

**19/08/2015**

**ANNEXURE-A**

**EN-MIC1878 Due Date: 09.09.2015**

**PROCUREMENT THROUGH OPEN TENDER**

SINo	PR No	Matl.Desc	Unit	Qty
1	112332264	Round Steel shots to specification number S-280XL (as per SAE J 827 / J444) with hardness 400 to 500HV, in water proof polyethylene lined gunny bags each of 25 kgs.	KG	6000
2	112868616	Round Steel Shots S330/J827/J444	KG	6000
3	112332264	High Temperature Antiseize compound	KG	25

Note: Full clarification / technical details completely give as per Annexure-A.

## **SCHEDULE OF DEVIATIONS**

Enq Ref: **EN-MIC1878 Due Date: 09.09.2015**

Offer Ref:

Date:

**Commercial Deviation:**

<b>Annexure / Clause No.</b>	<b>Description</b>	<b>Supplier Deviation</b>

**Technical Deviation:**

<b>Annexure / Clause No.</b>	<b>Description</b>	<b>Supplier Deviation</b>

We confirm acceptance of all the Technical and Commercial requirements as per BHEL Tender, except the above deviations.

Signature with Seal

# BHEL FRAUD PREVENTION POLICY

## 1.0 Introduction

BHEL, a public sector enterprise, is an integrated power plant equipment manufacturer and one of largest engineering and manufacturing company in India engaged in design, engineering, manufacturing, construction, testing, commissioning and servicing of a wide range of products and services for core sectors of the economy viz. Power, Transmission, Industry, Transportation, Renewable energy, Oil & Gas and Defense.

All organizations are subject to risks of fraud. Frauds negatively impact the reputation and brand value of organization. Vigilant handling of fraud cases within organisation sends clear signals to the public, stakeholders and regulators about the management attitude towards fraud risks and organisation's fraud risk tolerance.

All levels of management, staff, internal and external auditors have responsibility for dealing with fraud risk.

Section 143(3) (i) of the Company Act, 2013 requires auditors to report about the adequacy of internal Financial controls in the Company and the operating effectiveness of such controls. Further, as per General Direction issued by C&AG vide circular No. 294/CA-II/Cord/A/cs instructions/30-2008 dated 22.04.2010, auditors are required to comment on Risk of Frauds in their reports.

BHEL has already put in place various policies, systems and procedures to guide employees for undertaking various transactions within and outside organisation to conduct the same in a transparent & uniform manner e.g. Purchase Policy, Works Policy along with Delegation of Powers (DOP), HR Policy, Conduct, Discipline and Appeal Rules for employees, Standing Orders etc. Keeping in view the BHEL approach in following Corporate Governance principles proactively, it is appropriate that a Fraud Prevention Policy is formulated and implemented

## 2.0 Policy Objectives

2.1 Objective of the Policy is to provide a system for detection, prevention and reporting of a fraud detected or suspected; and handling of such matters pertaining to fraud.

2.2 The Policy is expected to ensure and provide for the following:

2.2.1 To ensure that management is aware of its responsibilities for detection and prevention of fraud and for establishing procedures for preventing fraud and/or detecting fraud when it occurs.

## BHEL FRAUD PREVENTION POLICY

2.2.2 To provide a clear guidance to employees and others dealing with BHEL forbidding them from involvement in any fraudulent activity and the action to be taken by them where they suspect any fraudulent activity;

2.2.3 To conduct investigations into fraudulent or suspected fraudulent activities; and

2.2.4 To provide assurance that any and all suspected fraudulent activity/ activities will be fully investigated.

2.2.5 To provide training on fraud prevention and identification.

### 3.0 Scope of Policy

The policy applies to fraud or suspected fraud in connection with business transactions with BHEL committed by employees, ex-employees working as advisors/ consultants, persons engaged on adhoc / temporary/ contract basis, vendors, suppliers, contractors, customers, lenders, consultants, service providers, any outside agencies or their employees/ representatives, or any other parties.

