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BHARAT HEAVY ELECTRICALS LIMITED



TENDER DOCUMENT FOR
SPECIAL CONTINGENCY INSURANCE POLICY RATE CONTRACT
Super Rapid Gun Mounts (SRGM)

For

INDIAN NAVY/Coast Guard/Shipyards/Dockyards/Weapon Equipment Depots/Naval
Armament Depots/PXE Balasore Odisha Odisha/Training Establishments/Ordnance
Factory/Any Land Testing Range in India

TENDER NO. BHEL:CO: FIN:INS: HWR: SRGM:2024-25

VOLUME – I

TECHNO-COMMERCIAL BID

BHARAT HEAVY ELECTRICALS LTD.

CORPORATE FINANCE
BHEL HOUSE, SIRI FORT
NEW DELHI – 110 049.

DATE OF SUBMITTING OF BIDS – On or before 16:00 hrs on 05th September 2024
DATE OF OPENING TECHNO-COMMERCIAL BIDS – 16:30 hrs on 05th September 2024



BHARAT HEAVY ELECTRICALS LTD.

(A Government of India Undertaking)

CORPORATE FINANCE DEPARTMENT

BHEL HOUSE, SIRI FORT

NEW DELHI – 110 049.

TENDER NO. BHEL: CO: FIN: INS: HWR: SRGM:2024-25

IMPORTANT NOTE

RECEIVER OF THIS TENDER DOCUMENT IS ADVISED TO CHECK AND ENSURE COMPLETION OF ALL PAGES OF TENDER DOCUMENT AND REPORT TO THE ISSUING AUTHORITY ANY DISCREPANCY IN TIME FOR CORRECTIVE ACTION, IF ANY BEFORE **30.08.2024**

IT IS EXPECTED THAT BIDDERS SHALL NOT TAKE ANY DEVIATIONS FROM TENDER TERMS AND CONDITIONS. THE TENDERER SHALL CLEARLY CERTIFY THE SAME IN THE NO-DEVIATION STATEMENT. BHEL RESERVES THE RIGHT TO ACCEPT OR REJECT THE BIDS WITH DEVIATIONS WITH OR WITHOUT ANY FURTHER DISCUSSIONS.

HOWEVER, IF SEEKING DEVIATION IS FELT NECESSARY, THERE SHALL BE BARE MINIMUM DEVIATIONS AND THE CLAUSES OF THE TENDER THOSE ARE NOT ACCEPTABLE IN THEIR PRESENT FORM AND ALSO THE DEVIATION SOUGHT, IF ANY, SHALL REQUIRED TO BE SPECIFICALLY MENTIONED IN THE DEVIATION STATEMENT.

THE DEVIATIONS MENTIONED ELSEWHERE IN THE TECHNO-COMMERCIAL BID OR THE PRICE BID SHALL NOT BE CONSIDERED BY BHEL.

- Note:** (1) All the queries on the Tender may please be sent to us latest by 30.08.2024 through email to kamlesh.agarwal@bhel.in, ssingh@bhel.in and neeraj@bhel.in so as to avoid any delays at the later date. Clarifications/amendments, if any, shall be sent to the Underwriters.
- (2) The Insurance Co(s). with whom litigation / arbitration are going on or with whom BHEL is having unresolved disputes for settlement of genuine claims may not be considered for the Tender.
- (3) In case bids are received from more than one branch of an Insurance Company, only one bid shall be considered for opening. In this regard, the choice of bid to be opened shall be at the sole discretion of BHEL

*Signature & Seal of the authorized officials
of Underwriters*

Signature & Seal of the authorized officials





BHARAT HEAVY ELECTRICALS LTD.

(A Government of India Undertaking)

CORPORATE FINANCE DEPARTMENT

BHEL HOUSE, SIRI FORT

NEW DELHI – 110 049.

By Courier / Hand / Regd. Post

LETTER INVITING TENDER

REF: BHEL:CO:FIN:INS:HWR:SRGM:2024-25

Dated: 22.08.2024

M/s _____

Sub: Special Contingency Policy Rate Contract in r/o Super Rapid Gun Mounts (SRGM) for Indian Navy/Coast Guards/Shipyards/Dockyards/Weapon Equipment Depots/Naval Armament Depots/PXE Balasore Odisha/Training Establishments/Ordnance Factory/Any Land Testing Range in India.

Dear Sirs,

Sealed tenders are invited **from general insurance companies having 3 years' experience in business**, in two-bid system where Part-I shall form the **Techno-Commercial Bid** and Part-II shall form the **Price Bid**.

A set of tender documents is enclosed for submission of your most competitive offer as well as for the information asked for in the tender specifications, to the undersigned, **latest by 16:00 hrs on 05.09.2024. Techno-Commercial Bid shall be opened at 16:30 hrs on the same day in presence of tenderers** who may like to be present at that time. The date of opening of the Price Bid will be intimated subsequently. Bidders may be called for Techno-Commercial discussions, if so required, before price-bid opening. They are requested to keep in touch with BHEL for knowing the date and time of Price Bid opening. **However, in case there is no deviation, Price Bid is likely to be opened immediately after opening of the Techno-Commercial bid. Otherwise, the date of opening of Price Bid will be intimated subsequently.**

All the queries on the tender may please be sent to us latest by 30.08.2024 through email to Kamlesh.agarwal@bhel.in, ssingh@bhel.in and neeraj@bhel.in so as to avoid any delays at the later date. Clarifications/amendments, if any, shall be sent to the Underwriters.

BHEL reserves the right to accept or reject any Tender including lowest one, in part or full, without assigning any reason whatsoever.

The bidders are also to note the following:

- The prices to be filled strictly in the Price bid format and the price inclusive of GST submitted shall be considered for evaluation of lowest bid.
- No subsequent increase in premium rates will be allowed under any circumstances.

