

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

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



ಭಾರತ್ ಹೆವಿ ಎಲೆಕ್ಟ್ರಿಕಲ್ಸ್ ಲಿಮಿಟೆಡ್
भारत हेवी इलेक्ट्रिकल्स लिमिटेड



Bharat Heavy Electricals Limited

(A Government of India Undertaking)

ELECTRONICS DIVISION

P. B. No. 2606, Mysore Road, Bengaluru - 560 026

SCPV: BOS: GCC- Rev 04

GENERAL COMMERCIAL CONDITIONS FOR CONTRACT

These 'General Commercial Conditions for Contract for Purchase' herein after referred to as GCC apply to all enquiries, tenders, requests for quotations, orders, contracts and agreements concerning the supply of goods and the rendering of related services (hereinafter referred to as "deliveries") to Bharat Heavy Electricals Limited and any of its units, regions or divisions (hereinafter referred to as "BHEL" or the Purchaser) or its projects/ customers.

Any deviations from or additions to these GCC require BHEL's express written consent. **The general terms of business or sale of the vendor shall not apply to BHEL.** Acceptance, receipt of shipments or services or effecting payment shall not mean that the general terms of business or sale of the vendor have been accepted.

Orders, agreements and amendments thereto shall be binding if made or confirmed by BHEL in writing. Only the Purchasing department of BHEL is authorized to issue the Purchase Order or any amendment thereof.

Definitions:

Throughout these conditions and in the specifications, the following terms shall have the meanings assigned to them, unless the subject matter or the context requires otherwise.

- (a) 'The Purchaser' means Bharat Heavy Electricals Limited, Electronics division, Mysore road, Bangalore 560 026, a Unit of Bharat Heavy Electricals Limited (A Govt. of India Undertaking) incorporated under the Companies Act having its registered office at BHEL House, Siri Fort, New Delhi-110049, India and shall be deemed to include its successors and assigns. It may also be referred to as BHEL.
- (b) 'The vendor' means the person, firm, company or organization on whom the Purchase Order is placed and shall be deemed to include the vendor's successors, representative heirs, executors and administrator as the case may be. It may also be referred to as Seller, Contractor or Supplier.
- (c) 'Contract' shall mean and include the Purchase Order incorporating various agreements, viz. tender/ RFQ, offer, letter of intent/acceptance/ award, the General Conditions of Contract and Special Conditions of Contract for Purchase, Specifications, Inspection/ Quality Plan, Schedule of Prices and Quantities, Drawings, if any enclosed or to be provided by BHEL or his authorized nominee and the samples or patterns if any to be provided under the provisions of the contract.

- (d) 'Parties to the Contract' shall mean the 'The Vendor' and the Purchaser as named in the main body of the Purchase Order.

Order of Precedence:

In case of any inconsistency or contradiction between any of the documents, the order of precedence shall be Purchase Order, LOI / LOA, Special Conditions of Contract and General Conditions of Contract for commercial conditions; and specific agreement on technical conditions, RFQ/offer and specification for Technical Conditions.

Interpretation:

In the contract, except where the context requires otherwise:

- (a) Words indicating one gender include all genders;
- (b) Words indicating the singular also include the plural and words indicating the plural also include the singular;
- (c) Provisions including the word "agree", "agreed" or "agreement" require the agreement to be recorded in writing, and
- (d) "Written" or "in writing" means hand-written, type-written, printed or electronically made, and resulting in a permanent record.

APPLICABLE CONDITIONS:

1. **Price Basis:** All prices shall be firm until the purchase order is executed / completed in all respects. No price variations / escalation shall be permitted, unless otherwise such variations/ escalations are permitted for and agreed up on by BHEL in writing in the PO. In case Price variation/ Exchange rate variation clause if applicable, the same will be mentioned in Special Conditions of Contract (SCC), otherwise firm price only.
2. **Ordering and confirmation of Order:** Vendor shall send the order acceptance on their company letter head/ through e-mail within 1 (ONE) week from the date of receipt of Purchase Order or such other period as specified/ agreed by BHEL. BHEL reserves the right to revoke the order placed if the order confirmation differs from the original order placed. The acceptance of goods/services/supplies by BHEL as well as payments made in this regard shall not imply acceptance of any deviations.