### 4.0 What is Fraud?

4.1 Fraud is any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or perpetrator achieving a gain.

4.2 As per Section.447(1) of The Companies Act, 2013 Fraud is defined as follows:

- **“fraud”** in relation to affairs of a company or anybody corporate, includes (a) any act, (b) omission, (c) concealment of any fact or (d) abuse of position committed by any person or any other person with the connivance in any manner -
  - with intent to deceive,
  - to gain undue advantage from, or
  - to injure the interests of the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss
- **“Wrongful gain”** means the gain by unlawful means of property to which the person gaining is not legally entitled.
- **“Wrongful loss”** means the loss by unlawful means of property to which the person losing is legally entitled.

## BHEL FRAUD PREVENTION POLICY

### 5.0 Actions Constituting Fraud

5.1 While fraudulent or suspected fraudulent activity could have a very wide range of coverage, the following are some of the act(s) which constitute fraud.

5.2 The list given below is only illustrative and not exhaustive:-

5.2.1 Forgery or unauthorised alteration of any document or account belonging to the Company

5.2.2 Forgery or unauthorised alteration of cheque, bank draft, E-banking transaction(s) or any other financial instrument etc.

5.2.3 Misappropriation of funds, securities, supplies or others assets by fraudulent means etc.

5.2.4 Falsification of records, submitting fake claims or claims with altered documents / supporting, removing the documents from the files and / or replacing it by a fraudulent one etc.

5.2.5 Wilful suppression of facts/deception in matters of appointment, placements, submission of reports, tender committee recommendations etc. as a result of which a wrongful gain(s) is/are made to one and wrongful loss(s) to the others.

5.2.6 Utilizing Company funds / assets for personal or other than official purposes.

5.2.7 Verification and authorization / certification of bills for payment (goods / services) without completion of supply / completion of works as per Purchase Order / Work Order.

5.2.8 Destruction, disposition, removal of records or any other assets of the Company with an ulterior motive to manipulate and misrepresent the facts so as to create suspicion/suppression/cheating as a result of which objective assessment/decision would not be arrived at.

5.2.9 Wilful delay in reporting recoveries / adjustments from suppliers / vendors bills.

5.2.10 Allowing / unauthorized use of Company assets by outsiders like vendors / suppliers / sub-contractors.

5.2.11 Any other act that falls under the gamut of fraudulent activity.

# BHEL FRAUD PREVENTION POLICY

## 6.0 Responsibility for Fraud Prevention

6.1 Following personnel's are responsible to ensure that there is no fraudulent act committed by them while performing any business transaction(s) with BHEL:

- Every employee
- Ex-employee working as advisor / consultant
- Person engaged on adhoc/temporary/contract basis
- Vendor / supplier / contractor / bidder / service provider
- Customer / Consultant
- Lender
- Any outside agency / their representative / employee who have a business relationship with BHEL

6.2 As soon as it is learnt that a fraud or suspected fraud has taken or is likely to take place, same should immediately be reported to Nodal officer

## 7.0 Nodal Officers and their Responsibility

### 7.1 Nodal Officer

Nodal officers shall be notified by management. All Direct Reporting Officers (DROs) to Unit Head / Construction Managers to be designated as Nodal Officers. List of Nodal Officer(s) would be displayed at BHEL web site / Intranet.

### 7.2 Fraud Prevention and Detection

All Nodal Officers shall be responsible for implementing the Fraud Prevention Policy of the Company and prevention and detection of fraud as per this Policy. It is the responsibility of all Nodal Officers to ensure that complete mechanism in respect of Fraud Prevention Policy is in place within his administrative / functional area of control.

#### 7.2.1 Fraud Prevention

7.2.1.1 Create an ethical and transparent environment by training and implementing policies, guidelines and procedures.

7.2.1.2 Familiarise each employee with the types of improprieties that might occur in their area.

7.2.1.3 Educate employees regarding the measures to be taken for prevention and detection of fraud.

## **BHEL FRAUD PREVENTION POLICY**

7.2.1.4 Create a culture whereby employees are encouraged to report any fraud or suspected fraud which comes to their knowledge, without any fear of victimization.

7.2.1.5 Promote awareness among the employees of ethical principles subscribed to by the Company through CDA Rules/Standing orders.

