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	ENQUIRY NO. T7J1N80909	

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PART – I

INSTRUCTION TO TENDERER

CLAUSE NO	DESCRIPTION
1.0	SUBMISSION OF TENDERS
	The tenderers must submit their tenders in two parts in separate sealed covers as detailed below and as per instructions of NIT.
	COVER-I (TECHNO-COMMERCIAL BID)
	COVER-II (PRICE BID – ABSOLUTE VALUE)
1.1	COVER-I (TECHNO-COMMERCIAL BID)
1.1.1	This shall include the following.
1.1.1.1	Covering letter of tenderer.
1.1.1.2	Volume-IA/IB/IC/ID – General and Special Conditions of Contract.
1.1.1.3	Technical specification including drawings, if any.
1.1.1.4	'Price schedule', (No rate shall be entered in the rate column. Only write 'Quoted' against each rate of the schedule).
1.1.1.5	Drawings.
1.1.1.6	Schedules, annexure, proformas and other documents as indicated in the tender document and as specified in the tender enquiry letter.
1.1.1.7	The above documents shall form one set of the Part –I tender. Tenderers shall submit requisite sets of Part-I tender, i.e. original and duplicate sets as specified in the tender enquiry letter. All the sets shall be sealed and marked 'Original Part – I tender' and 'Copies of Part – I tender' on the respective sets and superscribed as : COVER-I (TECHNO-COMMERCIAL BID) NIT NO. 18497 (ENQUIRY NO. T7J1N80909). NAME OF WORK AND PROJECT. DUE DATE OF SUBMISSION: _____
1.2	COVER-II (PRICE BID – ABSOLUTE VALUE)
	This shall include following:
1.2.1	Copy of the covering letter enclosed in Part-I tender.
1.2.2	'Price schedule', for the supply scope of work
1.2.3	Tenderer shall submit requisite sets of Part-II tender duly sealed in one cover, super scribed as: COVER-II (PRICE BID – ABSOLUTE VALUE) NIT NO. 18497 (ENQUIRY NO. T7J1N80909). NAME OF WORK AND PROJECT. DUE DATE OF SUBMISSION: _____
1.3	COVER-III (COST OF TENDER) (for bidders other than MSEs covered under MSE act)
	Earnest Money Deposit should be made in the form as indicated in tender document and shall be submitted inside a sealed envelope superscribing the following. COVER-III (COST OF TENDER) NIT NO. 18497 (ENQUIRY NO. T7J1N80909). NAME OF WORK AND PROJECT. DUE DATE OF SUBMISSION: _____
	COVER-IV (EMD) - Not Applicable
1.4	COVER-V (MAIN COVER)
	Duly sealed and superscribed, as detailed above of COVER-I, COVER-II, COVER-III tenders shall be enclosed in one main cover duly sealed and superscribed as: PART – IV (TECNHO-COMMERCIAL PART, PRICE PART AND EMD). NIT NO. 18497 (ENQUIRY NO. T7J1N80909). NAME OF WORK AND PROJECT. DUE DATE OF SUBMISSION: _____
2.0	OPENING OF TENDERS
2.1	Unless otherwise specified, techno-commercial bids will be opened on the same day of due date of submission of offer after 14-00 hrs for which bidder may depute representative.

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2.2	While BHEL reserve the right to open the price bid (Cover-II) of the offers in camera, the date & time to open to Cover-II tender opening shall be intimated to the bidders, in case BHEL decides it to be 'Public opening' and in such a case, one representative of the bidder shall be allowed to attend.
2.3	Price bids of those bidders who will be qualified for the subject job on the basis of pre-bid discussions, evaluation of techno commercial bids etc will be opened on specified date. Bidders may depute their representatives to participate in opening of price bids. BHEL's decision in this regard is final & binding.
2.4	REVERSE AUCTION: BHEL reserves the right to go for Reverse Auction instead of Opening the sealed price bid, to be submitted. This will be decided after techno-commercial evaluation and the same shall be informed to the acceptable bidders.
3.0	RATES TO BE IN FIGURES AND WORDS
3.1	The tenderer shall quote overall price in English both in figures as well as in words the rates and amounts tendered by him in the priced schedule of items of work forming part of the tender in such a way that interpolation is not possible. The amount for each item shall be worked out and entered and requisite totals given of all items. The tendered amount for the supply shall be entered in the tender and duly signed by the tenderer.
3.2	If some discrepancies are found between the rate given in words and figures or the amount shown in the tender the following procedure shall be followed:
3.2.1	If there is discrepancy between the unit price and the total price (which is obtained by multiplying the unit price by the quantity), the unit price shall prevail and the total price corrected accordingly, unless in the opinion of the purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price corrected accordingly.
3.2.2	If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
3.2.3	If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject of (3.2.1 and 3.2.2) above.
3.2.4	If there is such discrepancy in an offer, the same shall be conveyed to the bidder with target date upto which the bidder has to send his acceptance on the above lines and if the bidder does not agree to the decision of the purchaser, the bid is liable to be ignored.
3.2.5	When it is not possible to ascertain the correct rate, in the manner prescribed above, the lesser of the two (i.e., between figures and words) will be treated as valid rate.
4.0	CORRECTIONS AND ALTERATIONS
	All entries in the tender shall either be typed or be in ink, erasures and over-writing are not permitted and may render such tenders liable to summary rejection. All corrections and alterations, if any, shall be duly attested by the tenderer with date.
5.0	ALL PAGES TO BE INITIALLED
	All pages of all volumes and sections including drawing of tender documents shall be initialled with seal at the lower right hand corner or signed with seal wherever required in the tender documents by the tenderer or by a person holding power of attorney (copy to be enclosed with Part-I of tender) authorizing him to sign on behalf of the tenderer and shall be submitted along with the bidder's techno-commercial offer. All the tenders' documents shall be dully signed with the date.
6.0	ADDENDA
	Addenda to the tender documents may be issued by the purchaser prior to the date of opening of the tenders to clarify documents or to reflect modifications in the design or contract terms. All such addenda issued by the purchaser shall also form part of tender documents.

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7.0	RATES TO BE ALL INCLUSIVE The tenderer shall quote for the jobs on the basis of the items entered in the schedule of prices and shall quote separately for each and every items entered in schedule of prices. The rates and prices quoted by the bidder shall be all inclusive as provided for in the schedule of prices and any claim whatsoever for enhancement of rates or prices quoted on any account shall not be entertained.
8.0	INFORMATION The information given in the tender documents and the plans and drawings forming part thereof is merely intended as general information without undertaking on the part of BHEL as to their accuracy and without obligation relative thereto upon BHEL. Before tendering, the tenderers are advised to inspect the site of work and the environments and be well acquainted with the actual working and other prevalent conditions, facilities available, position of labour etc. No claim will be entertained later on the ground of lack of knowledge.
9.0	Void
10.0	ENCLOSURES The enclosures to be enclosed along with Part-I of the tender shall include the following besides other such enclosures which may have been specified elsewhere in the tender documents:
10.1	Valid Income Tax Clearance Certificate and Sales Tax Clearance Certificate in original or true copies/ photocopies duly attested by a Gazetted Officer.
10.2	--
10.3	In case of a proprietorship firm, full name of proprietor, address, place and nature of business shall be furnished. In case of partnership firm, names of all the partners and their address, attested copy of partnership deed, instrument of partnership duly certified by the Notary Publics shall be enclosed. In case of company, date and place of registration including date of commencement – certificate, certified copies of Memorandum and Articles of Association, nature of business carried on by the company and provisions of the memorandum relating thereof, names and particulars including addresses of all the directors and their previous experiences etc shall be furnished.
10.4	Power of Attorney or other proof of authority of the person who has signed the tender.
10.5	Provident Fund Account Number through which PF of the Employees are deposited including supporting document for the same.
10.6	In case of a consortium arrangement consisting of prime bidder and his associate, the prime bidder to furnish as exclusive undertaking jointly executed by him and his associate for the successful performance of the entire contract. At the time of contract finalisation, a legal document on the formation of such group has to be submitted to BHEL which will be a part of the contract document.
10.7	Any other documents required in terms of this notice.
11.0	GENERAL
11.1	The tender shall be completely filled in all respects and shall be tendered together with requisite information in the manner detailed above and elsewhere in the tender documents. Any tender incomplete in any respect and violating any of the instructions shall be liable to be rejected. If the space in the tender or any schedule or proforma is insufficient pages shall be separately added numbered and duly signed by the bidder with date.
11.2	The acceptance of tender will rest with BHEL which does not bind itself to accept the lowest tender or any tender and reserves to itself full rights for the following without assigning any reasons whatsoever :-
11.2.1	To reject any or all the tender.
11.2.2	To split up the work amongst two or more tenderers.
11.2.3	To award the work in part.
11.2.4	Either of the contingencies stated in 11.2.2 and 11.2.3 to modify the time for completion suitably.
11.3	Conditional tenders, tenders containing absurd or unworkable rates and amounts