The purchase order will be deemed to have been accepted if no communication to the contrary is received within 1 (ONE) week (or the time limit as specified/agreed by BHEL) from the date of receipt of the purchase order.

3. **Documentation:** After receipt of Purchase Order, vendor should submit necessary documents (if & as applicable) like drawings specified, bill of materials, datasheets, catalogues, quality plan, test procedure, type test report, O & M Manuals and/or any other relevant documents as per Specification/Purchase Order, as and when required by BHEL/Customer.

At any stage within the contract period, the vendor shall notify of any error, fault or other defect found in BHEL's documents /specifications or any other items for reference. If and to the extent that (taking account of cost and time) any vendor exercising due care would have discovered the error, fault or other defect when examining the documents/specifications before submitting the tender, the time for completion shall not be extended. However, if errors, omissions, ambiguities,

inconsistencies, inadequacies or other defects are found in the vendor's documents, they shall be corrected at his cost, notwithstanding any consent or approval.

4. Penalty:

For delay in delivery: In the event of delay in agreed contractual delivery as per Purchase Order, penalty @ 0.5 % (half percent) per week or part thereof but limited to a max of 10% (ten percent) value of undelivered portion (basic material cost) will be applicable. Delivery will commence from the date of issue of Manufacturing clearance along with approved document. The date for which Inspection call is issued by vendor along with test certificates / test reports /Certificate of Conformance / calibration reports, as proof of completion of manufacturing will be treated as date of deemed delivery for penalty calculation. In the absence of furnishing such document indicated above as proof of completion of manufacturing along with inspection call, actual date of inspection will be considered as date of deemed delivery and BHEL will not be responsible for delay in actual date of inspection.

Penalty for delayed delivery if applicable, shall be deducted at the time of first supply payment.

If penalty is applicable for duration of less than a week, penalty @ 0.5% (half percent) of the basic material value will be deducted. **GST as applicable will be recovered along with penalty amount.**

- 5. Contract variations (Increase or decrease in the scope of supply):** BHEL may vary the contracted scope as per requirements at site. If vendor is of the opinion that the variation has an effect on the agreed price or delivery period, BHEL shall be informed of this immediately in writing along with technical details. Where unit rates are available in the Contract, the same shall be the basis for such additional work. Vendor shall not perform additional work before BHEL has issued written instructions/ amendment to the Purchase Order to that effect. The work which the vendor should have or could have anticipated in terms of delivering the service(s) and functionality (i.e.) as described in this agreement, or which is considered to be the result of an attributable error on the vendor's part, shall not be considered additional work.

- 6. Pre Shipment Inspection:** Prior written notice of at least 10 days shall be given along with internal test certificates/Certificate of Conformance (COC) and applicable test certificates. Materials will be inspected by BHEL-EDN-QS/CQS or BHEL nominated Third Party Inspection Agency (TPIA) or BHEL authorized Inspection Agency or Customer / Consultant or jointly by BHEL & Customer / consultant. All tests have to be conducted as applicable in line with approved Quality plan or QA Checklist or Purchase specification and original reports shall be furnished to BHEL-EDN, Bangalore for verification/acceptance for issue of dispatch clearance. **BHEL reserves the right for conducting repeat test, if required.**

All costs related to inspections & re-inspections shall be borne by vendor. Whether the Contract provides for tests on the premises of the vendor or any of his Sub-contractor/s, vendor shall be responsible to provide such assistance, labour, materials, electricity, fuels, stores, apparatus, instruments as may be required and as may be reasonably demanded to carry out such tests efficiently. Cost of any type test or such

other special tests shall be borne by BHEL only if specifically agreed to in the purchase order.

7. **Transit Insurance:** Transit insurance coverage between vendor's works and project site shall be to the account of BHEL, unless specifically agreed otherwise. However, vendor shall send intimation directly to insurance agency (*as mentioned in dispatch instructions issued by BHEL*) through fax/courier/e-mail, immediately on dispatch of goods for covering insurance. A copy of such intimation sent by vendor to insurance agency shall be given to BHEL along with dispatch documents (*Email communication to Insurance Agency must be "CC" to BHEL*). Dispatch documents will be treated as incomplete without such intimation copy. BHEL shall not be responsible for sending intimations to insurance agency on behalf of the vendor.