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- c) Secrecy of BHEL information / documents has to be ensured at all times.
- d) Guidelines issued by IRDA/Regulatory Authority/TAC from time to time with regard to Insurer's responsibility & liability towards insured shall be automatically applicable to this Insurance contract to the extent they improve upon the stipulation of this tender from BHEL's point of view.
- e) Unsolicited/Revised Price bid shall not be entertained.
- f) In case two provisions to the Tender are considered to be contradictory, the same shall be pointed out as a part of Techno-Commercial bid. BHEL's decision in this respect will be final.
- g) The offer of the Bidder shall have to be kept valid for a period of 90 days from the date of opening of Techno Commercial bid.
- h) Performance of all the Underwriters with reference to the claim settlement will be reviewed periodically which may have bearing on business relations with BHEL.
- i) As part of the Tender requirement, all the bidders are required to enter into Integrity Pact with BHEL. Only those bidders who have entered into such an Integrity Pact with BHEL would be competent to participate in the bidding.
- j) **The SCP cover shall start from Date of dispatch of SRGM from Hardwar or date of premium payment whichever is later. The approximate date of likely dispatch of SRGM will be intimated at the time of taking the policy.**
The final date of cover shall accordingly vary and provision for extensions will be available in the policy.
- k) **The rate contract shall be valid for one year from the award of contract.**

The tender should be submitted in Two Separate sealed covers for price bids/Techno-Commercial bids as follows:

Envelope 1: "TECHNO-COMMERCIAL BID FOR Super Rapid Gun Mounts (SRGM) for Indian Navy/Coast Guard/ Shipyards/Dockyards/Weapon Equipment Depots/Naval Armament Depots/PXE Balasore/Training Establishments/Ordinance Factory/Any Land Testing Range in India - SCP POLICY-RATE CONTRACT"

Envelope 2: "PRICE BID FOR Super Rapid Gun Mounts (SRGM) for Indian Navy/Coast Guards/Shipyards/Dockyards/Weapon Equipment Depots/Naval Armament Depots/PXE Balasore/Training Establishments/Ordinance Factory/Any Land Testing Range in India. - SCP POLICY-RATE CONTRACT"

These envelopes will be put in a larger envelope super scribing on this envelope "PRICEBID/TECHNO-COMMERCIAL BID FOR Super Rapid Gun Mounts (SRGM) for Indian Navy/Coast Guards/ Shipyards/Dockyards/Weapon Equipment Depots/Naval Armament Depots/PXE Balasore/Training Establishments/Ordinance Factory/Any Land Testing Range in India.- SCP POLICY -RATE CONTRACT."

Tender No. and Due date of Tender Opening also must be superscribed on all the envelopes containing Bids/Tenders.

The bids shall be addressed to the below mentioned addressee and shall be submitted/dropped in the Tender box placed at the Ground Floor of BHEL House, Siri Fort, New Delhi:

AGM (FINANCE)

BHARAT HEAVY ELECTRICALS LIMITED

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of Underwriters*

Signature & Seal of the authorized officials





CORPORATE FINANCE
5th FLOOR, CORPORATE OFFICE
SIRI FORT, NEW DELHI- 110049.
Phone No. 011- 66337241, 66337298, Fax: 26001143
e-mail: kamlesh.agarwal@bhel.in ; ssingh@bhel.in;

For the sake of understanding it is clarified that the contents of the Letter Inviting Tender are part of the tender terms and conditions.

Kindly note that in case you are not interested in submitting the offer for any reasons, you may please send a regret letter indicating reasons for the same immediately not later than the due date.

Thanking you and looking forward to your response,

Yours sincerely,

for & on behalf of BHEL

AGM (Finance)

*Signature & Seal of the authorized officials
of Underwriter*

TENDER NO. BHEL:CO:FIN:INS:HWR:SRGM:2024-25 Dt. 22.08.2024

Signature & Seal of the authorized officials





PROJECT INFORMATION

Defence Project, BHEL Hardwar is engaged in manufacturing of Super Rapid Gun Mounts (SRGM) -Upgraded & Conventional SRGM in collaboration with Leonardo Spa Italy (erstwhile Oto Melara), Italy for Indian Navy / Indian Coast Guard since 1994. Till date **44 SRGMs** have been delivered to Indian Navy/ Ship Yards/ Coast Guards (End User/Owner).

After successful completion of Factory Acceptance Tests (FATs) – Mechanical, Electrical and Servo-technical checks at BHEL Hardwar, each SRGM has to undergo operational tests as per the firing testing procedure approved by Indian Navy. The firing trials are carried out at firing range situated at Proof & Experimental Establishment (PXE) at Chandipur, Balasore Odisha, Odisha. This Establishment is under the control of DRDO and facilitates firing trials of weapons and ammunitions of Indian Defence Services.

During firing trials of SRGM, a total 44 nos. of rounds are fired at different rates of fire in accordance to the operational procedure of FATs as recommended by OEM (**Original Equipment Manufacturer**). Ammunition for undertaking the firing trials is arranged by Indian Navy and is provided by Naval Armament Depot (NAD), PXE, Chandipur, Balasore Odisha, Odisha. Prior to undertaking the firing trials, ammunition fit for firing certificate is issued by NAD.

The testing of one SRGM including transit time from BHEL Haridwar and onward dispatch to Customer Consignee after firing trials at Testing Range/back to Haridwar takes **approximately two months**. After completion of testing, the SRGM is dispatched to the Customer designated Consignee/back to Haridwar as per Terms of the Customer Contract. In case of being unsuccessful during testing, the product is repaired/become operational even if the cause of defect is attributable to BHEL/Non-BHEL Agency.

BHEL intends to take a SCP Policy to cover the Risks starting from Loading at Haridwar Factory, transit from BHEL Haridwar to the testing Range on land in India, unloading at Testing Range, storage, installation, testing risks (including firing trials) at the testing site, loading at Testing Range and transit to ultimate Customer's Consignee or back to Haridwar (as per Terms of the Customer Contract separately for each gun being sent for testing) during the period of this contract (original or extended). The detailed scope of cover has been mentioned elsewhere in the tender document.

