

PREFACE

The Tamil Nadu Electricity Board Tender Regulations 1991 is in operation in the area covered under Tender and Works Contract with effect from 5—8—1991. After this date many changes have taken place in the procedure of calling for Tenders and in the monetary powers of the various officials of the Tamil Nadu Electricity Board in respect of various kinds of Tenders and Works Contract.

The Tender Regulations 1991 has been updated taking into account all the amendments issued upto 31—08—2000.

This will be a useful guide to the officers and staff of Tamil Nadu Electricity Board.

Suggestions for further improvements on this Tamil Nadu Electricity Board Tender Regulations 1991 are welcome.

S. Nagalsamy,
Accounts Member,
T. N. E. B.

TAMIL NADU ELECTRICITY BOARD — Procedure to be followed in inviting, considering and accepting of tenders—Revised Regulations—issued.

(PT) B.P. (FB) No. 17

(Accounts Branch)

Dated 5—08—1991.
Aadi, 20, Prajorpathi,
Thiruvalluvar Aandu 2022.

READ :

B.P. Ms. (FB) No. 28 (Accounts) Dated 8—11—1985 and subsequent amendments thereto.

Proceedings :

A committee consisting of the Chief Financial controller, Chief Engineer/Materials Management and Chief Engineer Civil Designs was constituted to study and send proposals for comprehensive revision of the Tender Regulations 1985. This was necessitated due to general increase in prices and to incorporate detailed procedure for Two - Part system of tenders introduced in the Board. The proposals of the committee were also scrutinised by the Accounts Member and Member (Distribution).

After careful consideration of the proposals made by the Committee, the Tamilnadu Electricity Board in exercise of the powers delegated under Section 79 (g) of the Electricity (Supply) Act 1948 (Central Act LIV of 1948) hereby approves the revised Tamilnadu Electricity Board Tender Regulations appended to these proceedings in supersession of the orders in Board Proceedings read above.

The Board also decided to draw up a list of pre - qualified tenderers for the various groups/classes of items in the light of performance data from Tamilnadu Electricity Board or other Boards.

(By Order of the Board)

A. J. Rajendran,
Accounts Member.

TAMIL NADU ELECTRICITY BOARD

Tender Regulations, 1991

Amended Upto 31-3-2000

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TAMIL NADU ELECTRICITY BOARD

TENDER REGULATIONS 1991

In exercise of the powers conferred by Clause (g) of Section 79 of Electricity (Supply) Act, 1948 (Central Act LIV of 1948), the Tamil Nadu Electricity Board makes the following regulations :

1.0 Short Title and Commencement

1. These regulations shall be called the Tamil Nadu Electricity Board Tender Regulations 1991.
2. These Regulations shall come into force from the date of issue of these Regulations and supersede the earlier Regulations issued under B. P. Ms. (FB.) No. 28, (ACCOUNTS) dated 8—11—1985 and all amendments thereto.
3. These Regulations shall not apply to Projects financed by the Asian Development Bank and World Bank.

2.0 Definitions

In these Regulations, unless the context otherwise requires :

- (i) "Approved tenderer" means the tenderer who has made a permanent Deposit with the Board in lieu of Earnest Money Deposit as follows :
1. Rs. 30,000/- in the case of tenders not exceeding Rs. 50,00,000/- in value.
 2. Rs. 50,000/- in the case of tenders not exceeding Rs. 1,00,00,000/- in value.
 3. Rs. 2,00,000/- in the case of all tenders without any monetary limit.
(Monetary limits of PEMD Amended B.P 14 A/cs 22—4—96.)

Note 1: The tenderer who had made a Permanent Earnest Money Deposit with the Board can participate in the tender (inclusive of supply, works, and service contracts) finalised at head-quarters without paying separate Earnest Money Deposit subject to the limit mentioned above. Tenderer may also remit, at their request, separate Permanent Earnest Money Deposit as stipulated in 1 and 2 of clause 2.0 (i) above with each of the Chief Engineers of Distribution Regions/Thermal and Hydro and other Power Projects/Stations and participate in all the tenders floated by the respective Chief Engineers with whom Permanent Earnest Money Deposit is paid without paying separate EMD for each and every tender subject to the limits mentioned above. They shall submit tender in the Region/Project/Hydro/Thermal/Other Generating Station quoting the P EMD paid by them only at the same Region/Project/Hydro/Thermal/other Generating Station.

However, to participate in the tenders finalised by the field officers below the level of Chief Engineers, separate Earnest Money Deposit has to be remitted with the concerned field officers.

[(per) B. P. (F.B.) No. 16 (Accounts Branch) Date 15—5—99]

Note : 2 ; The permanent Earnest Money Deposit cannot be withdrawn by the Tenderers within 3 years from the date of deposit under any circumstances.

- (ii) "Registered tenderer" means the tenderer who has duly registered himself with the Board for supply of materials or for execution of work as per the procedure laid down from time to time.
- (iii) "Board" means the Tamil Nadu Electricity Board.
- (iv) "Chief Engineer" means the Chief Engineer concerned with the subject matter of the tender.
- (v) "Competent Authority" means the authority specified in Regulation 3.
- (vi) "Permanent Deposit" means the amount deposited by an approved tenderer under the clause 2 (i) above.
- (vii) "Register" means the Register in which entries relating to receipt of tenders are made.
- (viii) "State" means the State of Tamil Nadu.
- (ix) "Tender Notice" means a notice published in the dailies in the case of an Open Tender and the notice communicated by the competent authority to the proposed tenderer in the case of Limited or Single Tender.

3.0 Competent Authority to enter into Contract

- 3.1. The authority specified in column 1 of the Tables in the Annexure shall be competent to call for tenders and enter into contract on behalf of the Board in respect of any contract the value of which is specified in the corresponding entry in column 2 thereof.
- 3.2. Provided that where the authority competent to call for tenders and enter into contract is the Board level Tender Committee or Board, the Chief Engineer shall call for tenders and enter into contract on behalf of the Board level Tender Committee and Board after obtaining the approval of the Competent Authority.

(Cl. 3.3. (i) amended vide Amendment 12 (Per) B.P. (F.E.) No. 2 (Accounts Branch) dated 18-1-1994 and status quo ante restored vide B.P. 25 A/cs Br. dated 25-10-96).

4.0 Tender Committee

The Tender Committee at the level of Chief Engineers and Superintending Engineers shall decide the tenders for purchase of materials and award works contracts and condemnation of obsolete/damaged/burnt equipments. Final decision is by the Chief Engineer or Superintending Engineer as the case may be. However, no committee is necessary at the level of Chief Engineers/Superintending Engineers at

Board's Headquarters and also at the level of Executive Engineers in circles.

- (a) The Tender Committee at the Chief Engineer's level outside Board's Headquarters shall consist of the following :

- | | | |
|--|-----|----------|
| 1. Chief Engineer | ... | Chairman |
| 2. A Superintending Engineer working under the Chief Engineer | ... | Member |
| 3. An Executive Engineer working under the control of Chief Engineer | ... | Member |

4. A Deputy Financial Controller to be nominated by the Accounts Member ... Member
- (b) The Tender Committee at the Superintending Engineer's level shall consist of the following :
 1. Superintending Engineer ... Chairman
 2. Executive Engineer (General) ... Member
 3. Another Executive Engineer to be nominated by the Chief Engineer concerned from among the Executive Engineers within the circle ... Member
 4. Deputy Financial Controller/Accounts Officer (where there is no Deputy Financial Controller) to be nominated by the Superintending Engineer ... Member
- (c) The Board level Tender Committee shall consist of the following members :
 1. Chairman
 2. Accounts Member
 3. Member (Generation)
 4. Member (Distribution)
 5. The concerned Chief Engineer dealing with the tender proposal

The Tender Committee at all levels shall have a quorum of three, including the Chairman.

- 4.2 The Board level Tender Committee shall consider and scrutinise Tender proposals submitted by the Chief Engineer and approve the proposal if it is within its powers and make its recommendations to the Board in other cases.

4.3 Two Part System of Tenders :

The two-part system of tenders shall be adopted in the Board in respect of the following :

- (a) All contracts for purchase of equipments with an estimated cost of Rs. 10 lakhs and above, except those covered by standard specification and where there is no scope for alternate design.
- (b) All works contracts with an estimated cost of Rs. 25 lakhs and above.
- (c) If the tenders are called specifying alternatives, then the procedure of two-part tenders should be followed.

In respect of other tenders, the authority competent to decide, the tender shall have the option to adopt the two-part system.

5.0 Decisions in Excess of Powers

Powers of Competent Authority may be exercised by the next lower authority during exigencies and in exceptional cases where it is absolutely necessary in the public or administrative interest and where sufficient time is not available to obtain the prior approval of the higher authority. In such cases, the authority next below the competent authority should send the proposals in a complete shape seeking approval/

ratification within one month in respect of supply contracts and within two months in respect of all works contracts as well as supply and erection contracts. Where the Competent authority is the Board/Board level Tender Committee, decision in anticipation of Board's approval should be taken only by the Member concerned of the Board.

6.0 Open Tender :

- 6.1 Tenders shall be invited by advertisement of tender notices in the dailies having wide circulation in the State. The Competent Authority should ensure that the cost of advertisement is commensurate with the value of the proposed supply/work.
- 6.2 When the tenders relate to specialised work or supply of materials, the tenders may be advertised in the dailies having wide circulation both inside as well as outside the State. When the suppliers are known to be very limited, open tender need not be issued, after recording the reasons.
- 6.3 Particular care may be taken to advertise the tender notice in the dailies which are being circulated in the area from where tenders at competitive rates may be anticipated. When the value of the order is less than Rs. 2 lakhs, specific reason should be recorded if open tender is resorted to.
- 6.4 Materials required exclusively for Transmission lines and sub-stations are of few categories and their suppliers are also very few. The suppliers of these materials may be duly registered and requirements may be procured from those registered firms on limited tender basis. Such limited tenders may be treated as open tender for all purposes.
- 6.5 Procurement of vehicles at rate contract prices outside the DGS & D rate contract by issuing limited enquiries to manufacturers of vehicles may be treated as open tender purchase.
- 6.6 In the case of Civil works costing less than Rs. 5 lakhs Tender notices shall not be published in the dailies but shall be sent to all the Registered Contractors in the Division/Circle concerned, with a copy to other Divisions in the Circles and Superintending Engineer of the Circle for display in the Notice Boards. Such tender calls shall be considered as an open tender.
- 6.7 For civil works costing above Rs. 5 lakhs, tender notice shall be published in one insertion in one in each of the English and Tamil dailies having wide circulation in the State and also in English and Tamil in Tamil Arasu. In the case of contracts relating to specialised works such as tunnelling, penstock fabrication, supply and erection of gates etc., tender notice shall be published in only one of the leading dailies having wide circulation both inside and as well as outside the State in English and Tamil in one insertion and also in "Tamil Arasu" both in English and Tamil.

7.0 Limited Tender

- 7.1 Where the Competent Authority is of the opinion that inviting open tenders will not be advantageous or economical to the Board or in the interest of the Board, he may, after recording the reasons, resort to Limited tender system by direct invitation to a limited number of approved/Registered tenderers.

The names of the tenderers from whom Tenders are to be called for and the fact whether they have been registered or not should also be indicated in the proposal.

- 7.2 When only one quotation has been received against a limited tender enquiry, it is to be treated as a Single Tender and only the powers under Single Tender can be exercised by the Competent Authority.

8.0 Single Tender

- 8.1 If the competent authority is of the opinion that the materials are required for immediate use of the Board and that resorting to Open or Limited tender will cause undue delay, he may, after recording the reasons, resort to Single Tender System.
- 8.2 In respect of Purchase of Proprietary items and spares for which only Single Tender System is resorted to, the Tender notes should contain a specific mention about the reasonableness of the price, based on rates given in earlier orders and cost of similar items of other makes.

