisions in the GST law.

In case BHEL has to incur any liability (like interest / penalty etc.) due to non-compliance of GST law in respect of the invoice submitted by the contractor, for the reasons attributable to the contractor, the same shall be recovered from the contractor.

TDS under GST (as & when applicable) shall be deducted at prevailing rates on gross invoice value.

If RCM is made applicable at a later date, GST will be paid by BHEL to the department at applicable rate treating the quoted the price as inclusive of GST if BHEL is not able to take Input tax credit.

In the event of any change in the status of bidder from unregistered to registered under the GST law after the submission of bid but before the completion of supply of services or goods, the same need to be intimated and all the clauses applicable for Registered bidder need to be followed. The vendor/ contractor is required to pass on the ITC benefit arising due to change of status, to BHEL. Contract value shall be amended accordingly. GST paid on the amended contract value shall be reimbursed at actuals against the Tax invoice only if BHEL is able to take input tax credit.

### **13.3 Statutory Variations**

In general, Statutory variation for GST is payable to the Vendor/Contractor during the contract period including extension thereof. Further, for period beyond the contract period, BHEL will reimburse the actual applicable tax even if the same is higher than the amount applicable within the contractual period in case BHEL is able to take the input tax credit. However, the decision of BHEL in this regard will be final and binding on the vendor/contractor otherwise vendor/contractor has to bear the differential upward increase in tax and quoted price is to be adjusted accordingly

No other variations except GST shall be payable by BHEL.

### **13.4 New Taxes/Levies**

In case Government imposes any new levy / tax after submission of bid during the tenure of the contract, BHEL shall reimburse the same at actual on submission of documentary proof of payment subject to the satisfaction of BHEL that such new levy / tax is applicable to this contract. However, Contractor/ Vendor shall obtain prior approval from BHEL before depositing new taxes and duties.

Any benefits arise out of new tax levies and/or abolition of existing taxes must be passed on to BHEL.

The decision of BHEL in this regard will be final and binding on the vendor/contractor.

### **13.5 Modalities of Tax Incidence on BHEL:**

Where GST law permits more than one option or methodology for discharging liability of tax/ levy/ duty; the contractor shall approach BHEL before choosing any option to discharge his tax liability. BHEL shall have the right to direct the contractor to adopt the appropriate option

considering the amount of tax liability on BHEL as well as procedural simplicity with regard to assessment of the liability.

The option chosen by BHEL shall be binding on the contractor for discharging the obligation of BHEL in respect of the tax liability to the contractor.

### **13.6 Direct Tax**

Vendor/ Contractor is required to update himself on its own and comply with provisions of Indian Income Tax Act as notified from time to time. Purchaser shall not be liable towards liability of income tax accruing to the vendor/contractor of whatever nature including variations thereof, arising out of this Order/ Contract, as well as tax liability of the vendor/ Contractor and his personnel

Deductions of Tax at source as per Income Tax Act, at the prevailing rates shall be effected by the Purchaser before release of payment, as a statutory obligation, if applicable. TDS certificate will be issued by the Purchaser as per the statutory provisions. The Vendor/Contractor has to mention their Permanent Account Number (PAN) and GSTIN in all invoices.

### **14.0 Invoice submission:**

14.1 The bills are to be submitted through BHEL/Resident Manager addressed to

BHEL PSSR, Survey No 24/4,  
Velachery Main Road,  
Pallikaranai, Chennai,  
Tamil Nadu, 600100

**GSTN of BHEL: 33AAACB4146P2ZL**

15.0 In case of doubt, clarification or ambiguity, decision of BHEL will be final.

### **16.0 Integrity commitment, performance of the contract and punitive action thereof:**

#### **a) Commitment by BHEL:**

BHEL commits to take all measures necessary to prevent corruption in connection with the tender process and execution of the contract. BHEL will during the tender process treat all Bidder(s) in a transparent and fair manner, and with equity.

#### **b) Commitment by Bidder/ Supplier/ Contractor:**

i) The bidder/ supplier/ contractor commit to take all measures to prevent corruption and will not directly or indirectly influence any decision or benefit which he is not legally entitled to nor will act or omit in any manner which tantamount to an offence punishable under any provision of the Indian Penal Code, 1860 or any other law in force in India.

ii) The bidder/ supplier/ contractor will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract and shall adhere to relevant guidelines issued from time to time by Govt. of India/ BHEL.

iii) The bidder/ supplier/ contractor will perform/ execute the contract as per the contract terms & conditions and will not default without any

reasonable cause, which causes loss of business/ money/ reputation, to BHEL.

If any bidder/ supplier/ contractor during pre-tendering/ tendering/ post tendering/ award/ execution/ post-execution stage includes in malpractices, cheating, bribery, fraud or and other misconduct or formation of cartel so as to influence the bidding process or influence the price or acts or omits in any manner which tantamount to an offence punishable under any provision of the Indian Penal code, 1860 or any other law in force in India, then, action may be taken against such bidder/ supplier/ contractor as per extant guidelines of the company available on [www.bhel.com](http://www.bhel.com) and/ or under applicable legal provisions.

17.0 The bidder shall submit documents in support of possession of 'Qualifying Requirements' duly self-certified and stamped/ digitally signed (as applicable) by the authorized signatory, indexed and properly linked in the format for PQR. In case BHEL requires any other documents/proofs, these shall be submitted immediately.

18.0 The bidder may have to produce original document for verification if so decided by BHEL.

19.0 "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."

20.0 **Suspension of business dealings**

"BHEL reserves the right to take action against contractors who either fail to perform or Tenderers/Contractor who indulge in malpractices, by suspending business dealings with them in line with BHEL guidelines issued from time to time displayed on BHEL website <http://www.bhel.com>".

21.0 ***The Bidder has to satisfy the Pre-Qualifying Requirements stipulated for this Tender in order to be qualified. The Price Bids of only those bidders will be opened, who will qualify for the subject job on the basis of pre-qualification evaluation & Techno- Commercial bids etc. BHEL reserves the right to reject the bidders with unsatisfactory past performance in the execution of a contract. BHEL's decision in this regard shall be final & binding.***

22.0 "For this procurement, the local content to categorize a supplier as a 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".

Duly filled & signed Form (Declaration regarding minimum local content in line with revised public procurement (preference to Make In India), order 2017), as applicable, to be submitted by bidders along with their techno-commercial offer.

- 23.0 ***Guidelines/rules in respect of Suspension of Business dealings, Vendor evaluation format, Quality, Safety & HSE guidelines, Experience Certificate, etc. may undergo change from time to time and the latest one shall be followed. The abridged version of extant 'Guidelines for suspension of business dealings with suppliers/contractors' is available on [www.bhel.com](http://www.bhel.com) on "supplier registration page".***
- 24.0 ***BHEL reserves the right to accept or reject any or all Offers without assigning any reasons thereof. BHEL also reserves the right to cancel the Tender wholly or partly without assigning any reason thereof. Also BHEL shall not entertain any correspondence from bidders in this matter.***

**For and on behalf of BHEL,**

**Sd/-**

**(T Sravana Kumar)  
Manager/SCT**



## PROJECT INFORMATION

### ***Salient features of the Project site:***

Ramagundam Thermal Power Station (NTPC Ramagundam), which is located in Ramagundam, Telangana. By road, it's approximately a 250 km from Hyderabad. Ramagundam Railway Station (RDM) is near to the plant.

By Road:

**Address:** The exact address of the power station is: NTPC Limited, Ramagundam Super Thermal Power Station, PO JYOTHINAGAR – 505 215, Dist. Karimnagar (A.P.).

The tenderers are however, advised to acquaint themselves with the site conditions, before submitting their offer. No complaints whatsoever, on account of non- familiarization with the site conditions, will be entertained.

BHEL will engage sub-contractor of high competence level and proven capability for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs) of NTPC- Ramagundam STPS Stage-II (3x500MW). Selection of sub-contractor is done with a stringent system involving BHEL's client. All the works are carried out strictly in accordance with field quality plans approved by client. Client is also very actively involved during execution of the work at site with the well-experienced team of BHEL specialists.

As a result of consistent good practices and being an ISO 9000 (Quality Mgmt system), ISO 14001 (Environmental Mgmt. system) and OHSAS 18001 (Occupational Health & Safety system) certified organisation, BHEL has achieved remarkable result in this field and also committed to achieve better in times to come.

### **Scope of Work by BHEL:**

BHEL has been awarded a contract for Renovation of TDBFP Governing system for stage#2 TDBFPs under Mega R &M of Ramagundam super thermal power station.

### **INTRODUCTION:**

The boiler feed pump drive turbine is being retrofitted with Electro-hydraulic governing system from the existing hydraulic governing system. The electronic controller maintains the speed of the boiler feed pump drive turbine.

Steam to BFP drive turbine during normal operation is supplied from one of the bled steam line of 500 MW turbine. During startup, shutdown and low load operation of 500 MW turbine, steam to BFP drive turbine is supplied from cold reheat line or auxiliary steam header. The governing system provides the facility to start the BFP drive turbine through steam from cold reheat / aux. steam line and then automatically switching over to bled steam supply as soon as it is available. The system is so designed that the change over from cold reheat / aux. steam line or bled steam line and vice versa.