Under this rate contract, BHEL intends to take separate insurance policy for each SRGM (Upgraded or Conventional) Consignment for the perils mentioned above. The policy in respect of each gun shall be valid for a period of three months from the date of payment of premium or the date of dispatch from Haridwar, whichever is later. This period may however be extended as per requirements. The rates quoted and agreed by BHEL under the said rate contract shall be valid for a period of one year. BHEL reserves the right to add SRGMs as per actual requirement during the contract period at agreed rates.

Four SRGMs (4 new SRGMs-2 Upgraded & 2 Conventional) are likely to be sent for testing within a period of one year. However, BHEL does not guarantee a minimum quantum of business under this contract. The sum insured for SRGMs may vary depending upon our contract with customer.

Tentative details of 4 SRGMS are as follows"

SRGM	Tentative value Rs./Cr	Likely Dispatch
1	128.58	September '24
2	128.58	Oct'24
3	88.57	Dec'24
4	88.57	Mar'25

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SECTION - I

GENERAL INSTRUCTIONS TO TENDERERS

- 1 This tender, shall be duly signed & stamped on each page and sent in a sealed covers.
- 2 The Bid/tender may be sent by "COURIER / REGISTERED POST / BY PERSONAL REPRESENTATIVE" with adequate allowance for any delivery delays. The bids shall be addressed to AGM (Finance), and shall be submitted/dropped in the Tender box placed at the Ground Floor, BHEL House, Siri Fort, New Delhi. The tenders received after the Due Date and time of Submission are liable to be rejected.
In exceptional cases, where due to bulky size of the tender documents it is not possible to drop the bids/tender in the tender box, the Tender documents may be handed over to Kamlesh Agarwal, Manager (Fin./Ins) OR Mrs. Sangeeta Singh, Sr. DGM (Finance/Ins.).
- 3 Tenders shall be opened at the time and date as specified in the tender notice in the presence of such of those Underwriters or their authorized representatives who may choose to be present.
- 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 issues 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.

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of Underwriters

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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. Transit, Theft, Erection claims in adequate number. Sets of claim forms for various covers viz. Transit, Loading/Unloading, Marine, Storage, Theft, Burglary, Pilferage, Fire & Allied perils, Acts of God, Handling Risks including accidental damages, Terrorism Risk, Misappropriation, Testing claims in adequate number.
 - (ii) Sets of documents needed for settlement of each type of Claim
 - (iii) Nomination of offices/representatives from Delhi 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. Documents to be submitted in the Techno-Commercial Bid:

- (i) 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.
- (ii) Declaration sheet – **Annexure II**
- (iii) Certificate of Declaration for Confirmation of IRDA / TAC guidelines – **Annexure III**
- (iv) **Declaration- Annexure IV**
- (v) List of Internationally accepted exclusions – **Annexure V**
- (vi) Integrity Pact- **Annexure VI**
- (vii) Un-Priced Price Schedule – **Annexure-VII**

The following documents are also to be annexed as part of the Techno-Commercial Bid:

- (i) Original tender document to be signed and returned as a token of acceptance of tender condition subject to technical deviation mutually agreed between BHEL and successful bidder.
 - (ii) Valid Power of Attorney
11. line with the IRDA Guidelines / TAC governed Policy wordings. All provisions in the Tariff in this regard will be applicable.
 12. 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.

13. Validity of offer:

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of Underwriter*

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THE OFFER SUBMITTED BY THE UNDERWRITER SHALL BE KEPT VALID FOR ACCEPTANCE FOR A PERIOD OF 90 DAYS 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.

14. 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

15. 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.
16. 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.
17. 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.

18. STEPS IN THE PROCESS OF THE TENDER BY BHEL

18.1 Technical Qualification: As a first step of evaluation process, Techno-Commercial bid of all the bidders shall be opened & scrutinized with a view to determine technical acceptability of the offers and to check submission of the required documents. If required, bidders shall be called for technical discussions.

18.2 Issue of clarifications, if applicable

18.3 Opening of price bids: Price bids of techno-commercially qualified bidders will only be opened and evaluated.

18.4 Price Bid Evaluation:

Party quoting lowest Premium in the Price Bid (Annexure II) and adhering to tender stipulations in an unqualified manner will normally be declared L-1.

The lowest offer will be worked out on the basis of the premium quoted by the bidders and the same shall be recognized as L-1.

Party quoting overall lowest Premium in the Price Bid and adhering to tender stipulations in an unqualified manner will normally be declared L-1.

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19.0 Business Sharing:

The Consortium of Insurance Companies for the purpose of award of work will consist of Lead Insurer and One Co-Insurer. The business will be shared within two insurers in the ratio of 70:30, subject to the acceptance of L1 rate by subsequent bidders; i.e, L2,L3,...etc as the case may be. The co-insurance will be offered to the insurers in their bid sequence i.e, to L2, to L3 if not accepted by L2 and so on. However, wherever the number of qualified responses (N) are three or more, the co-insurance offer shall be limited to (N-1) qualified responses.

19.1 However, in case L2, L3...and so on up to N-1 bidder, who is offered co-insurance share, fails to accept the co-insurance share, BHEL reserves the right to award policy (100% share) to L1 bidder.

19.2 In the event of Private Sector Insurance Company becoming Lead Insurer or co-insurer, they will be required **not to retain more than 40% of their share**. The balance will be re-insured with GIC and/or at least A- and above rated international re-insurer.

20.0 MODE OF PAYMENT OF PREMIUM INSTALMENT

An intimation regarding likely dispatch of SRGM from Haridwar factory will be given to the underwriter for raising premium invoice as per agreed rates. It shall be ensured by the underwriter to raise Performa invoice/ premium invoices (GST Compliant) immediately on receipt of intimation from BHEL so that premium can be paid to the underwriter before its dispatch from Factory Premises. Underwriter shall ensure that BHEL is able to avail credit of input GST paid on insurance premium within the due time allowed as per applicable law and will take all necessary steps timely, in this regard. In case any loss of input GST Credit to BHEL due to reasons attributable to underwriter, the same will be recovered from the underwriter. BHEL will pay the premium at the agreed rates and as per market conventions. The premium may be paid through any mode, i.e., NEFT/RTGS/ECS/Cheque or DD, at the option of BHEL.