9.0 Tender Notice

- 9.1 The tender notice shall contain a short description of the materials to be supplied or work to be done, besides the following :
- i) the time and place where the Tender documents may be perused.
 - ii) the authority from whom forms, plans, specifications and the Tender documents may be obtained.
 - iii) the authority to whom tender should be submitted.
 - iv) the last date and time before which the tender shall be submitted.
 - v) the place/date and time when the tender shall be opened.
 - vi) probable amount of the contract.
 - vii) cost of Tender documents.
 - viii) the quantum of Earnest Money Deposit payable.
 - ix) where the two part tender is invited, the Tender notice shall indicate the form in which the two part tender shall be submitted.
- 9.2 Save in emergent cases, a time limit of atleast 15 days in respect of tenders for Rs. 5 lakhs or less and one month for tenders exceeding Rs. 5 lakhs should be allowed between the first call for tenders and the last date for submission.
- 9.3 Wherever equipments are ordered, spares to meet the requirement for a reasonable period should also be ordered along with the main equipment.
- 9.4 The approval of Member (Generation)/Member (Distribution) should be obtained for all procurement of spares even before the tender is floated and the reference to approval should invariably be incorporated all in Tender notes.
- 9.5 Chief Engineers themselves can call for tenders, based on the need, taking into account the consumption, requirement, stock, pending supplies and budget availability for all purchases.
- 10.0 Tender Specification**
- 10.1 Tender specification shall be specific so that there shall be no room for ambiguity.
- 10.2 The Tender forms and documents shall be supplied to the intending tenderer at the rate prescribed from time to time by the competent authority.
- 10.3 The Tender documents should include :
- i) Standard specification setting out the technical requirements and commercial terms.

- ii) In the absence of Standard specification, a complete specification of the work to be executed, the materials to be used or the supply of materials to be made.
- iii) A schedule of quantities of various items of work to be executed or supply of materials to be made.
- iv) A complete set of drawings showing the general dimension of the proposed work or materials and
- v) A set of conditions of the contract.

10.4 If the samples are not furnished within the stipulated time, the Earnest Money Deposit should be forfeited.

- i) The last date for submission of samples will be the date of opening of the tender. The responsibility for the delivery of the samples will lie with the tenderers.
- ii) Even if the tenderer has previously submitted a sample against any other tender, he has to supply a fresh sample against the new tender.
- iii) If the sample furnished does not fully conform to the Tender specification in respect of dimensions, finish, colour, etc., but could be used in the works satisfactorily, offers of such tenderers may be considered and they may be negotiated for supplying the materials conforming to the specification if they otherwise qualify for price and/or commercial negotiations. However, they may be considered for placing orders only if they accept to supply the materials conforming to specification.
- iv) The sample once furnished in final, However, the Board has the right to call for fresh sample if necessary.
- v) If the sample furnished is superior to that specified in the specification, such sample may be accepted without any extra commitment to the Board on that account.
- vi) On demand, the sample may be returned to the unsuccessful tenderers after finalisation of tenders, at their risk and cost, failing which they will be disposed off after giving 30 days notice to the tenderers.
- vii) The samples of successful tenderers may be preserved for one month after the last consignment of materials is received or closure of Purchase Order whichever is earlier, and afterwards it may be returned to the successful tenderer provided he makes a request within this period, after which the sample should be disposed off.
- viii) The Assistant Executive Engineers dealing with the subject shall maintain a register for receipt and disposal of samples.
- ix) The Board will not be responsible for any damage that may be caused to the samples at any time.

10.5 Where the competent authority is the Board or Board Level Tender Committee the specification and issue of notices inviting bids should be got approved by the Standing Committee. These should be got approved by the Member concerned, wherever there is no Standing Committee. A model standard specification approved by Board Level Tender Committee/Board should be used for all standard purchases. In respect of consumable items essentially required for running of Thermal Stations where the

authority competent to approve the tender is the Board or the Board Level Tender Committee, approval of the Standing Committee for the specification need not be obtained and the tender may be called for straightaway by the Chief Engineer/General Superintendent and placed before the competent authority for approval after analysis of tenders.

- 10.6 The concerned Member of the Board should go through the specifications in detail and offer his specific recommendations for consideration by the Standing Committee wherever the Standing Committee's approval is required as per these Regulations.

- 10.7 (a) The specification should include a "Liquidated Damages" clause for delay in delivery, which shall be at half percent (0.5%) of the contract price of undelivered items/materials for each completed week of delay and the total shall not exceed ten (10%) percent of the contract price of the units/materials so delayed. This shall be incorporated in all the Purchase Orders.

(Per.) B.P. (FB) No. 32 (Accounts Branch) Dt. 13-10-97.

- (b) Deleted
- (c) The actual date of delivery at destination stores shall be reckoned for the purpose of deciding "Liquidated Damages" for delay in supply. It should be the suppliers' responsibility to arrange for inspection, despatch etc., in time to keep up the delivery schedule.
- (d) The tender deciding authority can accept the date of Railway Receipt as date of delivery for this purpose in individual cases based on merits. However, approval of the Chief Engineer is necessary to reckon date of Lorry Receipt as the date of delivery for the purpose of "Liquidated damages" for delay.
- (e) In reckoning the extent of delay, for the limited purpose of levy of "Liquidated Damages", any delay in arranging inspection beyond a reasonable limit may be excluded with the approval of the Chief Engineer. For this purpose, a time limit of not more than 15 days may be indicated in the specification itself to provide for a reasonable time for arranging inspection by Board's officials.
- (f) In respect of contracts where supply effected in part or works executed in part, could not be beneficially used by the Board, (due to such incomplete supply/execution), Liquidated Damages should be worked out on the basis of entire contract price only, and not on the value of delayed portion.
- (g) The defaulting contractors should be made liable to pay to the Board, in addition to Liquidated Damages for delay, the actual difference in price, wherever Board orders the delayed quantity to be supplied/executed by other agencies at a higher rate.
- (h) In respect of supply and erection contracts, the date of actual handing over to Tamilnadu Electricity Board after satisfactory erection, alone should be reckoned as date of completion.
- (i) Recovery of Liquidated Damages for delay will be on the basis of sub-delivery period wherever indicated in the purchase Order.
- (j) In respect of materials for which annual orders are being placed, monthly sub-delivery period shall be fixed. Acceptance of any delayed supplies may be approved by the competent authority, subject to usual terms and conditions.
- 10.8 (i) The Tender calling authority should specify a definite time for the validity of the tender during which the Tenderer shall keep his offer open.
- (ii) In the case of tenderers who quote a lower validity period than that called for in the specification, their offers shall be rejected.

(iii) The Earnest Money Deposit of the Tenderers, who are not agreeable to extend the validity period as required by the Tender Calling Authority subsequently may be refunded without waiting for the final decision on the tender.

(iv) In respect of extension of validity period, such extension should be without any change in terms and conditions.

10.9 A suitable guarantee period/maintenance period shall be included in all specifications.

10.10 In Tender specifications, it shall be specified that a tenderer who is an Industrial Company, should state clearly whether the company is potentially sick industrial company/sick industrial company in terms of sec. 23 or sec. 15 of the Sick Industrial Companies (Special Provisions) Act 1985, and failure to supply this information would make the tender liable for rejection. Whereas there is no bar to place purchase orders/works contracts on a potentially sick industrial company or a sick industrial company, the fact that it is potentially sick industrial company or a sick industrial company should be taken into consideration while placing an order/contract on them. If an order/contract is placed on them, considering their good vendor-rating in other aspects, care should be taken in respect of commercial conditions, so that Board's interests are fully protected.

11.0 Earnest Money Deposit

11.1 Every tender, other than Single Tender, shall be accompanied by Earnest Money Deposit which shall be in cash or in such other form as may be specified by the Board from time to time.

11.2 The requirements of Earnest Money Deposit must be worked out at 1% of the estimated face value of the contract rounded off to the nearest Rs. 100/- subject to the condition that the maximum Earnest Money Deposit to be paid is limited to Rs. 2 Lakhs. The amount of Earnest Money Deposit so fixed shall be mentioned in the Tender notice/specification along with the mode of payment.

(Per) B.P. (FB) No. 5 (Accounts Branch) Dt. 25—5—98.

11.3 The approved tenderer shall, in lieu of Earnest Money Deposit, submit proof of Permanent Deposit.

11.4 The Competent Authority may waive the Earnest Money Deposit clause in respect of any specification under Limited Tender for good and sufficient reasons to be recorded.

11.5 Where a tenderer is exempted from payment of Earnest Money Deposit, he shall, in lieu of Earnest Money Deposit, submit proof of such exemption.

11.6 Small Scale Industries registered within the State of Tamil Nadu are to produce their Registration Certificate showing the materials which they are permitted to manufacture and the period of validity on the Certificate as proof of eligibility for exemption from payment of Earnest Money Deposit/Securit Deposit. The Registration should be valid for the entire period of currency of the contract.

[(Per) B.P. (FB) No. 25 (Accounts Branch) Dt. 20—9—97]

12.0 Security Deposit :

12.1 "The successful tenderer will have to pay a security deposit of 10% of the value of the contract, inclusive of Earnest Money Deposit paid subject to a monetary ceiling of Rs. 10 lakhs (Rupees Ten lakhs only). Of this 2% of the value of the contract including

amount remitted as Earnest Money Deposit has to be paid in Cash/DD and the balance 8% in the form of Bank Guarantee".

(Per) B.P. (FB) No. 5 (Accounts Branch) Dt. 10—4—2000.

In the case of Tenderers who are exempted from the payment of Security Deposit like Undertakings/Corporations of the Government of Tamil Nadu, SSI registered in Tamil Nadu an undertaking must be obtained before placing the order (including the undertaking already given for Earnest Money Deposit) agreeing to pay an amount not exceeding 10% (including the undertaking already given for Earnest Money Deposit) of the value of the contract in case of any breach or violation of the contract.

(Per) BP (FB) No. 25 Accounts Branch dated 20—9—97

- 12.2 In the case of Civil Works Contract, 2% of the value of the contract (including Earnest Money Deposit paid already) shall be paid in cash as Security Deposit. In the case of building works wherever the response to the Tender Call is poor, the competent authority may permit the tenderer to pay the Security Deposit in three instalments by recovery from the first three consecutive bills.

Further, 5% of the value of the work done will be recovered from each bill as withheld amount.

If the security deposit in cash is not paid within the time frame stipulated in the contract, penal interest at Board's borrowing rate will be levied for the delayed period.

[Per B.P. (FB) No. 34 (Accounts Branch) Dt. 24—10—97]

13.0 Exemption from Payment of Earnest Money Deposit :

- 13.1 Full exemption is given from payment of Earnest Money Deposit/Security Deposit to :

i) Small Scale Industries registered within the state of Tamil Nadu.

(Per. B.P. (FB) No. 25 Accounts Branch dated 20—9—97)

ii) Departments of the Government of Tamil Nadu and undertakings and Corporations owned by Government of Tamil Nadu.

iii) Labour Contract Co-operative Societies.

iv) Tiny Industries classified under S.S.I. registered within the State of Tamil Nadu and registration certificate issued by Department of Industries and Commerce, Government of Tamil Nadu.

(Per. B.P. (FB) No. 25 Accounts Branch dated 20—9—97)

Note: In respect of Labour Contract Co-operative Societies, who are exempted from payment of Earnest Money deposit/Security Deposit, only 90% of the bills are to be admitted initially and the balance 10% is to be paid after satisfactory completion of Contract.

Undertakings/Corporations and departments of Central and other state Government Departments and small scale Units outside Tamil Nadu registered with National Small Industries Corporation shall have to pay Earnest Money Deposit and Security Deposit.

- 13.2 Partial exemption from payment of Earnest Money Deposit/Security Deposit may be given to

(i)— Unemployed Engineers (both Engineering graduates and Diploma Holders) are exempted from payment of full E.M.D. and the S.D. payable by them limited to one percent of the contract value for the tender/works not exceeding Rs. 2/- lakhs."

[(Per) B.P. (FB) No. 14 Accounts Branch dt. 22—8—98.]

- (ii) Foreign companies may be exempted from payment of Earnest Money Deposit and Security Deposit wherever it is found desirable in the interest of the Board or where it is not possible to insist on the payment.

Note: The tenderers other than foreign tenderers who are exempted from payment of Earnest Money Deposit/Security Deposit should furnish an undertaking on a non-judicial stamp paper of appropriate value to pay an amount equivalent to Earnest Money Deposit/Security Deposit in case of non-fulfilment of the conditions stipulated in the contract.

13.3 Deleted.

13.4 In respect of all Purchase Orders to be placed on the Nationalised Oil Companies for supply of lubricants to Power Stations, the Earnest Money Deposit and Security Deposit or any undertaking in lieu thereof are waived.