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	and tenders which are incomplete and otherwise considered defective and not in accordance with the tender conditions, specification, etc are liable to be rejected.
11.4	If a tenderer expires after his submission of the tender or after the acceptance of his tender BHEL may at their discretion cancel such tender. If a partner of a firm expires after the submission of the tender or after the acceptance of the tender, BHEL may cancel such tender at their discretion unless the firm retains its character.
11.5	BHEL will not be bound by any power of attorney / granted by the tenderer or by changes in the composition of the firm made subsequent to the execution of the contract. BHEL may however, recognize such power of attorney and changes after obtaining proper legal advice, the cost of which will be chargeable to the contractor, concerned.
11.6	If the bidder deliberately gives wrong information in their tender, BHEL reserves the right to reject such tender at any stage or to cancel the contract, if awarded and forfeit Earnest money / Security Deposits.
11.7	Canvassing in any form in connection with the tenders is strictly prohibited and the tenders submitted by the bidder who resort to canvassing are liable to rejection.
11.8	Should a bidder or in the case of a firm or Company one or more of its partners / shareholders / directors have a relation or relations employed in the capacity of an officer of BHEL, the authority inviting tender shall be informed of the fact alongwith detail of the officer. Failing this, BHEL may, at its sole discretion, reject the tender or cancel the contract and forfeit the Earnest Money /Security Deposit.
11.9	The tender submitted by a bidder shall become property of BHEL and there shall be no obligation on the part of purchaser to return the same to the bidder.
11.10	BHEL shall not be liable for any expenses incurred by the bidder in the preparation of the tender irrespective of whether the tender is accepted or not.

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GENERAL CONDITIONS OF CONTRACT
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CLAUSE NO	DESCRIPTION
1.0	APPLICATION Unless otherwise provided in the contract documents, these general conditions shall govern the works of the accompanying technical specifications. Special conditions of this volume shall be read in conjunction with these general condition and these conditions will from a part of the contract documents.
2.0	DEFINITION OF TERMS : In construing these General Conditions, Special conditions and accompanying Specification the following words shall have the meaning herein assigned to them except where the context otherwise requires.
2.1	The owner/ purchaser shall mean BHEL and shall include its successor in office, legal representative and permitted assigns.
2.2	Purchaser/ vendee/ BHEL shall mean Bharat Heavy Electricity Limited a Company registered under the Indian Companies Act 1956, with its Registered Office at BHEL House, Siri Fort, New Delhi. BHEL -PE&SD & HPEP Hyderabad are authorised to deal with any matter pertaining to this tender during any stage of tender/ contract execution.
2.3	Executive Director/ General Manager shall mean the officer in administrative charge of BHEL, PE&SD, Hyderabad.
2.4	The bidder / tenderer shall mean well established reputed organisations, manufacturer etc having requisite financial and technical capability for engineering, supply, delivery and supervision of E&C of equipment (if applicable) as per applicable technical specifications.
2.5	The contractor shall mean the successful bidder/ tenderer who is awarded the contract and shall be deemed to include the contractor's successor's assigns, heir's executors, administrators of representatives approved by the BHEL.
2.6	The sub-contractor shall mean individual or firm to whom any part of the work has been subletted by the contractor with the consent in writing of BHEL and shall include his/its heirs, executors, administrators, legal representative and permitted assigns.
2.7	The Engineer shall mean an Officer of BHEL as may be duly appointed and authorised in writing by BHEL to act as Engineer on his behalf for the purpose of the Contract, to perform the duty set forth in this General Condition of Contract and other Contract Documents.
2.8	The Consulting Engineer shall mean any firm or person as may be duly appointed and authorised in writing by BHEL/Purchaser from time to time to review plant and equipment, works and services under the Contract.
2.9	The "Review Consultant" shall mean any firm or person as may be duly appointed and authorised in writing by BHEL/Purchaser from time to time for final review of the plant and equipment, works and services under the Contract.
2.10	The "Inspector" shall mean any firm or person as may be duly appointed and authorised in writing by BHEL/Purchaser from time to time to inspect plant and equipment, works and services under the Contract.
2.11	'Acceptance of Tender" shall mean Telegraphic/ Telex/ Tele-fax Letter of Intent or Notification communicating to the Contractor the acceptance by BHEL of his tender.
2.12	"Contract Price" shall mean the agreed sum of money stated in the Contract to be paid to the Contractor for the successful fulfilment of the Works in accordance with the terms of the Contract Documents.
2.13	"Contract" shall mean the Agreement between the Contractor and BHEL for execution of and payment for the works as defined in the Contract Documents.
2.14	The "Contract Documents" shall mean and includes the General Conditions of Contract. Specifications and Schedules. Drawings, Form of Tender, Covering Letters, Schedule of Prices and Quantities submitted by the successful Bidder, Letter of Interest of BHEL, Drawings, subsequent amendments mutually agreed upon and the Agreement to be entered in to between BHEL and the Contractor duly signed by them under the Clause - Contract" of these General Conditions and other

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	documents that may form part (s) of the Contract Documents.
2.15	"Work or Works" shall mean the plant / equipment to be supplied and / or works to be done by the Contractor under the contract Documents.
2.16	"Plant" shall mean the portion of the work (under the scope of this contract) which includes permanent equipment, machinery, apparatus, materials, articles and civil, structural and architectural works and things of all kinds to be provided under the contract documents.
2.17	"Test" shall mean such test as is prescribed or considered necessary by BHEL / purchaser whether performed or made by the Engineer or any Agency acting under the direction of the Engineer.
2.18	"Constructional Plant" means all appliances or things of whatsoever nature required in or about the execution completion or maintenance of the works or temporary works by the contractor at his own cost and risk (as hereinafter defined) but does not include materials or other things intended to form or forming part of the permanent work.
2.19	"Goods" shall mean plants, equipment or materials to be supplied under the Contract Documents.
2.20	"Temporary Work" shall mean all temporary works of every kind required in or about the execution, completion or maintenance of the work by the contractor at their cost and risk.
2.21	"Completion Time" shall mean the period by date/month specified in the acceptance of tender for handing over of the intended scope of work, erected equipment / plant, which are found acceptable by the engineer being of required standard and conforming to the specifications of the contract.
2.22	"Consignee" shall mean the authorised representative or officer of the Purchaser / BHEL to whom the plant, equipment and materials are required to be delivered in the manner indicated in the Contract Documents.
2.23	The "Specification" or Specification / Technical Specifications" shall mean all Specifications including technical specifications of the Works and the Tender Drawings and schedules attached thereto and any modification made thereof.
2.24	"Drawings" shall mean drawings referred to in the Contract Documents including modifications if any and such other drawings as may be from time to time furnished by the Contractor and approved by BHEL / purchaser.
2.25	"Site" shall mean the land and other places including existing roads, paths etc., put at the disposal of the Contractor by BHEL / purchaser in connection with the execution of the Contract.
2.26	"Tests on Completion" shall mean such tests as are prescribed in the specifications and/or other tests as mutually agreed upon by BHEL/ Purchaser and the Contract to be carried out by the Contractor on erection of the plant to prove satisfactory performance as per Specification.
2.27	"Acceptance Test / Performance Guarantee Test" shall mean such test as are required to determine and demonstrate guaranteed capacity, efficiency and operating characteristics of the Plant as stipulated in the contract Documents.
2.28	"Commissioning" shall mean the successful completion of trial operations and readiness of the contracted / ordered plant and materials for commercial use. This will include all consumables and inputs required for pre-commissioning.
2.29	"Initial Operation", "Reliability Run" or "Trial Run" shall mean the first continuous operation of the plant by the Contractor covered under the Contract with sub-systems under varying loads to demonstrate satisfactory operation for a specified period which shall not be less than fifteen (15) days.
2.30	"Commercial Operation" shall mean the conditions of operation in which all the equipment covered under the Contract are officially declared by BHEL/ purchaser, to be available for continuous operation at different loads and including rated capacity. Such declaration by BHEL / purchaser will be issued within thirty days after successful trial run made by the Contractor.
2.31	"Service" shall mean furnishing of labour and services as per specifications and supervision of complete erection, testing and putting equipment and materials to