20.1 **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.

20.1.1 To enable BHEL to avail GST Input Tax Credit (ITC), the underwriter shall submit GST Compliant Tax Invoice containing all the particulars as stipulated under Invoice Rules of CGST Rules, 2017 as amended from time to time. Such invoice shall be submitted within prescribed time limit in the name of **BHEL-HEEP, Haridwar-462022 (GSTN: 23AAACB4146P1ZN)**.

20.1.2 Underwriter shall ensure strict compliance of GST Act & Rules so that input tax credit is available to BHEL. In case of any loss to BHEL on account of non-compliance by underwriter, the same shall be to the underwriter's account. BHEL shall have the right to take necessary steps to protect its interest.

20.1.3 Any statutory changes as and when made applicable by the Government shall become applicable against documentary evidence.

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of Underwriter*

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of BHEL*





- 20.1.4 While making the payment, statutory deductions as applicable, shall be made by BHEL. Payment to the Underwriter will be subjected to TDS as per Rules in force from time to time and a certificate to this effect shall be provided to the Underwriter by BHEL.
- 21.0 **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.
- 21.1 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.
- 21.2 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.
- 21.3 To get the policy serviced through another Insurance Co. in the event of poor servicing of the policy.
- 21.4 All the works shall be carried out under the directions and to the satisfaction of BHEL.
- 21.5 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.
- 21.6 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 Delhi 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.
- 21.7 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.
- 21.8 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.
- 22.0 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.**

23.0 ARBITRATION

- 23.1 The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or statutory modifications or reenactments thereof and the rules made thereunder as in force from time to time, 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

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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 arbitration by sole arbitrator. Within 60 days of the receipt of the complete Notice for Invoking Arbitration, BHEL shall offer names of three proposed arbitrators to the invoking party to choose any one of the three names to be appointed as Sole Arbitrator. On getting confirmation from the invoking party regarding the arbitrator chosen from among the names so offered, BHEL shall appoint such chosen person as Sole Arbitrator for conducting Arbitration.

23.2 The language of Arbitration shall be English.

23.3 The seat of Arbitration shall be New Delhi.

23.4 Notwithstanding the existence of any dispute or difference and/or reference for arbitration the underwriter shall continue to perform its obligations under the policy during the arbitration proceedings .

24.0 Administrative Mechanism for Resolution of CPSEs Disputes (AMRCD). (Applicable to PSU Bidders only)

"In the event of any dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs) inter se, such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No. 4(1)/2013-DPE(GM)/FTS-1835 dated 22-05-2018".

25. **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.

26.2 Commitment by Bidder/ Supplier/ Contractor:

26.2.1 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.

26.2.2 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.

26.2.3 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 indulges in mal-practices, 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".

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27. Shifting of Policy:

In the event of insured shifting his office from the present location 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.

28. 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 & above international re-insurers.

29.0 PARTIES WHOSE INTERESTS ARE INSURED

1. Principal Beneficiary:	MINISTRY OF DEFENCE, GOVT OF INDIA
2. Executing Agencies	Heavy Electrical Equipment Plant , BHEL, Haridwar, Uttarakhand-249403

30.0 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 New Delhi , having ordinary Original Civil Jurisdiction shall alone have exclusive jurisdiction in regard to all claims in respect of this Contract.

31.0 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.

32.0 USE OF LAND

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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.

33.0 INTEGRITY PACT (IP):

- (a) IP is a tool to ensure that activities and transactions between the company and its Bidders/Contractors are handled in a fair, transparent and corruption free manner. Following Independent External Monitors (IEMs) on the present panel have been appointed by BHEL with the approval of CVC to oversee implementation of IP in BHEL.

Sl.	IEM	Email
1.	Shri Otem Dai, IAS (Retd.)	iem1@bhel.in
2.	Shri Bishwamitra Pandey, IRAS (Retd.)	iem2@bhel.in
3.	Shri Mukesh Mittal, IRS (Retd.)	iem3@bhel.in

- (b) The IP as enclosed with the tender (**Annexure-III**) is to be submitted (duly signed by authorized signatory) along with techno-commercial bid. Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification.
- (c) Please refer Section-8 of the IP for Role and Responsibilities of IEMs. In case of any complaint arising out of the tendering process, the matter may be referred to any of the above IEM(s). All correspondence with the IEMs shall be done through email only.

Note:

No routine correspondence shall be addressed to the IEM (Phone/Post/email) regarding the clarifications, time extensions or any other administrative queries, etc. on the tender issued. All such clarifications/issues shall be addressed directly to the tender issuing (procurement) department's officials whose contact details are provided below:

Details of contact person(s)

Name:	1. Sangeeta Singh, Sr. DGM (Fin.)	2. Kamlesh Agarwal, Manager (Fin.)
Deptt.:	Corp. Finance (Insurance Cell)	
Address:	5th Floor, BHEL House, Siri Fort, New Delhi-110049	Phone:
	+91 11 66337255	+91 11 66337253
Email:	ssingh@bhel.in ;	kamlesh.agarwal@bhel.in
Fax:	+91 11 26001143	

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SECTION II

SPECIAL CONDITIONS OF CONTRACT

BHEL intends to take an all risks Special Contingency Policy on replacement value to cover the risks during Transit, Loading/Unloading, Marine, Storage, Fire & Allied perils, Acts of God, Handling Risks including accidental damages, Testing (incl. firing trials) of Super Rapid Gun Mounts (SRGMs) and related testing equipment during the policy period.