14.0 Forfeiture of Earnest Money Deposit

The Earnest Money Deposit made by the tenderer will be forfeited if :

- (i) he withdraws his tender after acceptance,
- (ii) he withdraws his tender before the date referred to in Regulation 10.8 or,
- (iii) he violates any of the provisions of these Regulations or the conditions of tender issued by the Competent Authority.
- (iv) Samples are not furnished within the time limit prescribed.

15.0 Prices

- 15.1. Tenderers may quote either firm or variable price. Where variable prices are mentioned, a definite price variation formula has to be indicated in the specification, subject to a maximum ceiling.
- 15.2. Variable prices need not be accepted if supply is to be made from ex-stock.
- 15.3. price variation clause may be adopted in all Board's specifications wherever applicable.
- 15.4. In respect of civil works contracts where tenders are called for completion of the work within a short period, say 9 months, price variation clause need not be accepted but only firm price called for.
- 15.5. In cases where firm prices are quoted and there is delay in the delivery due to fault on the part of the Board, a provision for price escalation with a suitable price escalation formula for such deliveries beyond the scheduled delivery date should be made in the specifications.

16.0 Terms of Payment :

Terms of payment should be normally accepted as 95% of the value of the material to be paid on receipt of the materials in good condition at site and the balance 5% within 90 days therefrom. If, however, the materials have been delivered after the due date of delivery, only 90% is to be paid initially on receipt of materials at site in good condition and the balance 10% after 90 days. Letter of credit payments should not be accepted in respect of indigenous tenders. Normally payments against despatch documents through Bank also should not be accepted. In the event of accepting payment against despatch documents in special circumstances, it should be made clear to the supplier that they should give a schedule of despatches one month prior to the actual date of despatch and should despatch only after getting approval from the Board. The suppliers should bear any expenditure arising out of such unapproved despatches. These provisions will not

be applicable to foreign contracts. In respect of contracts where the tenderer has not furnished the Security Deposit, the initial payment should not generally exceed 90%.

17.0. Registration of Contractors/Suppliers :

Suppliers of materials and contractors who intend to supply materials to the Board or carry out works contracts may be required to register with the Board. The procedure laid down by Board from time to time may be followed. As far as possible, tenders should be called for only from the Registered firms so as to eliminate undesirable and incompetent people from participating in tenders. In case of Purchase of medicines, the registration of firms should be got approved by the Board level Tender Committee.

18.0 Receipt of Tenders :

18.1. Tenders may be received by post or in person in sealed cover superscribed "Tender in respect of Specification No-----"

18.2. Inside the outer sealed cover, there should be placed :

- (i) another sealed cover containing the tender offer in respect of single part system of tender.
- (ii) the Earnest Money Deposit in the form of cash receipt for having remitted the amount or Demand Draft,
- (iii) Proof of permanent Earnest Money Deposit or
- (iv) proof of exemption from payment of Earnest Money Deposit.
- (v) An undertaking as required in the note under Regulation 13-2 in case the tenderer is exempted from payment of Earnest Money Deposit.

18.3. The Earnest Money Deposit, proof of permanent deposit or proof of exemption shall be placed in the outer sealed cover in such a manner that it is visible immediately after the outer sealed cover is opened.

18.4. In the case of two part system of tenders, the procedure for submission of tenders will be as detailed below.

- (i) The bidders shall be required to submit their bids in two envelopes at the same time on or before the notified date and time fixed for the submission of the particular tender.

The first envelope, called Envelope-A shall contain :

- a) Technical specifications, design details, deviations from specifications and other technical details,
- b) Commercial terms, including payment terms, liquidated damages, guarantees and other commercial matters,
- c) Relevant details about experience in execution of similar works or successful supply of similar or other related equipments to Tamil Nadu Electricity Board/ other Electricity Boards/other Organisations and
- d) Any other information called for in the Specification other than price.

This Envelope-A should not contain any price bid

- ii) The second envelope, called Envelope-B, shall contain all the price bids.

iii) Bidders should normally quote for the stipulated technical specifications. However, where the tenderer is confident of giving his own design, in addition to quotation as per stipulated technical specifications, he can quote for the alternative design also with detailed write-up to show how his design will fulfil the technical requirements of the Board. The technical offer for the alternative shall also be in Envelope-A and the price bid for the alternative shall also be in Envelope-B.

iv) Envelope-A, Envelope-B and the cash receipt for the payment of Earnest Money Deposit or proof of permanent Earnest Money Deposit or proof of exemption from payment of Earnest Money Deposit shall be enclosed in an over-all envelope and this shall be sent to reach the prescribed officer in the Board on or before the notified time and date for the receipt of the particular tender. Envelope-A, Envelope-B and the overall envelope shall be individually sealed, superscribed and addressed as instructed in the Specification.

18.5 The Executive Assistant to the Superintending Engineer or Chief Engineer, as the case may be, shall receive the tender and affix his initial on the cover and note the date and time of receipt of the tender and the tender shall be kept in a sealed box or locker provided for the purpose, after registering it in the order in which it is received. When there is no Executive Assistant, the Personal Assistant should receive the tenders. No other person should receive tenders in the office and the tenderers should be directed to the authorities specified above for submission of tenders. The specification should indicate the officer to whom tenders are to be handed over if delivered in person.

18.6 Wherever Tender covers are received in damaged condition, the fact should be recorded both on the Tender cover and in the Register of Tenders and also brought to the notice of the Competent Authority or the Senior-most Executive Engineer in the office. However, if there is adequate time, such tenders delivered in person may be returned to the tenderer or his messenger for presenting the same in proper condition.

18.7 If tenders are received without superscription etc., as prescribed in the specification, the officer in charge of receiving tenders should sign the Tender papers with date, recording the mode of receipt. Necessary entries with full facts should be made in the Tender Register also. The fact should also be mentioned in the Tender notes. Generally, such tenders are to be rejected.

18.8 No tender given in person shall be received after the notified time and date for receipt of the tender. Tenders received by post after the notified time and date for the receipt of tender, shall be returned to the tenderers by registered post with acknowledgement due (RPAD) by the prescribed officer, stating that the tender was received late.

19.0 Opening of Tender

19.1 The tender shall be opened by the officer authorised by the Competent Authority in the presence of another officer from the Accounts Branch of the Board/Circles and also in the presence of the tenderers or authorised representatives who may choose to be present at the declared date, time and place. The names of the officers who opened the Tender should be recorded.

In respect of two part system of tenders, the technical and price bids are to be furnished separately as detailed in regulation 18.4 and the bids opened separately as detailed in Regulation 19.5.

19.2 The signature of the tenderers or authorised representatives present at the time of opening the tender shall be obtained in the register.

- 19.3 At the time of opening the tenders, any offer which does not satisfy the END conditions should not be opened or read out. They are to be returned by the prescribed officer to the tenderers later on stating the reasons for rejections. In respect of all other tenders, the officer opening the tender shall initial each tender and also attest all corrections in each tender. The total number of corrections in each sheet should be indicated by the Tender opening authorities.
- 19.4 If there are corrections in the tender unattested by the tenderer, the officer shall make a note of the same in the tender itself and bring to the notice of the tenderer or his authorised representative the fact of such unattested corrections.
- 19.5 (i) All other tenders received within the prescribed time limit should be opened. Any objections by any of the officers engaged in tender opening or the tenderers or their representatives present should be recorded. Tenders, including any objected tenders but excluding those already rejected should be included in the read out statement. All the tenders, including the objected tenders, may be analysed in detail and put up to the Competent Authority with full details of the objections so as to enable the deciding authority to take a considered decision of the acceptability or otherwise of the tender.
- (ii) In two part system of tenders, envelope A of those bidders who satisfy the requirement of Earnest Money Deposit will only be opened at the time notified for opening. If any of the bidders indicates the price in envelope A, the bid will not be read out and be rejected. Envelope B shall not be opened at the time of opening envelope A, but will be authenticated on the covers by the officers authorised to open the bids. Envelope B so authenticated will be kept under the safe custody of the empowered officer (to open the tender).
- 19.6 In the case of two part tenders, after opening the outer sealed cover, the officer opening the tender shall open only the cover containing the technical offer and place the cover containing the commercial offer in a sealed box or locker to be opened after analysing the technical offer.
- 19.7 The offers of the tenderers with brief particulars, both technical and commercial, shall be recorded in a statement at the time of opening to tender and signed by the Tender opening authority.
- In respect of two part tenders, the read out statement of envelopes A, other than those rejected for indicating price shall be circulated to the authority competent to decide the tender for information either on the same day or on the next working day. Where tenders are to be decided by the Board level Tender Committee or the Board, the read out statement shall be put up to the Chief Engineer concerned.

20.0 Analysis of Tenders

Two Part Tenders

- 20.A.1 All the tenders which have been opened and read out in accordance with Regulation 19.5 (ii) above shall be analysed. Wherever necessary, Chief Engineers themselves can seek technical/commercial clarifications/confirmations required for analysing the tenders. A note to the authority competent to decide the tender shall be put up for decision on :
- a) Rejection of tenders whose vendor rating is not satisfactory ;
 - b) Rejection of tenders whose technical specification is not acceptable
 - c) The technical and commercial points on which discussions are to be held with the other tenderers;

- d) Whether to consider or not of alternative designs, if any, and
- e) Standard loading criteria proposed to be adopted for acceptable variations of technical and commercial aspects.

20.A.2 Based on the decision of the authority competent to decide the tender, discussions will be held with the tenderers whose vendor rating and technical specifications are satisfactory. Based on the discussions, modifications to the technical specifications indicated in the Tender documents may emerge; modified commercial terms may also emerge. A note to the authority competent to decide the tender shall be put up seeking a decision on the acceptance of the modifications and the loading criteria that will be adopted by the Board for acceptable deviations in the technical specifications and commercial terms. Where the competent authority to decide the tender is the Board, the decision will be taken by the Board level Tender Committee itself.

20.A.3 Based on the decision taken as indicated in Regulation 20.A.2, all those bidders who were invited for discussions will be informed of the technical specifications and commercial terms that are acceptable to the Board and also the loading criteria that will be adopted by the Board for acceptable deviations in the technical specifications and commercial terms. The bidders will be requested to confirm in writing within a period of ten days whether they can make necessary alterations to their technical specifications and commercial terms as acceptable to the Board. In exceptional cases, longer period may be allowed by the Superintending Engineer where tenders are floated by the Superintending Engineer and by the concerned Chief Engineer in all other cases.

20.A.4 Those bidders who insist for a price revision during negotiation to accept Board's technical and commercial terms and who confirm within the due date specified for receipt of confirmation will be asked to submit a supplementary price schedule, in a sealed cover properly superscribed on or before a notified time and date, for the additions/reductions in price due to the modifications indicated to the tenderers.

20.A.5 Envelopes-B of those tenderers who have not submitted the supplementary price schedule within the due date and time will be rejected, unless they have confirmed within the due date and time prescribed that there is no change to their original price bid. Envelope-B of tenderers who have submitted the supplementary price schedule as prescribed within the due date and time or have confirmed within the due date/time that their original price bids remain unchanged, will be opened at the notified time and date along with supplementary price schedule, will be opened at the notified time and date. Envelopes-B of all other tenderers will not be opened.

20.A.6 All envelopes-B which were not opened in accordance with regulation 20.A.5, will be returned to the tenderers by Registered Post with Acknowledgement Due by the prescribed officer. Supplementary Price Schedule of those who have confirmed the terms but did not give Supplementary Price Schedule as prescribed and within the due date and time will also be returned unopened along with envelope-B by Registered Post with Acknowledgement Due by the prescribed officer.

20.A.7 The price bids shall be analysed and a note to the authority competent to decide the tender shall be put up for a decision on the tender. Where the authority competent to decide the tender considers that the lowest bidder will not be in a position to execute the entire contract in time, negotiations, shall be held with the next lowest tenderer/tenderers with a view to bring down their evaluated price to the level of the lowest tenderer. Based on the negotiations, the authority competent to decide the tender will take a decision either to award the contract to the lowest tenderer or to split the contract among a number of eligible tenderers and the price for these tenderers.

