

BHPC'S
GENERAL TERMS AND CONDITIONS

SECTION— I

PART— I

INSTRUCTION TO TENDERERS

1.1.0 GENERAL :

- 1.1.1 The Bihar State Hydro-Electric Power Corporation Ltd. herein after called BHPC/Owner/Purchaser, invites tender for supply / installation, testing & commissioning of the equipments, in accordance with the specification and other terms and conditions as specified in the tender document. All tenders shall be prepared and submitted in accordance with these instructions.
- 1.1.2. The works/equipments/plant/material' referred herein shall cover the entire scope of the proposal which includes furnishing and supervision of erection of equipment including the successful completion of performance and guarantee Tests which the Owner desire to get executed.
- 1.1.3. The submission of tender will be regarded as signifying acceptance of these instructions by the tenderers, and shall be deemed to have been done after careful study and examination of the tender papers with the full understanding of the implications thereof. The specifications of the equipment shall be deemed to have been accepted unless otherwise specifically mentioned by the tenderers in their offer. Failure to adhere to any or all of the conditions may render their offer liable to be ignored without assigning any reason. Offer from actual manufacturers/ collaborators or their accredited agents only will be considered.

1.2.0 PROJECT INFORMATION:

- 1.2.1 Information regarding the Project size, Plant capacities, location, approach to site and meteorological condition as prevailing at the Site are given in the "General & technical features of the Project" under section-II.

1.3.0 CONTRACT DOCUMENTS :

- 1 3.1 The term 'contract' or 'Contract Document' shall mean and include the following which shall be deemed to form an integral part of the Contract.
- (a) Notice inviting offers issued by the Purchaser.
 - (b) Contractor's tender proposal including the letters of clarifications there to exchanged between the Contractor and the Purchaser prior to the award of contract
 - (c) All the materials, literature, data and information of any sort given by the Contractor

along with his tender or letter and accepted by the Purchaser.

- (d) Letter of intent issued by the Purchaser and its acceptance by the Contractor.
- (e) Contract Agreement, general and technical terms and conditions and all other documents exchanged and accepted.
- (f) Specifications of the equipment to be furnished under the contract as mutually agreed between the Purchaser and the Contractor.
- (g) Any agreed variations to the conditions of the documents and specifications and special terms and conditions of contract, if any.

1.4.0 QUALIFYING REQUIREMENTS OF TENDERERS:

1.4.1 The tendering is open to any manufacturer/supplier or collaborator who provides satisfactory evidence that he is a qualified manufacturer or collaborator or authorised representative of such manufacturer, having adequate experience of manufacturing, erection and commissioning of such equipments.

1.4.2 That they have adequate plants and manufacturing capacity / financial stability and field service organisation to provide necessary supervision of field erection management services required to successfully supply, erect, test and commission the equipments as required under these specifications.

1.4.3 LIABILITY UNDER EPF & MISCELLANEOUS ACT, 1952

The contractor shall be registered under Employee Provident Fund & Miscellaneous Act, 1952.

The contractor shall indemnify the purchaser against any liability under Employees Provident Fund & miscellaneous provisions Act 1952 in respect of employees/ labour engaged by him for the execution of work under the contract & shall discharge all the obligations under the Act with regard to such employees.

The contractor shall also furnish all such reports & return as may be required under the Act from the purchaser with regard to the contractor's employees.

1.5.0 SCOPE OF THE CONTRACT:

The scope of the Contract shall be on the basis of a single Contractor's responsibility, completely covering supply of all the equipment specified under the accompanying Technical Specifications and the services as given hereunder. The scope will include the following :—

(i) SUPPLY PORTION:

- (a) Detailed design of the equipment.
- (b) Complete manufacture including shop testing.
- (c) Providing engineering drawings, data, operation manual, etc. for the purchaser's

approval.

- (d) Packing and dispatching from the manufacturer's works.

(ii) SERVICE PORTION :

- (a) Technical advice for storage, preservation and Conservation of equipment at the site/Purchaser's stores.
- (b) Technical supervision of assembly and installation of all equipment.
- (c) Performing testing, commissioning, and conducting reliability tests and performance and guarantee tests of all the equipment.

1.6.0 SUBMISSION OF TENDERS :

1.6.1 The tenders shall be submitted complete with schedules etc. in two parts in sealed covers, as detailed below, duly super scribing the name of work/equipment tender number, due date of tender and shall be addressed to the Chief Engineer(Electrical), or the competent authority inviting the tender, Bihar State Hydroelectric Power Corporation Ltd, Sone Bhawan, Birchand Patel Marg, Patna-800001.

1.6.2 PART- I TECHNICAL PART (in Quadruplicate)

This shall include the following :

1. All commercial terms and conditions.
2. Earnest Money deposit.
3. Completion schedule.
4. Qualifying requirements of the tenderers,
5. Technical specification and technical particulars.
6. Bill of materials,
7. Guarantees.
8. Submission of drawings etc.
9. Deviation sheets, if any.
10. Recommended spare parts.
11. List of tools.
12. List of past supplies/experience etc.

1.6.3 PART-II : PRICE PART (QUADRUPPLICATE)

1. Price schedule and any other relevant information.
2. The tenderers shall quote a fixed price for the complete supply as per the scope of specifications giving complete break-up of prices and taxes separately. The Sale Tax etc. shall be charged separately as applicable. Separate schedule giving break-up of price of various equipments and services shall be given, indicating the unit rate, quantity and total price.
3. The tenderer shall quote separately item wise prices for spare parts so that this may be ordered as per our requirement and the tenderers shall be required to supply these

spares within a reasonable time. The minimum time of delivery shall be indicated by the tenderer.

- 1.6.4 Tenders submitted by post shall be sent under Registered Post with 'Acknowledgement Due' (Registered A/D) and shall be posted with due allowance with postal delay. Tenders received after the due date and time of opening shall be rejected and returned to the tenderers without opening. Telegraphic offers or offers received by Telex/ Fax e.mail etc. shall not be accepted.

Following shall be super scribed on the envelope of that two parts .:

PART-I: TECHNICAL PART
TECHNICAL OFFER
TENDER NUMBER AND DUE DATE.

PART—II : PRICE PART
PRICE OFFER

TENDER NUMBER AND DUE DATE

- 1.6.5 Both part—I and part—II shall be individually sealed and superscribed as indicated above, and shall be enclosed in one main cover duly sealed and superscribed as TENDER for due on containing part—I & II of this tender".

1.7.0 PROCEDURE FOR OPENING AND PROCESSING OF TENDERS :

- 1.7.1 Part-1 containing technical part of the offer will be opened on the due date and time as specified in the summary sheet in the presence of those tenderers who wish to attend. Only those tenderers who have deposited the required amount of earnest money or have been exempted from such payment may be considered and their tenders processed for technical evaluation.
- 1.7.2 Part-I of the tenders 'accompanied with requisite earnest money' with exemptions, if any, shall be scrutinised and processed by Purchaser to ensure whether the same are in conformity with the technical requirements of the specification. Queries of the Purchaser, if any, on the technical matters, will be referred to the Tenderers to give him a chance to clarify and technical details or any information in order to ensure whether the Tenderer can execute the contract strictly in accordance with the technical specification. Such queries when raised by the Purchaser should be replied in duplicate within the time specified positively from the date of dispatch of such letters failing which tenders shall be finalised on the basis of the information as may be available. It shall therefore be in the Tenderer's interest to give complete and comprehensive technical particulars /description and details of the equipment offered conforming technical requirement.
- 1.7.3 However, in case it becomes necessary for the Tenderer to make any addition or subtraction in their original price as listed in Part-II of the tender on account of technical clarification,

deviations etc. against the queries raised by the Purchaser to bring the equipment in line with the requirement of the specification, such price adjustment should be sent along with technical clarifications in a separate sealed cover duly super scribed as.