1) Scope of Cover- The covers required under the Policy are as follows:

- I. Loading & Unloading, Transit Cover (as per ICC-A/ITC-A) – to cover transit of Super Rapid Gun Mounts (SRGM)-Upgraded & Conventional from BHEL Haridwar works to the site of testing on land in India (at Chandipur) and back to Haridwar or ultimate customer consignee after successful testing as per Terms of the Customer Contract. The transit from BHEL Haridwar to the Customer may also be covered under this policy at the applicable marine rates. The Transits will also be covered for War Risks, SRCC and Terrorism risks.
- II. Storage Risks including Fire and allied perils.
- III. Acts of God such as Storm, Flood, Tempest, Hurricane, Inundation, Subsidence, Land slide, Rock slide, etc.
- IV. Handling risks including accidental damages.
- V. Risks of Human such as Negligence (excluding wilful negligence), Faults in Element Erection etc.
- VI. Testing (incl. Fire Trials) at the Testing Site in land in India (ammunition used for testing to be supplied by Indian Navy), Machinery breakdown, Mechanical and electrical/electronic equipment failure.
- VII. Third Party Liability Cover –AOA/AOY upto Rs.1 crore per location

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 SRGM, in consideration of premium paid, thereby protecting the "Insured" (BHEL) by providing indemnity or making good of the loss in monetary terms against all uncertain contingencies.

The risk Coverage under the policy so issued by the "Insurer" 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 testing, unloading and storage at site, 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 and testing and until completion of testing (incl. firing trials) of Upgraded/Conventional SRGMs in land in India and transit for onward dispatch & loading/unloading at Customer Consignee Premises/ back to Haridwar factory and unloading at BHEL Haridwar. The transit from BHEL Haridwar to the Customer may also be covered under this policy at the applicable marine rates.

2. BASIS OF SUM INSURED :

The Sum Insured is **on Replacement Value basis** and includes:

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- I. Ex-works value for indigenous supply inclusive of taxes & duties plus packing & forwarding plus freight plus all other expenses.
- II. Cost of storage and testing including supervision charges, Cost of material handling at site, overheads etc.

The "Sum to be insured" as above is at the time and condition it was just prior to the accident/Mishap. It is the duty of the "insurer" to put back the "insured" (BHEL) in the same position as was prior to the accident/ mishap.

3) MARINE/TRANSIT POLICY:

This policy intends to cover the following:

- 3.1 To cover the SRGM -Upgraded/Conventional and testing equipment by any mode from anywhere in India to testing Site **either on land**. All transshipments shall be covered under the Policy.
- 3.2 Basically "All Risks" (including loading-unloading risks, pilferage, physical loss or damage burglary, theft, Non-delivery) in the Institute Cargo Clauses – A /ITC- A.

However, the following may be noted:

- A Insurer to ensure and confirm that the scope of cover for the Marine / Transit Risks is comprehensive except for a few Internationally accepted "Exclusions" followed by all insurers in the world.
- B The insurer to indicate clearly any exclusion of the Risks not covered in 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 of the "Insured" shall be final and binding on the **"Insurer"**. BHEL is absolved of any loss on this account.
- C The insurer shall not attempt to avoid any unforeseen eventualities , which may arise during transit and allied storage and keep the facts in consideration while settling the claims.
- D. The marine policy will cover all modes of possible transports like rail, road, waterways, bridges, culverts, boat /barge, ship, air, parcel, courier, post etc. Transportation may be either by single mode or combination of more than one modes. Any intermediate storage will also be covered.

4. STORAGE AND TESTING COVERS:

- 4.1 Insurer to ensure and confirm that the scope of cover for the "Risks at site during Storage, and Testing" is comprehensive except for a few Internationally accepted "Exclusions ".

The Insurer is required 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.

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5.0 PERIOD OF COVER: The period of cover of the policy in respect of each SRGM- Upgraded/Conventional attached under this contract shall be three months from the date of payment of insurance premium or the date of dispatch of SRGM from Haridwar Factory of SRGM, whichever is later. However, the policy period can also be extended on prorata basis, if required, on payment of additional premium for such extension.

The policies issued under this contract (during original or extended period) shall be valid for its complete term (3 months or more, if extended), irrespective of the fact that the contract period governing the policy has expired before the expiry of the policy. In other words, once a policy has been taken under this contract, it shall be valid till the expiry of the policy period, original as well as extended, if opted.

6.0 PROCEDURE FOR CLAIM SETTLEMENT

6.1. 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 endeavor 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.

6.2. 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.

6.3. 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 Hqrs. In exceptional situations copy may be sent to this office also.

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

6.5. In case the claim is not found tenable or not settled for the claimed amount. He 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.

6.6. 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 upto Rs 20000 over and above the excess/ deductible franchise will be settled on the basis of statement signed by two officials of BHEL.

7.0 EXCESS/ DEDUCTIBLE

For Marine/Transit Risks:

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- 0.25% of consignment value subject to minimum of Rs 20,000/-

For Other Risks (other than transit as above):

- Rs. 50,00,000/- or 5% of the claim amount whichever is higher.
- Act of God Perils
10% of the claim amount subject to minimum of Rs. 50,00,000/- with an upper limit of Rs 5 Crores.

8.0 SELF-SURVEY LIMIT:

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

9.0 Single Largest Consignment (PBL) and ODC.

The value for the largest consignment shall be the value of SRGM-Upgraded/Conventional declared at the time of taking the policy. (i.e, presently, Rs. 128.58 Crores approx.). This amount may however change due to difference in prices for SRGMs agreed with different customers.

There will be one ODC package per SRGM along with 11 Packages for Upgraded SRGM/8 Packages for Conventional SRGM as per dimensions stated below:
9000mm (L) x 3400 mm (W) x 3350 mm (H)

- 10.0 Survey Expenses:** The fee for Loading/Unloading survey, if any, required shall be borne by the underwriter.

11.0 INTEREST ON DELAYED PAYMENTS:

- 11.1 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 26th April 2002)

12.0 ON-ACCOUNT PAYMENTS AGAINST CLAIMS:

- 12.1 In case of net claims exceeding Rs. 10 Lakhs, BHEL will move the papers 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 of 75% of the claim on the basis of firm estimates provided by BHEL. The on-account payment shall be made on the basis of firm estimates, within one week from the date of receipt of initial survey report, without waiting for detailed documents related to the claim.

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- 12.2 The balance amount of the claim shall be settled and paid within 21 days after submission of all relevant documents.

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.