**SPEED CONTROL:**

The existing three numbers of speed sensors (SE 3.61A/B/C) sense the turbine speed digitally and feed the actual speed signal to the speed controller. The speed controller gives 4-20mA output signal to the electro hydraulic converters for modulating the main and the auxiliary control valves for control of the BFPDT.

Three numbers of speed sensors (SE 3301, 3302 & 3303) are for electronic overspeed protection system.

**ELECTROHYDRAULIC CONVERTER :**

The Electro-hydraulic converters are connecting link between electronic and hydraulic parts of Electro hydraulic governing system.

The output signal of electronic governor is fed to the torque motor of electro hydraulic converter (I/H). Torque motor positions the control slide, which in turn builds up the secondary oil pressure proportional to the signal. This secondary oil pressure is transmitted to the control valve actuator.

**CONTROL VALVE ACTUATORS (Servomotors) :**

The existing servomotors 1910 & 1911 positions the main & Aux. control valves (0801 & 0802) corresponding to the main and auxiliary secondary oil pressure generated by electrohydraulic hydraulic converter. Servomotor mainly consists of a pilot valve, a power cylinder and a feedback system. Upon change in the secondary oil pressure, pilot valve provides oil passages to and from power cylinder. The movement of power piston is transmitted to the control valves through levers. The feedback lever resets the pilot valve to its neutral position, once the power piston reaches new position corresponding to the changed secondary oil pressure. The system is such that the increase in the secondary oil causes the control valves to open. Hence interruption of the secondary oil pressure causes control valves to close.

**EMERGENCY STOP VALVE (2301) AND SOLENOID VALVES :**

The existing emergency stop valve 2301 is of quick closing type. The stop valve consists of a spring-loaded piston and piston disc, which is connected to the valve cone through a spindle. The emergency stop valve is actuated by means of solenoid valves 2220(XAX43 AA014), 2221(XAX43 AA015) and a control circuit built in the electronic control cubicle. The logic and interlocking part permits the opening of emergency stop valve only when the control valve 0801 of the turbine is closed.

When solenoid valves are energized, the start-up oil pressure builds up. The piston of emergency stop valve actuator compresses the spring and forms oil tight joint with the piston disk. Pressure transmitter PT 3313(XAX43 CP007) & PT3316 (XAX43 CP008) initiates the signal and through the logic de-energizes the solenoid valve 2220(XAX43 AA014) thereby trip oil pressure builds up below the piston disc. As soon as the solenoid valve 2221(XAX43 AA015) is de-energized upon initiation of PT 3312(XAX43 CP009) & 3317(XAX43 CP010), the oil in the space above the piston of emergency stop valve is allowed to pass to the drain via orifices (5610). The resulting pressure difference across the piston and the piston disk causes the piston with piston disk to be moved to the opening end position with the spring compressed. The end position is indicated by means of signal lamp. The opening and closing speeds of emergency stop valve can be set accurately with the aid of adjustable orifices (5610) in the oil drain lines of the solenoid valves.

**TRIPPING DEVICE :**

Whenever the turbine is to be tripped, the governing oil pressure (trip oil line-after tripping device) is being drained through the tripping device 2210 which is placed on the front bearing pedestal. Thus pressure in front of stop valve piston disc and secondary oil pressure falls resulting in closure of stop valve and control valves.

The tripping device 2210 is operated on the occurrence of any one the following:

- Manual operation
- Actuation of over speed governor
- Rotor axial movement
- Drop in trip oil pressure

**OVER SPEED GOVERNOR :**

The existing mechanical over speed governor 2110 protects the turbine against speeds higher than the safe value for turbine operation. Over speed governor consists of an eccentric pin located inside the turbine shaft and held in position with a spring. At a preset speed (trip speed) centrifugal force of eccentric pin overcome the spring force and the pin move out of shaft. The outward movement of the pin actuates a lever of tripping device and thereby tripping the turbine.

**AXIAL SHIFT PROTECTION :**

Whenever the turbine rotor movement in axial direction is more than permissible a projection on the rotor comes underneath the lever of tripping device 2210 and actuates the lever, thereby tripping the turbine.

**REMOTE ENGAGEMENT OF TRIPPING DEVICE :**

The existing tripping device 2210 can be put into operation remotely with the help of a push button in console insert, pressure transmitters PT3324 (XAX43 CP004), PT3325 (XAX43 CP005)& PT3326(XAX43 CP006) and a solenoid valve 1050(XAX43 AA013). As soon as the push button is pressed, solenoid valve (1050) gets energized and oil from main oil pump flows into tripping device 2210(Existing at site) bringing the tripping device in action. Soon after trip oil pressure is built up, solenoid valve 1050(XAX43 AA013) gets de-energized through the pressure transmitter PT3324 (XAX43CP004), PT3325 (XAX43 CP005) & PT3326 (XAX43 CP006).

**DAMPING DEVICE :**

Damping device (5620) damps out the quick oscillations in secondary oil pressure generated by hydraulic converter. This helps in improving the stability of the governing system.

**SOLENOID VALVES FOR REMOTE TRIPPING :**

The turbine can be tripped from remote place eg. control panel by de-energizing the solenoid valves 2222A&B (XAX43 AA011&XAX43 AA012) or through limit value monitoring circuit. When solenoid valves 2222A&B (XAX43 AA011 &XAX43

AA012) are de-energized, it interrupts oil supply to governing system and de-pressurizes the governing system. Turbine will trip immediately on loss of governing oil pressure.

### **OVERSPEED GOVERNOR TESTER :**

Over-speed governor tester (2811) facilitates the testing of over speed governor pin when turbine is operating at maximum continuous speed. When over-speed governor tester is operated it will hydraulically bypass the tripping device (2210) ensuring uninterrupted oil supply to governing system irrespective of the position of tripping device. On further operation of over-speed governor tester, it gives an impulse to directional valve (2255). Directional valve provides oil passage from control oil header to over speed governor pin through adjustable needle valve (5610C). The pressurized oil causes the pin to move out of shaft and actuates the tripping device. Its lever movement confirms actuation of tripping device (2210) downwards. This ascertains the free movement of over-speeds governor pin.

### **DUPLEX FILTER :**

The Duplex filter(XAX43 AT011) with 225 Lpm 20 micron filtration is consist of filter head with

change over valve and two filter bowls which are removable for maintenance. The change over mechanism facilitates redirection of fluid stream from the dirty to clean filter housing without reduction in flow. The arrangement also provided with a maintenance indicator, which monitors the degree of clogging of the filter elements. Arrows indicate which filter bowl is in operation. Closing of both filter bowls simultaneously is not possible.

### **1. Milestone (Tentative):**

<b>SL.NO</b>	<b>IMPORTANT ACTIVITIES</b>	<b>TIMELINES</b>
1.	RECEIPT OF MATERIAL (First Consignment from unit) AT SITE	16-01-2025
2.	Completion of facilities of last equipment/system (Upto completion of Trial operation of 90 days as per SCC clause no.01) i.e Nov-2026.(Tentatively).	Nov-26

**SECTION - I****GENERAL INSTRUCTIONS TO TENDERERS**

- 1 This tender, shall be duly signed (preferably digital) & stamped on each page and to be uploaded in the e-procurement portal.
2. Tender Opening is through E-Procurement portal.
3. Tenders shall be opened at the time and date as specified in NIT.
4. The Underwriters shall closely peruse all the clauses and specifications indicated in the Tender Documents before quoting. Only such clarifications that are issued after discussions on technical deviations and which affect the tender stipulations in a substantial manner will be made known to rest of the tenderer before opening the bid. **Bidders may contact us before scheduled opening of the Price Bid to find out whether any clarifications have been issued or not, so as to eliminate chances of the same having not reached the right person/ office despite their dispatch by us.**
5. Underwriters must fill up all the schedules and furnish all the required information as per the instructions given in various sections of the tender specification, failing which tender is liable to be rejected.
6. The bidders shall quote the rates both in English words as well as in Figures.
  - 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 the purchaser 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; and
  - c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above.
  - d) If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date up to which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of BHEL, the bid is liable to be ignored.
7. All corrections and insertions shall be duly counter-signed by the authorized signatory of the underwriter.
8. The underwriter will not change the dealing office without prior approval of BHEL.
9. **Documents to be submitted by the successful bidder:** In addition to other requisite documents, the following will also be submitted by the successful bidder.
  - (i) Sets of claim forms for various covers viz. Marine, Theft, Erection claims in adequate number.
  - (ii) Sets of documents needed for settlement of each type of Claim