PRICE ADJUSTMENT TO PART II PRICE PART RELEVANT TENDER NO AND
RELEVANT TO THE TECHNICAL PARTICULARS AS CONTAINED IN THE LETTER NO
..... DATE

The envelope containing price adjustment data shall be kept duly sealed alongwith the original Part-II of the offer. After all the tenders have been technically examined and all necessary clarifications etc. have been obtained, Part-II containing prices alongwith subsequent price adjustment submitted in sealed covers shall be opened for which the exact date and time shall be intimated to the individual tender through letters.

- 1.7.4 No correspondence shall be entertained from the tenderer after the opening of Part-II Price Part of the tender.
- 1.7.5 The tenderer shall quote all inclusive firm price for the scope of work as defined in the tender specification.
- 1.7.6 Standard printed conditions of the tenderer attached to the offer will not be accepted and only those mentioned in the body of this tender will be considered. Any deviation or departure from the provisions of the tender specification must be clearly brought out indicating against each item, where Tenderer is prepared to accept tender document conditions and specifications, the price for withdrawal of such deviations, be quoted.

Unless so specifically brought out and explained the plant / equipment / material offered shall be considered to comply in every respect with the terms and conditions contained in the specification.

- 1.7.7 The tenderer shall closely person all the clauses, specifications and drawings indicated in the Tender Documents before quoting. Should the tenderer have any doubt about the meaning of any portion of the Tender Specifications or find discrepancies or omissions in the drawings or the tender documents issued are incomplete or shall require clarification on any of the technical aspect, scope of work, etc. he shall at once contact the authority inviting the tender for clarification before the submission of the tender.
- 1.7.8 Before tendering the tenderers are advised to inspect the site of work and the environment and be well acquainted with the actual working and other prevalent conditions, facilities available,

positions of material and labour. No claim will be entertained later on the ground of lack of knowledge.

1.7.9 Tenderer must fill up all the schedules and furnish all the required information as per the instructions given in various section of the tender specification. Each and every page of the Tender specification must be signed and submitted along-with the offers by the tenderer in token of complete acceptance thereof. The information furnished shall be complete by itself.

1.7.10 The tenderer shall quote the rates in English language and international numerals. The rates shall be in whole rupees. These rates shall be entered in figures as well as in words. For the purpose of the tender* the metric system of units shall be used.

1.7.11 All entries in the tender shall either be typed or be in ink. Erasure and over-writings are not permitted and may render such tenders liable to summary rejection.

All cancellations and insertions shall be duly attested by the tenderer.

1.7.12 Tenderer's offers and remarks and deviation shall be with reference to sections and clause numbers given in the tender schedule.

1.8.0 EARNEST MONEY/TENDER GUARANTEE :

1.8.1 Earnest money at the rate of two (2) percent of the estimated cost subject to a maximum of Rs. 50,000/-(Rupees Fifty thousand) for tender-value upto Rs.25,00,000/-(Twenty Five lacs) and for tender above Rs. 25,00 000/-(Twenty Five lacs) @ 1 (one) percent subject to a minimum of Rs 50,000/-(Fifty thousand)only and maximum of Rs. 1,00,000/-(One lac) should be paid by each tenderer to ensure that the tenderer enters into a contract and executes the work after the same has been awarded to him. The earnest money may be paid in one of the following forms :

- (a) Call deposit receipt duly pledged in favour of Bihar State Hydro Electric Power Corporation Ltd. or pay order, or demand draft from any scheduled Bank.
- (b) Post-Office / National Savings / National Defence Deposit Certificates duly pledged in favour of BHPC Ltd.
- (c) Bank Guarantee in the approved form, from a Nationalised/scheduled bank irrevocable and operative till the validity of the offer, (Bank Guarantee form as per Annexure A).
- (d) Fixed Deposit receipt issued by nationalised / scheduled Banks pledged in favour of Bihar State Hydroelectric Power Corporation Ltd.

1.8.2 The earnest money will be liable to be forfeited on revocation of tender before the validity of the quotation/ tender expires or on refusal to enter into a contract after the award is made to the tenderer.

- 1.8.3 Earnest money given by unsuccessful tenderers will be refunded expeditiously after the award of the contract to the successful tenderer.
- 1.8.4 The Earnest Money deposit will be returned to the successful tenderer after he furnishes security deposit for performance and duly enters into the contract.
- 1.8.5 The Earnest Money deposit shall be valid for a period not less than 210 (Two hundred and ten) days from the date of opening of the tender.
- 1.8.6 Within 30 (Thirty) days from the date of receipt of the letter accepting the tender, the successful tenderer shall submit a Contract performance guarantee as specified, otherwise the Tender Guarantee / Earnest Money will be forfeited by the Purchaser.
- 1.8.7 Any tender not accompanied by a tender guarantee / earnest money shall be disqualified.
- 1.8.8 No interest will be payable by the purchaser on the above tender guarantee /earnest money.
- 1.8.9 No earnest money will be accepted after opening of the tender.

1.8.10 EXEMPTION FROM DEPOSITING EARNERT MONEY

The tenderers of following categories are exempted from depositing Earnest money subject to the conditions laid down below :

1. Small Scale Industries Units of Bihar registered with the Department of Industries, Government of Bihar. The tender in such cases should be supported by a photostate copy of their valid registration certificate and duly attested failing which the tender shall be liable for rejection.
2. Any State Government/Government of India undertaking.

1.8.11 REJECTION OF TENDER :

Tenders without Earnest Money or not supported by the documents stated in the above clauses will be outright rejected.

1.9.0 VALIDITY PERIOD :

- 1.9.1 The tenderers should keep their offer open for acceptance for a minimum period of 180 (One hundred and eighty) days from the date of the opening of the tender and this shall be deemed to be an express condition of all offers.

1.10.0 FIRM REGISTERED WITH D. G. S. & D.

- 1.10.1 The tenderer must state if he is registered with D. G. S. & D., for the supply of the equipments/stores or execution of works. The tenderer must state their current registration number and date and also furnish a true attested copy of such registration, In case any or part

of the stores/equipment required against the tender specification is on the rate contract with D. G. S. & D., New Delhi such details must be furnished in the tender giving reference number and date of the relevant notification etc. In such event a copy of the relevant notification may also be furnished alongwith the Tender.

1.11.0 PRICE

1.11.1 The tenderer shall quote ex-works firm price exclusive of excise duty and Taxes for each item of supply of goods/equipments. They shall also quote their charges for (a) dispatch F.O.R. Destination Railway Station (b) by road upto the delivery site. The charges on account of erection / Supervision, testing and commissioning etc. if applicable and mentioned in the specification requirements shall be quoted separately.

1.11.2 The successful tenderer shall have to book the equipment as "Railway crane consignment" for which detailed instructions shall be incorporated in the order.

1.12.0 TAXES:

1.12.1 The Sales Tax, Excise duty, local taxes and other levies in respect of transaction between the supplier and the purchaser under the contract, if any, shall not be included in the tender price, but they should be indicated separately wherever applicable.

1.13.0 TERMS OF PAYMENT:

1.13.1 The firm must quote the following terms of payment Tender of the firm quoting any other terms of payment will be considered as incomplete and rejected. No other payment terms shall be acceptable to the Corporation and no deviation from our standard terms of payment shall be acceptable.

FOR E/M Package

(A) SUPPLY :

- (i) Mobilization advance equivalent to 5% of the ex-works price of the equipments against equal amount of guarantee shall be released only after receipt of the following drawings:
 - (a) Power House General layout drawing,
 - (b) Supply of all relevant data to civil works contractor for detailed design of civil structures i.e. loading diagram, D/T profiles, and details of earth-mat etc.
 - (c) Approval of G.T.P.
 - (d) Electrical Single Line diagram
 - (e) Approval of equipments supply programme matching with erection schedule.
- (ii) Further 5% advance of the ex-works price of equipments against equal amount of

guarantee shall be released only after approval of civil drawings of Raft with details of embedment and their supply.