20.B. All Tenders (Including two part Tenders)

- 20B.1(i) A comparative statement of the various tenders opened shall be prepared by the officers opening the tender or an officer nominated by the competent authority. The offers of the various tenderers are to be brought to comparable level or FOR(D) and duly loaded for the various technical and commercial deviations to arrive at the evaluated price and exhibited in the comparative statement ranking the various tenderers in the ascending order according to their evaluated prices for enabling the competent authority to easily identify the lowest acceptable offer. The cost of spares required for a reasonable period may also be included in evaluating tenders. The lead time required for procuring the spares shall also be taken into account while fixing the requirement of spares.
- (ii) For the purpose of evaluation of bids, the Bills Collection selling rate published by the State Bank of India may be adopted for the day bids are opened. However, any variation in the rate of exchange upto the date of award of contract will also have to be taken into account while deciding the case. The competent authority will decide whether and the extent upto which the change in price due to exchange rate variation be taken into account in taking a final decision.
- 20.B.2 The comparative statement and other relevant documents shall be forwarded to the competent authority for consideration and approval.
- 20.B.3 The comparative statement shall be scrutinised by
- i) The Executive Engineer, Accounts Officer and Asst. Executive Engineer dealing with the subject where the competent authority is the Superintending Engineer or General Superintendent.
 - ii) The Superintending Engineer/Deputy Financial Controller or Accounts Officer and Executive Engineer where the competent authority is the Chief Engineer.
- 20.B.4 Where the Competent Authority is the Board level Tender Committee or the Board, the comparative statement shall in addition to the persons mentioned in Sub Regulation 20 (B) 3 (ii) be scrutinised by the Financial Controller/Chief Financial Controller and the Chief Engineer.
- 20.B.5 The competent authority shall examine the tenders received along with the comparative statement and satisfy himself that no further corrections other than those observed at the time of opening the tenders are made and that the rates furnished in the comparative statement are correct.
- 20.B.6 i) In Bid evaluation of tenders, while comparing the F.O.R. Destination rates, Sales Tax may be excluded and Excise Duty included. The rates must be all inclusive of freight and insurance charges etc.
- As the price is all inclusive except Sales Tax, no increase in levies will be considered, if the increase is due to the tenderer coming into a different tax/duty slab. Subject to this, variation in prices will be considered where decrease/increase in duties is due to statutory variation and the increase occurs within the contracted delivery date.
(Per. B.P. (FB) No. 26 Accounts Branch dated 20-9-97)
- ii) In cases where Board has agreed to reimburse the actual duties and taxes, a specific obligation, should be created on the part of the supplier/contractor to file claims/appeals for refunds with the concerned authorities in case the assessment is found to be excessive in the opinion of the Board. The refund, if any, obtained should be passed on to the Board.

20 B 6(iii) In case the supplier/contractor himself has paid the taxes/duties under protest or has made only provisional payment, it should be specifically provided that payment made by the Board to the supplier/contractor is subject to the condition that any refund obtained from the authorities should be passed on to the Board

20.B.7 (i) No price preference is allowed for Small Scale Industries including Tiny Sector Units, Medium and Large Scale Units and Co-operative Institutions located within State.
(Per) B.P. (FB) No. 9 (Accounts Branch) Dt. 10-3-99.

(ii) The Small Scale Industries within the State shall be given purchase preference in respect of 350 items reserved by the Government of India for exclusive purchase from Small Scale Industries as communicated in the G.O. Ms. No. 195, Fin. (BPE) Dept. dt. 4-5-98 and these items shall be purchased from the Small Scale Industries within the State through Open Tender.

[(Per) B.P. (FB) No. 9 Accounts Branch Dt. 10-3-99.]
ANNEXURE for 350 items reserved

(iii) Purchase preference will be given to Jail, Borstal Schools under Prison Department for products made by them;

Own units of Khadi and Village Industries Board for items and quantities actually manufactured by them and

Modern Training-cum-production centre, Muttukkadu for the products made by it

Purchase preference will be given to State Public Sector Undertakings for products and quantities actually manufactured by them upto 50% of the value of the goods purchased to be procured at the lowest rate obtained in the Open Tender, even if the Public Sector Undertakings have not participated in such Open Tender.

[(Per) B.P. (FB) No. 29 (Accounts Branch) Dt. 25-10-99]

20.B.8 In respect of tenders for approval by Board level Tender Committee or Board, the Chief Engineer concerned is personally responsible for:

- i) corrections and completeness of the specification,
- ii) proper procedures being followed in opening, scrutiny and evaluation of tenders, verification of vendor rating etc.
- iii) correctness and completeness of the notes placed before the Board level Tender Committee or Board for approval
- iv) the various clauses in the specification which should be in conformity with the technical requirement and requirement of economy.

20.B.9 When there is a material change in the scope, design of the building etc., with consequential preparation of revised estimate, retenders should be called for the revised design in the interest of giving an opportunity to all tenderers to quote for rates for several items of work as per the revised design. However, when there is only an increase in the quantities of several items of work without material change in the design, in such cases the work may be entrusted to the lowest tenderer subject to the following conditions:

- i) The value of the increase in the quantities of the items of work should not exceed 10% of the total value of the work put to tender.
- ii) (deleted)
- iii) The tender of the same person remains as the lowest in both the events

- 20.B.10
- i) Technical specifications in the specifications issued to tenderers should be as detailed as possible and there should be no room for any ambiguity.
 - ii) In respect of technical specifications where some flexibility is permitted, necessary formula for loading towards such deviations from the technical specifications should be stipulated in the specifications. In all other cases, no loading should be done for any deviation in technical specifications.
 - iii) If the tenders are called for only one set of specifications, any offer for an alternative should be rejected.
 - iv) Whenever there are deviations in offers against technical specifications, no loading should be done for the minor deviation accepted by the competent authority. If the technical deviations are considered as major deviations by the competent authority, the tenders shall be rejected after making a specific mention of the deviations noticed in the tender. In either case, the specific orders of the competent authority should be sought in the concluding para of the Tender note.

NOTE

There should be ordinarily no occasion to call for fresh quotation due to any change in the specification. If, for any unavoidable reason this becomes necessary, the prior approval of competent authority should be obtained and such bids also should be called for in sealed covers only.

21.0 Rejection of Tenders.

21.1 If any tender is to be rejected for any reason, other than for non-compliance of the conditions regarding Earnest Money Deposit, or for indicating prices along with the technical bid (Envelope A) in a two part tender, approval of the competent authority should be obtained. The reasons for the rejection should be clearly recorded in the note. Technically unsuitable tenders need not be evaluated, subject to the approval of the competent authority. In other cases where the offer is technically suitable but could not be considered for other reasons, the advantages/disadvantages of accepting the tender have to be clearly brought out in the Tender note for competent authority's orders.

21.2 The tender shall be rejected if it is :

- (i) not in the prescribed form,
- (ii) not accompanied by the required Earnest Money Deposit or proof of Permanent Deposit or proof of exemption.
- (iii) not properly signed by the tenderer,
- (iv) from any blacklisted firm or contractor,
- (v) received after the expiry of the due date and time,
- (vi) received by telex or telegram,
- (vii) not accompanied by an undertaking/agreement where Earnest Money Deposit/ Security Deposit is to be exempted.
- (viii) not in conformity with Board's technical specifications,
- (ix) from an approved tenderer whose Permanent Earnest Money Deposit is not adequate for the particular tender.

Note: Adjustment against Permanent Earnest Money Deposit towards amounts due from a supplier/contractor shall be made only if the supplier/contractor fails to pay the amount to the Board when called upon in writing and such adjustments when made must immediately be intimated to the deposit holders in writing by registered post with acknowledgment due, with copy to all divisions of Technical Branch.

- (x) From a tenderer who is directly or indirectly connected with Government service or Board's service or service of local authority."
- (xi) From a tenderer whose past performance or vendor rating is not satisfactory.
- (xii) From a tenderer who has indicated the price in the technical/commercial bid (Envelope A) in a two part tender.

Note: The Chief Engineer/Materials Management will maintain a Register recording the performance of various suppliers/Contractors and make entries therein regarding the performance while closing each Purchase Order and this Register may be made use of for vendor rating.

22.0 Negotiation.

22.1 (i) No negotiation shall normally be conducted in respect of technical specification. If such negotiation is found essential, it may be done after getting the approval of the Competent Authority. Those tenderers who have quoted ambiguous commercial terms should not be permitted to give an interpretation to their advantage after opening of tenders.

(ii) If the clarification furnished by the tenderer is not to the advantage of the Board, orders of the Board should be obtained before considering the offer.

22.2 If any clarification is necessary in respect of the technical specification, the competent authority may require the tenderer to furnish the clarification within a specific date and time.

22.3 If the competent authority is Board Level Tender Committee or the Board, the Chief Engineers themselves can seek clarifications on the technical specification not involving any negotiation.

22.4 Subject to what is mentioned in sub-Regulation 7 and 8 of Regulation 22, no negotiation shall be conducted on commercial terms.

22.5 However, any clarification or confirmation, if found necessary, may be obtained after approval of the competent authority.

22.6 Where the purchase is to be approved by the Board level Tender Committee/Board, Chief Engineers may conduct negotiations as indicated above and submit the purchase proposal in complete shape to the Board level Tender Committee/Board for approval.

22.7 If the lowest technically suitable tenderer has a limited capacity to manufacture and/or cannot meet the delivery schedule required by the Board, then the Chief Engineer can negotiate with the next higher technically suitable tenderer so as to bring his price down to the lowest acceptable offer and if he agrees to the same, the Board may place orders on him. However, if he does not agree to bring down his price or if he has also no adequate capacity, then the Chief Engineer may negotiate with the next higher technically suitable tenderer so as to bring down his price to the lowest acceptable offer and so on, without seeking the prior approval of the Board level Tender Committee for conducting such negotiation.

22.8 Negotiations as prescribed above is also permissible in order to have different sources of supply in respect of certain critical items of materials to ensure that the stock position does not fall below the tender award level. If one supplier fails to comply with the terms

of the tender, the Board have Tender Committee or commercial terms, irrespective of the competent authority to decide the tender. If the purchase powers fall within the powers of the Board, the final proposals only need be placed before the Board for approval.

23.0 Deviations before Acceptance of Tender

The authority competent to decide the tender has powers to decide the following terms at the time of acceptance of tender;

- i) Price variation.
- ii) Responsibility for loss or damage.
- iii) Delivery schedule.
- iv) Insurance.
- v) Security Deposit.
- vi) Despatch.
- vii) Guarantee.
- viii) Inspection.
- ix) Production of Income Tax and Sales Tax Clearance Certificate.
- x) Institution of suits.
- xi) Terms of Payment (except advance payment for which specific powers are delegated).

24.0 Advance Payment

24.1 Advance payments may be authorised by the competent authority, wherever inevitable, in respect of :

- i) Purchase of Iron and Steel materials from Main Producers and Re-rollers.
- ii) Purchase from Central or State owned Public Sector Undertakings.
- iii) Purchase of tyres, tubes and Vehicles.
- iv) Tests conducted by Government Department/Government undertakings/Government institutions.
- v) Maintenance/Service contracts requiring periodical payment in advance.
- vi) Procurement of essential spares for Thermal Generation Stations from M/s. BHEL with 10% advance payment of the total value of the purchase order. (B.P. No. 19 dated 23-7-97)
- vii) Purchases from Tansi with 50% advance payment. (B.P. (FB) No. 20 A/C Br. dated 11-8-97)

NOTE :

- i) Wherever advance payments are to be made, an undertaking in respect of public Sector Undertakings and a Bank Guarantee in respect of Private Sector Under-

takings should be obtained for safeguarding the interest of the Board against the risk involved in advance payment. If interest-free advance is proposed, the supplier/contractor will have to pay interest at Board's borrowing rate in case of non-compliance with any of the provisions of the contract.

(ii) "In respect of Iron and Steel materials, Bank Guarantee and interest at 22% per annum on advance payment may be insisted on the supplies as done for other materials. However, waiver may be given on specific cases on getting approval from Board Level Tender Committee."

(Per.) B.P. (FB.) No. 6 (Accounts Branch) Dated 11--4--2000.

24.2 Payment against proforma invoice is treated as advance payment. Such payments should be made only after inspection of the materials and ensuring the quality.