8. **Mode of dispatch:**

Indigenous Scope: By road on Door Delivery Consignee Copy attached basis through your approved transporter (unless otherwise indicated in Dispatch Instructions), only on receipt of Despatch Clearance from BHEL.

Imported Scope: By Air/Sea through BHEL approved Freight Forwarder/supplier approved Consolidator respectively as per agreed contractual terms, only on receipt of Dispatch Clearance from BHEL.

9. **Changes in Statutory levies:**

If any rates of Tax are increased or decreased, a new Tax is introduced, an existing Tax is abolished, or any change in interpretation or application of any Tax occurs in the course of the execution of Contract, which was or will be assessed on the bidder in connection with performance of the Contract, an equitable adjustment of the Contract Price shall be made to fully take into account any such change by addition to the Contract Price or deduction there from, as the case may be. However, these adjustments would be restricted to direct transactions between BHEL and the bidder /agent of foreign bidder (if applicable). These adjustments shall not be applicable on procurement of raw materials, intermediary components etc. by the bidder /agent.

10. **Availing duty/tax exemption benefits by bidder, wherever applicable:** BHEL shall issue the required Certificate/s, as per relevant policies of the Govt. of India, to facilitate the bidders to avail any such benefits under the Contract. In case of failure of the bidders to receive the benefits partly or fully from the Govt. of India and/or in case of any delay in receipt of such benefits, BHEL shall neither be liable nor responsible in any manner whatsoever.

11. **Taxes against sub-vendor dispatches:** All taxes/levies, as applicable in respect of all components, equipment and material to be dispatched directly from the sub-vendor's works to Site irrespective of the fact whether such taxes and levies are assessable and chargeable on Vendor or the BHEL, shall be to the vendor's account and no separate claim in this regard will be entertained by BHEL.

12. **High Sea Sales (HSS):** Customs clearance of the consignment landed on Indian Sea/Air ports will be done by BHEL based on the original HSS documents provided by vendors.

Any delay in submission of complete/correct HSS documents to BHEL may incur demurrage charges. All demurrage charges on account of incomplete /incorrect HSS

documents submission by vendor will be to vendor's account and all such charges will be recovered from any of the available vendor bills with BHEL.

13. **Packaging and dispatch:** The Seller shall package the goods safely and carefully and pack them suitably in all respects considering the peculiarity of the material for normal safe transport by Sea/ Air / Rail/ Road to its destination suitably protected against loss, damage, corrosion in transit and the effect of tropical salt laden atmosphere. The packages shall be provided with fixtures/ hooks and sling marks as may be required for easy and safe handling. If any consignment needs special handling instruction, the same shall be clearly marked with standard symbols / instructions. Hazardous material should be notified as such and their packing, transportation and other protection must conform to relevant regulations.

The packing, shipping, storage and processing of the goods must comply with the prevailing legislation and regulations concerning safety, the environment and working conditions. Any Imported/Physical Exports items packed with raw/ solid wood packing material should be treated as per ISPM – 15 (fumigation) and accompanied by Phytosanitary / Fumigation certificate. If safety information sheets (MSDS – Material Safety Data Sheet) exist for an item or the packaging, vendor must provide this information without fail along with the consignment.

Each package must be marked with Consignee name, Purchase order number, Package number, Gross weight and net weight, dimensions (L x B x H) and Seller's name. Packing list of goods inside each package with PO item number and quantity must also be fixed securely outside the box to indicate the contents of each box. Total number of packages in the consignment must also be indicated in the packing list.

Separate packing & identification of items should be as follows.

- (a) Main Scope - All items must be tagged with part no. & item description.
- (b) Commissioning accessories/spares - All items must be tagged with part no. & item description.
- (c) Mandatory spares - All items must be tagged with part no. & item description.

Nevertheless, vendor shall adhere to dispatch & packing instructions issued by BHEL at the time of dispatch. Approximate Package Dimension shall be indicated in Offer/Quotation ____L (ft) x ____B (ft) x ____H (ft). Any Over Dimensional Consignment (ODC) in any consignment dimension ____40__L (ft) x ____8__B (ft) x ____8__H (ft) the same shall be indicated in offer.