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	be supplied into satisfactory operation, supervision of inland transportation, loading and unloading and storage at the site as defined in the Contract Documents.
2.32	"Warranty Period" shall mean the period during which the Contractor shall remain liable for repair or replacement of any defective part of the plant supplied, works done and services rendered under the Contract.
2.33	"Code" shall mean the applicable International and Indian standards as on the date of letter of intent and any subsequent modification thereof.
2.34	"Month" shall mean calendar month. "Day" or "Days" unless herein otherwise expressly defined shall mean calendar day or days of twenty four (24) hours each. A week shall mean continuous period of seven (7) days.
2.35	"Letter of Intent" / "Purchaser Order" shall mean BHEL's letter or notification conveying his acceptance of the Tender subject to such conditions as may have been stated therein.
2.36	"Writing" shall include any manuscript typed or handwritten or printed statement, including Telex, Cable and facsimile transmission under or over signature or seal as the case may be.
2.37	"Approved" or "Approval" shall mean as approved by or approval of the Purchaser/ BHEL.
2.38	Words incorporating "Persons" shall include firms, companies, corporations and other bodies whether incorporated or not.
2.39	"Words" incorporating the singular only shall also include the plural and vice-versa where the context requires.
2.40	"F.O.B" shall mean delivery free of expenses to the Purchaser / BHEL on board the vessel at the port of shipment.
2.41	"CIF Price" shall mean delivery free of expenses to the purchaser / BHEL on board the vessel at the port of entry including the insurance coverage.
2.42	"F.O.R. " Destination" shall mean delivery free of expenses to the Purchaser / BHEL on rail wagons at destination Railway Station or the purchaser's siding as may be named or / and by road transport at customer's destination.
2.43	"F.O.R. Works" shall mean loaded and stowed or trimmed free of expenses to the purchaser / BHEL on board rail wagons / road transport at the Contractor's Works siding or the nearest Railway station for transportation.
2.44	"Tonne" shall mean 1000 Kilogram weight. "Gallon" shall mean Imperial gallon, unless otherwise mentioned specifically.
2.45	"Final Acceptances" mean the BHEL's/ purchaser's acceptance of the work/plant completed in every respect as per terms of the contract Documents on expiry of the Warranty / guarantee / maintenance period.
2.46	Terms and conditions not herein defined shall have the same meaning as are assigned to them in the latest edition of Indian Sale of Goods Act/Indian Contract Act as applicable.
2.47	SINGULAR AND PLURAL Words importing the masculine gender or singular number shall also include the feminine gender and plural and vice versa where the context so requires.
2.48	HEADINGS OR NOTES The headings or notes in these conditions are solely for the purpose of facilitating reference and shall not be deemed to be part thereof or be taken into consideration in the interpretation or construction thereof or of the contract.
2.49	LANGUAGE All documentations and correspondence regarding the contract shall be in English language.
2.50	DOCUMENTS MUTUALLY EXPLANATORY Except if and to the extent otherwise provided by the contract the provisions of special Conditions of contract shall prevail over General Conditions of Contract and over those of any other documents forming part of the Contract. Subject to the foregoing the several documents forming the Contract are to be taken as mutually explanatory of one another but in case of ambiguities or discrepancies the same shall be explained and adjusted by the Engineer who shall thereupon issue to the contractor instructions directing in what manner the work is to be carried out.

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3.0	SCOPE OF CONTRACT The scope of work, if not otherwise mentioned in the contract, shall be on the basis of a single contractor's responsibility, completely covering all Technical Specifications under the accompanying Technical Specification. Some of the salient features are hereunder.
3.1	Detailed design of all the equipment and subsystem and work as per specification.
3.2	Complete manufacture / Procurement of all the equipment / subsystem including shop testing and assembly as per specification.
3.3	Providing of special tools and tackles and services necessary for satisfactory execution of the contract.
3.4	Providing engineering drawings, data operation manual, etc.
3.5	Packing and transportations of the Goods from the manufacturer's works to the site.
3.6	Supply of spares.
3.7	Supervision of E&C and Performance testing works
4.0	CONTRACT PRICE (UNLESS SPECIFIED OTHERWISE IN SPECIAL CONDITION OF CONTRACT)
4.1	The contract price is the agreed sum of money stated in the contract documents to be paid to the contractor for the successful completion of the works in accordance with the terms of the contract documents. The contract price shall be for the entire scope of the work with the break-ups as specified.
4.2	The individual item rates or lumpsum price as the case may be, in the schedule of this contract shall be deemed to be firm for the entire period of the Contract or extended period of contract and no escalation in the rates or price shall be permissible for any reason whatsoever unless otherwise specified.
4.3	The contract price shall not be varied in respect of the fluctuations in rate of wages or allowances payable to the labour or in the cost of materials, consumables, water, fuel, power or for anticipated profit or alleged losses or for any other reason whatsoever.
5.0	TAXES AND DUTIES (UNLESS SPECIFIED OTHERWISE IN SPECIAL CONDITION OF CONTRACT)
5.1	EXCISE DUTY
5.1.1	Excise duty actually incurred by contractor against the despatch made from his factory constituting sale under the contract alone shall be reimbursed at actuals against requisite documentary evidence like clean invoice cum excise duty gate pass in original or certificate copy, if separately indicated in the prices bid. If excise duty is included in the price quoted by the contractor then he is not eligible for reimbursement of excise duty or statutory variation of excise duty.
5.1.2	The invoice cum excise duty gate pass should show the name of ultimate consignee as specified in the contract. If excise duty is paid under protest or dispute it shall not be eligible for reimbursement until the dispute is settled.
5.1.3	No excise duty shall be payable by BHEL on the raw materials, inputs & bought out items which are required for manufacture / assembly of any item at vendor's works / sub-vendor's works. However excise duty shall be reimbursed for finished components consigned directly to site from sources other than contractor's factory against the documentary evidence.
5.1.4	The contractor is required to ensure that excise duty is properly calculated and paid and available exemption and benefits are fully availed.
5.1.5	If required by BHEL the contractor will provide certificate, if modvat/cenvat benefit has been availed on his inputs and have been passed on to BHEL.
5.1.6	If the contractor claims / obtains any refund of the excise duty paid and got reimbursed, the same shall be refunded to BHEL.
5.1.7	Excise duty shall be restricted to the amount and percentage shown in the price format. BHEL is not liable to reimburse if the excise duty shown by the contractor in his offer is incorrect.
5.1.8	The excise duty shall be reimbursed against submission of clean original excise duty