24.3 Deleted.

24.4 Deleted.

(Clause 24.3 and 24.4 dealing with Mobilisation Advance deleted vide B.P. 23 A/cs Br. dated 13--9--96)

24.5 Mobilisation Advance to all tenderers is banned. Advance payment to private companies/firms is stopped in view of the recent Government orders in G.O. Ms. No. 94 Finance (BPE) Dept. dated 6--2--96.
(B.P. 23 A/cs. Br. dated 13--9--96)

24.6 Advance payment for the purchase of vehicles/tyres and all materials covered under DGS & D rates from private firms/manufacturers wherever inevitable, may be authorised by the competent authority without insisting on Bank Guarantee and interest.
(B.P. 16 A/cs. Br. dated 9--7--97)

24.7 No advance payment need be made to Small Scale Industries and Co-operative Institutions.

(Per. B.P. (FB) No. 20 Accounts Branch dated 11--8--97)

25.0 Acceptance and Ordering

25.1 The competent authority while approving a tender for acceptance should take into account the tenderer's capacity, financial stability etc., Other things being equal, the lowest tender is to be accepted. When the lowest tender is not accepted, the reason thereof should be recorded.

25.2 The delivery clause in the purchase order must be specific regarding :
i) Rate of supply per week/month/quarter.

ii) The actual date of commencement and completion of supply.

25.3 The Purchase Order should specify definite price variation formula and not stipulation like "Price ruling at the time of delivery". The terms "Price ruling at the time of delivery" may, however, be accepted in the case of products whose prices are regulated by Government, DGS & D, JPC etc.

25.4 i) Immediately on approval by the Board/Board level Tender Committee/Chief Engineer for placing the purchase order on a particular supplier/contractor a draft purchase order as per the terms approved by the competent authority should be prepared and the supplier's/contractor's representatives should be called for accepting the draft purchase order. If they accept the draft purchase order without any change, the purchase order should be handed over and their acceptance for the

same obtained simultaneously. In cases where the suppliers are situated far away, or the value of the order is less than Rs. 10 lakhs, the draft purchase order may be sent by registered post with acknowledgement due and their acceptance or otherwise obtained fixing time limit of maximum fifteen days reckoned from the date of receipt of the Board's intimation by the company. In any case this acceptance should be obtained within one month of the approval of the competent authority for placing the purchase order. If, however, the suppliers/contractors want any change in the conditions, the matter should be brought before the deciding authority immediately for amending the terms as required by the supplier/contractor or for placing the order on the next higher tenderer.

ii) If, on receiving the purchase order which will specify a time limit for giving Security Deposit, the supplier/contractor does not give the Security Deposit, the matter should again be brought before the competent authority, within one month of placing the purchase order, for considering the next higher tenderer.

iii) Conditions of supply should not be changed, once the purchase order is issued.

25.5 Notwithstanding anything contained in any of these Regulations, the Board or the Competent Authority specified in Regulation 3 shall have the right to relax or waive any of the conditions stipulated in any of the Tender specifications as deemed necessary in the best interest of the Board for good and sufficient reasons to be recorded in writing. It should be clearly indicated in the specification issued by the competent authority that the Competent Authority to decide the tender reserves this right.

26.0 Deviations after acceptance and order

26.1 Conditions of supply should not be changed once the purchase order is issued. However, where the change does not involve any modification to the specification or any additional financial commitment to the Board, the deviations in the following terms and conditions may be accepted by the Chief Engineer or competent authority below his rank who has accepted the tender.

- i) Mode of despatch.
- ii) Allocation of quantity among circles.
- iii) Deleted.
- (iv) Waiver of inspection of materials
- (v) Waiver of test certificates
- (vi) Waiver of Income Tax and Sales Tax Clearance Certificate
- (vii) Acceptance of excess or short supply within 5% of the ordered quantity (without levy of liquidated damages for short supply) for good and sufficient reasons.
- (viii) Acceptance of increase in the value of purchase order/contract caused by supplemental items/additions/deletions/alterations to the component items included in the scope of supply/contract, provided that the increase in value is within the monetary powers of the Chief Engineer / Competent Authority under single tender.
- (ix) Condonation of delay irrespective of the period involved if the total liquidated damages involved is less than Rs. 1,000/-.
- (x) Change in parameters indicated in the original offer necessitated during detailed engineering such as motor rating, pump head, capacity etc. can be approved by Chief Engineer where commercial implications are not involved.

- (xi) Waiver of Undertaking in lieu of Security Deposit and performance Guarantee in respect of Public Sector Undertakings can be approved by Chief Engineer.

26.2 (i) Board level Tender Committee's approval is necessary in respect of any condition involving advance payment, unless otherwise specifically mentioned elsewhere in these Regulations.

- (ii) Chairman's approval is necessary in respect of any deviations from the standard liquidated damages clause while accepting tender or even after the issue of purchase order. However, the competent authority deciding the tender can approve a deviation (including waiver) from Board's Standard Liquidated Damages Clause in respect of spares from original suppliers and proprietary items, in case the suppliers of these items are not agreeable to the Board's standard Liquidated Damages clause.

(Per) B. P. (Ch.) No. 18 (Accounts Branch) Dated 30-10-99.

- (iii) Waiver from the Standard Liquidated Damages Clause in respect of purchase of new vehicles, tyres and tubes under the DGS&D's rate but outside rate contract can be approved by the Chief Engineer/Materials Management when the purchase is within his monetary powers of purchase.

26.3 Board's approval is necessary in respect of

- (i) Price variation not originally included in the purchase order.

- (ii) Deleted

(Per) B. P. (FB.) No. 11 (Accounts Branch) Dated 28-8-2000.

- (iii) Increase in quantity or value of the purchase order.

26.4 (i) Deleted

(Per) B.P. (FB.) No. 11 (Accounts Branch) Dated 28-8-2000.

- (ii) Extension of delivery/contract period should not be given unless it is covered by "Force Majeure" conditions as provided for in the contract or in exceptional circumstances.

- (iii) Chairman may condone the delay irrespective of the period involved in cases where the liquidated damages exceeds Rs. 1,000/-

(Per.) B.P. (Ch) No. 18 (Accounts Branch) Dt. 30-10-99.

26.5 (i) Chief Engineer, Member concerned and the Chairman may approve acceptance of belated supplies upto 4 months, upto 8 months and beyond 8 months respectively, subject to the following conditions :-

(Per.) B.P. (FB.) No. 11 (Accounts Branch) Dated 28-8-2000.

- (a) Belated supply of materials where the prices are ruling the same or higher, can be considered at the same rate of P.O. for acceptance, subject to levy of maximum Liquidated Damages as per P.O. terms, however, subject to its suitability to our need and schedule of work.

- (b) Belated supplies where the prices have declined can be considered for acceptance upto 4 months, subject to the price advantage being weighed against the Liquidated Damages to be levied and the decision taken for the overall advantage of the Board and subject to suitability to our need and schedule of work.

- (c) Belated supplies where the prices have declined can be considered beyond 4 months for acceptance at the reduced rates only subject to the levy of Liquidated Damages also at the maximum percentage as per P.O. terms, if the supplier agrees to the above conditions, in writing, however, subject to its suitability to our need and schedule of work.
- (d) The quantum of initial payment etc. is to be made as per the terms of the P.O.
- (e) If prices are accepted at the current declining prices, then price variation, if any, will not be admissible. Taxes and Levies will have to be regulated on ought to have been delivered basis or actuals whichever is less.

(Per) B P. (FB) No. 1 (Accounts Branch) Dated 25—2—98)

- (ii) In respect of contracts for civil works, Chief Engineer may decide whether to continue the existing contracts or to terminate the contract, depending on the quantum of work done within the scheduled completion period, without prejudice to levy of liquidated damages for delay in execution, as per the terms of the contract. In cases where Chief Engineer decides that the existing contract may be continued, payment will be continued to be made as per original contract terms.

26.6 Wherever additional quantities are awarded to the same contractor, the face value of the agreement shall be suitably revised. For enhancement of face value of agreement, approval shall be obtained from the authority who is competent to decide the contract for the total revised value. For the tenders awarded by Board/BLTC, the Chairman may grant extension of time with or without penalty, enhancement of face value etc.

(B. P. No. 18 Accounts Branch Date 30—10—99)

Amendment

B.P. NO: NO 27/30.11.2000

27.1 ~~Repeat orders can be placed against a previous order placed for one year after the issue of original order based on requirements or till the next purchase order is placed whichever is earlier.~~

27.2 The Chief Engineer can place repeat orders at original rate depending on actual requirements as per the Tender Regulations.

- 27.4 It should be ensured that there has been no continuation of original order was issued.
- 27.5 Repeat/Extension orders should be placed only for meeting emergent requirements.
- 27.6 More than one repeat/extension order should not be placed.

28.0 General

- 28.1 All tender proposals going to the Board should be scrutinised by the Board level Tender Committee in the first instance and the note to the Board should be accompanied by the recommendation of the Board level Tender Committee.
- 28.2 In all tender proposals, a confirmation that necessary Budget Provision is available for the year during which the supplies are expected, should be included.
- 28.3 The latest stock position shall be taken into account to determine the quantity to be ordered. In respect of proposals for purchase of spares, the amount of spares already ordered in the financial year should also be indicated.

- 28.4 Additional items of work and modifications are not to be entrusted to the original contractors as a matter of course without calling for tenders except such items which cannot be separated from the original work and other minor items of work. Tenders are to be called for if the proposed modification considerably alter the scope of work and are such that they could be executed separately.
- 28.5 Only ISI certified products shall be preferred where such materials are available. The prices quoted should also be compared with DGS&D rate for all materials covered by DGS&D rate contract.
- 28.6 Only proven makes of materials are to be procured. However, in respect of new tenderers, trial orders may be placed after proper assessment of their capacity as well as the quality of the materials.
- 28.7 Every tenderer shall be required to produce, along with the tender, the latest Income-Tax Clearance Certificate as per instruction to the tenderers in the specification. The Income-Tax Clearance Certificate is to be attached to the quotation. The Income-tax Clearance Certificate should be scrutinised by the Chief Engineer, where the competent authority is the Board level Tender Committee or Board and the financial soundness of the supplier/contractor recorded in the proposals.
- 28.8 Sales Tax Clearance Certificate should also be obtained before finalising the tender.
- 28.9 The conditions of tender issued by the competent authority shall form part of these Regulations.
- 28.10. In respect of Civil construction works, while floating tenders, a special clause intimating the tenderers that a specified percentage, as notified from time to time by the Government of Tamil Nadu, of the total contracted value of the Building construction work proposed to be constructed will be deducted towards the contribution to the Manual Labour Welfare Fund in their running bills and remitted to the Tamil Nadu Construction Workers' Welfare Board, Chennai-18, at periodical intervals, provided the same is not already paid to the Local Bodies along with building Licence Fees. While preparing civil Estimate, the applicable percentage of contribution should be included in the Estimated Cost. The provisions of this sub-clause is applicable to all corporations, Municipalities, Townships and Panchayats in Tamil Nadu with effect from the date/dates notified by the Government from time to time. The recovery and remittance of contribution will not, however, apply to annual and periodical maintenance work carried out to the Buildings.

Per. B.P. (FB) No. 6

(Accounts Branch)

Dt. 28.5.1998.

Undertakings, and Corporations owned by Government of Tamil Nadu. These tenderers, however, should furnish an undertaking on non-judicial stamp paper of appropriate value to pay an amount equivalent to Earnest Money Deposit in case of non-fulfilment of the conditions stipulated in tenders.

The Central and other State Government Departments, Undertakings and Corporations and small scale units outside Tamil Nadu registered with National Small Industries Corporation shall have to pay Earnest Money Deposit.