14. **Assignment of Rights & Obligations; Subcontracting:** Vendor is not permitted to subcontract the delivery or any part thereof to third party or to assign the rights and obligations resulting from this agreement in whole or in part to third parties without prior written permission from BHEL. Any permission or approval given by the BHEL shall, however, not absolve the vendor of the responsibility of his obligations under the Contract.
15. **Progress report:** Vendor shall render such report as to the progress of work and in such form as may be called for by the concerned purchase officer from time to time. The submission and acceptance of such reports shall not prejudice the rights of BHEL in any manner.

16. **Non-disclosure and Information Obligations:** Vendor shall provide with all necessary information pertaining to the goods as it could be of importance to BHEL. Vendor shall not reveal any specified confidential information that may be divulged by BHEL to Vendor's employees not involved with the tender/ contract & its execution and delivery or to third parties, unless BHEL has agreed to this in writing beforehand. Vendor shall not be entitled to use the BHEL name in advertisements and other commercial publications without prior written permission from BHEL.

17. **Cancellation /Termination of contract:** BHEL shall have the right to completely or partially terminate the agreement by means of written notice to that effect. Termination of the Contract, for whatever reason, shall be without prejudice to the rights of the parties accrued under the Contract up to the time of termination.

BHEL shall have the right to cancel/foreclose the Order/ Contract, wholly or in part, in case it is constrained to do so on account of any decline, diminution, curtailment or stoppage of the business.

18. **Risk Purchase Clause:** In case of failure of supplier, BHEL at its discretion may make purchase of the materials / services not supplied / rendered in time at the RISK & COST of the supplier. Under such situation, the supplier who fails to supply the goods in time shall be wholly liable to make good to BHEL any loss due to risk purchase.

In case of items demanding services at site like erection and commissioning, vendor should send his servicemen/representatives within 7 days from the service call. In case a vendor fails to attend to the service call, BHEL at its discretion may also make arrangements to attend such service by other parties at the **RISK & COST** of the supplier. Under such situation the supplier who fails to attend the service shall be wholly liable to make good to BHEL any loss due to risk purchase/service including additional handling charges due to the change.

19. **Shortages:** In the event of shortage on receipt of goods and/or on opening of packages at site, all such shortages, *caused by supplier's act or omission*, shall be made good at *free of cost* within a reasonable time that BHEL may allow from such intimation.

Transit Damages: In the event of receipt of goods in damaged condition or having found them so upon opening of packages at site, supplier shall make good of all such damages within a reasonable time from such intimation by BHEL. *In case BHEL raises an insurance claim, the cost of material limited to insurance settled amount less handling charges will be reimbursed to supplier.*

20. **Remedial work:** Notwithstanding any previous test or certification, BHEL may instruct the vendor to remove and replace materials/goods or remove and re-execute works/services which are not in accordance with the purchase order. Similarly, BHEL may ask the vendor to supply materials or to execute any services which are urgently required for any safety reasons, whether arising out of or because of an accident, unforeseeable event or otherwise. In such an event, Vendor shall provide such services within a reasonable time as specified by BHEL.

21. **Indemnity Clause:** Vendor shall comply with all applicable safety regulations and take care for the safety of all persons involved. Vendor is fully responsible for the safety of its personnel or that of his subcontractor's men / property, during execution of the

Purchase Order and related services. All statutory payments including PF, ESI or other related charges have to be borne by the vendor. Vendor is fully responsible for ensuring that all legal compliances are followed in course of such employment.

22. **Product Information, Drawings and Documents:** All specified drawings, technical documents or other technical information received by Vendor from BHEL or vice versa shall not, without the consent of the other party, be used for any other purpose than that for which they were provided. They may not, without the consent of the Disclosing party, otherwise be used or copied, reproduced, transmitted or communicated to third parties. All information and data contained in general product documentation, whether in electronic or any other form, are binding only to the extent that they are by reference expressly included in the contract.

Vendor, as per agreed date/s but not later than the date of delivery, provide free of charge information and drawings which are necessary to permit and enable BHEL to erect, commission, operate and maintain the product. Such information and drawings shall be supplied in as many numbers of copies as may be agreed upon.

All intellectual properties, including designs, drawings and product information etc. exchanged during the formation and execution of the Contract shall continue to be the property of the disclosing party.