13.0 DEPUTATION OF SURVEYORS:

- 13.1 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.
- 13.2 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. **It may be noted that BHEL will wait for 48 hours for the surveyor to conduct inspection of damaged items. If the surveyor, after intimation, does not come within 48 hours, the items will be sent for repair. After that BHEL inspection report will be accepted by the surveyor/ insurer for settling claim.** BHEL reserves the right to engage any other surveyor from panel at the cost of the underwriter.
- 13.3 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.
- 13.4 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

14. Basis of Valuation of Loss for Claim Settlement under Marine Cover:

Marine claims shall be settled at Ex-works cost/Invoice Value of SRGM/Testing equipment plus taxes and duties plus all actual expenses till it reaches Site/Customer Premises/works.

15. STORAGE DURATION UNDER TRANSIT COVER:

The underwriter shall keep the transit/Marine cover operative as under without any extra premium. The marine transit proposed shall include an aggregate **storage period of 180** days of project material at any intermediate site out of logistic compulsions and not necessarily in the ordinary course of transit. On termination of such transit at such intermediate storage locations and further onward transit/intermediate storage within the period of 180 days shall not be separately declared and shall be covered end to end. In this storage which is not customary, Marine Policy excess shall apply.

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In case the materials remain under intermediate storage for more than 180 days as mentioned above, the same will be treated as covered under transit policy on payment of additional premium at an agreed monthly rate.

16. Claim Intimation Period

Marine/Transit Claims: 30 days from the arrival of consignment.

Other Claims: within 14 days from notice of loss. However, efforts will be made to intimate the loss immediately on notice of loss.

17. SALVAGE DISPOSAL/ REMOVAL

The salvage will be disposed off by BHEL, through MSTC only. However, if the insurer desires the disposal of salvage through any other mode, the same will have to be carried out by the insurer directly.

However, the claim may be settled by agreeing to a mutual value of the salvage, subject to final disposal of the salvage by the insurer.

In case it is decided that the salvage is to be disposed off by insurer, the insurer shall be responsible to lift the salvage within 30 days of such decision. In the event the Insurer does not lift the salvage as above, within 45 days, BHEL reserves the right to dispose of the same as deemed fit and recover the differential (deficit) between agreed value and the actual realised value of salvage from the insurer. However, Insurer will have no claim on Units / Divisions of BHEL on this account whatsoever. Till such disposal is done, the insurer will be liable to pay ground rent at BHEL's rate. In case BHEL so desires, part of the salvage can be retained by it at mutually agreed price.

18. VALIDITY OF CONTRACT

The contract entered into through this tender enquiry shall be valid for a period of one year from the date of award of contract. The rates quoted shall remain fixed during the complete contract period.

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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:CO:FIN:INS:HWR:SRGM:2024-25** dated 22.08.2024 Deviation, 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)

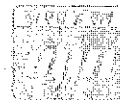
DECLARATION SHEET

I, _____ hereby certify that all the information and data furnished by me with regard to this Tender Specification No. **BHEL:CO:FIN:INS:HWR:SRGM:2024-25** dated 22.08.2024 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)



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 **BHEL:CO:FIN:INS:HWR:SRGM:2024-25** dated 22.08.2024 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)



Annexure- IV

DECLARATION

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)



LIST OF INTERNATIONALLY ACCEPTED EXCLUSIONS

- 1.
- 2.
- 3.

For and on behalf of underwriter

(Signature & seal of authorized signatory)



ANNEXURE-VI

INTEGRITY PACT

Between Bharat Heavy Electricals Ltd. (BHEL), a company registered under the Companies Act 1956 and having its registered office at "BHEL House", Siri Fort, New Delhi - 110049 (India) hereinafter referred to as "The Principal", which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the ONE PART
and

_____, (description of the party along with address), hereinafter referred to as "The Bidder/ Contractor" which expression unless repugnant to the context or meaning hereof shall include its successors or assigns of the OTHER PART

Preamble

The Principal intends to award, under laid-down organizational procedures, contract/s for SPECIAL CONTINGENCY INSURANCE POLICY RATE CONTRACT Super Rapid Gun Mounts (SRGM) (**hereinafter referred to as "Contract"**).

The Principal values full compliance with all relevant laws of the land, rules and regulations, and the principles of economic use of resources, and of fairness and transparency in its relations with its Bidder(s)/ Contractor(s).

In order to achieve these goals, the Principal will appoint panel of Independent External Monitor(s) (IEMs), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

Section 1- Commitments of the Principal

- 1.1 The Principal commits itself to take all measures necessary to prevent corruption and to observe the following principles: -
 - 1.1.1 No employee of the Principal, personally or through family members, will in connection with the tender for, or the execution of a contract, demand, take a promise for or accept, for self or third person, any material or immaterial benefit which the person is not legally entitled to.
 - 1.1.2 The Principal will, during the tender process treat all Bidder(s) with equity and reason. The Principal will in particular, before and during the tender process, provide to all Bidder(s) the same information and will not provide to any Bidder(s) confidential/ additional information through which the Bidder(s) could obtain an advantage in relation to the tender process or the contract execution.
 - 1.1.3 The Principal will exclude from the process all known prejudiced persons.



- 1.2 If the Principal obtains information on the conduct of any of its employees which is a penal offence under the Indian Penal Code 1860 and Prevention of Corruption Act 1988 or any other statutory penal enactment, or if there be a substantive suspicion in this regard, the Principal will inform its Vigilance Office and in addition can initiate disciplinary actions.