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	invoice or true copy thereof duly attested by excise authorities. The payment of excise duty shall however be limited to the amount indicated in the price in the schedule. Statutory variation shall be limited to change in the tariff within the delivery specified in the order/contract only. Provisional / Conditional gate passes / excise duty invoices are not acceptable for reimbursement.
5.1.9	Contractors are required to ensure that excise duty including surcharges, if any, quoted are as per the existing tariff on the date of the offer and have availed all benefits as per existing rules.
5.1.10	EXCISE DUTY (IN CASE OF DEEMED EXPORT) In case of deemed export and order placed under similar financing arrangement, contractors are required to ensure that original gate passes and document to claim draw backs are made available to BHEL along with disclaimer certificate. In the absence of above the offer is liable to be loaded. In these cases, excise duty shall be billed separately with the above documents.
5.1.11	Bidder shall not be eligible for any statutory increase in the excise duty beyond the contractual delivery date agreed by the purchaser.
5.2	SALES TAX
5.2.1	Sales tax shall be reimbursed only if the same is payable by the contractor to the respective authorities. In case any concessional provisions are applicable the same shall be availed by the bidder/ contractor.
5.2.2	Contractors are expected to meet all statutory requirements and ensure that the Sales Tax charged are not exempted under the respective Sales Tax Act. The bid/offer should clearly indicate the percentage and total amount. Concessional forms required should be clearly indicated in the bid/offer.
5.2.3	BHEL –R.C.Puram is registered in Hyderabad vide registration number TIN no:- 36360151179 w.e.f. 02.06.2014. If the supply commences from Gujarat state (dispatch station and receiving station in the same state),for those supplies local VAT is applicable. To avail VAT credit bidder to raise invoice in the favour of BHEL Nodal agency (i.e. BHEL-PSWR, 568/1, Parpia Compound, R C Dutt Road, Vadodara- 390 007 TIN No 24190101571) A/c BHEL-PE&SD R.C.Puram.
5.2.4	Tenderers are to ensure that their offer includes all applicable taxes. In case of Intra-state sales tax. The same shall be specified.
5.2.5	Sales tax on direct sales by the contractor to BHEL shall be reimbursed, as per tariff applicable to the approved items but restricted to the amount shown in the price bid separately. If it is shown as included in the quoted price. Then it shall not be eligible for reimbursement by BHEL.
5.2.6	BHEL proposed to make sale-in-transit "C" form shall be issued / exchanged against E1/E2 forms "C" form shall be issued based on financial year transaction. Contractors are required to submit their request for issue of "C" forms in the format enclosed.
5.2.7	Form "C" will be issued after the financial year against the issue of E-1/E-2 form. Contractors are required to give the details for claiming "C" form.
5.2.8	If documents are submitted through bank. Form-C shall not be insisted for retirement
5.2.9	Contractors are expected to avail taxation benefit. The bid/offer should clearly indicate the percentage and total amount. Concessional forms requirement should be clearly indicated in the bid/offer.
5.3	OTHER TAXES Bidders are required to include all other taxes applicable on the date of the offer/bid over and above ED, ST/VAT. This will include but not limited to Octroi, turnover, works contract tax, entry tax, consignment tax, income tax, etc
5.4	CUSTOMS DUTY Contractor shall arrange for their own import licence if required since BHEL will not provide any import licence. The custom duty element for imported items shall be included in the basic price. No variation in customs duty / exchange rate for imported items shall be payable by BHEL.
5.5	FREIGHT & INSURANCE CHARGES
	Contractor shall be required to transport the items through transport contractor of repute. Freight charges shall be payable by the contractor. The transit insurance shall be arranged and borne by vendor up to 3x90.3 MW RUPPL DAHEJ PROJECT site

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6.0	PRICE VARIATION (UNLESS SPECIFIED OTHERWISE IN SPECIAL CONDITION OF CONTRACT)
	Transport: If for any reason, the contractor has to resort to a mode of transport other than what was contemplated by them at the time of tendering to keep up the completion schedule and consequently has to incur more expenditure, BHEL will not under any circumstances reimburse such extra expenditure and price will not exceed the firm contract / order price.
7.0	STATURORY VARIATIONS (UNLESS SPECIFIED OTHERWISE IN SPECIAL CONDITION OF CONTRACT)
7.1	It is the responsibility of the tenderer to inform themselves of the correct rates of customs or other duties or taxes leviable on the materials at the time of tendering. If the rates assumed by the tenderer are less than the correct rates prevailing at the time of tendering the tenderer will be responsible for such errors.
7.2	If the rates assumed are higher than the correct rates prevailing at the time of tendering, the difference will be to the credit of BHEL.
7.3	Should, however, any statutory alternation be made based on the rate prevailing at the time of tendering, the difference for excise duty & sales tax only, either up or down, will be to the account of BHEL within the contractual period. No variations on customs duty / exchange rate / minimum wages, prices of controlled commodities or any other input shall be payable by BHEL.
7.4	Notwithstanding the above, where the actual completion of the supply occurs beyond the period stipulated in the order/contract, variations above referred to will be limited to the rates prevailing on the dates of the stipulated completion period only and for variations after the agreed completion period the tenderer alone shall bear the impact if it is upward revision and if it is downward revision BHEL shall be given credit to the extent. This will be without prejudice to the levy of penalty for delay in completion.
8.0	TERMS OF PAYMENT (UNLESS SPECIFIED OTHERWISE IN SPECIAL CONDITION OF CONTRACT)
8.1	SUPPLY
8.1.1	Contract Performance Bank Guarantee (CPBG) / Security Deposit (SD) The successful bidder to furnish CPBG /SD for 10% of contract value within 30 days from the date of receipt of PO. The CPBG /SD shall be valid till completion of the contract + 3 months claim period.
8.1.2	For all items of package as per rate schedule of main supply, payment shall be made as per following break-up of basic price.
8.1.2.1	Supply: For Indigenous Vendors : I) Supply: 90% against dispatch documents and after receipt of materials at site (payable on site certification i.e. acknowledged LR) and balance 10% shall be payable after i) Receipt of O & M manuals if any, final drawings ii) Submission of performance BG (from a nationalized Bank) for the 10% of order value valid for guarantee period + 3 months claim period iii) Submission of E1 forms against exchange of C form from BHEL. All documents are to be submitted directly to us, and not through Bank. The Taxes and duties that are reimbursed would be the one applicable as on the scheduled purchase order delivery date or the amount actually paid whichever is less. II) Payment shall be made within 90 days (45 days in case of MSEs (Covered under MSME Act) which are registered and renewed periodically with BHEL) after receipt of clear bill along with relevant supporting documents from you (applicable to every bill). For Foreign Vendors : i) Irrevocable Letter of credit shall be established for 100% (less Indian agency commission) of the value before 1 month of confirmed date of dispatch, valid for 3 months including bank negotiation period of 21 days from the date of opening. This shall be indicated in LC terms. LC is encashable against Shipping Documents and submission of inspection Report negotiated through Bank.

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	Any LC Confirmation or Validity Extn charges are to suppliers A/c. LC shall be opened only in the name of vendor on whom purchase order is placed. (OR) ii) Cash against documents / Sight draft Purchaser can also accept payment terms against presentation of documents to the Purchaser's Bank / sight draft. All banking charges outside India will have to be borne by the supplier. Performance Bank Guarantee shall be submitted for 10% of order value valid for guarantee period + 3months claim period and shall be confirmed by Indian bank
8.1.2.2	Despatch documents shall mean the following :
8.1.2.3	Invoice/ excisable invoice in original.
8.1.2.4	LR / RR (consignee copy).
	Payment shall be made within 90 days (45 days in case of Industries registered as SSI with BHEL) after receipt of clear bill along with relevant supporting documents from you (applicable to every bill).
8.1.3	No advance payments shall be made.
8.2	Supervision of Erection & Commissioning: 100% on pro-rata basis as per BHEL site certification (if applicable)
8.3	Recommended/ Mandatory Spares. Same as clause no 8.1 above.
9.0	DOCUMENTS FOR CLAIMING SUPPLY PAYMENT (FOR INDIGENOUS SUPPLIERS ONLY)(UNLESS SPECIFIED OTHERWISE IN SPECIAL CONDITION OF CONTRACT) Following documents shall be submitted for claiming supply payments in required number of sets.
9.1	Invoice.
9.2	LR/RR/GR
9.3	Delivery challan.
9.4	Packing list showing item-wise details, size, quantity/ number, net & gross weight, number of packages and their identification.
9.5	OS/IRN note issued by BHEL/BHEL nominated inspection agency.
9.6	Original material receipt certificate (MRC) from site office shall be required for claiming payment.
10.0	Void
11.0	TIME (THE ESSENCE OF CONTRACT)
11.1	The time and date of completion of the work as stipulated in the contract Documents shall be deemed to be the essence of the Contract. The contractor shall commence the works and shall proceed with the same with due expedition and without delay except as may be expressly sanctioned or ordered by the Engineer. If the contractor fails to commence the work within the stipulated time , BHEL at their sole discretion will have the right to cancel the contract. In such an event the contractor's security deposit with BHEL will stand forfeited without any further reference to the contractor, without prejudice to any and all of the BHEL's other rights and remedies in this regard. The Contractor shall so organise their resources and perform so as to complete the work not later than the aforesaid date of completion.
11.2	The contractor shall prepare L1 schedule/ network of Engineering, manufacturing, testing, and procurement of sub-vendor items, as per completion schedule given in this document. This network must conform to the overall delivery schedule.
11.3	The Contractor shall discuss the L1 schedule/ network so submitted with BHEL. The agreed network may be in the form as submitted or in revised form in line with the outcome of discussion and shall form a part of the contract documents.
11.4	Based on L1 network the contractor will prepare L2 network which will indicate exhaustive list of activities of Engineering, procurement of raw materials, manufacturing, testing, procurement of sub-vendor items, and despatch as per completion schedule given in this document. This network must include all milestone and key activities for each subsystems/components in the areas of engineering (wherever applicable), procurement, manufacture (wherever applicable), dispatch.