7.2.1.6 Maintain record of complaints/cases received and submit annual report to Nodal Officer in Corporate Finance.

### **7.2.2 Fraud Detection**

Ensure that along with preventive controls, Detective mechanism are also in place. Some examples of detective mechanism are segregation of duties, reconciliation, audits, independent reviews, physical inspection, periodic inventory check, surprise checks etc.

## **8.0 Reporting of Fraud**

8.1 All employees of BHEL, representative of vendors, suppliers, contractors, consultants, service providers or any other agencies doing any type of business with BHEL as soon as he / she comes to know of any fraud or suspected fraud or any other fraudulent activity must report such incident. Such reporting shall be made to the designated Nodal Officers.

The reporting of the fraud normally should be in writing. In case the reporter is not willing to furnish a written statement of fraud but is in position to give sequential and specific transaction of fraud / suspected fraud, then the officer receiving the information/Nodal Officer should record such details in writing as narrated by the reporter and also maintain the details about the identity of the official/ employee / other person reporting such incident.

In case the reporter ask for protection, the protection available under Clause 5.0 of Whistle Blower Policy of Company notified vide Corporate HR Circular no. 024/LLX/2014 dated 16.09.2014 shall be extended to the reporter.

8.2 All reports of fraud or suspected fraud shall be handled with utmost speed and shall be coordinated by Nodal Officers

8.3 Officer receiving input about any suspected fraud / Nodal officers shall ensure that all relevant records, documents and other evidence are immediately taken into custody and protected from being tampered with, destroyed or removed by suspected perpetrators of fraud or by any other official under his influence.

## **BHEL FRAUD PREVENTION POLICY**

### **9.0 Investigating Procedure**

9.1 The "Nodal Officer" shall act as co-ordinator and refer the details of the fraud/suspected fraud to Unit head for intimating the same to the concerned Director. The Director after considering report of Nodal Office / Unit head may refer the case to Internal Auditor (IA) or Corporate Vigilance for further investigation.

9.2 This input would be in addition to the intelligence, information and investigation of cases of fraud being investigated by the Vigilance Deptt. on their own as part of their day to day functioning.

9.3 After completion of the investigation, appropriate action which could include administrative action, disciplinary action, civil or criminal action or closure of the matter if it is proved that fraud is not committed etc. depending upon the outcome of the investigation shall be undertaken.

9.4 Vigilance Department or IA shall report to concerned Director the result of the investigation undertaken by them to seek orders for further action.

### **10.0 Incorporation of Fraud Prevention Policy in Tenders /MOUs etc.**

10.1 A clause may be added in all the NITs that

"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."

10.2 Fraud Prevention policy and List of Nodal Officers shall be hosted on BHEL web site, vendor portals of Units/ Regions intranet.

### **11.0 Administration and Review of the Policy**

The Chairman and Managing Director, BHEL shall be the Appropriate Authority for administration and revision of this Policy.

List of Nodal Officers			
Sl. No	Name	Address	Phone number
1	Jayakumaran M	General Manager (HR) Building-24, Ground floor BHEL, Trichy-620014	0431-2577674
2	Deenadayalu RS	General Manager (Operations / BS) Building 2&4, First floor, BHEL, Trichy-620014	0431-2575917
3	Kumar Sarangarajan	General Manager (Adv Tech Products & BDG) Building 2&4, First floor BHEL, Trichy-620014	0431-2575281
4	Easwaran R	General Manager (WRI & Labs) WRI Building , First Floor BHEL, Trichy-620014	0431-2577506
5	Ravindran V	General Manager (Comml, Mktg & Proposals/FB ) Building 24, First floor BHEL, Trichy-620014	0431-2577550
6	Soundararajan P	General Manager (Valves) Building 24, Third floor BHEL, Trichy-620014	0431-2577445
7	Mathivanan G	General Manager (Qulaity) New Quality Building BHEL, Trichy-620014	0431-2575788
8	Muthusamy R	General Manager (Maintenance & Services) Building 2&4, Ground floor BHEL, Trichy-620014	0431-2574599
9	Rajamanohar R	General Manager (Plng & Devpt, CPG & Modn.) Building 24, First floor BHEL, Trichy-620014	0431-2577575
10	Jayaprakash G	General Manager (SSTP) Administrative Building First Floor BHEL, Trichy-620014	0431-2578477
11	Muthukrishnan M	General Manager (R&D, Coal Research) Coal Research Centre WRI Complex BHEL, Trichy-620014	0431-2574073
12	Srinivasan V	General Manager (PCPS) Building 79, Fourth floor BHEL, Trichy-620014	0431-2577729
13	Pannir R	General Manager BHEL, Industrial Valves Plant, 433, Industrial Complex, Goindwal - 143 422 Distt. Tarn Taran, PUNJAB	01859-222014
14	Guruchandran P S	General Manager (CCDP) BHEL, Trichy-620014	0431-2577215
15	Ganesan K	General Manager (Vigilance) Building 24, Ground floor BHEL, Trichy-620014	0431-2577633