Section 2 - Commitments of the Bidder(s)/ Contractor(s)

- 2.1 The Bidder(s)/ Contractor(s) commit himself to take all measures necessary to prevent corruption. The Bidder(s)/ Contractor(s) commits himself to observe the following principles during participation in the tender process and during the contract execution.
- 2.1.1 The Bidder(s)/ Contractor(s) will not, directly or through any other person or firm, offer, promise or give to the Principal or to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material, immaterial or any other benefit which he/ she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
- 2.1.2 The Bidder(s)/ Contractor(s) will not enter with other Bidder(s) into any illegal or undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
- 2.1.3 The Bidder(s)/ Contractor(s) will not commit any penal offence under the relevant Indian Penal Code (IPC) and Prevention of Corruption Act; further the Bidder(s)/ Contractor(s) will not use improperly, for purposes of competition or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
- 2.1.4 Foreign Bidder(s)/ Contractor(s) shall disclose the name and address of agents and representatives in India and Indian Bidder(s)/ Contractor(s) to disclose their foreign principals or associates. The Bidder(s)/ Contractor(s) will, when presenting his bid, disclose any and all payments he has made, and is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- 2.2 The Bidder(s)/ Contractor(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.
- 2.3 The Bidder(s)/ Contractor(s) shall not approach the Courts while representing the matters to IEMs and shall await their decision in the matter.

Section 3 - Disqualification from tender process and exclusion from future contracts

If the Bidder(s)/ Contractor(s), before award or during execution has committed a transgression through a violation of Section 2 above, or acts in any other manner such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/ Contractor(s) from the tender process, terminate the contract, if already awarded, exclude from future business dealings and/ or take action as per the separate

"Guidelines on Banning of Business dealings with Suppliers/ Contractors", framed by the Principal.

Section 4 - Compensation for Damages

- 4.1 If the Principal has disqualified the Bidder (s) from the tender process before award / order acceptance according to Section 3, the Principal is entitled to demand and recover the damages equivalent to Earnest Money Deposit/ Bid Security.
- 4.2 If the Principal is entitled to terminate the Contract according to Section 3, or terminates the Contract in application of Section 3 above, the Bidder(s)/ Contractor (s) transgression through a violation of Section 2 above shall be construed breach of contract and the Principal shall be entitled to demand and recover from the Contractor an amount equal to 5% of the contract value or the amount equivalent to Security Deposit/ Performance Bank Guarantee, whichever is higher, as damages, in addition to and without prejudice to its right to demand and recover compensation for any other loss or damages specified elsewhere in the contract.

Section 5 - Previous Transgression

- 5.1 The Bidder declares that no previous transgressions occurred in the last 3 (three) years with any other company in any country conforming to the anti-corruption approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.
- 5.2 If the Bidder makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason or action can be taken as per the separate "Guidelines on Banning of Business dealings with Suppliers/ Contractors", framed by the Principal.

Section 6 - Equal treatment of all Bidders/ Contractors / Sub-contractors

- 6.1 The Principal will enter into Integrity Pacts with identical conditions as this Integrity Pact with all Bidders and Contractors.
- 6.2 In case of Sub-contracting, the Principal Contractor shall take the responsibility of the adoption of Integrity Pact by the Sub-contractor(s) and ensure that all Sub-contractors also sign the Integrity Pact.
- 6.3 The Principal will disqualify from the tender process all Bidders who do not sign this Integrity Pact or violate its provisions.

Section 7 - Criminal Charges against violating Bidders/ Contractors /Subcontractors

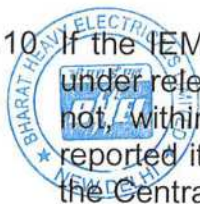
If the Principal obtains knowledge of conduct of a Bidder, Contractor or Subcontractor, or of an employee or a representative or an associate of a Bidder, Contractor or Subcontractor which constitutes corruption, or if the Principal has substantive suspicion in this regard, the Principal will inform the Vigilance Office.

Section 8 - Independent External Monitor(s)





- 8.1 The Principal appoints competent and credible panel of Independent External Monitor (s) (IEMs) for this Integrity Pact. The task of the IEMs is to review independently and objectively, whether and to what extent the parties comply with the obligations under this Integrity Pact.
- 8.2 The IEMs are not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the CMD, BHEL.
- 8.3 The IEMs shall be provided access to all documents/ records pertaining to the Contract, for which a complaint or issue is raised before them as and when warranted. However, the documents/records/information having National Security implications and those documents which have been classified as Secret/Top Secret are not to be disclosed.
- 8.4 The Principal will provide to the IEMs sufficient information about all meetings among the parties related to the Contract provided such meetings could have an impact on the contractual relations between the Principal and the Contractor. The parties offer to the IEMs the option to participate in such meetings.
- 8.5 The advisory role of IEMs is envisaged as that of a friend, philosopher and guide. The advice of IEMs would not be legally binding and it is restricted to resolving issues raised by a Bidder regarding any aspect of the tender which allegedly restricts competition or bias towards some Bidders. At the same time, it must be understood that IEMs are not consultants to the Management. Their role is independent in nature and the advice once tendered would not be subject to review at the request of the organization.
- 8.6 For ensuring the desired transparency and objectivity in dealing with the complaints arising out of any tendering process or during execution of Contract, the matter should be examined by the full panel of IEMs jointly, who would look into the records, conduct an investigation, and submit their joint recommendations to the Management.
- 8.7 The IEMs would examine all complaints received by them and give their recommendations/ views to the CMD, BHEL at the earliest. They may also send their report directly to the CVO, in case of suspicion of serious irregularities requiring legal/ administrative action. Only in case of very serious issue having a specific, verifiable Vigilance angle, the matter should be reported directly to the Commission. IEMs will tender their advice on the complaints within 30 days.
- 8.8 The CMD, BHEL shall decide the compensation to be paid to the IEMs and its terms and conditions.
- 8.9 IEMs should examine the process integrity they are not expected to concern themselves with fixing of responsibility of officers. Complaints alleging mala fide on the part of any officer of the Principal should be looked into by the CVO of the Principal.
- 8.10 If the IEMs have reported to the CMD, BHEL, a substantiated suspicion of an offence under relevant Indian Penal Code / Prevention of Corruption Act, and the CMD, BHEL has not, within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the IEMs may also transmit this information directly to the Central Vigilance Commissioner, Government of India.





- 8.11 After award of work, the IEMs shall look into any issue relating to execution of Contract, if specifically raised before them. As an illustrative example, if a Contractor who has been awarded the Contract, during the execution of Contract, raises issue of delayed payment etc. before the IEMs, the same shall be examined by the panel of IEMs. Issues like warranty/ guarantee etc. shall be outside the purview of IEMs.
- 8.12 However, the IEMs may suggest systemic improvements to the management of the Principal, if considered necessary, to bring about transparency, equity and fairness in the system of procurement.
- 8.13 The word 'Monitor' would include both singular and plural.