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11.5	<p>Based on L2 network the contractor will develop L3 network, which will indicate micro details of each activity of L2 network and also show customer/BHEL hold points, responsibility of the customers/BHEL and contractor.</p> <p>Above schedules/ networks would be submitted to BHEL sequentially by the contractor within 15 days from date of LOI /PO for review and approval and the same shall be finalized within a month.</p> <p>If in the opinion of BHEL proper progress is not maintained suitable changes suitable changes shall be made in the Contractor's operation to ensure proper progress.</p>
11.6	PROGRESS REPORTS
	<p>The contractor shall prepare and submit to BHEL monthly progress report indicating progress on key activities, management summary for critical activities, list of actions requiring attention of BHEL.</p> <p>A copy of the progress report and lookup schedule must be submitted to Purchase / PE&SD, BHEL, Hyderabad latest by 7th of every month covering the detailed progress achieved in the previous month</p>
11.7	MISTAKE IN DRAWINGS
	<p>The Engineer shall have the right at all reasonable times to inspect at the office / premises of contractor all shop and / or detailed drawings of the works or any portion of the works. The Contractor shall be responsible for and shall pay for any alternations of the work due to any discrepancies, errors or omission in the drawings or other particulars supplied by him whether such drawings or particulars has been approved by the Engineer or not. Provided that such discrepancies, errors or omissions be not due to inaccurate information or particulars furnished to the contractor by the Engineer, in which event BHEL shall pay for any alternations of work necessitated by reason of inaccurate information supplied by the Engineer to the Contractor.</p>
12.0	DELIVERY FAILURE TERMINATION/ PENALTY (UNLESS SPECIFIED OTHERWISE IN SPECIAL CONDITION OF CONTRACT)
12.1	<p>It should be clearly understood by the Contractor that time and the date of delivery of despatch stipulated in the order is the essence of the contract, If the contractor fails to complete the order within the time fixed in the order, or within any extension of time granted by BHEL, it shall be lawful for BHEL to recover damages for breach of order without prejudice to any other rights and / or remedies provided for, in the order and hereunder. To be entitled to impose such damage, BHEL will not be required to prove that he has incurred such amount as actual damage.</p>
12.2	DELAYED DELIVERY
	<p>Supply : Recover from the contractor, as agreed penalty a sum equivalent to half percent (1/2%) of the order /contract price for the delayed portion, excluding elements of taxes, duties freights etc., per week or part thereof subject to a maximum of ten percent (10%) of total order/contract price of the complete order if the contractor has failed to deliver any part of equipment /item within the period fixed for delivery of the same.</p> <p>Deviated Penalty: Any loading on Penalty clause shall be 10% or to the extent to which it is not agreed to by the vendor.</p>
13.0	COMPETENCE AND GUARANTEES
13.1	<p>Contractor shall have sound technical and financial capabilities and possess recognised experience in executing the works of similar kind and magnitude. The contractor shall properly fill in the various schedules and proforma prescribed in the tender documents. Non submission of the information in the prescribed schedules and proforma may lead to rejection of the bid.</p>
	CONTRACT PERFORMANCE BANK GUARANTEE / SECURITY DEPOSIT
	<p>The successful bidder to furnish Contract Performance Bank Guarantee for 10% of contract value within 30 days from the date of receipt of PO valid till completion of the contract + 3 months claim period.</p>
	PERFORMANCE BANK GUARANTEE
	<p>Performance Bank Guarantee for 10% of contract value shall be furnished immediately after completion of supply valid upto guarantee period + 3 months claim period.</p>

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14.0	DELIVERY TERMS When the goods are ready for shipment BHEL / owner should be notified by the contractor through Email. Notification of delivery or despatch in regard to each and every consignment shall be made to the owner/BHEL immediately after despatch or delivery ensuring arrangements for its receipt at the site at least 48 hours ahead of actual delivery. The contractor shall further supply to the consignee a priced invoice and packing list of all goods delivered or despatched by them and other shipping particulars. All packages, containers, bundles and loose materials forming part of each and every consignment shall be described fully in the packing list, and full details of the contents of packages and quantity of goods shall be submitted to enable the consignee to check the goods on arrival at destination.
15.0	SHOP ASSEMBLY AND INSPECTION
15.1	Shop assembly to the largest extent feasible shall be performed by the contractor to assure proper fitting of the various parts and for checking the correctness of clearances and dimensions. Parts thus assembled shall be match - marked for reassembly at the site. Prior to be dismantled for shipment a detailed description of the intended shop assemblies shall be submitted along with the Quality Assurance Plan.
15.2	No Goods shall be shipped before all tests and inspection have been carried out according to the approved Quality Assurance Plan unless otherwise instructed by BHEL.
15.3	The acceptance of any Goods prior to shipment shall in no way relieve the contractor of any of his responsibilities for meeting all the requirement of the specification and shall not prevent subsequent rejection if such Goods are found to be defective.
15.4	BHEL/ owner and their duly authorized representative shall have the power at all reasonable times to inspect drawings of any portion of the work or examine the materials and workmanship of the equipments/ items during its manufacture
15.5	Such inspection, examination and testing shall not relieve the contractor from any obligation under the contract.
15.6	BHEL engineer shall on giving seven (7) days notice in writing to the contractor setting our any ground of objection which he may have in respect of the plant/equipment /work, be at liberty to reject any drawings and all or any plant or workmanship, subject to any of the said ground of objection, which in his opinion are not in accordance with the contract / order. The contractor shall give due consideration to such objection and shall either make the modifications that may be necessary to meet the said objections or shall satisfy the engineer that no modifications are necessary to comply with the contract/order.
15.6	The contractor shall give the engineer and his duly authorized representatives notice of any material being ready for testing, and the engineer or the said representative shall (unless the inspection of tests voluntarily waived) on giving reasonable previous notice in writing to the contractor attend at the contractor's premises (as the case may be) within twenty (20) days of the date on which the material is notified as being ready, failing which the contractor may proceed with the tests which shall be deemed to have been made in the engineer's presence. All standard shop tests physical and chemical tests required by the standards or as may be prescribed or approved by the engineer reserves the right to waive any of the above tests requirement and to prescribe new tests required if fours necessary to expedite the work or to confirm to the latest and best practice. Definition, method of measurement, calibration of inspection, measuring and test equipments and required procedure as referred in the above standard and / or those approved by the engineer and equivalent shall be followed. The contractor shall forthwith forward to the engineer duly certified copies of the test certificates in quadruplicate for approval. Further copies of the shop test certificate shall be bound will the instruction manuals.
15.7	In all cases where the order/ contract provided for tests/ inspections whether at the premises or works of the contractor or any sub-contractor the contractor, except where otherwise specified shall provide free of charge to BHEL such labour,