- (iii) 70% payment of ex-works price plus 100% taxes/duties, less proportionate advance against proof of dispatch documents through Bank after the approval of breakup of price only if any.
- (iv) 10% payment less proportionate advance after the receipt and acceptance of equipment at site.
- (v) 20% payment less proportionate advance after successful commissioning and acceptance of Project.

(B) ERECTION, TESTING & COMMISSIONING :

- (i) 10% as advance on submission of Guarantee of equal amount valid for the entire completion period.
- (ii) 90% payment less proportionate advance against each running bill duly verified by concerned field officer as per actual progress of work.
- (iii) 10% payment less proportionate advance on successful commissioning of the project.

(C) GUARANTEE :

- (i) The above mentioned mobilization advances describing (A) & (B) shall be given against irrevocable Bank Guarantee of equivalent amounts issued by a nationalized bank. Alternatively, in special circumstances, if specifically agreed to by the Corporation, Corporate Guarantee shall be acceptable against the mobilization advances. But, the mobilization advances made against Corporate Guarantee shall carry a simple interest @ 3.0% per annum on the balance amount of advances standing with the contractor from the date of payment till the same is fully adjusted/recovered.

The Bank Guarantee or Corporate Guarantee shall be furnished by the contractor in the format prescribed by the Corporation.

- (ii) Corporate Guarantee shall be accepted provided the same is supported with current income tax clearance certificate and the audited balance sheet of the financial year previous to the date of guarantee, to the satisfaction of the Corporation.

The corporate guarantee shall be further supported by an affidavit duly sworn and solemnly affirmed by the contractor in the prescribed format on appropriate amount of stamp paper indemnifying the corporation against any financial losses on this count.

1.13.2 TERMS OF PAYMENT (For Turnkey package)

(A) Advance :

- (i) Mobilization advance equivalent to 5% of the total value of the order (minus operation and maintenance charges for one year) against equal amount of irrevocable Bank Guarantee by a Nationalized Bank on execution of agreement for :
 - (a) Mobilizing site facilities for starting the work.
 - (b) Starting detailed alignment, survey of power channel, power house, tailrace channel including dog belling, fixation of pillars and bench mark, digging test pits for geological and geo-technical tests, bearing pressure test, earth resistivity test and other Soil/Water test.
 - (c) Placing orders for Electrical/Mechanical equipments.
 - (d) To arrange for construction machinery
- (ii) Advance equivalent to 5% of the total value of the order (minus O&M charges for one year) against equal amount of irrevocable Bank Guarantee by a nationalized bank after completing works mentioned in (i) above for-
 - (a) Undertaking detailed design and engineering of civil works, and submission of the design data and drawings to AHEC, Roorkee and approval thereof.
 - (b) Starting excavation work of Power House.
 - (c) Preparation of detailed specification and drawing of E/M equipments, single line diagram and submission of the same to AHEC, Roorkee and approval thereof.
- (iii) Advance equivalent to 10% of the total value of the order (minus (O&M) charges for one year) against equal amount of irrevocable Bank Guarantee by a nationalized bank after completion of works covered by (ii) above for –
 - (a) Starting civil works on all fronts
 - (b) Manufacture and supply of E/M equipment

(B) Civil Work

100% payment, less proportionate advance against each running bill duly verified by site Engineer as per actual progress of work.

(C) Electrical/Mechanical Equipments :

- (i) 80% payment, less proportionate advances, against proof of dispatch documents negotiable through Bank.

- (ii) 10% payment less proportionate advance after receipt and acceptance of equipments at site.
- (iii) 10% payment less proportionate advance after successful commissioning of the project.

(D) Erection/ Testing/ Commissioning

100% payment less proportionate advance, of each running bill verified by concerned Field Officers as per actual progress of work and milestones mentioned in the agreement.

Progress Report and Revised PERT Chart will have to be enclosed with every bill raised for the payment.

1.13.3 DEDUCTION OF SALES TAX & INCOME TAX

Sales tax and income tax will be deducted as per statutory provision for deductions of the same on works contract. Royalty & cess will be paid by the contractor.

1.14.0 PRICE VARIATION :

1.14.1 The prices should be quoted on firm basis.

1.14.2 If by reasons of any rise or fall in the cost of materials and labour above or below, such cost ruling on the date of tender, the price to be paid to the Contractor for performing his obligations under the Contract shall be increased or decreased, the amount of such increase or decrease shall be governed by the price variation formula mentioned in Section III and subject to a maximum ceiling of plus ten percent (+10%) there will be no ceiling for downward variation in prices.

1.15.0 DELIVERY:

1.15.1 Early delivery shall be preferred. The tenderer shall quote ex-works delivery of the equipments under penalty. The time/date of delivery shall be reckoned from the date of issue of LETTER OF INTENT/PURCHASE ORDER. The work / supply shall be considered complete / finished only, if the Engineer has issued a certificate to that effect.

1.16.0 PENALTY:

1.16.1 The delivery should be guaranteed under penalty. The penalty shall be @ 1% of the value of the materials delayed in delivery for a fortnight or part there of subject to the maximum of 5% of the contract price of the parts/materials delayed.

1.17.0 QUANTITY:

1.17.1 The requirement mentioned in the schedule of requirement is tentative and is subject to increase or decrease at the time of finalising of the tender.

1.18.0 RAW MATERIALS :

1.18.1 No materials shall be arranged by the Purchaser / Corporation. Tenderers shall have to arrange the requirements of raw materials themselves.

1.19.0 SUBMISSION OF DESPATCH DOCUMENTS & MODE OF PAYMENT:

1.19.1 The following documents shall be sent by post to the Purchaser immediately on booking of the consignment with the Carriers (railway/road transport) to enable the Purchaser to make progressive payments to the Contractor:

- (i) Invoice (6 copies)
- (ii) Packing List (6 copies)
- (iii) Pre-despatch clearance certificate, if any (3 copies)
- (iv) Test certificate, wherever applicable (3 copies)
- (v) Railway receipt (6 copies) together with a certificate that the equipments have been booked as railway crane consignment as per the instructions of the purchaser.

Two copies of the above documents will also be sent to :

- (a) Consignee
- (b) Paying officer

All payments shall be made to the Contractor for the supply of equipments, materials and services under the contract on Accounts Payments only.

1.20.0 RIGHT TO SPLIT ORDER :

1.20.1 The Corporation reserves the right to split up the order amongst various tenderers and has the right not to accept the lowest or any other tender either in whole or in part without assigning any reason for such non-acceptance.

1.21.0 RIGHT TO AMEND SPECIFICATION :

1.21.1 The purchaser reserves the right to amend the specifications, drawings, other conditions. However such revisions or amendments shall be communicated to all purchaser of the specifications.

1.22.0 FINANCIAL RESOURCES AND EXPERIENCE :

1.22.1 The tenderer shall submit alongwith his tender a statement regarding his previous experience in performing similar or comparable work and of business technical organisation, financial resources and manufacturing facilities available.

1.23.0 FOREIGN EXCHANGE :

- 1.23.1 Only tender offering materials without involving any foreign exchange commitment or help for procuring import license foreign exchange release etc. on the part of the purchaser shall be considered-

1.24.0 ACCEPTANCE OF OFFER :

- 1.24.1 The purchaser reserves the right to reject any offer without assigning any reasons what-so-ever and may or may not accept the lowest or any offer or a part of any offer at his discretion. The purchaser reserves the right to accept any or all the items partial or full quantity offered without assigning any reasons what-so-ever. Non-acceptance of these conditions shall be specifically mentioned in the offer, failing which it shall be deemed to have been accepted by the Tenderer. No claim in this regard will be entertained at any time after opening of the tender.