- (iii) Nomination of offices/representatives from Chennai and the site location who will attend to the requirements of respective offices, reply to all the queries and coordinate with the serving office/ officials.
10. The terms and conditions regarding Cancellation of Policy and its Consequences shall be in line with the IRDA Guidelines / TAC governed Policy wordings. All provisions in the Tariff in this regard will be applicable.
11. The selected Underwriter will be liable to meet all requirements of the Regulator (IRDA) inclusive of penalties / payment of difference in premium arising out of violations (if any), committed by the Underwriter prior to / during / after the commencement / expiry of coverage of risk under this Policy and BHEL in no way will be responsible for such violations.
12. Validity of offer:
- THE OFFER SUBMITTED BY THE UNDERWRITER SHALL BE KEPT VALID FOR ACCEPTANCE FOR A PERIOD OF SIX MONTHS FROM THE DATE OF OPENING OF TECHNO-COMMERCIAL BID.** In case we call party(ies) for negotiations, such negotiations shall not amount to cancellation or withdrawal of the original offer which shall be binding on the Tenderers unless otherwise agreed upon.
13. FORMATION OF CONTRACT
- All the documents issued by BHEL as well as accepted by it up to the stage of premium payment will form part of the contract. Some of the examples are: Tender Document, Techno-Commercial/ Price Bid, MOM, MOU, Deviation Statement etc
14. BHEL will not be bound by any Power of Attorney granted by the Underwriter or by changes in the composition of the firm made subsequent to the execution of the contract. BHEL may, however, recognize such Power of Attorney and changes at its discretion proper legal advice.
15. If the Underwriter gives wrong information in his tender, BHEL reserves the right to reject such tender at any stage or to cancel the contract, if awarded. The MOU which will be evolved out of the documents exchanged is from tender to expression of intent will be required to be signed within 3 days of LOI. The Policy document complete with endorsement etc. will be made available to the site and Region office within a week of issuance of cheque, as submission of insurance policy is a pre-requisite of the payment by the customer.
16. Canvassing in any form in connection with the tender is strictly prohibited and the tenders submitted by the Underwriter who resorts to canvassing are liable to be rejected.
17. MODE OF PAYMENT OF PREMIUM INSTALMENT
- BHEL will pay the premium in quarterly instalments as per market convention. All premium instalments shall be paid by PSSR, Chennai. Insurer shall send Bill/notice for payment of premium instalments at least 30 days before the Instalment due date. BHEL shall inform insurer telephonically to depute their representative to collect the cheque from concerned officials of BHEL. In case Insurer fails to collect

premium on or before due date the same will be dispatched through Registered Post on due date. BHEL shall not take any responsibility for late receipt of cheque sent through post. BHEL reserves the right to make payment electronically through ECS / RTGS.

Taxes & Duties: The premium should be quoted net of the discounts and exclusive of Goods and Services Tax (GST). GST shall be paid extra, as applicable.

18. Rights of BHEL: BHEL reserves to itself the following rights in respect of this proposal / contract without entitling the insurer to any compensation. In case, due to any of the reasons / causes mentioned below, BHEL decides to cancel the Policy, the consequences for the same shall be as per Clause 11.

18.1 If the Underwriter gives wrong information in his tender, BHEL reserves the right to reject such tender at any stage or to cancel the contract, if awarded.

18.2 To short close/ terminate the policy after due notice in the event of claims not getting settled in time/ Service not being rendered to BHEL's satisfaction.

18.3 To get the policy serviced through another Insurance Co. in the event of poor servicing of the policy.

18.4 All the works shall be carried out under the directions and to the satisfaction of BHEL.

18.5 If the services of the division / branch of the Insurance Company selected are found to be deficient, BHEL reserves the right to change the division/branch of insurance company during the cover period.

18.6 In case a particular branch of the underwriter fails to give service to the entire satisfaction of the unit concerned, the coordinating office of the underwriter in Chennai will serve the unit directly. If this arrangement does not work to BHEL's satisfaction, the policy will be shifted to another underwriter of BHEL's choice.

18.7 The acceptance or non-acceptance of tender will entirely rest at the sole discretion of BHEL and does not bind BHEL to accept the lowest tender or any other tender and to reject any or all of the tenders without assigning any reasons whatsoever. The decision of BHEL in this regard shall be final.

18.8 Those Insurance Cos. with whom litigation / arbitration are going on or with whom BHEL is having unresolved disputes for settlement of genuine claims may not be considered at the sole discretion of BHEL for award of any fresh job till resolution of the same and the decision of BHEL in this regard shall be final and binding on all bidders.

19. BHEL shall be issuing enquiry to insurance company and all dealings prior to award and after award policy will be only with underwriter directly. No broker/agent will be allowed.

20. **ARBITRATION**

20.1 The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 for disputes related to the quantum of the claim. All disputes, related to the quantum of claim, between the parties to the

contract arising out of or in relation to the contract other than those for which the decision of the Engineer or any other person is by the contract expressed to be final and conclusive, shall after written notice by either party to the contract to the other party be referred to sole arbitration of the General Manager or his nominee. The parties to the contract understand and agree that it will be no objection that the General Manager or the person nominated as Arbitrator has earlier in his official capacity to deal directly or indirectly with the matters to which the contract relates or that in the course of his official capacity to deal directly or indirectly with the matters to which the contract relates or that in the course of his official outlet had expressed on all or any of the matters in dispute or difference.

20.2 In the event of the Arbitrator dying, neglecting or refusing to act or resigning or being unable to act for any reason or his award being set aside by the Court for any reason, it shall be lawful for the General Manager or his successor, as the case may be, either to act himself as the Arbitrator or to appoint another Arbitrator in place of the outgoing Arbitrator in the manner aforesaid.

20.3 The Arbitrator may, from time to time, with the consent of both the parties to the contract, enlarge the time for making the award.

20.4 Work under the contract shall be continued during the arbitration proceedings. The venue of the arbitration shall be the place from which the contract is issued or such other place as the Arbitrator at his discretion may determine.

20.5 All the above clauses will apply to the extent and in the manner that is commensurate with the Arbitration Act.

21. Permanent Machinery of Arbitrators (Applicable to PSU Bidders only)

In the event of any dispute or difference relating to the interpretation and application of the provisions of the contracts, such dispute or difference shall be referred by either party for Arbitration to the sole Arbitrator in the Department of Public Enterprises to be nominated by the Secretary to the Government of India in-charge of the Department of Public Enterprises. The Arbitration and Conciliation Act, 1996 shall not be applicable to arbitration under this clause. The award of the Arbitrator shall be binding upon the parties to the dispute, provided, however, any party aggrieved by such award may make a further reference for setting aside or revision of the award to the Law Secretary, Department of Legal Affairs, Ministry of Law & Justice, Government of India. Upon such reference the dispute shall be decided by the Law Secretary or the Special Secretary/Additional Secretary, when so authorized by the Law Secretary, whose decision shall bind the Parties finally and conclusively. The Parties to the dispute will share equally the cost of arbitration as intimated by the Arbitrator.

22. Fraud Prevention: The bidder along with its associates/ 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 BHEL management about any fraud or suspected fraud as soon as it comes to their notice.

23. Shifting of Policy:

In the event of insured shifting his office from the present location of Chennai to other place due to any reasons, the policy will be shifted to the Divisional Office of Insured's new location by mutual agreement.

The underwriter will not change the dealing office without prior approval of BHEL.



**24. Responsibility for re-insurance arrangement**

It will be the responsibility of Tenderer to go for suitable re-insurance arrangement. It is mandatory on the part of insurer to furnish the details of re-insurance arrangement.

However, for all purposes, the Tenderer shall deal only with insured parties who shall be responsible for this insurance as a whole. Re-insurance is to be done with GIC in India and/or A+ rated international re-insurers.

**25. PARTIES WHOSE INTERESTS ARE INSURED  
(FOR SCE & THIRD PARTY LIABILITY POLICY COVERS)**

**1. Principal Beneficiary: 1033 Ramagundam Super Thermal Power Station  
PO JYOTINAGAR DISTRICT PEDDAPALLI Telangana 505215 India  
08924-243032/243525  
08924-243590/243092**

**2. Executing Agency: M/s. Bharat Heavy Electricals Ltd.,  
Power Sector Southern Region-Service after sales,  
BHEL Integrated office complex, TNEB  
Road,Pallikaranai,Chennai-600100,  
Tamilnadu.  
AND  
THEIR SUB-CONTRACTORS/ Vendors/ BHEL Units**

**26. LAW GOVERNING THE CONTRACT AND COURT JURISDICTION**

The Contract shall be governed by the Law for the time being in force in the Republic of India. The Civil Court at Chennai, having ordinary Original Civil Jurisdiction shall alone have exclusive jurisdiction in regard to all claims in respect of this Contract.

**27. ISSUE OF NOTICE**

The Underwriters shall furnish to the Engineer, the name, designation and address of his authorized agent. All complaints, notices, communications and references shall be deemed to have been duly given to the Underwriters, if delivered to the underwriter or his authorized agent or left at or posted to the address either of the underwriter or his authorized agent and shall be deemed to have been so given in the case of posting on the day on which they would have reached such address in the ordinary course of post or at which they were so delivered or left.