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	materials, electricity, fuel, water, stores, apparatus, inspection measuring and test equipments as may reasonably be required to carry out efficiently such tests of the equipment/ plant, in accordance with the order/ contract and shall give facilities to the engineer or his authorised representative to accomplish such testing.
15.8	The contractor shall maintain & ensure necessary safety measures as required for inspection and tests like HV test, Pneumatic test, Hydraulic test, Loan test Spring test, Bend test etc, of his/his subcontractors works to enable inspection Agency for performing inspections. If any test equipment is found not complying with proper safety requirements, then the inspection agency may withheld inspection, till such time desired safety requirements are met.
15.9	INSPECTION MEASURING AND TEST EQUIPMENTS (IMTE)/ MMD
15.9.1	Inspection measuring and test equipments (IMTE) whether used by the contractor or his sub-contractor shall be calibrated, maintained and controlled. Calibration shall be valid and IMTE shall be in sound condition during usage.
15.9.2	In addition to above, contractor shall ensure the following.
15.9.2.1	Measurement uncertainly is known and consistent with required measurement capability of the IMTE.
15.9.2.2	Selection of IMTEs is compatible with the necessary accuracy precision of required measurement.
15.9.2.3	IMTEs are calibrated at the required internal against certified equipments having known valid relationship to nationality recognised standard/ recognised calibration labs.
15.9.2.4	Calibration records are available and traceable to the particular IMTE.
15.9.2.5	In case during recalibration the IMTE is found out of calibration, report on action taken to validate the previous results along with both calibration records of the IMTE should be furnished to BHEL. NOTE: BHEL decision on acceptability of the product in such case shall be binding.
15.9.2.6	IMTEs are stored, handled and preserved such that accuracy and fitness are maintained and safeguarded from adjustments.
15.9.2.7	Responsibility of usage of valid and calibrated IMTEs by sub-contractors shall be of the contractor.
15.9.2.8	In case calibration records are required by owner/ BHEL, copies of the same shall be furnished.
16.0	MATERIALS AND WORKMANSHIP
16.1	All Goods to be supplied and all works to be done by the Contractor under Contract shall be manufactured and executed in the manner stipulated in the specification or where not specified, to the satisfaction of the Engineer.
16.2	All materials used in the manufacture of the plant/equipment/system shall be selected from the best available for the purpose considering strength, durability and best engineering practice, free from defects and imperfection of recent manufacture and unused. Liberal factors of safety shall be used throughout the design and specially in the design of all parts subject to alternating stresses or shocks.
16.3	All the work shall be performed and completed in a thorough work-man like manner and shall follow the best modern practice in the manufacture of high grade equipment notwithstanding any omission in the Specification.
16.4	Castings shall be free from blow holes, flaws, cracks or other defects and shall be smooth, close – grained and of true forms and dimensions. No plugged or filled –up holes or other defects will be allowed. Such castings are liable to be rejected. However, the Contractor may rectify minor casting defects by welding or other method in accordance with the standard manufacturing practice provided such rectifications does not affect the strength of the casting or impair with the efficient working of the Plant and prior approval of BHEL is obtained for the same.
17.0	COMPLETENESS OF EQUIPMENT
17.1	The equipment shall be completely installed in every respect with all mountings, fixtures and standard accessories which are normally supplied even through not specifically detailed in the Specification. The Contractor shall not be eligible for any extra payment in respect of such mountings, fittings, fixtures and accessories if

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	needed for safe operation of the equipment as require as per applicable codes of the country through they may not have been included in the Contract.
17.2	Parts of all similar equipment supplied shall be interchangeable with on another.
17.3	All the equipment supplied under this contract shall be subject to BHEL/owner's approval according to applicable stipulations set-forth in the specifications.
18.0	REJECTION OF DEFECTIVE SYSTEM
18.1	If the completed system or any portion thereof before it is taken over under clause taking over or during the guarantee / warranty period, be found defective or fails to fulfil the requirements of the contract, the Engineer shall give the contractor notice setting forth particulars of such defects or failure, and the contractor shall forthwith make the defective system good or alter the same to make it comply with the requirements of the contract without any commercial implication to BHEL. Should he fail to do so within a reasonable time, BHEL after giving seven (7) days written notice may reject and replace at the cost of the contractor the whole or any portion of the system, as the case may be, which is defective or fails to fulfil the requirements of the contract. The contractor's full and extreme liability under this clause shall be satisfied by the payment to BHEL of erection plus difference, if any between the replacement price of the equipment including charges for erection and supervision of erection and the original contract price including charges for erection and supervision of erection in respect of such defective system.
18.2	In the event of such rejection, BHEL shall have the right to operate any and/or all equipment as long as it is in operating condition, whether or not, such equipment has been accepted as complete and satisfactory to enable contractor to obtain necessary replacement except that this shall not be constructed to permit operation of any equipment which may become damaged by such operation before any required alterations or repairs and /or replacements have been made. All repairs or alterations or replacements required of the contractor shall be made by the contractor at such times as directed and in such a manner as will cause the minimum interruption in the use of the equipment. Should the contractor not so replace the rejected system within the time frame as directed by the engineer upto the requirement of the specification, the contractor's full and extreme liability under this clause will be satisfied by the repayment of all money paid by BHEL to him in respect of such system.
18.3	Nothing in this clause shall be deemed to deprive BHEL or, effect any right under the contract which he may otherwise have in respect of such defects or deficiencies or in any way relieve the contractor or his obligation under the contract.
19.0	GUARANTEE/ WARRANTY
19.1	The contractor shall warrant that the equipment / item supplied shall be free from all defects and faults in design, material, workmanship and manufacture and shall be of the highest rate and consistent with the established and generally accepted standards for stores of the type ordered in full conformity with the order/contract, specifications, drawings or samples, if any. Contractor shall also be responsible for the quality of products supplied by its sub-contractors.
19.2	The contractor shall provide guarantee / warranty in respect of the equipment, materials and services furnished by him as enumerated in section "Special Condition of Contract" of this tender document.
19.3	The contractor shall, if required, replace, or repair the equipment/item of such portion thereof, as is rejected by BHEL free of cost at the site or at the option of BHEL the contractor shall pay to BHEL value thereof at the order/contract price and such other expenditure and damages, as may arise by reason of the breach of the condition therein specified.
19.4	All replacements and repairs that BHEL shall call upon the contractor to deliver or perform under the guarantee shall be delivered free of cost and performed promptly and satisfactorily by the contractor within three months. If the contractor so desires and BHEL agrees subject to import control regulation, the replaced parts can be taken over by him or his representative or the same can be arranged to be despatched by the contractor or his representative at contractor's cost as he

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	deems fit within a period of three months from the date of replacement of equipment/ item/ parts.
19.5	The cost of any special or general overhaul rendered necessary during guarantee / warranty period due to defects in the plant or, defective work carried out by the contractor the same shall be borne by the contractor.
19.6	If for rectification or replacement of any part of equipment or work due to defective materials, manufacture or design or workmanship, the services of the contractor's personal are requisitioned within the guarantee/ warranty period, these services shall be made available free any cost to BHEL/ owner.
19.7	All the replaced equipment/ item shall also be guaranteed as per provision of guarantee/ warranty.
20.0	PACKING
20.1	The packing shall be in conformity with specification and shall be such as to ensure prevention of damages, corrosion, deterioration, shortages, pilferage and loss in transit or storage.
20.2	The packing shall be capable of withstanding the rigours of transit and handling at various points / ports.
20.3	In case of shipment by sea the packing shall be sea worthy of international standard.
20.4	Packing list shall also be submitted along with advance set of documents for claiming payment indicating following. Packing size. Gross weight and set weight of each package.
21.0	SHORTAGE/ DAMAGE
21.1	In case of shortages/ damages noticed on receipt of materials at site, the contractor should replenish the same immediately. Replenishment of damages arising out of faulty and insufficient packing will be to the cost of contractor and shortages out of sound cases, if not accepted by under writer, will have to be replenished free of cost by the contractor.
21.2	In case of faults, deficiencies in materials, components assemblies, subassemblies etc, these are to be supplied free of cost to enable the equipment to be put in order.
22.0	INTER-CHANGEABILITY
22.1	All similar components / parts of similar equipment supplied shall be interchangeable with one another.
22.2	Even though all the work and materials necessary to the satisfactory completion of the works may not be detailed in the specifications and schedules, their cost will be considered to be within the order / contract and no extra charges will be accepted.
23.0	DEFAULT BREACH OF CONTRACT, INSOLVENCY AND RISK PURCHASE
23.1	If the contractor fails to deliver the equipment / plant or any instalment thereof within the period (s) fixed for such delivery or at any time repudiates or otherwise abandons the order /contract before expiry of such period or otherwise fails to perform the order/contract or commits any breach of the order / contract not herein specifically provided for or if the contractor being an individual or if a firm on a partner thereof, shall at any time, be adjudged insolvent or shall have a receiving order for administration of his estate made against him or shall take any proceeding for composition under any insolvency Act for the time composition under any insolvency Act for the time being in force or make any assignment of the order / contract or enter into any assignment of the order/contract or enter into any arrangement or composition with his creditors or suspend payment or if the firm dissolved under the partnership Act or if the contractor being a company is wound up voluntarily or by order of a court or a Receiver. Liquidator or Manager on behalf of the debenture holders/ creditors is appointed or circumstances shall have arisen which entitles the Court of debenture holder / creditors to appoint a receiver, liquidator or manager, BHEL without prejudice to his right to recover any expenses, losses or damages to which BHEL may be put to incur or sustain by reason of the