List of Nodal Officers			
Sl. No	Name	Address	Phone number
16	Nagamanickam P	General Manager (Spares and R&M) Building 53, First floor BHEL, Trichy-620014	0431-2575392
17	Murthy C	General Manager (Unit II) BHEL, Trichy-620014	0431-2577707
18	Srinivasan S.V	General Manager (HSE) 2&4 Building First Floor BHEL, Trichy-620014	0431-2574119
19	Ravishankar K	General Manager (Engg. / FB) Building 2&4, First floor BHEL, Trichy-620014	0431-2575223
20	Maruthamuthu A	General Manager (MM) Building 24, Fourth floor BHEL, Trichy-620014	0431-2577706
21	Chockalingam T	General Manager (Finance) Building 24, Second floor BHEL, Trichy-620014	0431-2577033
22	Murugiah M	Addl General Manager (Outsourcing) Building 79, First floor BHEL, Trichy-620014	0431-2577745
23	Thanakodi P	Addl General Manager (Logistics) BHEL, Trichy-620014	0431-2574096
24	Chelladurai C	Addl General Manager (Civil) Building 53, First floor BHEL, Trichy-620014	0431-2575085
25	Thiruneelakandan M	Addl General Manager (Works Contract Mgmt) Building 24, Ground floor BHEL, Trichy-620014	0431-2577235



## BHARAT HEAVY ELECTRICALS LIMITED

( A Govt. of India Undertaking )

High Pressure Boiler Plant

Tiruchirapalli 620 014

### PURCHASE VALVES

(To be filled and submitted along with Offer)

**BHEL Commercial Terms and Conditions for  
INDIGENOUS SUPPLIERS FOR RC / NON RC – TWO BID SYSTEM  
To be furnished along with offer**

	Technical confirmation to BHEL's Specification as called for in BHEL Format shall be furnished. If needed additional sheets shall be used.	Vendor's Confirmation / Comments
<b>Tender opening Route :</b>	<p><b>Tender opening consists of two part systems viz:</b></p> <p>1. Techno Commercial Bid &amp; 2. Price Bid.</p> <p>Techno Commercial Bid will be opened First.</p> <p>After scrutiny and evaluation of Techno Commercial offers, the Price bid will be opened with due intimation to vendors.</p>	
<b>Offers :</b>	Offers should be submitted only in a sealed cover super-scribing clearly the Enquiry No. and due date.	
<b>Prices :</b>	<b>Prices shall be quoted item/s wise to BHEL Material code wise and FIRM PRICE basis only as per the BHEL Enquiry.</b>	
<b>Offers :</b>	Offers should be submitted only in a sealed cover super-scribing clearly the Enquiry No. and Enquiry due date.	
<b>Validity of offer for NON-RC Items.</b>	<p><b><u>VALIDITY OF OFFER FOR NON---RC---ITEMS:</u></b></p> <p>Minimum for a period of 60 days from the date of Tender opening (or) Finalization of tender.</p>	
<b>Validity of offer for RC items</b>	<p><b><u>VALIDITY OF OFFER FOR RC--- ITEMS:</u></b></p> <p>Minimum for a period of 1 year (One year) from the date of Tender opening (or) Finalization of tender.</p>	
<b>Delivery Terms :</b>	FOR / BHEL / TRICHY basis only inclusive of P & F, Insurance and other charges if any.	
<b>Delivery period :</b>	Indicate the early delivery period in the offer	
<b>Liquidated damages :</b>	LD @ 0.5 % per week subject to a maximum of 10% of the order value shall be levied for Total PO value.	