**28. USE OF LAND**

No land belonging to BHEL or its customer under temporary possession of BHEL shall be occupied by the Underwriter without the written permission of BHEL.

## **SECTION II**

### **SPECIAL CONDITIONS OF CONTRACT**

#### **1.0 OVERALL SCOPE OF THE POLICIES:**

Scope of these specifications cover issuance and servicing of

##### **1. Storage-cum-Erection (SCE) Policy**

The above policy shall be for providing Cover on "ALL RISKS" basis in the best interest of "insured" (BHEL) against physical loss or damage to the subject plant and machinery insured in consideration of premium paid, thereby protect the "Insured" (BHEL) by providing indemnity or make good of the loss in monetary terms against all uncertain contingencies.

This cover i.e SCE Cover can be arranged in the joint names of M/s NTPC-Ramagundam and BHEL, PSSR covering interests and risks of M/s NTPC RAMAGUNDAM as the principal, M/s BHEL, PSSR as the Contractor and including all the sub-contractors employed by BHEL.

The scope of work to be executed by BHEL, PSSR is indicated elsewhere in the tender enquiry.

The risk Coverage under the policies so issued by the "Underwriter" shall be applicable from the moment goods/consignments are lifted, mechanically or manually, from anywhere in India, for loading onto the transport (all modes included) and remain in force during transit up to the site of erection, unloading and storage at site (including materials already received at site) and at port cities for bonding and/or allocation to vendors for fabrication jobs etc., during hold ups due to procedural delays and transportation bottlenecks or clearance by various agencies, handling/shifting of goods/consignments for the purpose of assembly, erection, testing and commissioning . Basically "All Risks" arising out of the following perils shall deem to have been covered under the policy.

In brief but not limited to, the following shall be covered under the policy.

**Location Risks:** Such as Fire, Lightning, Theft, Burglary, Pilferage, Short delivery, Non delivery, Breakage etc.

**Handling Risks:** Such as Impact of falling objects, Transportation, Collision, failure of cranes, Denting, Bending, Tearing, bursting etc. whether caused by BHEL itself, its sub-contractors, customers or other parties.

**Operation/Maintenance:** Such as Failure of safety devices, Leakage of electricity or water, Insulation failures, short circuits, tearing apart on account of centrifugal forces, entry of foreign material/ substances, explosion, fire while carrying out welding / gas cutting, damage to plant & equipment under erection and surrounding properties of the owner etc.

**Risks of Human:** Such as Carelessness, Negligence (excluding wilful negligence), Faults in Element Erection, RSMD (Riot, Strike, Malicious Damage), SRCC (strike, riots, civil commotion), etc.

**Acts of God:** Such as Storm, Flood, Tempest, Hurricane, Inundation, Subsidence, Land slide, Rock slide, Earthquake.

### **1.1 BASIS OF SUM INSURED:**

The "Sum to be insured" is the value of the goods / Plant / Machinery / equipment / other materials and consumables dispatched from BHEL Units / Divisions and their Vendors/suppliers in India and abroad at the time and condition it was just prior to the accident/Mishap. It is the duty of the "underwriter" to put back the "insured" (BHEL) in the same position as was prior to the accident/ mishap.

Should there be any act of "addition" or "omission" of the factors on the part of the "insured" which in the opinion or in view of the "underwriter" is "not required" or "required to be accounted for" the same shall be brought to the notice of the "insured" before Submission of Offer to enable BHEL clarify the matter, failing which BHEL will not accept rejection/ short settlement of claim.

#### **1.1a.) Storage, Erection, Testing Cover**

- Cost of storage, erection and testing which, inter-alia, includes:
- 110% of Erection, Testing and Commissioning Charges including SCE Insurance, including supervision and other incidental services by Vendors and BHEL Units/divisions.-**TAKEN CARE IN SUM INSURED ALREADY.**
- Testing period of **Three months for each Unit** after commissioning
- Miscellaneous Erection and testing expenses.
- Cost of material handling at site.
- Cost of lubricants, consumables.
- Supervision charges for BHEL engineers.
- Free Issue Materials

Should there be any act of "addition" or "omission" of the factors on the part of the "insured" which in the opinion or in view of the "underwriter" is "not required" or "required to be accounted for" the same shall be brought to the notice of the "insured" before Submission of Offer to enable BHEL clarify the matter, failing which BHEL will not accept rejection/ short settlement of claim.

- 1.1a.3) Escalation required under the SCE/Installation all risks Policy: 10% of Sum Insured- **TAKEN CARE IN SUM INSURED ALREADY.**

**1.2 BASIS OF SUM INSURED :**

The "Sum to be insured" is the value of the goods / Plant / Machinery / equipment / other materials and consumables dispatched from BHEL Units / Divisions and their Vendors/suppliers in India and abroad at the time and condition it was just prior to the accident/Mishap. It is the duty of the "underwriter" to put back the "insured" (BHEL) in the same position as was prior to the accident/ mishap.

**SUM INSURED DETAILS ARE AS BELOW:**

		Supply value Rs.	Rate		9,91,50,000.00
i	110% of CIF value plus 110% of Ex-works value of plant and equipment including type test charges	99150000	110%	Cumulative	10,90,65,000.00
ii	Applicable taxes and duties		18%	Cumulative	12,86,96,700.00
iii	Cost of indigenous procurement and free issue materials		0	Cumulative	12,86,96,700.00
iv	10% escalation on (i), (ii) & (iii)		10%	Cumulative	14,15,66,370.00
v	Cost of erection works @ Rs. 40200000	40200000		Cumulative	
vi	Applicable taxes and duties	47436000	18%		<b>18,90,02,370.00</b>

**1.2 PROCEDURE FOR CLAIM SETTLEMENT**

1.2.1. The underwriter will put in place such a claim procedure that is positive prompt transparent and targets for 'zero' pendency status. Towards this end the underwriter will endeavour to educate the BHEL officials w.r.t. procedures and documentation requirement. A joint meeting between potential surveyors, underwriters and BHEL will be organized at the time and place suggested by BHEL for discussing this matter. The underwriter will take a fortnightly report from the surveyor to ensure the success of the procedure and keep BHEL posted.

1.2.2 The Insurer shall immediately depute or authorize the Insured to call a surveyor(s) from the approved panel but not later than 2 working days of receipt of intimation from the Insured in exceptional cases.

1.2.3 The surveyor shall call for all the documents in support of claim in one go but not in piece meal manner for expeditious settlement of claim, preferably at the time of visit or within 3 days thereafter.

If for any reasons BHEL does not respond/ provide all the particulars required by the surveyor, the insurer or surveyor as the case may be shall remind within 2 weeks in writing the site with a copy to their Regional Headquarters. In exceptional situations copy may be sent to this office also.

1.2.4 The surveyor shall send his findings to the Insurer within 15 days of his getting documents.

1.2.5 In case the claim is not found tenable or not settled for the claimed amount, the Surveyor will seek the comments of BHEL within a week of receiving the survey report. The final view shall be taken within 15 days of receipt of reply.

In normal circumstances the claim has to be settled within 30 days from the date of first information, net of the time taken by BHEL for responding to surveyor's/ underwriter's comments.

1.2.6 In order to minimize the procedural formalities and in view of the insignificance of amount w.r.t. the project size, all the Marine claims up to Rs 20,000/- over and above the excess/ deductible franchise will be settled on the basis of statement signed by two officials of BHEL.

1.2.7 The insured will give required relevant document to the extent possible for settlement of claims. However, in case of non-availability of required documents Insurer will settle the claims based on the market information and engineering estimates. In short the emphasis should be on the spirit of indemnity and not on procedures.

1.3 **EXTENSION PREMIUM:**  
Underwriter to Indicate

Rates for extension of Erection and Testing period. **Rates must be inclusive of Premium for Add-on covers.**

**IMPORTANT NOTE:**

- a) The premium rates should be quoted net of discount and exclusive of GST.
- b) No subsequent increase in premium rate during entire policy period will be allowed.

**2.0 EXCESS/ DEDUCTIBLE**

**For Storage /Erection , testing and commissioning Cover:**

- Normal Excess: 5 % of the claim amount subject to a minimum of Rs. 75,000.
- Testing Excess: 5% of the claim amount subject to minimum of Rs. 2,00,000.
- **Act of God Perils**  
10% of the claim amount subject to minimum of testing period excess with an upper limit of Rs 5 Crores.
- **Fire / Explosion Claims:** Minimum Excess as per Tariff

**For Third Party Liability:**

- The policy excess for Storage /Erection and Testing Cover as above shall apply for Third Party Liability property damage claims also.

For third party liability claims arising out of Acts of God perils, the excess applicable to AOG claims shall apply.

**For Terrorism Cover**

- Minimum Excess as per Tariff/ Indian Terrorism Pool

**3.0 SELF-SURVEY LIMIT:**

For all claims this limit will be **Rs. 20,000** over and above the excess applicable.