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	contract shall be entitled to cancel the order/contract on whole or portion thereof without compensation to contractor and if so desires, he may procure upon such terms and in such manner as he deems appropriate items not so delivered or others of a similar description where items exactly complying with particulars are not, in the opinion of BHEL, which shall be final, readily procurable, at the risk and cost of the contractor and the contractor shall be liable to BHEL for any excess costs provided that the contractor shall continue the performance of the order/contract to the extent not cancelled under the provisions of this clause. Provided also that the contractor shall not be entitled to any gain on repurchase etc.
23.2	NEGLIGENCE
	If the Contractor shall neglect to execute the work with due diligence and expedition or such refuse or neglect to comply with any reasonable orders given to him in writing by BHEL in connection with the work, or shall contravene the provisions of the contract, BHEL may give notice in writing to the Contractor calling upon him to make good the failure, neglect or contravention complained of. Should the Contractor fail to comply with such notice within a period considered reasonable by BHEL from the date of such notice service thereof, in the case of a failure, neglect or contravention capable of being made good within that time, or otherwise within such time as may be in the opinion of BHEL be reasonably necessary for making it good, then and in such cash BHEL shall the option and be at liberty to take the work wholly or in part, out of the Contractor's hand and may carry on the work envisaged in the Contract either by himself or his agents or may re-contract with any other person or person to execute the same or any part thereof and provide, as applicable, any other materials, tools, tackle or labour for the purpose or completing the works or any parts thereof. In such event BHEL shall without being responsible to the Contractor for normal wear and tear or the same, be entitled to seize and take possession and have free use of all materials, tools, tackle, or other things which may be on the Site, for use at any time in connection with the work to the exclusion of any right of the Contractor over the same and BHEL shall be entitled to retain and apply any balance sum which may otherwise be then due on the contract by him to the contractor or such part thereof as may be necessary to the payment of the cost of execution of such work as aforesaid . If the cost of completing the works or executing a part thereof as aforesaid shall exceed the balance due to the contractor, the contractor shall pay such excess.
24.0	FORECLOSURE OF CONTRACT
	If at any time after acceptance of the Tender the owner/BHEL shall decide to abandon or reduce the scope of the work for any reason whatsoever and hence not require the whole or any part of the work to be carried out, BHEL shall give notice in writing to that effect to contractor and the Contractor shall have no claim to any payment of compensation or otherwise, whatsoever, on account of any profit or advance which he might have derived from the execution of the works in full but which he could not derive in consequence of the foreclosure of the whole or part of the work.
25.0	ASSIGNMENT AND SUB-CONTRACTING
25.1	ASSIGNMENT
	The Contract shall not assign or transfer the Contract or any part thereof or any benefit or any obligation thereof or interest therein or there under (otherwise than by a charge in favour of the Contractor's Bankers of and moneys due to become due under this contract) without the prior written consent of BHEL.
25.2	SUB-CONTRACTING
	Subcontracting of work, normally should not be permitted. However in case of unavoidable instances, the contractor may, after informing BHEL and getting BHEL's written approval along with approval of the owner, assign or subcontract any part of the contract other than for raw materials, for minor details or any part of the plant for which details or any part of the plant for which makes are identified in the contract. BHEL shall not be liable in any way, in case such approval for sub-

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	contracting is not permitted by the owner. Sub-contractor of the equipment not identified in the contract or any change in the identified sub-contractor shall be subject to approval by BHEL and the owner. The experience list of the equipment sub-contractor under consideration by the contractor for this contract shall be furnished to BHEL, for approval prior to procurement of all such items / equipment such assignments/ subcontracting shall not relieve the contractor from any obligation, duty or responsibility under the contract. Any assignment as above without prior written approval of BHEL and the purchaser shall be null and void. For components/equipments procured by the contractor for the purposes of the contract after obtaining written approval of BHEL/ the owner, the contractor's purchase specifications and enquiries shall call for quality plans to be submitted by his subcontractor along with their proposals. The quality plans called for from the subcontractor shall set out during the various stages of manufacture and installation, the quality practices and procedures followed by the sub-contractor quality control organisation, the relevant reference documents, standards used, acceptance levels inspection of documentation raised, etc. Such quality plans of the sub-contractor shall be discussed and finalised in consultation with BHEL and shall form a part of the contract between the contractor and the sub-contractor, The contractor along with the subcontractor and BHEL shall furnish a joint undertaking to the owner for guaranteed performance of the equipment and subsystems. The contractor should desist from seeking approval for two-tier sub-contracting which may not be permitted by BHEL/the owner.
26.0	FORCE MAJEURE
	The Following shall amount to force majeure.
26.1	Acts of God, acts of any Government, war, sabotage, riots civil commotion, police action, revolution, flood, fire, cyclone, earthquake, epidemic and other similar causes over which the contractor has no control.
26.2	If the contractor suffers delay in the due execution of the contractual obligation due to delays caused for force majeure as defined above the agreed time of completion of the job covered by this contract or the obligations of the contract shall be extended by a period or time equal to the period of delay provided that on the occurrence of any such contingency the contractor immediately reports of BHEL in writing the causes or delay and contractor shall not be eligible for any compensation.
27.0	CONSIGNEE'S RIGHT OF REJECTION
	Notwithstanding any approval which BHEL or the engineer may have given in respect of the plants / equipment / items or any materials or other particulars or the work or workmanship involved in the performance of the order / contract (whether with or without any test carried out by contractor or the engineer or under the direction of the engineer), and notwithstanding delivery of the same where so provided to the interim consignee, it shall be lawful for the consignee, on behalf of BHEL, to reject the plants /equipments / items or any part, portion or consignment thereof within thirty (30) days after actual delivery, thereof to him at the stipulated place or destination, if such plants / equipment or part, portion of consignment thereof is not in all respects in conformity with the terms and conditions of order / contract whether on account of any loss, storage, deterioration or damage before despatch or delivery or during transit or otherwise, howsoever.
28.0	SETTLEMENT OF DISPUTE AND ARBITRATION
28.1	Except as otherwise specifically provided in the Contract all disputes concerning questions of fact arising under the Contract shall be decided by BHEL subject to a written appeal by the Contractor to BHEL, whose decision shall be final to the parties hereto.
28.2	Any disputes or differences including those considered as such by only one of the parties arising out of or in connection with the Contract shall be to the extent possible settled amicably between the parties.
28.3	If any dispute or differences of any kind whatsoever shall arise between BHEL and

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	the contractor, arising out of the contract for the performance of the work whether during the progress of termination, abandonment or breach of the contract, it shall in the first place be referred to and settled by the Engineer who within a reasonable period after being requested shall give written notice of his decision to the contractor. Save as hereinafter provided, such decision in respect of every matter so referred shall forthwith be given effect to by the contractor who shall proceed with the work with all due diligence, whether he or BHEL required arbitration as hereinafter provided or not.
28.4	If after the Engineer has given written notice of this decision to the party, no claim to arbitration has been communicated to him by the party within 30 days from the receipt of such notice, the said decision shall become final and binding on the parties. In the event the contractor is dissatisfied with any such decision or if amicable settlement can not be reached then all such disputed issues shall be referred to the sole arbitration of the person appointed by General Manager of BHEL.
28.5	The parties to the contract understand and agree that there will be no objection to any such appointment that the arbitrator so appointed is a Government servant or in the employment of BHEL, that he had to deal with the matters to which the contract relates and that in the course of his duties or any of the matter in dispute or difference as a Government servant or as an employee of BHEL he had expressed views in all or any of the matter in dispute or difference. The award of the arbitrator shall be final and binding on the parties to this contract.
28.6	In the event of the arbitrator dying, neglecting or refusing or resigning or transferred or being unable to act for any reason or his award being set aside by the court for any reason, it shall be lawful for the GM or his successor, as the case may be, either to act himself as the arbitrator or to appoint another arbitrator in place of outgoing arbitrator in the matter aforesaid.
28.7	The arbitrator may from time to time with the consent of both the parties to the contract enlarge the time for making the award.
28.8	Work under the contract shall continue during arbitration proceeding unless BHEL shall order the suspension or termination thereof or any part thereof of the work or any portion of the work.
28.9	Subject arbitration as aforesaid, shall be conducted in accordance with the provision of The Arbitration & Conciliation Act, 1996 or any statutory modification or re-enactments thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceeding under the clause. The venue of the arbitration, if any, shall only be Hyderabad.
29.0	CONTRACT AGREEMENT, EFFECT AND JURISDICTION (if applicable)
29.1	VOID
29.2	The agreement will be signed in seven (7) originals and the contractor shall be provided with one (1) signed original and the rest will be retained by BHEL. These General conditions together with the specifications, tenders drawings and technical particulars, tender data with subsequent agreed modification thereof. Tender, all correspondences with BHEL and signed agreement and other supporting documents shall constitute the contract document(s) No variation or modification of terms and conditions of the contract documents or waiver of any of these terms and conditions shall be deemed valid unless agreed in writing and signed by the BHEL and the Contractor.
29.3	The failure of either party to endorse at any time of the provisions of the contract or any right thereto or to an option herein provided shall in no way be construed to be a waiver of such provisions, rights or option or in any way to affect the validity of the