23. **Intellectual Property Rights, Licenses:** If any Patent, design, Trade mark or any other intellectual property rights apply to the delivery (goods/related service) or accompanying documentation shall be the exclusive property of the Vendor and BHEL shall be entitled to the legal use thereof free of charge by means of a nonexclusive, worldwide, perpetual license. All intellectual property rights that arise during the execution of the Purchase Order/ contract for delivery by vendor and/or by its employees or third parties involved by the vendor for performance of the agreement shall belong to BHEL. Vendor shall perform everything necessary to obtain or establish the above mentioned rights. The Vendor guarantees that the delivery does not infringe on any of the intellectual property rights of third parties. The Vendor shall do everything necessary to obtain or establish the alternate acceptable arrangement pending resolution of any (alleged) claims by third parties. The Vendor shall indemnify BHEL against any (alleged) claims by third parties in this regard and shall reimburse BHEL for any damages suffered as a result thereof.

24. **Force Majeure:** Notwithstanding anything contained in the purchase order or any other document relevant thereto, neither party shall be liable for any failure or delay in performance to the extent said failures or delays are caused by the "Act of God" and occurring without its fault or negligence, provided that, force majeure will apply only if the failure to perform could not be avoided by the exercise of due care and vendor doing everything reasonably possible to resume its performance.

A party affected by an event of force majeure which may include fire, tempest, floods, earthquake, riot, war, damage by aircraft etc., shall give the other party written notice, with full details as soon as possible and in any event not later than seven (7) calendar days of the occurrence of the cause relied upon. If force majeure applies, dates by which performance obligations are scheduled to be met will be extended for a period of time equal to the time lost due to any delay so caused.

Notwithstanding above provisions, in an event of Force Majeure, BHEL reserves for itself the right to cancel the order/ contract, wholly or partly, in order to meet the overall project schedule and make alternative arrangements for completion of deliveries and other schedules.

25. Warranty:

Wherever required, and so provided in the specifications/ Purchaser Order, the Seller shall ensure that the goods supplied shall comply with the specifications laid down, for materials, workmanship and performance.

If the vendor fails to take proper corrective action to repair/replace defects satisfactorily within a reasonable period, Purchaser shall be free to take corrective action as may be deemed necessary at Vendor's Risk and Cost after giving notice to Vendor, including arranging supply of goods from elsewhere at sole risk and cost of Vendor.

Unless otherwise specified in SCC, warranty period shall be applicable for a period of 24 months from the date of delivery of goods or 18 months from the date of commissioning of goods, whichever is earlier. The warranty period as described above shall apply afresh to replaced, repaired or re-executed parts of a delivery. Unless otherwise specifically provided in the Purchase Order, Vendor's liability shall be co terminus with the expiration of the applicable warranty period.

26. Limitation of Liability: Vendor's liability towards this contract is limited to a maximum of 100% of the contract value and consequential damages are excluded. However, the limits of liability will have no effect in cases of criminal negligence or willful misconduct.

The total liability of Vendor for all claims arising out of or relating to the performance or breach of the Contract or use of any Products or Services or any order shall not exceed the total Contract price.

27. Liability during Warranty: Vendor shall arrange replacement / repair of all the defective materials / services under its obligation during the warranty period. The rejected goods shall be taken away by vendor and replaced / repaired. In the event of the vendor's failure to comply, BHEL may take appropriate action including disposal of rejections and replenishment by any other sources at the cost and risk of the vendor. In case, defects attributable to vendor are detected during Warranty period or where the commissioning call is issued within the warranty period, vendor shall be responsible for replacement/ repair of the goods as required by BHEL at vendor's cost even after expiry of warranty period.

Further if the equipment or any part thereof cannot be used by reason of such defect and/or making good of such defect, the warranty period of the equipment or such part, as the case may be, shall be extended by a period equal to the period during which the equipment or such part cannot be used by BHEL because of any of the aforesaid reasons. Upon correction of the defects in the facilities or any part thereof by repair/replacement, such repair/replacement shall have the warranty period for a

period of twelve (12) months from the time such replacement/repair of the equipment or any part thereof has been completed.