**4.0 DOCUMENTS FOR REPLACEMENT / REPAIR COST.**

The contract price is the sale price agreed with NTPC-Ramagunadam. The items supplied to site are billed by BHEL progressively based on PO conditions. In the event of a loss, replacement / repair cost will be furnished by BHEL through Cost Certificate. The claims shall be settled on the basis of cost indicated in the Cost Certificate by concerned BHEL Units and the site office that carry out such repair/replacement.

Taxes/duties will be payable by the underwriter based on actuals, which shall include payment or reversal of the same.

**5.0 COST OF REPAIR / RECTIFICATION OF DAMAGED ITEMS:**

It is usual that certain Repair / Rectification works arise due to damages to project materials. The required Repair/ Rectification may be carried out by BHEL or by Vendors of BHEL at their works under the supervision of BHEL Engineers.

The expenses incurred on Repair/Rectification such as Cost of Material, Cost of Labour, Other Direct Cost of Repair / Rectification, All Indirect Costs apportioned in Repair / Rectification Activity of Concerned Repair / Rectification Agency, Testing Charges, Supervision Charges of Technicians/Engineers of BHEL, etc. are to be borne by the underwriter.

For this purpose, Cost Certificate will be issued by the concerned Unit of BHEL and the same will be accepted by the underwriter without any dispute for settlement of insurance claims.

Supervision Charges at site, if applicable for Re-erection/Dismantling etc., will be paid along with the Site Overheads (which will be calculated @ 30% on Labour/Service Charges incurred on Dismantling/Re-erection Services at Site).

The supervision charges of BHEL Engineers are to be taken on Man-day Rate basis less 10% as applicable for site as per prevailing Head Office/ Corporate Office circular at the time of Repair/Rectification. These Man-day Rates are subject to revision every financial year. The same shall be reimbursed by underwriter in the event of insurance claim.

In certain cases, the site may call the Technicians/Engineers from Manufacturing Units/their vendors for repairs/rectification at Site. Charges for such visits of Technicians/Engineers will also be reimbursed by the underwriter.

The above said provision of Cost of Repair/Rectification will apply to damage to items at any stage i.storage, erection, commissioning, testing and maintenance.

## **6.0 CHARGES FOR MATERIAL PROCUREMENT**

- 6.1 In case any of the BHEL's Region/Project Site procures any materials on behalf of supplying units for repair/replacement of damaged material from outside BHEL, 10% incidentals over and above the procurement cost shall also be payable by the underwriter.

## **7.0 INTEREST ON DELAYED PAYMENTS:**

- 7.1 The Underwriter shall settle all claims within 30 days from the date of submission of Final Claim Bill accompanied by necessary documents. List of such necessary documents shall be furnished for each type of claim by the underwriter at the time of start of the Policy. Any delay in settlement of claims beyond 30 days, shall attract a penal interest at **TWO** percent above the ruling Bank rate of interest for the period of delay (Ref. Insurance Regulatory and Development Authority Notification dated 26<sup>th</sup> April 2002)

## **8.0 ON-ACCOUNT PAYMENTS AGAINST CLAIMS:**

- 8.1 In case of net claims exceeding Rs. 10 Lakhs, BHEL will request for On-Account payment. On account payment will become due on establishment of prima facie admissibility of the claim. The Underwriter shall promptly make an on-account payment on the basis of firm estimates provided by BHEL. The underwriter will ensure that the surveyor releases his recommendations for On Account Payment promptly after submission of firm estimates by BHEL and documents required for establishing the admissibility of the claim.

## **9.0 THEFT / PILFERAGE CLAIMS:**

- 9.1 The security / watch and ward arrangement in the project is in the purview / scope of the owner who has engaged his own security for the watch and ward of the project. Theft / pilferage are reported to them as per procedure. As for filing report with police is concerned, sending information to the police by registered post will be considered adequate in case FIR cannot be lodged with Police. In case the final report cannot be obtained, indemnity bond will be furnished which shall be acceptable to the underwriter.
- However, the complaint so lodged with the security agency for such stolen items will be with brief description of the item and other details such as weight, value and exact time of notice of loss where available shall form the basis for settlement of claims by the Underwriter.

**10.0 DEPUTATION OF SURVEYORS:**

- 10.1 Within a reasonable time from the commencement of Policy the Underwriter shall discuss and furnish the list of surveyors containing their relevant details. Normally surveyors from that list only shall be deputed. BHEL reserves the right to review the list and can ask the Underwriter - not to depute a particular surveyor in case BHEL management feels that his deputation may jeopardize company's interest.
- 10.2 The Underwriter shall depute the surveyor within 2 working days on receipt of the intimation of the occurrence of the accident. In the event of any delay in deputation of surveyor; BHEL reserves the right to engage any other surveyor from panel at the cost of the underwriter.
- 10.3 In case the surveyor causes undue delay, the underwriter will have to effectively and promptly intervene to expedite the process or to change the surveyor. In case surveyor loses the documents or does not pass them to the underwriter for any reason, photocopy will be asked from BHEL and the same shall be acceptable as if these are original papers.
- 10.4 The underwriter shall provide a copy of the survey report to BHEL if and when asked for. The surveyor shall be advised by the underwriter to directly submit his report on the causes and ways to avoid losses in future. However, BHEL will not pay any remuneration in this behalf. Potential reduction of claim due to such analysis will help to reduce the future claims

**11.0 ESTABLISHMENT OF SITE OFFICE:**

Underwriter shall either establish his site office at the Project site or make available a knowledgeable authorized representative, who shall be responsible for managing the day-to-day affairs pertaining to the claims. He shall also guide BHEL and expedite the settlement of claims apart from interacting with the external agencies. He shall also act as a catalyst, organize the visit of surveyors to site timely and arrange to settle the claims expeditiously. All expenses with regard to the above will be to the account of Underwriter. The representatives should be placed at such a location that he can reach the site within a day's time of getting the call. He will also be required to go to the site regularly, periodicity of which will be decided in consultation with the site management.

**12.0 PROGRESS REPORTING AND REVIEW:**

- 12.1 The Underwriter shall submit progress reports regarding the status of claims settled & pending for settlement, premium received and the claim amount settled etc. as and when called for. Periodic progress review meetings will be held at site/HQ during which the status of all the pending claims will be discussed and action plan drawn to liquidate the pending claims. The Underwriter shall depute their senior representative to attend such meetings, who are empowered to take spot decisions in



respect of settlement of claims, whenever feasible. They shall also constantly update/review their work program to match the liquidation of pending claims vis-à-vis scheduled site/contract closing program.

### **13.0 PURCHASE PREFERENCE TO CENTRAL PUBLIC SECTOR UNDERTAKINGS:**

If applicable, purchase preference shall be given to Central Govt. PSU organizations involved in Insurance business as per the Govt. of India guidelines in this regard.

### **E. INLAND TRANSIT COVER OF DAMAGED/ REPAIRED ITEMS**

In the event of any Mishap/ accident during transit, execution, testing and trial operation of the plant, it may become necessary that the damaged equipment/ items may have to be sent from site to supplying unit/ vendors for investigation, repair, rectification, replacement of components, testing etc. The duly repaired equipment/ items subsequently will be dispatched back to site. Marine/ Inland transit cover for “to and fro” is also covered under the scope of the insurer. The quoted rates will be applicable for any additional requirement.

### **14.0 CLAIM RELATED STIPULATIONS:**

#### **14.1 INDIRECT COST ON ACCOUNT OF ADMINISTRATIVE AND FINANCING COST ON PROCUREMENT OF MATERIAL FROM VENDORS OUT SIDE BHEL:**

Indirect Cost (applicable to all supply of repair parts & equipment except supply of parts & equipment from BHEL manufacturing units) will be charged on the total cost of procurement of repairs/ replacement material towards administrative and financing cost.

Underwriter may hereby note that the Erection price indicated has elements of “sum insured” inclusive of contingency and such indirect cost These are payable against all repairs/rectification claims lodged by BHEL.

The rate of such indirect cost is calculated annually by Units/Regions of BHEL based upon the last year actual expenses. A certificate from concerned Unit/Region which is procuring such material will be provided for such indirect cost. No request for other supporting documents/dispute in this regard will be entertained by BHEL at any point of time in respect of claim settlement.

### **15.0 Value of Single largest consignment & PBL**

*Following details are for the largest value consignment*

*Rs.7.08 Cr (Including GST)*

*By Road/ BHEL-Hyderabad*

*The Per Bottom Limit (PBL) shall be **Rs. 7.08 Cr.***

**16.0 STORAGE, ERECTION , TESTING AND COMMISSIONING COVERS:**

16.1 Underwriter to ensure and confirm that the scope of cover for the "Risks at site during Storage Erection & Testing" is comprehensive except for a few Internationally accepted "Exclusions". All underwriters will submit the list of these exclusions and the successful bidder will apply only those which are included in the list of all underwriters.

16.2 The Underwriter to indicate clearly exclusions of the Policies to avoid any dispute at a later date. In the event of any ambiguity in his proposal with regard to this aspect, the interpretation will be done to the advantage of the insured.