1.25.0 CONTRACT AGREEMENT :

- 1.25.1 The Contractor shall enter into a contract Agreement with the Owner within thirty (30) days from the date of issue of letter of intent by the Purchaser, in the prescribed proforma for which they will have to deposite required security deposit as contained in Section-I (Part-II)

ANNEXURE 'A'**PROFORMA FOR BANK GUARANTEE FOR TENDER GUARANTEE**

(To be stamped in accordance with Stamp Act)

Ref

Bank Guarantee No

Date

BIHAR STATE HYDROELECTRIC POWER CORPORATION LTD.

"SONE BHAWAN" BIRCHAND PATEL MARG, PATNA-800001

Dear Sir,

In accordance with your Invitation to tender under your Specification No.....
M/s having its Registered/Head Office at (herein after called
the Tenderer) wish to participate in the said tender for

As an irrevocable bank guarantee against tender guarantee for, an amount of
valid for days from its required to be submitted by the Tenderer as a condition
precedent for participation in the said tender, which amount is liable to be forfeited on the happening of
any contingencies mentioned in the Tender Documents.

We, The Bank at having our Head Office at
..... guarantee and undertake (Locall address) to pay
immediately on demand by Bihar State Hydro-Electric Power Corporation Ltd. the amount of
.....

(in figures & words)

without any reservation, protest demur and recourse. Any such demand made by said Purchaser /
Owner shall be conclusive and binding on us irrespective of any dispute or difference raised by the
tenderer. This guarantee shall be irrevocable and shall remain valid upto if any further
extension of this guarantee is required, the same shall be extended to such required period (not
exceeding one year) on whose behalf this guarantee is issued.

In witness whereof the Bank, through its authorised officer, has set its hand and stamp on this
..... day of 20

WITNESS

.....
(Signature)

(Signature)

.....
.....
(Official address)

(Name)
(Designation with Bank Stamp)

Attorney as per
Power Attorney No.
Date

Annexure-‘B’
FORMAT OF CORPORATE GUARANTEE
CG No.-

Dated :

Bihar State Hydroelectric Power Corporation Ltd.
Birchand Patel Marg
Patna – 800 001

This guarantee made on this day of 2006 by M/s a company incorporated under Indian Companies Act, 1956 having its registered referred to as “ The company” which expression shall mean and include its successors, executors, administrators, authorized representative or assigns) of ONE PART.

IN FAVOUR OF Round Seal of the Co.

Bihar State Hydroelectric power Corporation Ltd. (hereinafter referred to as “The owner” of “the Purchaser of Corporation” which expression unless repugnant to the context of meaning thereof shall mean and include its successors. Execution, administrators, authorized representatives or assigns) of THE OTHER PART.

WHERE AS :

1. The owner above named have issued of LOI bearing no 413 dated 06.02.06 for electromechanical package ofkw in the Distt. Ofto the Contractor/Supplier.
2. In terms of the payment of the said LOI the owner has agreed to give mobilization advance to the company amounting to Rs..... (Rupees..... lacs only being 10% of the Ex Works price in two installments each being 5% of the Es Works price.

NOW THESE PRESENTS WITNESSETH AS UNDER

In consideration of the above, the Company hereby undertakes to pay the Owner on demand without demur such a sum as may be qualified by the owner under this guarantee not exceeding Rs..... (Rupees.....lacs) only being 5% of the Ex Works price as the owner may demand in consequence of loss or damage caused to or suffered by the owner in failure to recover the advance from the company pertaining to and arising out of the

said agreement subject to the condition that the owner has failed to recover the amount advanced in its sole and exclusive opinion.

- 3. The Guarantee shall be valid and effective from the date of payment of Advance and shall remain valid till.
- 4. This guarantee is irrevocable during the period of its validity unless prior discharge is given by the owner.

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- 5. The owner shall have the fullest liberty, without affecting in any way the liability of the Company under this guarantee, from time to time, to extend the time for performance of the contract by the supplier/contractor.
- 6. The owner shall have the fullest liberty, without affecting this guarantee, to postpone from time to time, the exercise of any power vested in them or of any rights which they might have against the supplier/contractor and to exercise the same at any time in any manner and either to enforce or to be forebear to enforce any covenants contained or implied in the contract between the owner and the supplier/contractor or any other course of remedy or security available to the Owner.

The company, shall not be released of its obligation under these presents by any exercise by the owner or any other indulgence shown by and on part of the Owner or by any other matters of thing whatsoever which under the law would, but for this provision, have the effect of relieving the company.

- 7. The Company also agrees and affirms that the Owner, at its option, shall be entitled to enforce this Guarantee as a Principal Debtor in the first instance without proceeding against the Supplier/Contractor and not withstanding security or other Guarantee that the Owner may have in relation to the supplier/contractor's liabilities.

Not withstanding any thing contained herein above the liabilities of the company under this guarantee is restricted to Rs..... (Rupees.....) only. This guarantee shall remain in force until this guarantee shall be deemed to be withdrawn or cancelled and the company shall be discharged and released from all liabilities hereunder.

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For

(Signature of authorized signatory)
Designation

SECTION-I

PART-II

GENERAL CONDITIONS OF CONTRACT, SCOPE OF WORK

1.1.0 SCOPE OF CONTRACT

1.1.1 The scope of work is for the supply of plant/equipments/materials as well as works in accordance with the enclosed technical specifications and Bill of Materials and to provide erection, testing and commissioning services of the equipment at site. It will be the contractor's responsibility for proper liaisoning with the civil contractor for smooth & timely execution of the work/project.

1.2.0 DEFINITION OF TERMS

1.2.1 Throughout these conditions, special conditions, specification and instructions to tenderers, the following shall apply unless the context otherwise requires :—

1.2.2 "The Purchaser" shall mean the Bihar State Hydroelectric Power Corporation Ltd.(A Government of Bihar enterprise) and shall include their legal Representatives, successors, in office, and permitted assigns.

1.2.3 The 'BHPC" Owner or customer shall mean the "Purchaser".

1.2.4 The "Tenderer" shall mean and include one or more persons or any firm or any company or body incorporate who has submitted the tender in response to Invitation of Tender'.

1.2.5 The "Contractor" shall mean the Tenderer whose Tender has been accepted by the "Purchaser" and shall include the Tenderer's heirs, legal representatives, successors and permitted assigns approved by the Purchaser.

1.2.6 The "Sub contractor" shall mean the firm or the person named in the contract for any part of the work or any person to whom any part of the contract has been sublet with the consent in writing of the Purchaser and shall include his heirs, legal representatives successors and assigns approved by the Purchaser.

1.2.7 "Engineer" shall mean officer (s) appointed in writing by the Purchaser to act as engineer from time to time for the purposes of contract.

1.2.8 "Works" shall mean and include the furnishing of equipment, labour and services, as per the Technical specifications and complete supervision of erection, testing and commissioning of the equipment, as defined in the contract.

1.2.9 The Chairman-cum-Managing Director shall mean the Chairman and Managing Director,

Bihar State Hydro-Electric Power Corporation Ltd., Patna.

1.2.10 "Consultant" shall mean Central Electricity Authority, Central Water Commission Government of India, R. K. Puram. New Delhi, IIT, (AHEC), Roorkee or any firm or person duly appointed by Customer as such from time to time.

1.2.11 TEST :

"Test" shall mean such test as is prescribed by the Purchaser or considered necessary by the authorised agents of the Purchaser, whether conducted / performed or made by him or any other agency acting under his direction.

1.2.12 ."Specification" shall mean the specifications annexed to or issued with these General Conditions of contract.

1.2.13 Plant" shall mean the goods including equipment/machinery/ component/ parts specified in the contract which the seller / supplier has agreed to supply under the Contract.