28. **Liability after warranty period:** At the end of the warranty, the Vendor's liability ceases except for latent defects. For the purpose of this clause, latent defects shall be the defects inherently lying within the material or arising out of design deficiency which do not manifest themselves during the warranty Period, but later. The Contractor's liability for latent defects warranty for the equipment including spares shall be limited to a period of six months from the end of the warranty period of the respective equipment including spares or first time commissioning, whichever is later but not later than one (01) year from the date of expiry of warranty period.
29. **Compliance with Laws:** Vendor shall, in performing the contract, comply with all applicable laws. The vendor shall make all remittances, give all notices, pay all taxes, duties and fees, and obtain all permits, licenses and approvals, as required by the laws in relation to the execution and completion of the contract and for remedying of any defects; and the Contractor shall indemnify and hold BHEL harmless against and from the consequences of any failure to do so.
30. **Settlement of Disputes:** Except as otherwise specifically provided in the Purchase Order, decision of BHEL shall be binding on the vendor with respect to all questions relating to the interpretation or meaning of the terms and conditions and instructions herein before mentioned and as to the completion of supplies/work/services, other questions, claim, right, matter or things whatsoever in any way arising out of or relating to the contract, instructions, orders or these conditions or otherwise concerning the supply or the execution or failure to execute the order, whether arising during the schedule of supply/work or after the completion or abandonment thereof. Any disputes or differences among the parties shall to the extent possible be settled amicably between the parties thereto, failing which the disputed issues shall be settled through arbitration. Vendor shall continue to perform the contract, pending settlement of dispute(s).
31. **Arbitration Clause in case of Contract with vendors other than Public Sector Enterprise (PSE) or a Government Department:**

ARBITRATION & CONCILIATION

The parties shall attempt to settle any disputes or difference arising out of the formation, breach, termination, validity or execution of the Contract; or, the respective rights and liabilities of the parties; or, in relation to interpretation of any provision of the Contract; or, in any manner touching upon the Contract, or in connection with this contract through friendly discussions. In case no amicable settlement can be reached between the parties through such discussions, in respect of any dispute; then, either Party may, by a notice in writing to the other Party refer such dispute or difference to the sole arbitration of an arbitrator appointed by Head of the BHEL-EDN. Such Sole Arbitrator appointed, shall conduct the arbitration in English language.

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

Subject as aforesaid, the provisions of Arbitration and Conciliation Act 1996 (India) or statutory modifications or re-enactments thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceedings under this clause. The seat of arbitration shall be Bangalore. The cost of arbitration shall be borne as decided by the Arbitrator upon him entering the reference. Subject to the Arbitration Clause as above, the Courts at Bangalore alone shall have exclusive jurisdiction over any matter arising out of or in connection with this Contract.

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

Arbitration Clause in case of Contract with a Public Sector Enterprise (PSE) or a Government Department:

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

32. **Applicable Laws and Jurisdiction of Courts:** Prevailing Indian laws both substantive and procedural, including modifications thereto, shall govern the Contract. Subject to the conditions as aforesaid, the competent courts in Bangalore alone shall have jurisdiction to consider over any matters touching upon this contract.
33. **General Terms:** That any non-exercise, forbearance or omission of any of the powers conferred on BHEL and /or any of its authorities will not in any manner constitute waiver of the conditions hereto contained in these presents.

That the headings used in this agreement are for convenience of reference only.

That all notices etc., to be given under the Purchase order shall be in writing, type script or printed and if sent by registered post or by courier service to the address given in this document shall be deemed to have been served on the date when in the ordinary course, they would have been delivered to the addressee.

On Bidder Letter Head

Date:

To,

M/s Bharat Heavy Electricals Ltd.
Electronics Division, Mysore Road,
Bangalore – 560026

Sub: Model Clause / Certificate as per Annex-III (Tenders) of Restrictions Under Rule 144 (xi) of the General Financial Rules (GFRs) 2017, Dated 23.07.2020.

Ref: BHEL Tender / RFQ / NIT Number

I (authorized signatory for M/s) have read the clause regarding restrictions on procurement from a bidder of a country which shares a land border with India , we certify that this bidder M/s [Vendor Name & address] is not from such a country or , if from such a country , has been registered with the competent authority . We hereby certify that we fulfill all requirements in this regard and is eligible to be considered [attach evidence of valid registration certificate with competent authority].