16.3 *Covers shall include all risks in the course of movement of goods, Storage at site, Pre-assembly, Erection, Pre-commissioning, Commissioning and Trial operation of the equipment/facilities/Package as per the contract with the customer. Bidders can go through the relevant portion of the said contract if they so wish. However, for the reason of confidentiality, copy cannot be provided.*

**16.4 Erection Cover:**

- *All activities till Erection of complete unit & prior to Synchronization on coal firing shall be treated as Pre-commissioning activities & shall continue under the erection cover.*
- *In case the plant after the synchronization with the coal is under shutdown for attending to commissioning problems, the period of shutdown shall be considered as Erection period.*
- *The operation of any individual equipment /system prior to synchronization with coal will be covered and considered as erection cover.*

**16.5 Testing Period Cover:**

The testing period cover or cover during testing period will be till handing over of the plant/ facilities by BHEL.

The testing, commissioning, trial run and handing over are as described below.

Definition of "Initial Operation" as per Customer contract is:

Testing period is 03 months per unit after completion of commissioning

**16.6 DEFECT LIABILITY PERIOD COVERAGE REQUIRED: *The Defect Liability Period of shall be 12 Months from the date of Completion of the Facilities (or any part thereof).***

**17.0 PERIOD OF COVER:** The cover for SCE policy will start either from the date of dispatch of first consignment of unit material or the date of payment of 1<sup>st</sup> instalment premium whichever is later. However, all consignments/ work done till date of commencement will be jointly

inspected by the insurer and insured and damages/ losses already suffered will not be to the account of the insurer. However, all consignments starting from supplier's work on or after the date of premium will be deemed to have incurred under this policy even if received at site after the date of above referred joint inspection. The insurer will refund pro-rata premium based on the value of the consignment received till the commencement of the policy. Once inspection is done, consignee will be considered to have been insured under this policy for all purposes.

**(C) Commencement of the Testing Period:**

The testing period shall start after completion of all pre-commissioning activities (which shall mean erection and testing of individual equipment/ system/ sub-assemblies individually and/ or in the group) .

**18.0 PREMIUM FOR EARTHQUAKE.**

The project location falls under the Seismic zone III. Premium, if any, is to be indicated in the price bid in the appropriate column.

**19.0 ADD-ON COVERS**

The free add-ons as per TAC are as following:

- a) 50/50 clause
- b) 72 hours clause
- c) Free automatic reinstatement clause up to 10% of the Sum Insured.
- d) Loss minimization expenses.
- e) Debris removal up to Rs 50 lakhs
- f) Professional fees
- g) Waiver of contribution clause
- h) Expediting cost including Air freight and Express freight (Up to 30% of net claim amount)
- i) Amendment in firefighting endorsement wordings.
- j) Additional customs duty up to 10 Crores

In addition to the add-ons that may be available for projects as per market conventions as well as the ones that bidders may offer (which may be mentioned in the list of all add-ons available free of cost), BHEL also wishes to cover the following. The Premium, if any, for these add-on covers may be built up in the price quoted by the bidders in the price bid:

- k) Third Party Liability including cross liability
- l) Surrounding Properties with FLEXA for 10% of Policy Sum Insured
- m) STFI
- n) Fragile Items like glass, insulation, refractory, insulators, mineral wool mattress, fire bricks etc.(in boxes or loose as may be) - with Sum Insured upto Rs. 2 crores
- o) Waiver of Subrogation Clause
- p) Earthquake

**20.0 Endorsements for Free Covers and Discounts**

The underwriter is to separately incorporate the free covers and discounts in the form of endorsement attached to the policy.

**21.0 Other important conditions/points to be noted by the tenderers and necessarily agreed**

- 21.1 Supervision is included in the sum insured and accordingly the supervision charges shall be paid while settling the claim. Replacements claims will be settled based on the certificates/ invoices for the Replacements from BHEL's supplying units who are the suppliers.
- 21.2 If the taking over period is completed prior to the policy period, insurer shall refund proportionate premium.
- 21.3 If the testing period included is not fully consumed during the normal policy period or extended period, the same shall be taken into account during further extended period and extensions arranged accordingly. Division/ Branch of the underwriter shall be chosen by BHEL.
- 21.4 Earnest Money Deposit and Security deposit shall be as per NIT.

**22 Extension premium: In case, claim ratio under the policy is less than 60% at the time of extension and the total policy period (incl. Extended Maintenance Cover) is not more than 84 months, the extension rate shall be on proportionate basis. Any changes in STFI and Earthquake rates at the time of extension, shall be considered only on documentary evidence.**

## GLOSSARY

The following terms and expressions shall have the meaning hereby assigned to them except where the context otherwise requires.

**BHEL /INSURED** shall mean **Bharat Heavy Electricals Limited**, a Company registered under the Indian Companies Act. 1956, with its Registered Office at BHEL HOUSE, SIRI FORT, NEW DELHI-110049 or its authorized Officers or its Engineers or other employees authorized to deal with any matters with which these persons are concerned, on its behalf.

**'GENERAL MANAGER'** shall mean the Officer in Administrative charge of the Project for which insurance is being arranged.

**'ENGINEER or 'ENGINEER-IN-CHARGE'** shall mean Engineer deputed by BHEL. The terms include Deputy General Manager, Construction Manager, Resident Manager, Site Engineer, Resident Engineer and Assistant Site Engineer of BHEL at the site as well as the officers in charge at Head Office.

**'SITE'** shall mean the place or places at which the plants/equipment are to be stored, erected and services are to be performed and **'UNIT'** shall mean BHEL units and their vendors supplying the plant / material to site as per the specifications of this Tender.

**'CLIENTS OF BHEL'** or **'CUSTOMER'** shall mean the respective project authorities to whom BHEL is rendering supply, erection and commissioning the equipment/services.

**'Insurer / Bidders / Tenderers / Underwriters'** shall mean the company who submits the tender and enters into contract with BHEL and shall include their executors, administrators, successors and permitted assigns.

**'CONTRACT or 'CONTRACT DOCUMENT'** shall mean and include the policy, the work order, the accepted appendices of rates, Instruction to tenders, General Conditions of Contract. Special conditions of contract and the Letter of Intent / Acceptance letter issued by BHEL. Any conditions or terms stipulated by the Underwriter. In the tender documents or subsequent letters shall not form part of the Contract unless specifically accepted in writing by BHEL.

**'GENERAL CONDITIONS OF CONTRACT'** shall mean the 'Instructions to Tenderers' and 'General Conditions of Contract' pertaining to the work detailed.

**'TENDER SPECIFICATIONS'** shall mean the Special Conditions, Technical Specifications, appendices and Site information pertaining to the work for which the Underwriters are required to submit their offers. Individual Specifications Number will be assigned to each tender specifications.

**'COMPLETION TIME'** shall mean the policy period by date specified in the Letter of Intent or date mutually agreed upon for handling the policy and

found acceptable by the Engineer being of required standard and conforming to the specifications of the contract.

**'PLANT'** shall mean and connote the entire assembly of the plant and equipment covered by the Contract.

**'EQUIPMENT'** shall mean all equipment, Machineries, Materials, Structures, electrical and other components of the plant covered by the Contract.

**'PRE-COMMISSIONING', 'COMMISSIONING' & 'TESTING'** shall mean and include such test or tests to be carried out by BHEL or their subcontractor as considered necessary by BHEL in order to ascertain the quality, workmanship, performance and efficiency of the erected equipment.

**'APPROVED', 'DIRECTED' or 'INSTRUCTED'** shall mean approved, directed or instructed by BHEL.

**'WORK' OR 'CONTRACT WORK'** shall mean and include rendering of all categories of services required for complete and satisfactory settlement of claims arising during inland transportation, further site transportation, handling, stacking, storing, erecting, testing and commissioning of the equipment to the entire satisfaction of BHEL.

**'SUB-CONTRACTOR'** shall mean the agency/agencies appointed by BHEL for Handling at Site, Storage, Assembly, Erection and Commissioning of the equipment at site.

**'CLAIM'** shall mean intimation of loss communicated to the Insurer verbally / telephonically followed by written communication.

**'SURVEYOR'** shall mean, the Independent Loss Assessor appointed by the Insurer with the consent of Insured to assess the loss within the frame work of MOU and policy document only. Insurer has to provide a Panel of Surveyors with their credentials to BHEL for approval after placement of order on them.

**'SINGULAR' and 'PLURAL'** etc. Words carrying singular number shall also include plural and vice versa where the context so requires. Words imparting masculine gender shall be taken to include the feminine gender and words imparting persons shall include any Company or Association or Body of Individuals, where incorporated or not.

**'HEADINGS'** The headings in these General Conditions are solely for the purpose of facilitating reference and shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof or the contract.

**'MONTH'** shall mean calendar month.

**'WRITING'** shall include any manuscript, type written or printed statement under the signature or seal as the case may be.