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	Contract. The exercise by either party or any of his rights herein shall not preclude or prejudice either party from exercising the name or any other right in may have hereunder.
29.4	The contract shall in all respects be deemed to be and shall be construed and shall operate as an Indian contract as defined in the Indian Contract Act 1972 and all payments there under shall be made in Indian Rupees unless otherwise specified.
29.5	The Contract shall be considered to come into force on the date of notification of Award by BHEL to the Contractor which may be in the form of a Fax of Award or Letter of Intent / purchase order.
29.6	The law applicable to the Contract shall be the law in force in India. The Courts of Sangareddy/Hyderabad under this contract shall have exclusive Jurisdiction in all matters arising under this contract, including Arbitration Awards.
30.0	DIRECT TAX
30.1	BHEL shall not be liable towards income tax of whatever nature including variations thereof arising out of this order/contract as well as tax liability of the contractor and his personnel.
30.2	Deductions of tax at source at the prevailing rate shall be effected by BHEL before payment as a statutory obligation.
31.0	PATENT RIGHTS
31.1	The Contractor shall defend any claim which allege in a suit of proceeding against BHEL that equipment or any part thereof constitutes an infringement of any patent, if notified promptly in writing and given authority, information and assistance for the defence and the Contractor shall pay all damage and costs awarded against BHEL in such suit or proceeding for the patent infringement and the use of equipment or part is prohibited, the contractor shall, at his own expenses either procure for BHEL the right to continue using the equipment or replace the same with a non-infringing equipment, or modify it so that it becomes non-infringing, or move the equipment and refund the Contract Price plus the transportation and installation costs thereof.
31.2	The contractor shall indemnify BHEL from and against all claims and proceeding for or on account of infringement or alleged infringement of any patent rights, design trade mark or name or other protected rights in respect of execution of the contract.
32.0	INDEMNIFICATION OF BHEL
	The Contractor shall insure all his personnel, tools and tackles, drawings etc. and shall also take a third party liability cover to indemnify BHEL of all liabilities such may come up due to any act or omission on the part of Contractor, his agent, representative, or sub-contractor(s) and cause harm/damage to other contractor / representatives of the owner / BHEL or all or anybody rendering service to the owner/BHEL or is connected with the owner's /BHEL's work in any manner whatsoever. The Contractor shall necessarily indemnify BHEL in all these respects and the indemnification and insurance policy shall be subject to approval of the owner / BHEL.
33.0	PREVENTION OF EXTRAORDINARY TRAFFIC AND PROTECTION OF HIGHWAY
	The Contractor shall use every reasonable means to prevent any of the highways of bridges communicating with or on the routes to the Site from being damaged or injured by any traffic of the contractor or any or his sub-contractors and in particulars shall select routes, choose and use vehicles and restrict and distribute loads so that any such extraordinary traffic as will inevitably arise from the moving of Plant and material from and to the site shall be limited as far as reasonably possible and so that no damage or injury may be occasioned to such highways and bridges. Should it be found necessary for the Contractor to move one of more loads or construction plant machinery or reconstructed units or parts of units or work as applicable over part of a highway or bridge and that the moving of such load must in all probability damage the highway or bridge unless means of protection of strengthening are carried out then the contractor shall before moving the load on to such highway or bridge carryout such protection or strengthening at his own cost.

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	If during the execution of the works or at anytime thereafter BHEL or purchaser shall receive any claim arising out of the execution of the works in respect of damage or injury to highways or bridges, he shall immediately notify the same to the contractor and thereafter the contractor shall negotiate the settlement of and pay all sum due in respect of such claim and shall indemnify BHEL in respect thereof and in respect or all claims demands, cost charges and expenses in relation thereto.
34.0	MEMBERS OF STAFF ETC NOT PERSONALLY LIABLE Neither any member of BHEL's staff nor the Engineer, nor the Engineer's representative shall be in any way personally liable for the acts or obligations under the contract or answerable for any default or omission on the part of BHEL in the observance or performance of any of the acts, matters, or things which are herein contained.
35.0	POWER TO VARY OR OMIT WORK
35.1	No alternations, amendments, omissions, additions, suspensions or variation of the job (hereinafter referred as "variations") under the contract shall be made by the contractor except as directed in writing by BHEL. But BHEL shall have full power, subject to the provision hereinafter contained from time to time during the execution of the contract by notice in writing to instruct the contractor to make such variation without prejudice to the contract and the contractor shall carry out such variations and be bound by the same conditions as far as applicable, as though the said variations occurred in the contract Documents.
35.2	If any suggested variations would in the opinion of the contractor, if carried out, prevent him from fulfilling any of his obligations or guarantee under the contract he shall notify BHEL thereof in writing and BHEL shall decide forthwith whether or not the same shall be carried out and if BHEL confirms his instruction, the contractor's obligations and guarantee shall be modified to such and extent as may be justified.
36.0	SUSPENSION OF WORK
	BHEL reserves the right to suspend and reinstate execution of the whole or any part of the work without invalidating the provision of the contract. Orders for suspension or reinstatement of the work will be issued by BHEL to the contractor in writing. The time for completion of the work be extended for a period equal to duration of the suspension.
37	LIST OF STANDARDS FOR REFERENCE
37.1	International Standards Organisation (ISO).
37.2	International Electro-technical Commission (IEC).
37.3	American Society of Mechanical Engineers (ASME).
37.4	American National Standards Institute (ANSI).
37.5	American Society for Testing and Materials (ASTM).
37.6	American Institute of Steel Construction (AISC).
37.7	American Wilding Society (AWS).
37.8	Architecture Institute of Japan (AIJ).
37.9	National Fire Protection Association (NFPA).
37.10	National Electrical Manufacturer's Association (NEMA).
37.11	Japanese Electro-Technical Committee (JEC).
37.12	Institute of Electrical and Electronics Engineers (IEEE).
37.13	Federal Occupation Safety and Health Regulations (FOSHA).
37.14	Instrument Society of America (ISA).
37.15	National Electric Code (NEC).
37.16	Heat Exchanger Institute (HEI).
37.17	Tubular Exchanger Manufacturer's Association (TEMA).
37.18	Hydraulic Institute (HIS).
37.19	International Electro-Technical Commission Publications.
37.20	Power Test Code for Steam Turbines (PTC).
37.21	Application German Standards (AGS).
37.22	Application British Standards (ABS).
37.23	Application Japanese Standards (AJS).

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37.24	Electric Power Research Institute (EPRI).
37.25	Standard of Manufacturer's Standardisation Society (MSS).
37.26	Bureau of Indian Standards Institute (BIS).
37.27	Indian Electricity Rules.
37.28	Indian Boiler Regulations (IBR).
37.29	Indian Explosives Act.
37.30	Indian Factories Act.
37.31	Tariff Advisory Committee (TAC) Rules.
37.32	Emission regulation of Central Pollution Control board (CPCB).
37.33	Pollution Control regulations of Dept of Environment Govt of India.
37.34	Central Board of Irrigation and Power (CBIP) Publications.
37.35	Any other statutory Codes/ Standards/ Regulations.