Section 9 - Pact Duration

- 9.1 This Integrity Pact shall be operative from the date this Integrity Pact is signed by both the parties till the final completion of contract for successful Bidder, and for all other Bidders 6 months after the Contract has been awarded. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings.
- 9.2 If any claim is made/ lodged during currency of this Integrity Pact, the same shall be binding and continue to be valid despite the lapse of this Pact as specified above, unless it is discharged/ determined by the CMD, BHEL.

Section 10 - Other Provisions

- 10.1 This Integrity Pact is subject to Indian Laws and exclusive jurisdiction shall be of the competent Courts as indicated in the Tender or Contract, as the case may be.
- 10.2 Changes and supplements as well as termination notices need to be made in writing.
- 10.3 If the Bidder(s)/ Contractor (s) is a partnership or a consortium or a joint venture, this Integrity Pact shall be signed by all partners of the partnership or joint venture or all consortium members.
- 10.4 Should one or several provisions of this Integrity Pact turn out to be invalid, the remainder of this Integrity Pact remains valid. In this case, the parties will strive to come to an agreement to their original intentions.
- 10.5 Only those bidders / contractors who have entered into this Integrity Pact with the Principal would be competent to participate in the bidding. In other words, entering into this Integrity Pact would be a preliminary qualification.
- 10.6 In the event of any dispute between the Principal and Bidder(s)/ Contractor(s) relating to the Contract, in case, both the parties are agreeable, they may try to settle dispute through Mediation before the panel of IEMs in a time bound manner. In case, the dispute remains unresolved even after mediation by the panel of IEMs, either party may take further action as the terms & conditions of the Contract. The fees/expenses on dispute resolution through mediation shall be shared by both the parties. Further, the mediation proceedings shall be confidential in nature and the parties shall keep confidential all matters relating to the mediation proceedings including any settlement agreement arrived at between the parties as outcome of mediation. Any views expressed, suggestions, admissions or proposals etc.



made by either party in the course of mediation shall not be relied upon or introduced as evidence in any further arbitral or judicial proceedings, whether or not such proceedings relate to the dispute that is the subject of mediation proceedings. Neither of the parties shall present IEMs as witness in any Alternative Dispute Resolution or judicial proceedings in respect of the dispute that was subject of mediation.

For & On behalf of the Principal
(Office Seal)

N. Singh

Place-----

Date-----



Witness:
(Name & Address)

For & On behalf of the Bidder/ Contractor
(Office Seal)

Witness:
(Name & Address)

**UNPRICED PRICE SCHEDULE****SCHEDULE OF RATES**

S/No.	PARTICULARS	SRGM	SUM INSURED (in Rs. CRS.)	PERIOD OF INSURANCE FOR SRGMS (IN MONTHS)	RATE QUOTED BY BIDDER (per Mille/ p.a)	PREMIUM (IN Rs.)
A	PREMIUM FOR MARINE / TRANSIT (FOR TRANSIT TO TESTING SITE AND FROM TESTING SITE TO CUSTOMER/ HARIDWAR) (in Rs.)	I	257.16	3	XXXXXX	XXXXXX
		II	257.16	3	XXXXXX	XXXXXX
		III	177.14	3	XXXXXX	XXXXXX
		IV	177.14	3	XXXXXX	XXXXXX
TOTAL (A)			868.60			XXXXXX
B	PREMIUM FOR OTHER PERLIS INCLUDING TESTING OF SRGM (in Rs.)	I	128.58	3	XXXXXX	XXXXXX
		II	128.58	3	XXXXXX	XXXXXX
		III	88.57	3	XXXXXX	XXXXXX
		IV	88.57	3	XXXXXX	XXXXXX
TOTAL (B)			434.30			XXXXXX
C	TOTAL (A)+(B)					XXXXXX
D	GST @18% Of Sl.No. (C)					XXXXXX
E	TOTAL PREMIUM (C)+(D)					XXXXXX

Extension premium per month per mille (SRGMs) XXXXXXXXXXXXXXXXXXXXXXXXXX

Note:

1. The above quoted rates shall be valid for all SRGMs attached under this contract throughout the contract period.
2. Bidders to provide "Per Mille" rate at Column "A" and extension rates per mille/month also.
3. The Sum Insured and period of insurance indicated in the above-mentioned Price schedule is for evaluation purposes only. BHEL in no way guarantees minimum business under the contract. As such, BHEL reserves the right to add SRGMs as per actual requirement during the contract period at agreed rates. Underwriter should not object to the same at a later date.
4. The sum insured/period per SRGM is tentative and may change at the time of taking policy.
5. The extension premium rate will not be considered for evaluation of bids. The policy period can be extended, if required, on payment of additional premium on prorata basis.
6. The rates should be quoted net of the discounts and exclusive of GST. GST, as applicable, will be paid extra.

(Signature and seal of the Bidders)



BHARAT HEAVY ELECTRICALS LIMITED



TENDER DOCUMENT FOR

SPECIAL CONTINGENCY INSURANCE POLICY RATE CONTRACT

Super Rapid Gun Mounts (SRGM)

For

**INDIAN NAVY/Coast Guard/Shipyards/Dockyards/Weapon Equipment
Depots/Naval Armament Depots/PXE Balasore Odisha Odisha/Training
Establishments/Ordnance Factory/Any Land Testing Range in India**

TENDER NO. BHEL:CO:FIN:INS: HWR: SRGM:2024-25

VOLUME – II

PRICE BID

BHARAT HEAVY ELECTRICALS LTD.

**CORPORATE FINANCE
BHEL HOUSE, SIRI FORT
NEW DELHI – 110 049.**



PRICE SCHEDULE

SCHEDULE OF RATES

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E	TOTAL PREMIUM (C)+(D)					

Extension premium per month per mille (SRGMs)

Note:

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