**STORAGE-CUM-ERECTION INSURANCE for arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs)**

**ANNEXURE- I**

**DEVIATION STATEMENT**

**(Pl. strike off the clause which is not applicable and ticks the other)**

1. THIS IS TO DECLARE THAT WE DO NOT HAVE ANY DEVIATIONS IN THE STIPULATIONS OF YOUR TENDER AND ACCORDINGLY ACCEPT ALL THE STIPULATIONS WITHOUT ANY RESERVATIONS WHATSOEVER.

**OR**

2. THE FOLLOWING DEVIATIONS ARE BEING TAKEN:.

- a) Para no..... section .....
- b) Para no..... section .....
- c) Para no..... section .....
- d) Para no..... section .....

I, \_\_\_\_\_ hereby certify that except the deviations mentioned above, we do not have any other deviations to the tender no. **BHEL/PSSR/SAS/SCT/T-07/2025-26 Date:19.05.2025**. Deviations, if any, mentioned elsewhere in our bid (whether Techno-commercial bid or Price bid) may be treated as null and void by BHEL.

For and on behalf of underwriter

(Signature & seal of authorized signatory)

**STORAGE-CUM-ERECTION INSURANCE for arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs)**

**ANNEXURE - II**

**DECLARATION SHEET**

I,

\_\_ hereby certify that all the information and data furnished by me with regard to this Tender Specification No. tender no. **BHEL/PSSR/SAS/SCT/T-07/2025-26** **Date:19.05.2025** are true and complete to the best of my knowledge. I have gone through the specifications, conditions and stipulations in detail and agree to comply with the requirements and intent of specification.

I, further certify that I am the duly authorized representative of the under mentioned tenderer and a valid power of attorney to this effect is also enclosed.

For and on behalf of underwriter

(Signature & seal of authorized signatory)



**STORAGE-CUM-ERECTION INSURANCE for arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs)**

**ANNEXURE III**

**CERTIFICATE OF DECLARATION FOR CONFIRMATION OF IRDA/TAC GUIDELINES**

I,

---

hereby certify on behalf of ..... that our offer no..... dtd.....against tender specification No tender no. **BHEL/PSSR/SAS/SCT/T-07/2025-26** **Date:19.05.2025** does not breach of Insurance Act/IRDA/TAC and applicable guidelines. I further confirm that in the event of disclosure at a later stage that the same is in breach and BHEL is put to any disadvantage or face cancellation of the Policy or any claim becomes substandard/untenable, the whole liabilities arising out of this shall lie wholly on us and will bear all consequences thereof.

I, further certify that I am the duly authorized representative of the underwriter and competent to agree as above and a valid power of attorney to this effect is enclosed.

I, further certify that there is no tariff violation. In case some violation is pointed out at a later date, the same shall be taken care of in line with clause 12 of Section I.

For and on behalf of underwriter

(Signature & seal of authorized signatory)

**STORAGE-CUM-ERECTION INSURANCE for arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs)**

**Annexure- IV**

**DECLARATION FOR ARRANGEMENT OF RE-INSURANCE**

*We ..... Will go for a suitable re-insurance arrangement and will furnish the details of re-insurance arrangement in the event of becoming a successful bidder. Re-insurance will be done with GIC in India and/or A+ rated international re-insurers.*

For and on behalf of underwriter

(Signature & seal of authorized signatory)

**STORAGE-CUM-ERECTION INSURANCE for arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs)**

**Annexure - V**

**LIST OF INTERNATIONALLY ACCEPTED EXCLUSIONS**

- 1.
- 2.
- 3.

For and on behalf of underwriter

(Signature & seal of authorized signatory)

**STORAGE-CUM-ERECTION INSURANCE for arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs)**

**ANNEXURE - VI**

**Discount in Premium to be allowed beyond Policy Period in case of  
Claim Amount being less than the Premium already paid  
(Not to be considered for Price Bid Evaluation)**

CLAIM RATIO	DISCOUNT OFFERED
Upto 10 %	
more than 10 % upto 30 %	
more than 30 % upto 60 %	
more than 60 % upto 100 %	

For and on behalf of underwriter

(Signature & seal of authorized signatory)

## ANNEXURE-VII

**UNPRICED PRICE SCHEDULE**

**STORAGE-CUM-ERECTION INSURANCE for arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs)**

**PRICE BID****SCHEDULE OF RATES**

SN	Description of Cover	Cover period	Sum Insured (Rs. in Crores)	Amount of Premium (In Rupees excluding GST)	
				in figures	In words
1.0	<b>STORAGE-CUM-ERECTION INSURANCE for arranging of Storage and Erection all risks policy for Renovation of Governing system of Turbine driven Boiler feed pump (TDBFP) for 3 units (i.e for 6 TDBFPs)</b>	May-25 to Nov-26 tentatively	18.90	XXXX XXXX XXXX XX	XXXXXXXXXX XXXXXXXXXX

SN	Description of Cover	Sum Insured  (Rs.)	Amount of Premium (In Rupees excluding GST)	
			In figures	In words
2.0	ADDITIONAL INSURANCE COVERS			
a)	Third Party liability including cross liabilities	10% of the completely erected value or Rs.10 Cr. whichever is lower .	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX
c)	Surrounding Properties with FLEXA	10% of the Policy Sum Insured	XXXXXXXXXXXX XXXXX	XXXXXXXXXXXXXXXXXXXX XXXX
d)	Earthquake	Policy Sum insured	XXXXXXXXXXXX XXXXX	XXXXXXXXXXXXXXXXXXXX XXXX
e)	STFI	Policy Sum insured	XXXXXXXXXXXX XXXXX	XXXXXXXXXXXXXXXXXXXX XXXX

**Total Premium [Sl. No. 1 to 2] (In Figures)**

XX

**Total Premium [Sl. No. 1 to 2] (In words)**

XX

XX  
XXXXX

**Note:**

- (a) FEA discount may please be considered in view of availability of Fire Fighting systems inside the Plant premises
- (b) The Premium is to be quoted after applying discounts but before applying GST as applicable.

**UNPRICED PRICE SCHEDULE****Appendix I**

1. As Tenderer at times commit errors of calculation, we are not asking for premium rates. These will be worked out subsequently. However, if a tenderer gives the same, it will be dealt in accordance with point no 6 of the section-I to the tender.
2. We will endeavour to give advance notice, as early as feasible, for extension and/or completion of a cover. However, no stipulation by the bidders for the minimum notice period will be accepted.
3. It is normal in case of a project that policy extension is sought by the insured. However, risk profile during such extension fundamentally remains the same.
4. Bidders are required to specify as to what %age of premium they will be willing to offer during the extension of the policy depending on the claim experience in the Annexure VI.

Signature and seal of the Bidders

**BIDDER FOR PRICE OPENING THROUGH REVERSE AUCTION**

(To be typed and submitted in the Letter Head of the Company / Firm of Bidder)

-----

To,

The General Manager/SAS,  
Bharat Heavy Electricals Limited,  
Power Sector - Southern Region - Services After Sales,  
BHEL Integrated Office Complex (3rd Floor),  
TNEB Road, Pallikaranai, Chennai - 600100.

Dear Sir,

Sub: Declaration by Bidder for Price opening through Reverse Auction

Ref: 1) NIT/Tender Specification No: .....,  
2) All other pertinent issues till date

I have studied and understood the clauses of Reverse Auction Guidelines published at <http://www.bhel.com>. I, hereby declare that we shall be participating in the Reverse Auction in case BHEL opts for opening the price bid through Reverse auction.

**Below are the contact person details for participating in reverse auction:**

Name :\_\_\_\_\_.

Mobile/Phone No. :\_\_\_\_\_.

E-Mail ID :\_\_\_\_\_.

Yours faithfully,

Date: (Signature, Date & Seal of Authorized Signatory of the Bidder)

## UNDERTAKING

(To be typed and submitted in the Letter Head of the Company/Firm of Bidder)

To,

(Write Name & Address of Officer of BHEL inviting the Tender)

Dear Sir/Madam,

Sub: DECLARATION REGARDING INSOLVENCY/ LIQUIDATION/ BANKRUPTCY PROCEEDINGS

Ref: 1) NIT/Tender Specification No: .....,  
2) All other pertinent issues till date

I/We, \_\_\_\_\_ declare that,  
I/We am/are not under insolvency resolution process or liquidation or Bankruptcy Code Proceedings (IBC) as on date, by NCLT or any adjudicating authority/ authorities, which will render us ineligible for participation in this tender.

Sign. of the AUTHORISED SIGNATORY

(With Name, Designation and Company seal)

Place:

Date:



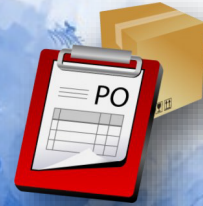
**BANK ACCOUNT DETAILS FOR E-PAYMENT**

(To be given on Letter head of the Company /Firm of Bidder, and ENDORSED (SIGNED & STAMPED) BY THE BANK to enable BHEL release payments through Electronic Fund Transfer (EFT/RTGS)

-----

1. Beneficiary Name and Address:
2. Beneficiary Account No.:
3. Type of A/C (CC/Current)
4. Bank Name & Branch:
5. City/Place:
6. 9 digit MICR Code of Bank Branch:
7. IFSC Code of Bank Branch:
8. PAN Number of Beneficiary:
9. Beneficiary E-mail ID:  
(for payment confirmation)

Note: In case Bank endorsed certificate regarding above has already been submitted earlier, kindly submit photocopy of the same.