**BHEL Commercial Terms and Conditions for  
INDIGENOUS SUPPLIERS FOR RC / NON RC – TWO BID SYSTEM  
To be furnished along with offer**

<b>Confirmation to BHEL'S Drawing / Specn. / TDC</b>	Item-wise confirmation to BHEL's Drawing/s / Specification / TDC is required in the offer itself.	
<b>Inspection :</b>	Final inspection by BHEL Inspector at BHEL, Trichy.	
<b>Inspection Charges</b>	Please indicate the Inspection charges if any in the offer itself and indicate the details of Inspection Agency.	
<b>Payment Terms :</b>	100% payment will be made after 45 days on acceptance of materials at our Stores.	
<b>Excise Duty : (ED)</b>	Indicate the Excise duty (ED) and Cess in the offer clearly if applicable. (ED 10.3% OR 12.36)	
<b>CST Tax Details :</b>	Indicate the CST - details in the offer clearly if applicable.	
<b>VAT Tax Details :</b>	Indicate the VAT - details in the offer clearly if applicable. (VAT 5% OR 14.5%)	
<b>Risk Purchase clause</b>	Risk Purchase shall be applicable as per BHEL Terms and Conditions. The Purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of the seller either the whole of the goods or any part which the supplier has failed to deliver or dispatch within the time stipulated or if the same were not available, the best and the nearest available substitute therefore.	
	The supplier shall be liable for any loss which the Purchaser may sustain by reason of such risk purchases	
<b>Guarantee :</b>	The equipment shall be guaranteed for a period of 12 months from the date of commissioning.	
<b>Warranty</b>	Any warranty replacement during warranty period shall be supplied free of cost on FOR / BHEL, Trichy basis.	
<b>Documents:</b>	The vendor shall provide necessary Invoice, Delivery challan, drawings, Test Certificates, Guarantee Certificates, Operating Maintenance Manuals and etc., as called for in the Technical Specification, in the required number of copies at no extra cost.	
<b>NOTE :-</b>	It is confirmed that all the terms and conditions stipulated in the Enquiry have been fully understood by us and all clarifications and details have been obtained.	

Signature & Office Seal of the vendor



# BHARAT HEAVY ELECTRICALS LTD

Valves/Purchase, Tiruchirappalli-620014, INDIA

## TERMS & CONDITIONS

Phone: 0431 -2577424/7137

Email: [nkavi@bheltry.co.in](mailto:nkavi@bheltry.co.in)

[pldeo@bheltry.co.in](mailto:pldeo@bheltry.co.in)

### Procurement of PSS for Valves Dept

#### 1. QUOTATIONS:

- a. **Submission of Tender:** Bidder shall submit the offer in TWO INNER ENVELOPES (i PART-I Technical and Commercial bid, ii PART-II Price bid in separate covers) and the same should be sealed and super scribed with correct Tender No., item of supply and due date of opening. Two or more quotations should not be sent in one cover. Price Bid should contain only Price in Rs per unit for each type. Tender should not be addressed to any individual's name but only by designation as below:

**SDGM/PURCHASE/VALVES  
24 BLDG, III FLOOR,  
HIGH PRESSURE BOILER PLANT  
BHARAT HEAVY ELECTRICALS LIMITED  
TIRUCHIRAPPALLI - 620 014, TAMILNADU, INDIA**