- 29.2 In respect of open auction, 5% of the sale value assessed should be collected in advance from the intending bidders in the form of Demand Draft before commencement of the auction. The Demand Draft for the 5% of the amount of the sale value assessed should be returned to the unsuccessful Tenderers on the same day after the auction is over. The successful tenderer should deposit in cash or by Demand Draft on the same day, 20% of the sale value.
- 29.3 In both the cases, viz., open auction and open tender, the sale order should be finalised within 15 days from the date of auction/date of opening the tender and communicated to the successful bidder/tenderer within this time limit. In those cases where the sale has to be confirmed with the approval of the headquarters, the sale should be finalised and communicated to the bidder/tenderer within 30 days.
- 29.4 (i) The full payment (80% in the case of open auction and 100% in the case of open tender) of the sale price should be collected within 21 days from the date of receipt of the confirmation of the sale by the bidder/tenderer. It should be clearly indicated both in specification and in the sale order that failure to comply with the requirement shall entail forfeiture of the Earnest Money Deposit.
- (ii) In unavoidable circumstances, Superintending Engineer may grant extension of time upto 7 days from the due date of payment of sale price and the Chief Engineer may grant further extension of time upto 7 days thereafter and Board level Tender Committee may grant any further extension of time.
- (iii) If the tenderers are unable to remit the sale value for the materials sold to them even within the period of extension granted by the Superintending Engineers and Chief Engineers as per clause 29.4 (ii) of the Tender Regulations 1991 and if the situation warrants that the tenderers have to be permitted beyond the period of the above said extension granted by the Superintending Engineers and Chief Engineers for remittance of sale value, then the concerned Chief Engineer may permit the tenderers to remit the sale value together with interest at the rate of 3 % per month or part thereof for a further period upto 30 days depending on the merits of the case. (B.P. 8 A/cs Br. dt. 2-5-97).
- 29.5 The Earnest Money Deposit shall be refunded to the successful bidder/tenderer only after the satisfactory completion of contract in all respects.
- 29.6 When the highest tenderer backs out and fails to pay the sale amount, and, in case the sum total of the second highest bid amount and the amount forfeited from the highest bidder is equal to or more than the highest bid amount, then there is no need for re-tendering and the sale can be straightaway confirmed in favour of the second highest bidder. In case the second highest bidder is not interested, the offer can be extended to the third highest and so on in the descending order, so long as the total amount does not fall below the highest bid as explained above. It should also be ensured that the lots formed are not for very large quantities but should be small convenient lots so that there is more competitive bidders.
- 30.0 **Power not Specifically Delegated**
Powers not specifically delegated in these Regulations vest with the Board.
- 31.0 **Adoption/Amendments**
- 31.1 Government Orders/Instructions or any changes in respect of purchases/tenders will be examined by Board Office Accounts Branch in consultation with Chief Engineer/Materials Management and the proposal for adoption or otherwise of the Government Order/Instructions or changes placed before the Board level Tender Committee.

31.2 Any amendments or interpretations in respect of these Regulations and all clarifications and instructions thereon shall be issued only from the Board Office Accounts Branch.

32 Powers to Relax

Notwithstanding anything contained in any of these Regulations, the Board shall have full powers to relax, waive or amend any of the provisions of these Regulations at any time as deemed necessary.

ANNEXURE

TABLE—I

Purchase of Materials Open Tenders

(B.P. 25 A/cs Br. dt. 25—10—96)

Authority	Value of Contract
Superintending Engineer	Not exceeding Rs. 2 lakhs For procurement of Cement alone up to Rs. 50 lakhs (Per) B.P. (CH) No. 22 (A/cs. Br.) Dt. 20—12—99)
General Superintendent	Not exceeding Rs. 10 lakhs
Chief Engineer	Not exceeding Rs. 1 crore
Board Level Tender Committee	Not exceeding Rs. 6 crores

TABLE—II

Purchase of Materials Limited Tender

Authority	Value of Contract
Superintending Engineer	Not exceeding Rs. 75,000/- (B.P. 11 A/cs Br. dt. 31—3—95)
General Superintendent	Not exceeding Rs. 1 lakh
Chief Engineer	Not exceeding Rs. 8 lakhs
Board Level Tender Committee	Not exceeding Rs. 60 lakhs

TABLE—III

Purchase of Proprietary Items and Spares from Public Sector Undertakings Single Tender

Authority	Value of Contract
Superintending Engineer	Not exceeding Rs. 10,000/-
General Superintendent	Not exceeding Rs. 2 lakhs
Chief Engineer/Thermal Station Chief Engineer/Thermal Design Chief Engineer/Projects	Not exceeding Rs. 20 lakhs
Other Chief Engineers	Not exceeding Rs. 5 lakhs
Board Level Tender Committee	Not exceeding Rs. 60 lakhs

TABLE—IV

**Purchase of Proprietary Items and Spares from Private Sector
Single Tender**

Authority	Value of Contract
Superintending Engineer	Not exceeding Rs. 10,000/- (subject to the condition that value of any one article will not exceed Rs. 1,000/-)
General Superintendent	Not exceeding Rs. 1 lakh
Chief Engineer/Thermal Stations Chief Engineer/Thermal Design Chief Engineer/Projects Chief Engineer/MM (for medicines) (B.P. 208 A/cs Br. dt. 19-6-95)	Not exceeding Rs. 6 lakhs
Other Chief Engineers	Not exceeding Rs. 1 lakh
Board Level Tender Committee	Not exceeding Rs. 20 lakhs

TABLE—V

**Purchase of Non-Proprietary Items and Spares from Private Sector
Single Tender**

Authority	Value of Contract
Superintending Engineer	Not exceeding Rs. 1,000/-
General Superintendent	Not exceeding Rs. 50,000/-
Chief Engineer	Not exceeding Rs. 2 lakhs
Board Level Tender Committee	Not exceeding Rs. 20 lakhs

TABLE—V (a)

**Purchase of Non-Proprietary Items and Spares from Public Sector Undertakings
Single Tender**

Authority	Value of Contract
Superintending Engineer	Not exceeding Rs. 2,000/-
General Superintendent	Not exceeding Rs. 1 lakh
Chief Engineer	Not exceeding Rs. 4 lakhs
Board Level Tender Committee	Not exceeding Rs. 40 lakhs

TABLE--VI
Works Contract
Open Tender

Authority	Value of Contract
Executive Engineer	Not exceeding Rs. 1 Lakh with 5% excess over technically sanctioned estimate
Superintending Engineer	i) Not exceeding Rs. 15 Lakhs with 5% excess over technically sanctioned estimate for the works other than manufacture of PSC/RCC poles. ii) Not exceeding Rs. 30 Lakhs for manufacture of PSC/RCC poles. (Per) B.P. (CH) No. 10 (Accounts Branch) Dt. 30-8-2000.
General Superintendent	Not exceeding Rs. 10 Lakhs with 15% excess over technically sanctioned estimate
Chief Engineer	i) Not exceeding Rs. 50 Lakhs with 10% excess over technically sanctioned estimate for works other than those for manufacture of PSC/RCC poles. ii) Not exceeding Rs. 100 Lakhs for manufacture of PSC/RCC poles. (Per) B. P. (CH) No. 10 (Accounts Branch) Dt. 30-8-2000.
Board level Tender Committee	Not exceeding Rs. 10 Crores with 30% excess over technically sanctioned estimate (B.P. 25 dt. 25-10-96)

TABLE--VII
Works Contract
Limited Tender
 (For Approved Registered Tenderers)

Authority	Value of Contract
Executive Engineer	Not exceeding Rs. 25,000/- with 5% excess over technically sanctioned estimate
Superintending Engineer	Not exceeding Rs. 1 Lakh with 5% excess over technically sanctioned estimate
General Superintendent	Not exceeding Rs. 2 Lakhs with 5% excess over technically sanctioned estimate
Chief Engineer	Not exceeding Rs. 10 Lakhs with 5% excess over technically sanctioned estimate
Board level Tender Committee	Not exceeding Rs. 60 Lakhs with 30% excess over technically sanctioned estimate

Works Contract
Single Tender or Nomination
Private Sector

Authority	Value of Contract
Superintending Engineer	Not exceeding Rs. 50,000/- with 5% excess over technically sanctioned estimate
General Superintendent	Not exceeding Rs. 1 Lakh with 10% excess over technically sanctioned estimate
Chief Engineer	Not exceeding Rs. 2 Lakhs with 10% excess over technically sanctioned estimate
Board level Tender Committee	Not exceeding Rs. 20 Lakhs, with 30% excess over technically sanctioned estimate

TABLE—VIII (A)

Authority	Value of Contract
i) Entrusting additional items of work/Substituted items	
Chief Engineer	10% of the value of the contract or Rs. 5 lakhs, whichever is less
Board level Tender Committee	Not exceeding Rs. 15 lakhs
ii) For additional quantities	
Executive Engineer	25% of value of contract or Rs. 7500/- whichever is less
Superintending Engineer	25% of value of contract or Rs. 30,000/- whichever is less
Chief Engineer	25% of value of contract or Rs. 1 Lakh whichever is less.

NOTE: The execution of additional items/substituted items/additional quantities of works should be taken up only after receipt of specific direction/approval of the competent authority to sanction such items/quantity of works along with rates. It is the responsibility of the Chief Engineer, concerned to ensure that prior approval is obtained before taking up the work.

TABLE—IX

**Works Contract
Single Tender or Nomination
Public Sector Undertaking**

Authority	Value of Contract
Superintending Engineer	Not exceeding Rs. 1 Lakh with 5% excess over technically sanctioned estimate
General Superintendent	Not exceeding Rs. 2 Lakhs with 10% excess over technically sanctioned estimate
Chief Engineer	Not exceeding Rs. 4 Lakhs with 10% excess over technically sanctioned estimate
Board level Tender Committee	Not exceeding Rs. 1 crore, with 10% excess over technically sanctioned estimate

TABLE—X

**Purchase of Stationery Articles & Printing
A. Private Sector**

Authority	Value of Contract		
	Single Tender	Limited Tender	Open Tender
(1)	(2)	(3)	(4)
	Rs.	Rs.	Rs.
Executive Engineers of Distribution Circles (Amendment No. 13 B.P. FB 22 A/cs Branch dt. 15—9—94)	2,000**		
Superintending Engineer	1,000 (Per) BP (FB) No. 7	10,000 (Accounts Branch) Dt. 22—4—2000	
General Superintendent	500	5,000	—
Chief Engineers and Chief Engineers (Distn.)	3,000 (BP No. 22 Accounts Branch Dt. 20—12—99)	75,000	3 Lakhs
Chief Engineer/M.M., Chief Engineer/Mechanical Thermal for printing press only) (B.P. 17 dt. 9—7—97)	7,500	75,000	3 Lakhs
Board level Tender Committee	2 Lakhs (BP No. 23 Accounts Branch Dt. 23—12—98)	25 Lakhs	50 Lakhs

(** with a monthly ceiling of Rs. 4,000)

B. Public Sector

Authority	Value of Contract		
	Single Tender	Limited Tender	Open Tender
(1)	(2)	(3)	(4)
	Rs.	Rs.	Rs.
Executive Engineers of Distribution Circles	2,000**		
Superintending Engineer	2,000	25,000	
(Per) BP (FB) No. 7 (Accounts Branch) Dt. 22-4-2000)			
(Amendment No. 13 BP FB 22 A/cs Branch dt. 15-9-94)			
General Superintendent	1,000	10,000	—
Chief Engineer	7,500	75,000	3 Lakhs
(BP No. 22 Accounts Branch) Dt. 20-12-99)			
Chief Engineer/Materials Management and Chief Engineer/Mechanical Thermal for printing press only)	7,500	75,000	6 Lakhs
(BP 17 dt. 9-7-97)			
Board level Tender Committee	5 Lakhs	25 Lakhs	75 Lakhs
(BP No. 23 Dt. 23-12-98)			

(**With a monthly ceiling of Rs. 4,000

NOTE :

- The Chief Engineer/Distn. Madras, under whose control the Board's Printing Press is functioning may exercise the same powers of the Chief Engineer/Materials Management for purchase of stationery required for Printing Press only.
- Executive Engineers may procure stationery items only, excluding Printing works and except those items which are ordered under Centralised purchase scheme (i.e. white paper, duplicating paper, white manifold paper, Stencil paper and Kraft paper) which are minor in nature and frequently required for day-to-day works upto Rs. 500/- under Single Tender system. Such purchases should not exceed the monetary ceiling of Rs. 1,000/- per month.
 - Such powers of Executive Engineer, Operation and Maintenance circles, are enhanced upto Rs. 1,000/- (one thousand only) under Single Tender System with a monetary ceiling of Rs. 2000/- (Rupees Two thousand only) per month.
 - Executive Engineers of Distribution circles are empowered to print under limited tender system, formats for the maintenance schedule of distribution transformers etc., evolved by the in-house management consultancy services for a value not exceeding Rs. 1000/-

3. Printing works costing more than Rs. 10,000/- should be entrusted to Private/Public Presses only after confirming that the Board's Press is unable to execute the work.
4. The purchase of stationery and printing shall be limited to the ceiling limits given to Superintending Engineers vide Memo No. SE/MMI/DES/A3/F. 22/D. 180/86, dt. 5-4-86 and Superintending Engineers shall procure stationery excluding white paper, duplicating paper and manifold paper, stencil paper and kraft paper and arrange printing works for forms/Registers etc. other than 16 kinds of registers printed and supplied from Headquarters.
5. The Chief Engineers except Chief Engineer/Materials Management and Chief Engineer (Distn.) Madras shall exercise the above powers only for any emergent purchase since printing and purchase of stationery is arranged centrally.
6. Chief Financial Controller, Chief Internal Audit Officer or other head of Offices for whom specific powers are not delegated in the Tender Regulations shall exercise the powers delegated to the officers of equal rank.
7. The Director / Tamil Nadu Electricity Board Printing Press, for whom specific power are not delegated in the Tender Regulations, shall exercise the powers delegated to the Superintending Engineers in Distribution Circles for purchase of materials under Open/Limited/Single Tenders and for awarding contracts for Binding Works under Limited Tender System, as and when there is accumulation of works beyond the capacity of the press".