1.2.14 The "Sub-contractor" shall mean the firm or the person named in the contract for any part of the work or any person to whom any part of the contract has been sub-let with the consent in writing of the Purchaser and shall include his heirs, legal representatives, successors, and assigns approved by the Purchaser.

1.2.15 The "Contract" shall mean and include the following :

- (1) Invitation of tender
- (2) Instruction to Tenderers
- (3) Tender form including schedule of prices
- (4) Earnest money bond
- (5) Letter of intent and its acknowledgement
- (6) Performance bond
- (7) Formal Work order
- (8) Guaranteed Test Performance and Penalty
- (9) General Conditions of Contract
- (10) Special Instructions
- (11) Site conditions
- (9) Specifications, Specific Conditions, schedules and Drawings,
- (10) Addenda which may hereafter be issued by the Purchaser to the Contractor in the form of letter and covering letters and schedule of prices as agreed between the

Contractor and the Purchaser.

(11) The Agreement to be entered into under Clause of these General Conditions.

- 1.2.16 "Contract Price" means the sum named in the Tender, subject to such additions thereto or deductions therefor m as may be made under the provisions hereinafter contained.
- 1.2.17 "Contract Value" means that part of the Contract Price which is properly apportionable to the plant or work in question having regard to the state, condition, and topographical location of the plant, the amount of work done, and all other relevant circumstances, and disregarding any changes that may have occurred since the date of the Contract in the cost of excuting the works.
- 1.2.18 Date of Contract shall mean the date on which both the parties have signed the contract Agreement.
- 1.2.19 "Consignee" shall mean the person to whom the Plant/material is required to be delivered in the manner indicated in the Contract.
- 1.2.20 The "Site shall mean the place or places named in the contract and include where applicable the land and buildings upon or in which the Works are to be executed.
- 1.2.21 "Act" shall mean the Electricity (Supply) Act 1948 (No. L I V of 1948) and shall include any statutory amendments, modifications or re-enactments there of for the time being in force.
- 1.2.22 "Annexure" shall mean the Annexure to the terms and conditions.
- 1.2.23 "DELIVERY" shall be deemed to take place on delivery of the equipment in accordance with the terms and conditions of the Contract after test and inspection by the Purchaser or his authorised agent to the consignee.
- 1.2.24 "Place of Delivery" shall mean the place of delivery of which the supplier is responsible to deliver the equipment at the contract price as specified.
- 1.2.25 Consulting Engineer/'Consultant' shall mean any firm or person duly appointed as such from time to time by the Purchaser.
- 1.2.26 The terms 'Equipment', 'Stores', 'Material', shall mean and include Plant, Store sand materials to be provided by the Supplier under the Contract.
- 1.2.27 The terms "services" shall mean technical supervision of works of receipt, handling, storage, erection of equipment and stores done by the Purchaser or his other Contractors and performing testing and commissioning of equipments, stores materials erection of which done is by an Erection agency which is appointed by the Purchaser.

- 1.2.28 "Erection Contractor" shall mean any other Contractor appointed by the Purchaser, directly, for actual erection of equipment and material provided under the Contract.
- 1.2.29 The term 'Equipment Portion' of the Contract price shall mean the FOR works value of the equipment.
- 1.2.30 The term 'Services Portion' of the Contract Price shall mean the value for supervision of field activities of the contract including supervision of receipt, handling, storage, erection and carrying out of testing and commissioning at site by the Contractor.
- 1.2.31 'Manufacturer's Works' or 'Contractor's works' shall mean the place of work used by the manufacturer, the Contractor / Supplier, their collaborators or sub-Contractors for the performance of the Contract.
- 1.2.32 'Inspector' shall mean the Owner or any person nominated by the Owner from time to time, to inspect the equipment stores or materials under the contract and/or the duly authorised representatives of the Owner/Purchaser.
- 1.2.33 '**Notice of Award of Contract**' / '**Letter of Intent**' shall mean the official notice issued by the Purchaser notifying Contractor that his proposal has been accepted. For all purposes date of Letter of Intent defining the full scope of supply and the basic engineering inputs shall be 'Effective date of Contract'. However, in case the payment of advance is delayed beyond seven days of acceptance of Letter of Intent, the effective date shall be shifted by the extent of delay beyond seven days.
- 1.2.34 'Date of Contract' shall mean the date on which both the parties have signed the Contract Agreement.
- 1.2.35 'Month' shall mean the Calendar month. 'Day' or 'days' unless herein otherwise expressly defined shall mean calendar day or days of 24 hours each.
- 1.2.36 'Writing' shall include any manuscript type written or printed statement, under or over signature and/or seal as the case may be.
- 1.2.37 When the words 'Approved', 'Subject to Approval', 'Satisfactory', 'Equal to' 'Proper', 'Requested', 'As directed', 'Where Directed', 'When Directed', 'Determined by', 'Accepted', 'Permitted' or words and phrases of like import are used, the approval, judgement, direction, etc. is understood to be a function of the Purchaser's Engineer.
- 1.2.38 'Test on Completion' shall mean such tests as prescribed in the contract to be performed by the Contractor/supplier before the equipments are taken over by the Owner/Purchaser.

- 1.2.39 'Start-up' shall mean the time period required to bring the equipment covered under the Contract from an inactive condition, when construction is essentially complete, to the state ready for trial operation. The **Start-up** period shall include preliminary inspection and checkout of equipment and supporting subsystems, initial operation of the complete equipment covered under the contract to obtain necessary pre-trial operation data, perform calibration and corrective action, shut-down, inspection and adjustment prior to the trial operation period.
- 1.2.40 '**Initial Operation**' shall mean the first integral operation of the complete equipment covered under the contract with sub-systems and supporting equipment in service or available for service.
- 1.2.41 'Trial Operation' shall mean the extended period of time after the start-up period. During this trial operation period the unit shall be operated over the full load range. The length of trial operation shall be as determined by the engineer, unless otherwise specified elsewhere in the contract.
- 1.2.42 '**Performance and Guarantee Test**' shall mean all operational checks and tests required to determine and demonstrate capacity, efficiency and operating characteristics as specified in the Contract Documents.
- 1.2.43 '**Commercial Operation**' shall mean the condition of operation in which the complete equipment covered under the contract is available for continuous operation at different loads upto and including rated capacity.
- 1.2.44 The term 'Final Acceptance' shall mean the successful completion of performance and guarantee tests.
- 1.2.45 '**Warranty Period/Maintenance Period**' shall mean the period during which the Contractor shall remain liable for repair or replacement of any defective part of the supply covered under the contract.
- 1.2.46 'Drawings' Plans shall mean all:
- (a) Drawing furnished by the Purchaser/Consultant as a basis for information.
 - (b) Supplementary drawings furnished by the Purchaser/Consultant to clarify and to define in greater detail the intent of the Contract.
 - (c) Drawings submitted by the Contractor with his proposal provided such drawings are acceptable to the Purchaser/Consultant.

- (d) Drawings furnished by the Purchaser/Consultant to the Contractor during the Progress of the work, and
- (e) Engineering data and drawings submitted by the Contractor during the progress of the work provided such drawings are acceptable to the engineer.

1.2.47 Word importing the singular only shall also include the plural and vice-versa where the context so requires.

1.2.48 Words importing Person' shall include firms companies, corporations and associations or bodies of individuals, whether incorporated or not. Term and expressions not herein defined shall have the same meaning as are assigned to them in the Indian Sale of Goods Act (1930), failing that in the Indian Contract Act (1872) and failing that in the General Clauses Act (1897).

1.2.49 '**The Corporation**' shall mean the Bihar State Hydroelectric Power Corporation Limited as Constituted under Company Act, 1956 and shall include its successors in office and assigns.