- c. **Late tenders:** Late tenders shall not be considered under any circumstance.
- d. **Regulations:** Tender should be accompanied by detailed technical literature, Catalogue and detailed dimensional drawings in ENGLISH. Tenders should be free from CORRECTION AND ERASURES. Corrections if any must be attested. All amounts shall be indicated both in words as well as figures. Where there is difference between amount quoted in words and figures, amount quoted in words shall prevail.
- e. **Two Bid Systems:** The offers are invited in two part bid system (Techno commercial & price Bid). First the Techno Commercial bid will be opened. Techno-commercially suitable vendors alone will be intimated for price bid opening or Reverse Auction.
- f. **PVC:** Price Variation clause not acceptable. Prices should be firm.
- g. **Catalogue:** Manufacturer's name, Trade Mark or Patent No. if any should be specified. Illustrative leaflets giving technical particulars are required along with quotation wherever necessary.
- h. **Acceptance:** The purchaser shall be under no obligation to accept the lowest or any other tender and shall be entitled to accept or reject any tender in part or full without assigning any reason whatsoever.
- i. **Samples:** Samples should be submitted separately if specially requested in tender before due date of the enquiry. They should be clearly marked with the enquiry No and date on the outside cover to facilitate identification.
- j. **Spare:** The tenderer should quote separately for spares that are required for two years trouble free operation. The spares offer should accompany the offer of main equipment; otherwise the quotation will be overlooked.

#### 2. COMMERCIAL TERMS & CONDITIONS:

- a. **Terms of Payment:**  
**For Indigenous Suppliers:** 100% after 45 days on satisfactory receipts and acceptance of material at BHEL stores/ Site acknowledgement.  
**For Import Suppliers:** 100% payment against presentation of documents through Bank.  
No other payment term is acceptable to BHEL.
- b. **Liquidated Damage:** LD shall be 0.5% of the total order value per week or part thereof subject to maximum of 10% of the total order value.
- c. **Delivery Terms:**  
**For Indigenous Suppliers:** FOR BHEL Trichy/FOR site as mentioned in enquiry inclusive of freight and insurance.  
**For Import Suppliers:** FOB nearest SEA Port/FCA nearest AIR port.
- d. **Validity of Offer:** Prices should be valid for 1 year from the date of finalization of this tender.
- e. **Taxes & Duties:** If any Sales Tax is payable as extra to the quoted price, it should be specifically stated in quotation along with CST & T.N.G.S.T No. failing which the purchaser will not be liable for payment of Sales Tax. Our T.N.G.S.T No. 3550005 Dated 01-04-1995 C.S.T. No. 259383 Dt.11.06.1991.
- f. **Guarantee Clause:** The vendor shall give a guarantee for the performance of his supplies for a period of eighteen months from the date of dispatch or twelve months from the date of commissioning whichever is earlier.
- g. **Risk Purchase:** Alternatively the purchaser at their option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of seller either the whole of goods or any part which the supplier has failed to deliver or dispatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute therefore. Supplier shall be liable for any loss which the purchaser may sustain by reason for such risk purchases in addition to penalty at the rate mentioned in clause 2.b above.
- h. **Preferential Delivery:** If a contract is placed on a higher tender as a result of this invitation to tender in preference to the lowest acceptable offer in consideration of the earliest delivery, the seller will be liable to pay to the purchaser



# BHARAT HEAVY ELECTRICALS LTD

Valves/Purchase, Tiruchirappalli-620014, INDIA

## TERMS & CONDITIONS

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the difference between the contract rate and that of the lowest acceptable tender on the basis of final price FOR destination, including all elements of freight, sales tax, duties and other incidents, incidental in case of failure to complete supplies in terms of such contract within the date of delivery specified in the tender and incorporated in the contract.