For M/s

Authorized Signatory
(With company seal & Name)

Self-Certification on the letter head of the company

In line with Government Public Procurement Order No. P-45021/2/2017-BE-II dt. 15.06.2017, P-45021/2/2017-PP (BE-II) dated 28.05.2018

AND

P-45021/2/2017-PP (BE-II) dated 29.05.2019, issued by Ministry of Commerce and Industry

AND

P-45021/2/2017-PP (BE-II) dated 04.06.2020, issued by Ministry of Commerce and Industry

AND

Office Memorandum issued by MNRE REF no F No. 146/57/2018-P&C dated 11/12/2018

We hereby certify that

.....
(Supplier name) are local supplier meeting requirement of minimum local content (____%) defined in as above orders for the material against Enquiry No :

RAJBOS0068 dtd 11.01.2021 for Supply of 10 sqmm MC4 connectors set with Male & Female lugs/terminals for BEL 16 MW Solar PV Project at Medak, Telangana

Details of location at which local value addition will be made is as follows:

.....
.....
.....

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

Authorised signatory with date

Name of Authorised Signatory

Seal of Company

Certificate by Chartered Accountant on letterhead

This is to certify that M/s _____
(hereinafter referred to as 'enterprise') having P A N N u m b e r _____ and
UDYAM Registration Number _____, registered office at _____
_____ is falling under the category
_____ (**Micro / Small / Medium**) under MSMED Act 2006. (Copy of UDYAM Registration
Certificate to be enclosed).

The said classification of _____ (**Micro / Small / Medium**) is arrived at based on the
Notifications / guidelines / clarifications issued under Micro, Small and Medium Enterprises
Development Act, 2006 including the notification S.O.2119 (E) dated 26th June 2020.

The Investment of the enterprise in Plant and Machinery or Equipment as at 31st March
2020 as per Clause 4 of the Notification is _____ (Rupees in Lakhs).

The turnover of the Enterprise for the period ending 31st March 2020 as per Clause 5
of the Notification is _____ (Rupees in Lakhs).

Date:

(Signature) Name-
Membership number-

Seal of Chartered Accountant with UDIN reference

No. DPE/7(4)/2017-Fin.
Government of India
Ministry of Heavy Industries & Public Enterprises
Department of Public Enterprises

Public Enterprises Bhawan
Block No.14, CGO Complex
New Delhi – 110003

Date: 25th June, 2020

OFFICE MEMORANDUM

Subject: Global Tender Enquiry (GTE) -regarding

The undersigned is directed to forward the Department of Expenditure (DoE) OM No. 12/17/2019-PPD dated 15th May, 2020 and subsequent clarifications issued vide OMs No.12/17/2019-PPD dated 28th May, 2020 on the above mentioned subject for information and compliance by CPSEs.

2. All the administrative Ministries/ Departments of CPSEs are requested to direct their CPSEs to follow the above directions.
3. This issues with the approval of competent authority.


(Kalyani Mishra)
Director
Tel.24362061

Encl.: As above

To

- i) All the Secretaries to the Administrative Ministries/Departments of CPSEs
- ii) Chief Executives of CPSEs

F.No.12/17/2019-PPD
Ministry of Finance
Department of Expenditure
Public Procurement Division

North Block, New Delhi
Dated the 15th May, 2020

Subject: Amendment in General Financial Rules (GFRs), 2017 – Global Tender Enquiry

In pursuance of Prime Minister's address to the Nation on 12.05.2020, in order to promote self reliance, Make in India and to promote Micro, Small and Medium Enterprises (MSMEs), it has been decided to make following amendments in the GFRs:

Present Rule 161(iv)	Amended Rule 161(iv)
Where the Ministry or Department feels that the goods of the required quality, specifications etc., may not be available in the country and it is necessary to also look for suitable competitive offers from abroad, the Ministry or Department may send copies of the tender notice to the Indian Embassies abroad as well as to the Foreign Embassies in India. The selection of the embassies will depend on the possibility of availability of the required goods in such countries. In such cases e-procurement as per Rule 160 may not be insisted.	<p>(a) Global Tender Enquiry (GTE): Where the Ministry or Department feels that the goods of the required quality, specifications etc., may not be available in the country and it is necessary to also look for suitable competitive offers from abroad, the Ministry or Department may send copies of the tender notice to the Indian Embassies abroad as well as to the Foreign Embassies in India. The selection of the embassies will depend on the possibility of availability of the required goods in such countries. In such cases e-procurement as per Rule 160 may not be insisted</p> <p>(b) No Global Tender Enquiry (GTE), however shall be invited for tenders up to Rs 200 crore or such limit as may be prescribed by the Department of Expenditure from time to time.</p>