1.3.0 PARTIES TO THE CONTRACT.

1.3.1 The parties to the Contract are the seller and the Purchaser.

1.4.0 AUTHORITY OF PERSON SIGNING THE CONTRACT ON BEHALF OF THE SELLER.

1.4.1 A person signing the tender or any other documents in respect of the contract behalf of the seller without disclosing his authority to do so shall be deemed to warrant that he has no authority to bind the Seller. If it is discovered at anytime that the person so signing had no authority to do so. the Purchaser may, without prejudice to any other right or remedy, cancel the Contract and make or authorise the making of a purchase of the plant at the risk and cost of such persons and held such person liable to the Purchaser for all costs and damages arising from the cancellation of the Contract including any loss which the Purchaser may sustain on account of such purchase.

1.5.0 ADDRESS OF THE SELLER AND NOTICE AND COMMUNICATIONS ON BEHALF OF THE PURCHASER

1.5.1 For all purposes of the contract including arbitration, there under, the address of the seller mentioned in the offer shall be the address of the seller mentioned in the offer shall be the address to which all communications addressed to the Seller shall be sent, unless the seller has notified a change by a separate letter containing no other communications and sent by Registered Post with Acknowledgement due to the Purchaser. The Seller shall be solely responsible for the consequence of an commission to notify a change of address in the manner aforesaid.

Any communication or notice on behalf of the Purchaser in relation to the contract may be issued to the Seller by any Officer(s) authorised by the Purchaser and all such communications and notices may be served on the Seller by a letter.

1.6.0 TENDERER TO INFORM HIMSELF FULLY :

1.6.1 The tenderer shall make independent enquiry as to the conditions and circumstances affecting his tender estimate and to the possibility of executing the works as described.

1.6.2 The tenderer shall be deemed to have carefully examined all Contract Documents to his entire satisfaction. If he shall have any doubt as to the meaning of any portion of the Contract Documents, he shall before signing the Contract set forth the particulars thereof, and submit them to the Purchaser in writing, in triplicate, in order that such doubt may be removed. The Purchaser will provide such clarifications as may be necessary, in writing, to the Tenderer. Any information otherwise obtained from the Purchaser or the Engineer shall not in any way relieve the Contractor of his responsibility to fulfil his obligations under the Contract.

1.7.0 CONTRACT DOCUMENTS :

1.7.1 The term Contract Documents shall mean and include the following which shall be deemed to form an integral part of the Contract :

- (a) Instruction to Tenderers, General terms and conditions of Contract General Technical conditions and all related documents.
- (b) Specifications of the equipment to be furnished and erected under the Contract as brought out in the accompanying Technical Specifications.
- (c) Contractor's tender proposal including the letters of clarifications there to between the Contractor and the Owner prior to the Award of Contract.
- (d) All the materials, literature, data and information of any sort given by the Contractor alongwith this tender, subject to the Approval of the Owner /Engineer.
- (e) Any agreed variations to the conditions of the documents and specifications and special terms and conditions of Contract, if any.

1.7.2 In the event of any conflict between the above mentioned documents, the matter shall be referred to Engineer whose decision shall be final and binding upon the parties.

1.8.0 MANNER OF EXECUTING OF CONTRACT:

1.8.1 The Purchaser/Owner, after the issue of the Letter of Intent to the Contractor /Tenderer, will send one copy of the final Agreement to the Contractor for his scrutiny and approval.

1.8.2 The agreement, unless otherwise agreed to shall be signed within 30 days of the

acceptance of the Letter of Intent, at the office of the Owner at Patna on a date and time to be mutually agreed. The Contractor shall provide for signing of Contract, Performance Guarantee in six Copies, appropriate power of attorney and other requisite materials . In case the Contract is to be signed beyond the stipulated time, the Tenderer Guarantee submitted with the proposal will have to be extended accordingly.

1.8.3 The agreement will be signed in six originals and the Contractor shall be provided with one signed original & the rest will be retained by the Owner/ Purchaser. Contractor shall provide free of cost the Owner / Purchaser all the engineering, data drawings and descriptive materials submitted with the tender, in at least six (6) copies to form a part of the Contract immediately after issue of the Letter of Intent.

1.8.4 Subsequent to signing of the Contract the Contractor/Tenderer at his own cost shall provide the Owner/Purchaser with atleast three (3) true copies of Agreement within thirty (30) days after the signing of the Contract.

1.9.0 SECURITY DEPOSIT

1.9.1 Security Deposit will be made by the successful tenderer at the rates mentioned below. This may be recovered by deduction through running bills of the contractors and also by treating the earnest money paid at the time of tender as a part of the security deposit.

(a) Works Costing upto Rs. 1 lakh	10% of the total cost
(b) Works costing over Rs. 1 lakh but not exceeding Rs. 2 lakh	10% on the first Rs. 1 lakh and 7.5% on the balance.
(c) Works costing over Rs. 2 lakhs but not exceeding Rs. 20 lakhs	Rs. 17,500 for the first Rs. 2 lakhs and 5% on the balance
(d) Works costing over Rs. 20 lakhs but not exceeding Rs. 50 lakhs	5% of the total cost subject to a minimum of Rs. 1,07,500.
(e) Works costing over Rs. 50 lakhs but not exceeding Rs. 100 lakhs	4% of the total cost subject to a minimum Rs. 2,50,000/-
(f) Works costing over Rs. 100 lakhs but not exceeding Rs. 250 lakhs	3% of the total cost subject to a minimum of Rs. 4,00,000/-
(g) Works costing over Rs. 250 lakhs but not exceeding Rs. 500 lakhs	2% of the total cost subject to a minimum of Rs. 7,50,000/-
(h) Works costing over Rs. 500 lakhs	1% of total cost subject to a minimum of Rs. 10,00,000/-

1.9.2. Security Deposit shall not be refunded. Except in accordance with the terms of security bondor agreement

1.9.3 Half of the amount of security deposit worked out at the rate as prescribed above shall be deposited at the time of award of contract and the balance amount may be recovered by deductions through running bills.

1.10.0 TIME THE ESSENCE OF CONTRACT

1.10.1 The time and the date of completion of the works as stipulated in the Contractor's proposal and accepted by the Owner without or with modifications, if any and so incorporated in the Award Letter, shall be deemed to be the essence of the Contract. The Contractor shall so organise his resources and perform his work as to complete it not later than the date agreed to.

1.11.0 FORCE MAJEURE :

1.11.1 Force Majeure is herein defined as any cause which is beyond the Control of the Contractor or the Owner as the case may be which they could not foresee or with a reasonable amount of deligence could not have foreseen and which substantially affect the performance of the Contract, such as :

- (a) natural phenomena, including but not limited to floods, draughts, earthquakes and epidemics :
- (b) acts of any Government, domestic or foreign, including but not limited to war, declared or undeclared, priorities, quarantines, embargoes :

Provided either party shall within fifteen (15) days from the occurrence of such a cause notify the other in writing of such causes.

1.11.2 The contractor or, the owner shall not be liable for delays in performing his obligations resulting from any force majeure cause as referred to and / or defined above

1.11.3 The date of completion will, subject to hereinafter provided, be extended by a reasonable time even though such cause may occur after contractor's performance of his obligations has been delayed for other causes.

1.11.4 The contractor or the owner shall not be liable for delays in performing his obligations resulting from any force majeure cause as referred to and / ordefined above.

1.11.5 The date of completion will, subject to hereinafter provided, be extended by a reasonable time even though such cause may occur after contractor's performance of his obligations has been delayed for other causes-

1.12.0 EFFECT AMD JURISDICTION OF CONTRACT :

1.12.1 The contract shall be considered as having come into force from the date of acceptance of Award of contract / letter of Intent.

1.12.2 The contract shall be governed by the Laws of India for the time being in force and be subject to the court of competent jurisdiction at Patna.