[(Per.) B.P. (FB) 2 (Accounts Branch) Dt. 21-1-99]

TABLE—XI

Exclusive Service contract, overhauling of Generating Equipments, testing charges, consultancy service etc., not ordinarily coming under Purchase/works contract

Sl. No.	Description	Authority	Value of contract		
			Single Tender	Limited Tender	Open Tender
(1)	(2)	(3)	(4)	(5)	(6)
			Rs.	Rs.	Rs.
1.	Hiring of vehicles after the principle of hiring is approved by the Board level Tender Committee				
	a) Headquarters	Chief Engineer/ Materials Management	Full Powers		
	b) Areas other than Headquarters	Chief Engineer concerned	Full Powers		
2.	Payment to BHEL for their service Engineers	Chief Engineer concerned	Full Powers		
3.	(a) Exclusive Service Contract over hauling of Generating Equipments, Testing charges etc. not ordinarily coming under Purchase/Works Contract.	SE GS CE B.L.T.C.	1,000 2,000 25,000	5,000 10,000 50,000	— — 2 Lakhs
	(i) Private Sector.		2 Lakhs	5 Lakhs	10 Lakhs
	(ii) Public Sector.		100 Lakhs	—	—

[(Per) B.P. (FB) No. 12 (Accounts Branch) Dt. 23-3-99]

(1)	(2)	(3)	(4)	(5)	(6)
3.	(b) Consultancy Services.	S.E.	1,000	5,000	—
		G.S.	2,000	10,000	—
		C.E.	25,000	50,000	2 Lakhs
		BLTC	5 Lakhs	15 Lakhs	50 Lakhs

[(Per) B.P. (FB) No. 24 (Accounts Branch) Dt, 23—12—98].

†† If the Board's drivers are waiting without vehicles, vehicles should not be hired but fuel-efficient vehicles like 'Maruti' vans should be procured and put to use, utilising the services of the available drivers.

** In respect of availing services of BHEL, a report of payments exceeding Rs. 5000 in each case should be sent to the Superintending Engineer, Betterment (Thermal) who shall put up a quarterly report to Board level Tender Committee.

TABLE—XI A

**Operation and Maintenance contracts where the Labour component is 50%
or more of the Tender Value**

I. All circles (except Madras Electricity Distribution Circle and Thermal Stations)

Authority	Value of Contract
1. Executive Engineer	Not exceeding an overall annual ceiling of Rs. 25000. Individual contract value should not also exceed 5% over technically sanctioned estimate.
2. Superintending Engineer	Not exceeding an overall annual ceiling of Rs. 1 lakh. Individual contract value should not also exceed 7½ % over technically sanctioned estimate
3. General Superintendent	Not exceeding an overall annual ceiling of Rs. 3 lakhs. Individual contract value should not also exceed 10% over technically sanctioned estimate
4. Chief Engineer	Not exceeding an overall annual ceiling of Rs. 5 lakhs. Individual Contract value should not also exceed 15% over technically sanctioned estimate
5. Board level Tender Committee	Full powers

(1)	(2)	(3)
-----	-----	-----

II. For Madras Electricity Distribution Circle and Thermal Stations

1. Executive Engineer	Not exceeding an overall annual ceiling of Rs. 1 lakh. Individual contract value should not also exceed 5% over technically sanctioned estimate
2. Superintending Engineer	Not exceeding an overall annual ceiling of Rs. 5 lakhs. Individual contract value should not also exceed 7½% over technically sanctioned estimate
3. General Superintendent	Not exceeding an overall annual ceiling of Rs. 10 lakhs. Individual contract value should not also exceed 10% over technically sanctioned estimate
4. Chief Engineer	Not exceeding an overall annual ceiling of Rs. 25 lakhs. Individual contract value should not also exceed 15% over technically sanctioned estimate
5. Board level Tender Committee	Full powers

TABLE—XII

Purchase of Miscellaneous Items

Sl. No.	Description	Authority	Value of Contract
(1)	(2)	(3)	(4)
1. a)	Sanction and purchase of Typewriters and Duplicators against new posts sanctioned and also replacement against condemned ones	Chief Engineer	Full Powers
b)	Sanction and purchase of Typewriters towards replacement of Typewriters condemned as per norms	Superintending Engineer	Full Powers
2.	Purchase of coal for Thermal Power Stations without calling for tenders from		
i)	Coal India Limited		
a)	Eastern Coal Fields Ltd.	Chief Engineer	Full Powers
b)	Western Coal Fields Ltd.		
c)	Central Coal Fields Ltd.		
ii)	Singareni Collieries Co. Ltd.		
iii)	Bharat Coking Coal Co. Ltd.		

(1)	(2)	(3)	(4)
-----	-----	-----	-----

NOTE

Chief Engineer is empowered

- is.
%
- hs.
%
- hs.
%
- i) To make arrangement for transport/ movement of coal from the above sources
 - ii) Orders may be placed under Open Tender system where middlemen are involved for procurement of seaborne coal
3. Purchase of Fuel oils such as Furnace Oil (FO), Low Sulphur High Stock (LSHS) Oil, High Speed Diesel (HSD) and Light Diesel Oil (LDO) required for the Thermal Stations from M/s. Indian Oil Corporation, M/s. Bharat Petroleum Corporation Ltd. & M/s. Hindustan Petroleum Corporation Ltd, or any other State owned Indian Oil Company after getting competitive offers

Chief Engineer

Full Powers

NOTE :

Chief Engineer concerned is empowered

- i) To place orders for the same item or different items on one or more of the companies mentioned above, depending on the circumstances/requirements.
- ii) To waive the Liquidated Damages clause in respect of all Purchase orders placed on the above companies and also not to insist on any undertaking in lieu thereof.
- iii) To waive the security Deposit clause and not to insist on any undertaking in lieu thereof.
- iv) To pay the amount in advance if so required by the oil Companies, as and when indents are placed without insisting on any undertaking for the same.

Description (1)	Authority (2)	Value of Contract (3)
4. Purchase of Petrol and Diesel	(i) Superintending Engineers/Coimbatore & Madurai	Rs. 80,000/- per month
	(ii) Superintending Engineer/ Chennai EDC. South	Rs. 8 Lakhs per quarter
	(iii) Superintending Engineer/ Gen. Kundah	Rs. 3 Lakhs per quarter

(1)	(2)	(3)	(4)
4. (a)	Purchase of Lubricating oil and greases required for power stations	Superintending Engineers Generating circles	Upto Rs. 50,000/- at a time for one brand under single tender on M/s. Indian Oil Corporation/ M/s. Hindustan Petroleum Corporation/ M/s. Bharat Petroleum Corporation Ltd. or any other State owned Indian Oil Company by obtaining quotation from the particular company manufacturing that particular brand of lubricant required. To pay 100% amount in advance along with the purchase order if required by the oil companies. To approve price increase by inclusion in the purchase order of a stipulation to the effect that payment will be made at the rates ruling on the date of supply.
5.	Deleted (BP 5 dt. 10—3—92)		
6.	Body building on the chassis under Limited Tender		
	a) Bus Body	Superintending Engineer	Upto Rs. 1 Lakh
	b) Truck Body	—do— Chief Engineer	Upto Rs. 50,000 All in excess
NOTE			

Body building is to be treated as purchase contract.

7. Materials covered under DGS&D Rate Contract

Outside rate contract subject to the condition that

- i) the materials are subject to inspection by Board's official
- ii) the rates and conditions of supply on par with DGS&D shall also apply to purchase outside the rate contract and
- iii) the TNEB emblem is affixed wherever necessary/possible

Chief Engineer

Rs. 5 Lakhs

(1)	(2)	(3)	(4)
8. i)	Purchase of vehicles/ Tyres and Tubes		
	At DGS&D rates outside the rate contract	Chief Engineer/Materials Management	Rs. 15 Lakhs
ii)	Chief Engineers are authorised to procure all sizes of tyres, tubes and flaps direct from various reputed tyre manufacturers at the DGS&D rate contract price according to their actual requirement and the expenditure by the Chief Engineers will be subject to budget provision.		
	(Per) BP (CH) No. 22 (Acct. Br.) Dt. 20—12—99.)		

NOTE :

The Limited enquires issued to various manufacturers of vehicles shall be treated on par with open tender and the powers exercised.

9. a)	Iron, Steel materials from Main producers, viz. SAIL, Hindustan Steels, IISCO, TISCO and from Steel Rolling Mills viz. Indian Steel Rolling Mills, Tamil Nadu Steel Rolling Mills, Tamil Nadu Steels and other Steel Rolling Mills	Chief Engineer/Materials Management Project Chief Engineers	Full Powers Full powers (in respect of their project requirements only)
b)	Iron and Steel Line materials, Annual Rate contract with M/s. TANSI	CE/MM	Full powers
[(Per) BP (FB) No. 29 (Accounts Branch) Dt. 25—10—99.)]			

10. Deleted

11. Medicines shall be purchased by the Chief Engineer/Materials Management in respect of Headquarters, Mylapore and Korattur Dispensaries and by Chief Engineers incharge of Projects, Generation and Transmission circles in respect of Dispensaries under their control. Powers as indicated in the respective tables
11. (a) Superintending Engineers of Distribution Circles and Projects shall purchase medicines upto Rs 2500/- only at a time, subject to overall monthly ceiling fixed for local purchases.
12. Purchase of medicines medical accessories and misc. & contingent purchases for Head-quarters Dispensary Chief Medical officer
- (i) Delegation on par with Superintending Engineers maximum value of anyone P. O. is Rs. 2500/- and the maximum purchase in any month is Rs. 25000/- subject to Budget provision.

- (ii) The Chief Medical officer will have powers for passing bills for payment in respect of medicines ordered by Chief Engineer/Materials Management

- Note:** (a) The Superintending Engineers should not place more than two Purchase Orders in a month for the same material under Limited Tender.
- (b) Tenders for civil works should be called for only after detailed estimates are prepared and got sanctioned by the competent authority.
- (c) Where departmental data is not available and no estimate could be prepared, only powers delegated for purchase of materials under the respective tables shall be exercised in respect of works and service contracts, provided necessary administrative approval and technical sanction have been obtained.