- i. **MODVAT/CREDIT:** If any Excise Duty is payable, the chapter head/sub-head reference and the rate of the duty should be quoted. If the tender is availing MODVAT credit for his input materials, the effect of proforma invoice should be passed on to the purchaser.
- j. **Miscellaneous:** Any Other conditions which might have been quoted by the seller and are in contravention to the terms prescribed, the order and which have not been specifically accepted in by Purchaser will not be applicable to the contract.
- k. **Delivery:** Delivery schedule shall be strictly as per BHEL tender requirement which are as indicated against each item in our tender. If supplier offers more than this delivery period BHEL will operate 0.5% loading factor for evaluation of their offer for every week delay.
- l. **Performance Bank Guarantee:** If tender Calls for Performance Bank Guarantee, Vendor should provide a performance bank guarantee (PBG) for 10% of the total Purchase order value valid for warranty/guarantee period with an additional claim period of 2 months.
- m. **Counter offer:** BHEL reserves the right to counter-offer with vendors other than L1, in order to have broader vendor base for ensuring delivery.
  - (i) ~~If one vendor alone accepting the counter offer rates, loading shall be 60:40 on L1:L2.~~
  - (ii) ~~If two vendors are accepting the counter offer rates, loading shall be 50:30:20 on L1:L2:L3.~~
  - (iii) ~~If three vendors are accepting the counter offer rates, loading shall be 40:30:20:10 on L1:L2:L3 & L4.~~
  - (iv) ~~If four vendors are accepting the counter offer rates, loading shall be 40:20:15:15:10 on L1:L2:L3, L4 & L5.~~
  - (iv) ~~Highest rate bidder will not be considered for this tender, in case of more than four responses for each enquiry serial numbers.~~

**n. Reverse Auction:** BHEL reserves the right to go for a Reverse Auction (RA) instead of Opening the price bid, which will be decided after techno-commercial bid evaluation. Information and general terms and conditions governing RA are given below:-

### GENERAL TERMS AND CONDITIONS OF RA

Against this enquiry for the subject item/system with detailed scope of supply as per enquiry specifications, BHEL may resort to "REVERSE AUCTION PROCEDURE" i.e., ON LINE BIDDING ON INTERNET.

- a. For the proposed reverse auction, technically and commercially acceptable bidders only shall be eligible to participate.
- b. BHEL will engage the service provider who will provide all the necessary training and assistance before commencement of on line bidding on internet.
- c. BHEL will inform the vendor in writing in case of reverse auction, the details of Service Provider to enable them to contact & get trained.
- d. Business rules like event date, time, Start price, bid decrement value; extensions etc. also will be communicated through service provider for compliance.
- e. Vendors have to mail/fax the Compliance form in the prescribed format (provided by the Service provider) before the start of the Reverse auction. Without this, the vendor will not be eligible to participate in the event.
- f. BHEL will provide the calculation sheet (e.g., EXCEL sheet) which will help to arrive at "Total Cost to BHEL" like Packing & forwarding charges, Taxes and Duties, Freight charges, Insurance, Service Tax for Services and loading factors (for non-compliance to BHEL standard Commercial terms & conditions) for each of the vendor to enable them to fill-in the price and keep it ready for keying in during the Auction.
- g. Reverse auction will be conducted on the scheduled date & time.
- h. At the end of Reverse Auction event, the lowest bidder value will be known on the network.
- i. The lowest bidder has to mail/fax the duly signed Filled-in prescribed format as provided on case-to-case basis to BHEL through Service provider within 24 hours of Auction without fail.
- j. Any variation between the on-line bid value and the signed document will be considered as sabotaging the tender process and will invite disqualification of vendor to conduct business with BHEL as per prevailing procedure.

### 3. GENERAL CONDITIONS

- a. All items shall be supplied as per the Purchase Specifications mentioned in our Enquiry to the latest applicable revision / Drawing
- b. BHEL reserves the right to finalize the tender as per item sl no wise or as a total package or project wise. Separate orders will be released for each project and documents should be supplied for each order separately.



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- c. BHEL reserves the right to increase or reduce or split the Tender Quantity and to NOT to order for some or all material based on the changes in project.
- d. BHEL shall have the right to visit vendor works during the execution of contract along with end customer for verifying status, inspection and testing of the material.
- e. BHEL reserves the right to negotiate or re-float the tender in case the quoted prices are not acceptable.
- f. Supplier shall arrange packing to avoid lose or damages during Road Transport, Site handling & Storage.
- g. Purchase Order, PO Item SI No, Material code, Quantity should marked the Packing clearly.
- h. Confirmation for compliance is to be given in the offer for all the conditions specified above and to the respective Purchase Specification.
- i. Vendors shall give dispatch schedule to BHEL for various chains against the pending orders once in 15 days.