## GUIDELINES FOR REVERSE AUCTION - 2024



# Guidelines for Reverse Auction – 2024

Doc. No. AA:SSP:RA:00  
Dated: 05.12.2024

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## 1. Scope

- 1.1. 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 purchases/ contracts to be awarded under Purchase/ Works policy and the RA shall follow the philosophy of English Reverse (No ties).
- 1.2. 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:05 dated 08.03.2021.
- 1.3. 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. Intent of Reverse Auction

To derive maximum benefit in cost savings through competitive bidding.

## 3. Upfront declaration in NIT

- 3.1. 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 price bid for each line item shall be taken.
- 3.2. 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 [www.bhel.com](http://www.bhel.com)) for this tender. RA shall be conducted*

*among the techno-commercially qualified bidders.*

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

#### **4. Aspects to be considered for RA**

4.1. While RA can drive cost savings, they should be used judiciously, considering the broader implications beyond price alone. Therefore, RA should not be used indiscriminately or as a default mode of procurement. One may choose procurement of goods/ works/ services that are amenable to this mode of procurement.

4.2. The cases where RA would not be appropriate are as under:

- a) In Engineered products having complexity in design
- b) Items of strategic/ critical/ vital/ high technical complex nature, items that are in short supply in the market
- c) The requirement is not of high enough value to generate competitive pressures on bidders.
- d) Where the QCBS system of selection is used
- e) Where opting for RA in the tender would bring down competition
- f) EPC contracts and complex Works contracts
- g) Where it is proposed to issue parallel orders by splitting the total order quantity among more than one supplier

4.3. RA shall not be done for selection of business partners through pre-bid/ strategic tie-ups

4.4. If it is decided to go for RA, the following may be considered:

- 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

Above aspects may be considered by the tender issuing authority to decide before floating of the tender, if RA is to be conducted or not for

# Guidelines for Reverse Auction – 2024

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that particular tender.

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

## 5. RA Committee

5.1. 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:

- a) To vet the comparative statement comprising sealed 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, loading etc. before sending it to the service provider for RA.
- b) To decide and record the 'Start-Price' and 'Bid Decrement'.
- c) To observe the RA process and declare RA as successful.

## 6. Business rules for RA

6.1. 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:

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

# Guidelines for Reverse Auction – 2024

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6.2. 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 price bids have been evaluated.

6.3. 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. Role of Service Provider

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

## 8. Start Price

Start price for RA shall be lowest of sealed price bid.

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

## 9. 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. Reverse Auction Process

10.1. Reverse Auction will be conducted if two or more bidders are techno-commercially qualified.

## Guidelines for Reverse Auction – 2024

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- 10.2. Wherever RA is opted in a tender, the techno-commercially qualified H1 will not be allowed to participate in RA. In case more than one H1 bidder quote the same rate, the Price Offer received last, as per the time log of the Portal, shall be removed first, on the principle of last in, first out by the system.
- 10.3. However, H1 will be allowed to participate in RA in the following cases:
- a) If number of techno-commercially qualified bidders are only 2 or 3.
  - b) In case Primary product of only one OEM is left in contention for participation in RA on elimination of H1.
  - c) For cases where there are more than 3 techno-commercially qualified bidders, if lowest bidder in sealed price bid is non-MSE and H-1 is eligible MSE and H-1 price is coming within price band of 15% of Non-MSE lowest bidder.
  - d) For cases where there are more than 3 techno-commercially qualified bidders, if lowest bidder in sealed price bid is non-MII and H-1 is eligible MII and H-1 price is coming within price band of 20% of Non-MII lowest bidder.
- 10.4. Only those bidders who submit the online sealed bid within the scheduled time shall be eligible to participate further in the RA process.
- 10.5. The lowest bidder in sealed 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. This price can be displaced by an even lower bid of a competing bidder.
- 10.6. If the start price is lower than the lowest sealed 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. However, if no bidder accepts the start price, RA shall be treated as cancelled for the respective line item(s) and the tender shall be processed accordingly.
- 10.7. 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 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 price bid.



# **Guidelines for Reverse Auction – 2024**

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

## **11.Processing of case after RA**

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

11.2.Reasonability of rates received through RA to be ascertained as per extant Policy provisions.

## **12.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.

## **13.Others**

13.1.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.

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

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

13.4.Bidders will be advised to read the 'Business Rules' indicating details of RA event carefully, before reverse auction event.

13.5.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.



# Guidelines for Reverse Auction –2024

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## Business Rules for Reverse Auction

### Annexure – I

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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.
- ii. **Reverse Auction:** The 'bid decrement' will be decided by BHEL.
- iii. The lowest bidder in sealed 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 reverse auction, the Closing Price 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: }.

**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,

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# Guidelines for Reverse Auction –2024

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## Business Rules for Reverse Auction

### Annexure – I

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 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.

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.

# Guidelines for Reverse Auction –2024

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## Business Rules for Reverse Auction

### Annexure – I

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7. **Lowest bid of a bidder:** In case the bidder submits more than one bid, the lowest bid at the end of 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.
  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 separately intimated to respective 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 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. 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.

# Guidelines for Reverse Auction –2024

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## Business Rules for Reverse Auction

### Annexure – I

- 
- 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).

- 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
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# Guidelines for Reverse Auction –2024

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## Business Rules for Reverse Auction

### Annexure – I

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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 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](http://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](http://www.bhel.com)).
18. Bidders shall be able to view the following on their screen along with the necessary fields during 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
  - 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

# Guidelines for Reverse Auction –2024

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## Business Rules for Reverse Auction

### Annexure – I

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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 supersede 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](http://www.bhel.com)), shall be initiated by BHEL.

## Guidelines for Reverse Auction –2024

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Dated: 05.12.2024

### Mandate to Service Provider

### Annexure – II

**Ref :**

**Date :**

To,

M/s. {Service provider}

Sub: Providing of Services for Reverse Auction.

Ref: No {...} date {...}

Dear Sir,

Please conduct Reverse Auction as per the following details:

- **Scope:** Auction event management with training of BHEL and its bidders.
- Seek process compliance form from all the bidders provided by BHEL 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)

## Guidelines for Reverse Auction –2024

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### Mandate to Service Provider

### Annexure – II

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**Note:**

If the event has been conducted as per mandate, you shall be paid irrespective of RA outcome.

<b>Buyer Name</b>	<ul style="list-style-type: none"><li>- Name of BHEL Unit</li><li>- Full postal address</li><li>- Fax:</li><li>- Phone:</li><li>- Email:</li><li>- Contact person name:</li><li>- Phone:</li><li>-</li></ul>
<b>Auction to be conducted by</b>	<ul style="list-style-type: none"><li>- Name of Service provider</li><li>- Full postal address</li><li>- Fax:</li><li>- Phone:</li><li>- Email:</li><li>- Contact person name:</li><li>- Phone:</li><li>-</li></ul>
<b>Date of Auction</b>	<ul style="list-style-type: none"><li>- Date of Auction</li><li>- Reverse auction time:</li><li>- Auction website:</li></ul>
<b>Documents Attached:</b>  <b>(To be sent to the bidders)</b>	<ul style="list-style-type: none"><li>1) Business rules for Reverse Auction (<u>Annexure-I</u>)</li><li>2) Process Compliance Form (<u>Annexure-III</u>)</li><li>3) Details of item (s) to be Reverse Auctioned (<u>Annexure-V</u>)</li><li>4) Post RA Price confirmation by bidder (<u>Annexure-VI</u>)</li></ul>



# Guidelines for Reverse Auction –2024

Doc. No. AA:SSP:RA:00  
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## Process Compliance Form

### Annexure – III

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**(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.**

## Guidelines for Reverse Auction –2024

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### List of bidders and their address/ contact person details

#### Annexure – IV

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Sl. No.	Address	Contact Person
1	<ul style="list-style-type: none"><li>- Name of bidder</li><li>- Full postal address</li><li>- Fax:</li><li>- Phone:</li><li>- Email:</li></ul>	<ul style="list-style-type: none"><li>- Contact person name:</li><li>- Phone:</li><li>- Email:</li></ul>
2		
3		
..		
..		

# Guidelines for Reverse Auction –2024

Doc. No. AA:SSP:RA:00

Dated: 05.12.2024

## Details of item (s) for Reverse Auction

### Annexure – V

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

1.

2.

..

..

..

}

## Guidelines for Reverse Auction –2024

Doc. No. AA:SSP:RA:00

Dated: 05.12.2024

**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**

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Yours sincerely,

For \_\_\_\_\_

**Name:**

**Company:**

**Date:**

**Seal:**



# **GUIDELINES FOR REVERSE AUCTION - 2024**