	<p>Provided that for tenders below such limit, in exceptional cases, where the Ministry or Department feels that there are special reasons for GTE, it may record its detailed justification and seek prior approval for relaxation to the above rule from the Competent Authority specified by the Department of Expenditure.</p>
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2. Instructions regarding Competent Authority mentioned in Rule 161 (iv) (b) will be issued separately.

15.5.20

(Sanjay Aggarwal)

Director (PPD)

sanjay.aggarwal68@nic.in

011-23094961

To

1. Secretaries of all Ministries/ Departments, Govt of India
2. Mr Sailesh, Secretary, Department of Public Enterprises, Room no 301, Block 14, CGO complex, New Delhi. Tel: 24366171, email: secy-dpe@nic.in with a request to consider issuing similar instructions with respect to Central Public Sector Underfakings.

No.F.12/17/2019-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

168c North Block, New Delhi,
Dated: 28th May, 2020.

Subject: Global Tender Enquiry (GTE).

Attention is invited to this office OM No. F.12/17/2019-PPD dated 15.05.2020 amending Rule 161(iv) of General Financial Rules (GFRs), 2017 and specifying that no GTE shall be invited for tenders up to Rs.200 crore. It is further clarified in this regard that:

- (i) Restriction on Global Tenders as specified in the revised Rule 161(iv) will be applicable on all procurements including Goods, Non- consulting services, Consultancy Services and Works including turnkey projects.
- (ii) The instructions are applicable with immediate effect i.e. for all the tenders published in newspapers or website after 15.05.2020.

28.5.20

Sanjay Aggarwal
Director (PPD)
sanjay.aggarwal68@nic.in
011-23094961

To,

Secretaries of all Central Government Ministries/ Departments

No.F.12/17/2019-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

168c North Block, New Delhi,
Dated: 28th May, 2020.

Subject: Global Tender Enquiry (GTE).

Attention is invited to this office OM No. F.12/17/2019-PPD dated 15.05.2020 amending Rule 161(iv) of General Financial Rules (GFRs), 2017 and specifying that no GTE shall be invited for tenders up to Rs.200 crore. It was further stipulated that for tenders below 200 crore, where Ministry or Department feels that there are special reasons for GTE, it may record its detailed justification and seek prior approval for relaxation from the competent authority to be specified by Department of Expenditure (DoE).

2. The Secretary (Coordination), Cabinet Secretariat shall be the competent authority under Rule 161 (iv) (b) of GFR. Ministries/ Departments are advised to send only well reasoned proposals to Secretary (Coordination). Secretary (Coordination), if required, may consult Department of Expenditure, Administrative Ministry and any other Ministry/ Department as he deemed fit.

28.5.20

Sanjay Aggarwal
Director (PPD)
sanjay.aggarwal68@nic.in
011-23094961

To,

Secretaries of all Central Government Ministries/ Departments

4

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

Udyog Bhawan, New Delhi
Dated: 04th June, 2020

To

All Central Ministries/Departments/CPSUs/All concerned

ORDER

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

Department for Promotion of Industry and Internal Trade, in partial modification [Paras 2, 3, 5, 9(a), 9(b) and 10(b) modified and Para 3A added] of Order No.P-45021/2/2017-B.E.-II dated 15.6.2017 as amended by Order No.P-45021/2/2017-B.E.-II dated 28.05.2018 and Order No.P-45021/2/2017-B.E.-II dated 29.05.2019, hereby issues the revised 'Public Procurement (Preference to Make in India), Order 2017' dated 04.06.2020 effective with immediate effect.

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

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

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

Now therefore the following Order is issued:

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

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

'Class-I local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50%, as defined under this Order.

'Class-II local supplier' means a supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20% but less than 50%, as defined under this Order.

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