#### **4. DOCUMENTATION:**

##### **For Indigenous suppliers:-**

- a. **With Consignment:** Duplicate for transporter copy of Invoice, Packing List, and Delivery Challan, O&M manual Material Test Certificate, Test Certificates, Calibration Report, and Compliance Certificate & Guarantee/Warranty Certificate etc...
- b. **Online Submission:** Supplier should upload the soft copy of all Test Certificates in BHEL website <http://vis.bheltry.co.in/vis/index.jsp> at Vendor information system tab.
- c. **To Finance:** Original and Duplicate Invoice for payment with GR reference ,should be sent directly to  
**Sr Manager/Finance/Valves-Bills section**  
**HPBP BHEL Tiruchirappalli-620014, Tamilnadu.**

##### **To Purchase:**

- i. **FOR BHEL TRICHY case-** Copy of Invoice, Packing list, LWB and Delivery challan for reference, original IBR documents/Inspection despatch clearance certificates
- ii. **FOR Site case-** Original Excise Invoice, Original LWB, Original Packing List, Original IBR documents, Original despatch clearance Certificate, Original Inspection report, Test certificates as per PO, Original Site Acknowledgment etc...
- d. **Identification:**, Purchase Order, PO item SI No, Material code, quantity, Unique SI No if any should be provided in all despatch documents, materials and packing clearly.

##### **For Import suppliers:-**

- a. **With Consignment:** O&M manual and Packing List, Fumigation certificates (In case of SEA shipment).
- b. **Through Bank:** All Original Documents in Triplicate Bill of lading in case of SEA/Airway Bill in case of AIR consignment, the invoice indicating the Unit price & total price, Packing List contains quantity ,net & gross weight, Packing dimensions, Certificate of Origin, all Inspection test certificates, Guarantee/warranty certificates are to be sent through supplier's bankers to BHEL bankers
- c. **To Purchase:** One copy of above non-negotiable documents are to be sent to purchase department after dispatch of the materials to follow up with freight forwarder.
- d. **Identification:**, Purchase Order, PO item SI No, Material code, quantity, Unique SI No if any should be provided in all materials and packing clearly.



# BHARAT HEAVY ELECTRICALS LTD

VALVES PURCHASE  
Trichy - 620 014. India

## Terms and Conditions-Check list

<u>BHEL Terms and conditions</u>	<u>Vendor confirmation</u>
<b>a. Terms of Payment:</b> <u>Indigenous:</u> 100% payment after 45 days on acceptance of material.	
<b>b. Liquidated Damage:</b> A sum equivalent to 0.5% of price for each week of delay up to a maximum of 10% of the total value.	
<b>c. Delivery Terms:</b> Price should be quoted <b>FOR BHEL Trichy</b> only. Freight should be included in the offer.	
<b>d. Validity of Offer:</b> Prices should be valid for 120 days from the date of opening of this tender.	
<b>e. Risk Purchase:</b> Alternatively the purchaser at his option will be entitled to terminate the contract and to purchase elsewhere at the risk and cost of seller either the whole of goods or any part which the supplier has failed to deliver or dispatch within the time stipulated as aforesaid or if the same were not available, the best and the nearest available substitute therefore. Supplier shall be liable for any loss which the purchaser may sustain by reason for such risk purchases in addition to penalty.	
<b>f. Miscellaneous:</b> Any condition which might have been quoted by the seller and are in contravention to the terms prescribed in order and which have not been specifically accepted by Purchaser will not be applicable to the contract.	
<b>g. Delivery period:</b> Delivery schedule shall be strictly as per BHEL tender requirement which are as indicated against each item in our tender.	
<b>h. Inspection:</b> material should be inspected as per standards/BHEL specification.	
<b>i. Schedule of Deviation:</b> Schedule of deviation should be signed and filled with offer in below format	

## SCHEDULE OF DEVIATIONS

Enq Ref:

Offer Ref:

Date:

### **Commercial Deviation:**

Clause No.	Description	Supplier Deviation

### **Technical Deviation:**

Clause No.	Description	Supplier Deviation

We confirm acceptance of all the Technical and Commercial requirements as per BHEL Tender, except the above deviations.

Signature with Seal