1.13.0 SETTLEMENT OF DISPUTE :

1.13.1 Except as otherwise specifically provided in the Contract all disputes concerning questions of fact arising under the Contract shall be decided by the Engineer subject to a written appeal by the Contractor to the Engineer, whose decision shall be final to the parties hereto.

1.13.2 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.

1.13.3 If amicable settlement cannot be reached then all disputed issues shall be settled by arbitration as provided in the "Arbitration" clause.

1.14.0 SUB-LETTING:

1.14.1 The Contractor shall be not sublet the whole of the works. Except where otherwise provided by the Contract the Contractor shall not sublet any major part of the Works without the prior written consent of the Engineer (Which shall not be unreasonably withheld) and such consent if given shall not relieve the Contractor from any liability or obligation under the Contract and shall be responsible for the acts, defaults and neglects of any Contractor his agents, servants, or workmen as fully as if they were the acts defaults or neglects of the Contractor, his agents, servants or workmen, in any case where any works are sublet under above provision, the Contractor shall not further sublet the work, in any manner.

1.15.0 AFTER SALES SERVICE :

1.15.1 The equipment supplied against this specification shall be attended to by the contractor when referred to by the purchaser at contractor's price with in guarantee period and at purchaser's price beyond that immediately so that the equipment does not remain idle on account of Contractor's services.

1.15.2 Necessary spare parts shall be made available till the life of the equipment. Before going out of production of the spare parts, the contractor shall give advance notice to the purchaser so that the purchaser may procure his requirements then. Necessary Blue prints, drawings and material specification of such spares in such circumstances shall be

made available by the contractor, to the purchaser enabling him to fabricate the same or procure from elsewhere.

1.16.0 ENFORCEMENT OF TERMS :

1.16.1 The failure of either party to enforce at any time of the provisions of this Contract or any rights in respect thereto or to exercise any option herein provided, shall in no way be construed to be a waiver of such provisions, rights or options or in any way to affect the validity of the Contract. The exercise by either party of any of its rights herein shall not preclude or prejudice either party from exercising the same or any other right it may have hereunder.

1.17.0 ENGINEER'S DECISION :

1.17.1 In respect of all matters which are left to the decision of the Engineer including the granting or withholding of the certificates, the Engineer shall, if required to do so by the Contract given in writing a decision thereon.

1.17.2 If in the opinion of the Contractor, a decision made by the Engineer is not in accordance with the meaning and intent of the Contract, the Contractor may file with the Engineer within fifteen (15) days after receipt of the decision, a written objection to the decision. Failure to file an objection within the allotted time will be considered as acceptance of the Engineer's decision and the decision shall become final and binding.

1.17.3 The Engineer's decision and the filing of the written objection there to shall be a condition precedent to the right to request arbitration. It is the intent of the Agreement that there shall be no delay in the execution of the Works and the decision of the Engineer as rendered shall be promptly observed.

1.18.0 PACKING, FORWARDING & SHIPMENT/ TRANSPORTATION :

1.18.1 The Contractor/Supplier wherever applicable shall pack and crate all Plant in a manner so as to protect it from loss, damage and deterioration in transit by road, rail or sea. The contractor shall be held responsible for all damages due to improper packing.

1.18.2 All packing shall allow for easy removal and checking at site. Whenever necessary, proper arrangements for attaching slings for lifting shall be provided and all packages shall be clearly marked with signs showing 'Up' and 'Down' side of boxes and handling and unpacking instructions as considered necessary. Special precaution shall be taken to prevent rusting of steel and iron parts during transit by sea. Gas seals or other methods proposed to be adopted for protection against moisture during transit shall be subject to the prior approval of the Engineer.

- 1.18.3 The cases containing easily damageable material shall be very carefully packed and marked with appropriate caution symbols i. e- FRAGILE, HANDLE WITH CARE, USE NO HOOK etc.
- 1.18.4 Each bale or package delivered under the Contract shall be marked by and at the expense of the Contractor and such marking must be distinct (all previous irrelevant marking being carefully obliterated). Such markings shall show the description and quantity of contents, the name of the consignee and address, the gross weight of the package, the name of the Contractor with a distinctive number of mark sufficient for purposes of identification. All markings shall be carried out with such materials as to ensure quickness of drying fastness and indelibility.
- 1.18.5 The supplier shall notify the Owner of the date of each shipment / transportation from his works and the expected date of arrival at the site for the information of the Purchaser.
- 1.18.6 The supplier shall also give all shipping information concerning the weight, size and content of each packing including any other information the Owner may require.
- 1.18.7 Each bale of package shall contain of packing note quoting specifically the name of the Supplier, the number and date of Contract or order and name of the office placing the Contract, nomenclature of the stores and include a schedule of parts for each complete equipment giving the parts number with reference to the assembly drawing and the quantity of each part, drawing numbers and tag numbers.. The gross and net weights of each package shall be clearly marked on it.
- 1.18.8 The shipment dimensions of each package shall not exceed the maximum dimensions for packages which can be accepted on transport over the broad gauge/Metre Gauge System of Indian Railways.
- 1.18.9 After delivery of the materials at site, all packing shall become the property of the Purchaser.
- 1.18.10 Notwithstanding anything stated in this clause, the Contractor shall be entirely responsible for any loss, damage or depreciation to the stores due to improper and insecure packing.
- 1.19.0 DESPATCH OF EQUIPMENT/PLANT:**
- 1.19.1 The plant shall be dispatched to destination Rail Head. Further dispatch instructions shall be issued by the Consignee or the Engineers' to the successful Contractor.
- 1.19.2 Notification of delivery or dispatch in regard to each and every consignment shall be made to the Purchaser immediately after dispatch or delivery. The supplier shall Further

supply to the Consignee a priced invoice and packing account of all stores delivered or dispatched by him. All packages, containers, bundles and loose materials forming part of each and every consignment shall be described fully in the packing account and full details of the contents of packages and quantity of materials shall be given.

1.19.3 A list in duplicate containing details of equipment verification at site shall also be placed inside each packages and shall correspond with the advice note.

1.20.0 PROTECTION:

1.20.1 All the finished and coated surfaces shall be protected against abrasions, impact discolouration and any other damages. All exposed threaded portions shall be suitably protected with either a metallic or a non-metallic protecting device. Ends of all valves and popping and conduit equipment connections shall be properly sealed with suitable devices to protect them from damage. The parts which are likely to get rusted, due to exposure to weather, should also be properly treated and protected in a suitable manner.

1.21.0 PRESERVATIVE SHOP COATING

1.21.1 All exposed metallic surfaces subject to corrosion shall be protected by shop application of suitable coatings. All surfaces which will not be easily accessible after the shop assembly, shall beforehand be treated and protected for the life of the equipment. All surfaces shall be thoroughly cleaned of all mill scale, oxide and other coatings and prepared in the shop. The surfaces that are to be finish painted after installation or require corrosion protection until installation shall be shop painted with at least two coats of primer. Transformers and other electrical equipment, if include, shall be shop furnished with one or more coats of primer and two coats of high grade resistance enamel. The finished colours shall be as per manufacturer's standards, to be selected and specified by the engineer.

1.21.2 Shop primer for all steel surfaces exposed to operating temperature below 95°C shall be as per manufacturer's standards, subject to approval of the Engineer regarding the quality of primer proposed to be applied- Special high temperature primer shall be used on surfaces exposed to temperatures higher than 95°C and such primers shall also be subject to the approval of the engineer.

1.21.3 Such of the items which are required to be stored for long period shall be specially treated as per the latest engineering practice.

1.21.4 All other steel surfaces which are not to be painted shall be coated with suitable dust preventive compound subject to the approval of the engineer.