ANNEXURE

List of items reserved for purchase from Small Scale Industrial units

[TR 20.B.7 (ii) of Tender Regulations, 1991]

Sl. No.	Item Description
(1)	(2)
1.	AAC & ACSR Conductor upto 19 strand
2.	Agricultural Implements
	(a) Hand Operated tools & implements
	(b) Animal-driven implements
3.	Air/Room Coolers
4.	Aluminium builder's hardware
5.	Ambulance stretcher
6.	Ammeters/Ohm meter/Volt meter (Electro magnetic upto Class I accuracy)
7.	Anklets Web Khaki
8.	Augur (Carpenters)
9.	Automobile Head light Assembly
10.	Budges cloth embroidered and metals
11.	Bags of all types i.e. made of leather, cotton, canvas & jute etc., including kit bags, mail bags, sleeping bags & water-proof bag
12.	Bandage cloth
13.	Barbed Wire
14.	Basket cane (Procurement can also be made from State/Corporation and State Handicraft Corporation)
15.	Bath tubs
16.	Battery Charger
17.	Battery Eliminator
18.	Beam Scales (upto 1.5 tons)
19.	Belt leather & straps
20.	Bench Vices
21.	Bituminous Paints
22.	Blotting Paper

(1)

(2)

23. Bolts & Nuts
24. Bolts Sliding
25. Bone Meal
26. Boot Polish
27. Boots & Shoes of all types including canvas shoes
28. Bowls
29. Boxes Leather
30. Boxes made of metal
31. Braces
32. Brackets other than those used in Railways
33. Brass Wire
34. Brief Cases (other than moulded luggage)
35. Brooms
36. Brushes of all types
37. Buckets of all types
38. Button of all types
39. Candle Wax Carriage
40. Cane Valves/stock valves (for water fittings only)
41. Cane metallic (for milk & measuring)
42. Canvas Products :
 - (a) Water Proof Deliver, Bags to spec. No. IS 1422/70
 - (b) Bonnet Covers & Radiators Muff to spec. Drg. LV 7/NSN/IA/130295
43. Capes Cotton & Woollen
44. Capes Waterproof
45. Castor Oil
46. Ceiling roses upto 15 amps
47. Centrifugal steel plate blowers
48. Centrifugal Pumps suction & delivery 150 mm X 150
49. Chaff Cutter Blade
50. Chains lashing
51. Chappais and sandals
52. Chamois Leather
53. Chokes for light fitting
54. Chrome Tanned leather (Semi-finished Buffalo & Cow)
55. Circlips
56. Claw Bars and Wires
57. Cleaning Powder
58. Clinical Thermometers
59. Cloth Covers
60. Cloth Jaconet
61. Cloth Sponge
62. Coir fibre and Coir yarn
63. Coir mattress cushions and matting
64. Coir Rope hawserlaid
65. Community Radio Receivers
66. Conduit pipes
67. Copper nail
68. Copper Napthenate
69. Copper sulphate
70. Cord Twine Maker

(1)

(2)

71. Cordage Others
72. Corrugated paper Board & Boxes
73. Cotton Absorbers
74. Cotton Bolts
75. Cotton Carriers
76. Cotton Cases
77. Cotton Cord Twine
78. Cotton Hosiery
79. Cotton Packs
80. Cotton Pouches
81. Cotton Ropes
82. Cotton Singlets
83. Cotton Sling
84. Cotton Straps
85. Cotton tapes and laces
86. Cotton Wool (Non absorbent)
87. Crates Wooden & Plastic
88. (a) Crucibles upto No. 200
(b) Crucibles Graphite upto No. 500
(c) Other Crucibles upto 30 kgs.
89. Cumblies & Blankets
90. Curtains mosquito
91. Cutters
92. Dibutyl phthalate
93. Diesel engines upto 15 H.P.
94. Dimethyl Phthalate
95. Disinfectant Fluid
96. Distribution Board upto 15 amps
97. Domestic Electric appliances as per BIS Specification : Teaster Electric, Elect, Iron, Hot Plates, Elect. Mixer, Grinders, Room heaters & convectors and ovens
98. Domestic (House Wiring) P.V.C. Cables and Wires (Aluminium) Conforming to the prescribed BIS Specifications and upto 10.00 mm sq. nominal cross section
99. Drawing and Mathematical Instruments
100. Drums and Barrels
101. Dust Bins
102. Dust Shield leather
103. Dusters Cotton all types except the items required in Khadi
104. Dyes
(a) Azo Dyes (Direct & Acid) (b) Basic Dyes
105. Electric Call Bells/Buzzers/door bells
106. Electric Soldering Iron
107. Electric Transmission line Hardware, like steel cross bars, cross arms, clamps, arching arm, brackets, etc.
108. Electronic door bell
109. Emergency Light (Rechargeable type)
110. Enamel Wares and Enamel Utensils
111. Equipment camouflage Bamboo support
112. Exhaust Muffler
113. Expanded Metal

(1)	(2)
114.	Eyelets
115.	Film Polythene—including wide width film
116.	Film spools and cans
117.	Fire Extinguishers (Wall type)
118.	Foot powder
119.	French polish
120.	Funnels
121.	Fuse Cut outs
122.	Fuse Unit
123.	Garments (excluding supply from Indian Ordnance Factories)
124.	Gas mantels
125.	Gauze cloth
126.	Gauze surgical all types
127.	Chamellas (Tasillas)
128.	Glass Ampules
129.	Glass & Pressed Wares
130.	Glue
131.	Grease Nipples and Grease guns
132.	Gun cases
133.	Gun metal bushes
134.	Gumtape
135.	Hand drawn carts of all types
136.	Hand gloves of all types
137.	Hand lamps Railways
138.	Hand numbering machine
139.	Hard pounded rice (polished and unpolished)
140.	Hand presses
141.	Hand pump
142.	Hand tools of all types
143.	Handles wooden and Bamboo (procurement can also be made from State Forest Corporation and State Handicraft Corporation)
144.	Harness Leather
145.	Hasps and staples
146.	Haver Sacks
147.	Helmet non-metallic
148.	Hide and country leather of all types
149.	Hinges
150.	Hob nails
151.	Holdall
152.	Honey
153.	Horse and Mule shoes
154.	Hydraulic Jacks below 30 ton capacity
155.	Insecticides Dust and Sprayers (Manual only)
156.	Invalid wheeled chairs
157.	Invertor domestic type upto 5 KVA
158.	Iron (Dhobi)
159.	Key Board wooden
160.	Kit Boxes
161.	Kodali
162.	Lace leather

(1)	(2)
163.	Lamp holders
164.	Lamp signal
165.	Lanterns posts and bodies
166.	Lanyard
167.	Latex foam sponge
168.	Lathes
169.	Letter Boxes
170.	Lightning Arrestors—upto 22 KV
171.	Link clip
172.	Linseed Oil
173.	Lint Plain
174.	Lockers
175.	Lubricators
176.	L.T. Porcelain KITKAT & Fuse grips
177.	Machine Screws
178.	Magnesium Sulphate
179.	Mallet Wooden
180.	Manhole covers
181.	Measuring tapes and sticks
182.	Metal clad switches (upto 30 amps)
183.	Metal polish
184.	Metallic containers and drums otherthan N.E.C. (Not elsewhere classified)
185.	Metric weights
186.	Microscope for normal medical use
187.	Miniature blubs (for torches only)
188.	M.S. Tie Bars
189.	Nail Cutters
190.	Napthalen Balls
191.	Newar
192.	Nickel Sulphate
193.	Nylon Stocking
194.	Nylon Tapes and Laces
195.	Oil Bound Distemper
196.	Oil stoves (Wick stoves only)
197.	Pad locks of all types
198.	Paint remover
199.	Palma Rosa Oil
200.	Palngur
201.	Pans Lavatory Flush
202.	Paper conversion products, paper bags, envelopes, Ice-cream cup, paper cup and saucers & paper Plates
203.	Paper Tapes (Gummed)
204.	Pappads
205.	Pickles & Chutney
206.	Piles fabric
207.	Pillows
208.	Plaster of paris
209.	Plastic Blow Moulded Containers upto 20 litre excluding Poly Ethylene Terphthalate (PET) Containers.
210.	Plastic cane

(1)	(2)
211.	Playing Cards
212.	Plugs & Sockets electric upto 15 Amp
213.	Polythene bags
214.	Polythene Pipes
215.	Post Picket (Wooden)
216.	Postal Load seals
217.	Potassium Nitrate
218.	Pouches
219.	Pressue Die Casting upto 0.75 kg.
220.	Privy Pans
221.	Pulley Wire
222.	PVC footwears
223.	PVC pipes upto 110 mm
224.	PVC Insulated Aluminium Cables (Upto 120 sq. mm.) ISS : 694
225.	Quilts, Razais
226.	Rags
227.	Railway Carriage light fittings
228.	Rakes Ballast
229.	Razors
230.	RCC pipes upto 1200 mm dia
231.	RCC Poles Prestressed
232.	Rivets of all types
233.	Rolling Shutters
234.	Roof light Fittings
235.	Rubber Balloons
236.	Rubber Cord
237.	Rubber Hoses (Unbranded)
238.	Rubber Tubing (Excluding braided tubing)
239.	Rubberised Garments Cap and Caps etc.,
240.	Rust/scale Removing composition
241.	Safe meat & milk
242.	Safety matches
243.	Safety Pins (and other similar products like paper pins, staples-pins etc.)
244.	Sanitary Plumbing fittings
245.	Sanitary Towels
246.	Scientific Laboratory glassware (Barring sophisticated items)
247.	Scissors cutting (ordinary)
248.	Screws of all types including High Tensile
249.	Sheep skin all types
250.	Shellac
251.	Shoes laces
252.	Shovels
253.	Sign Boards painted
254.	Silk ribbon
255.	Silk Webbing
256.	Skiboots & Shoes
257.	Sluice Valves
258.	Snapfastner (Excluding 4 pcs. ones)
259.	Soap Carbolic
260.	Soap Curd

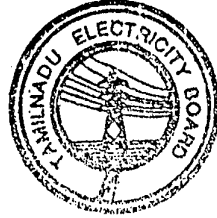
(1)	(2)
261.	Soap Liquid
262.	Soap Soft
263.	Soap washing or laundry soap
264.	Soap Yellow
265.	Socket/pipes
266.	Sodium Nitrate
267.	Sodium Silicate
268.	Sole leather
269.	Spectacle frames
270.	Spiked boot
271.	Sports shoes made out of leather (for all sports games)
272.	Squirrel Cage Induction Motors upto and including 100 KW, 440 volts 3 phase
273.	Stapling machine
274.	Steel Almirah
275.	Steel bedsstead
276.	Steel Chair
277.	Steel desks
278.	Steel racks/shelf
279.	Steel stools
280.	Steel trunks
281.	Steel wool
282.	Steel & aluminium windows and ventilators
283.	Stockinet
284.	Stone and stone quarry roller
285.	Stoneware jars
286.	Stranded wire
287.	Street light fittings
288.	Student Microscope
289.	Studs (excluding high tensile)
290.	Surgical Gloves (Except Plastic)
291.	Table knives (Excluding Cutlery)
292.	Tack Metallic
293.	Taps
294.	Tarpaulins
295.	Teak fabricated round blocks
296.	Tent Poles
297.	Tentage Civil/Military & Salitah Jute for Tentage
298.	Textiles manufactures other than H.T.C. (not elsewhere classified)
299.	Tiles
300.	Tin Boxes for postage stamp
301.	Tin can unprinted upto 4 gallons capacity (other than can O.T.S.)
302.	Tin Mess
303.	Tip Boots
304.	Toggle Switches
305.	Toilet Rolls
306.	Transformer type welding sets conforming to IS: 1291/75 (upto 600 amps)
307.	Transistor Radio upto 3 band
308.	Transistorised Insulation—Testers
309.	Trays
310.	Trays for postal use

(1)	(2)
311.	Trolley
312.	Trolleys drinking water
313.	Tubular Poles
314.	Tyres & Tubes (Cycles)
315.	Umbrellas
316.	Utensils all types
317.	Valves Metallic
318.	Varnish Black Japan
319.	Voltage Stabilisers including C.V. T's
320.	Washers all types
321.	Water Proof Covers
322.	Water Proof Paper
323.	Water tanks upto 15,000 litres capacity
324.	Wax sealing
325.	Waxed Paper
326.	Weighing scale
327.	Weided Wiremach
328.	Wheel barrows
329.	Whistle
330.	Wicks cotton
331.	Wing Shield Wipers (Arms & Blades only)
332.	Wire brushes and Fibre Brushes
333.	Wire Fencing & Fittings
334.	Wire nails and Horse shoe nails
335.	Wire nottings of gauze thicker than 100 mesh size
336.	Wood Wheel
337.	Wooden ammunition boxes
338.	Wooden Boards
339.	Wooden Box for Stamps
340.	Wooden Boxes and Cases N.E.C. (Not elsewhere classified)
341.	Wooden Chairs
342.	Wooden Flush Door Shutters
343.	Wooden packing cases all sizes
344.	Wooden pins
345.	Wooden plugs
346.	Wooden shelves
347.	Wooden veneers
348.	Woollen hosiery
349.	Zinc Sulphate
350.	Zip Fasteners

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