- 1.21.5 The supplier shall also give all information of consignment concerning the weight size and content of each packing including any other information the purchaser may require.
- 1.21.6 The supplier shall prepare detailed packing list of all packages and containers, bundles and loose materials forming each and every consignment dispatched to site. The supplier shall further be responsible for making all necessary arrangements for lading at his works.
- 1.22.0 DEMURRAGE WHARFAGE ETC.**
- 1.22.1 All demurrage, wharfage and other expenses incurred by the Purchaser due to reasons attributable to the supplier shall be to the account of the supplier.
- 1.23.0 EXECUTION :**
- 1.23.1 The whole contract is to be executed in the most approved substantial and workmanship-like manner to the entire satisfaction of the purchaser.
- 1.24.0 INSPECTION :**
- 1.24.1 The plant shall be of approved design and each Part / equipment components, machinery shall be thoroughly inspected and tested at Supplier's premises or works including sub-Contractors works if entrusted to them by Supplier with the permission of the Purchaser before dispatch and shall fully comply with relevant requirements of the Purchaser.
- 1.24.2 The Purchaser/the Engineer reserves the right to have the inspection done by his representatives or through an independent inspection agency appointed by him.
- 1.24.3 In case the Purchaser's Inspector does not come forward for inspection within the notice period, the Supplier will be free to fabricate, manufacture, test & make shipment of the equipment, but all the relevant tests and inspections shall be carried out by the Supplier and copies of such test and inspection reports shall be supplied to the Purchaser for reference and record before the shipment of the equipment. Such Supplier's tests and inspection reports can be used for claiming the payment.
- 1.24.4 The Purchaser / The Engineer shall be entitled at all reasonable time, access to the Supplier's premises or works and to inspect, examine and conduct test at the Supplier's premises or works the materials and workmanship of all plant to be supplied under the contract, and if part of plant is being manufactured elsewhere, the Supplier shall obtain permission for the Purchaser / the Engineer permission to inspect examine and test as if the said plant were being manufactured at the Supplier's premises or works. Such inspection, examination and testing, shall not release the Supplier from any obligation under the Contract.

- 1.24.5 The Supplier shall provide free of charge all materials, equipment instruments, tools, labour fuel electricity, apparatus of every kind which the Purchaser / the Engineer may consider necessary for any tests and examinations which he shall require to be made on the Supplier's premises or works or of his subcontractor's or any other place.
- 1.24.6 The Supplier shall also provide and deliver free of charge at such places as the Purchaser or the Engineer may nominate such materials as he may require forest by chemical analysis or independent testing machine. The cost of any such test shall be defrayed by the Purchaser unless it is stated in the specification that it is to be paid by the Supplier.
- 1.24.7 No plant shall be considered ready for delivery until The Purchaser/the Engineer shall have certified in writing that they have been inspected and approved by him. It shall be the responsibility of the Supplier to ensure that only such plant as have been duly inspected and approved by the Purchaser / the Engineer are shipped alongwith a certificate as under :—

"Certified that the Plant offered for arranging dispatch should have been duly inspected and approved by the Purchaser / Engineer in accordance with terms of the Contract and a copy of the Inspection Certificate issued in this regard is enclosed".

1.25.0 PROGRESS REPORT :

- 1.25.1 The seller shall render such reports as to the progress of the Contract and in such form as may be called for by the Purchaser or his nominee. The submission and acceptance of these reports shall not prejudice the rights of the Purchaser in any manner.

1.26.0 INDEMNITY:

- 1.26.1 In the event of any claim or demand being made or action being brought against the purchaser for infringement or alleged infringement of letters patent in respect of any machine, plant, work or thing used or supplied by the Contractor under this Contract or in respect of any method of using or working by the Purchaser of such machine, plant work or thing the Contractor will indemnify the Purchaser against such claim or demand and all costs and expenses arising from or incurred by reasons of such claim or demand PROVIDED THAT the Purchaser shall notify the Contractor within reasonable time any claim is made and that the Contractor shall be at liberty if he so desires with the assistance of the Purchaser if required but at the Contractor's own expenses, to conduct all negotiations for the settlement of the same or any Irrigation that may arise there from and PROVIDED THAT no such machine, plant, work or thing shall be used by the Purchaser for any purpose or in any manner other than that for which they have been supplied by the Contractor and specified under this Contract.

1.27.0 PLACE OF MANUFACTURE :

1.27.1 The Plant shall be made at the place named in the quotation/ contract/order.

1.28.0 MARKING:

1.28.1 The following particulars should be stenciled by the Supplier at his expense with indelible paint on all the packages in bold fetters in English.

- (i) Consignee
- (ii) Address :
- (iii) Contract No-
- (iv) Suppliers Name :
- (v) Case No. Gross Dimensions,
- (vi) Weight Gross Tare : Nett :
- (vii) Brief description of the Contract item-
- (viii) Suggested sling marks.

NOTE : Instructions for special care, if any like air-conditioning storage, protection from exposure to sun/weather/maximum time allowed in transit, etc. should be clearly marked on the packing.

1.29.0 DIMENSION AND WEIGHT :

1.29.1 Specification of dimensions and weight in all place shall be in metric system and in ENGLISH Language and in the case of over dimensional consignments shipment will take place only after approval of the Purchaser. Supplier / Seller in such cases shall send dimensional drawing for Purchaser's approval.

1.30.0 BILL OF MATERIALS PRIOR TO THE FIRST DESPATCH :

1.30.1 A complete scope of Bill of Material pertaining to this whole / complete contract shall be submitted in a booklet form in ten copies in order to verify the completeness of the supplies of the contract. Should the Seller add / delete any items, revised sheet in ten copies should be supplied immediately with proper numbering of the sheet.

1.31.0 REMOVAL OF REJECTED MATERIAL.

1.31.1 If any equipment is rejected by the Purchaser or his authorised agent after tests and inspection or by the consignee, the equipment so rejected shall be removed from the premises of rejection by the supplier at his own cost. Such rejected equipment shall under all circumstances lie at the risk of the Supplier from the moment of such rejection, and if such equipment is not removed by the supplier within a period of 30 days the purchaser or his authorised Agent or consignee may dispose of such equipment in any way at the Supplier's risk and cost and retain such portion of the proceeds as may be necessary to cover any expense incurred in connection with such disposal The Purchaser

shall, also be entitled to recover handling and storage charges for the period during which the rejected equipments is not removed.

1.32.0 POWER TO VARY OR OMIT WORK

- 1.32.1 No alterations, amendments, omissions, suspensions or variations of the works(hereinafter referred to a Variation) under the Contract as detailed in the Contract Documents, shall be made by the Contractor except as directed in writing by the Engineer 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. The Contractor shall carry out, such Variation and be bound by the same conditions as far as applicable as though the said variation occurred in the Contract Documents. If any suggested variation would, in the opinion of the Contractor, if carried out prevent him from fulfilling any of his obligations or guarantees under the Contract, he shall notify the Engineer thereof in writing and the Engineer shall decide forthwith whether or not the same shall be carried out and if the Engineer confirms his instructions, Contractor's obligations and guarantees shall be modified to such an extent as may be mutually agreed. Any agreed difference in cost occasioned by any such variation shall be added to or deducted from the Contract Price as the case may be,
- 1.32.2 In the event of the Engineer requiring any Variation, such reasonable and proper notice shall be given to the Contractor to enable him to work his arrangements accordingly, and in cases where goods or materials are already prepared or any design, drawings or pattern made or work done required to be altered, a reasonable and agreed sum in respect thereof shall be paid to the Contractor.
- 1.32.3 In any case in which the Contractor has received instructions from the Engineer as to the requirement of carrying out the altered or additional substituted work which either then or later on will in the opinion of the Contractor, involve a claim for additional payments, the Contractor shall immediately and in no case later than thirty (30) days, after receipt of the instructions, advise the Engineer to that effect. But the Engineer shall not become liable for the payment of any charges in respect of any such Variations, unless the instructions for the performance of the same shall be confirmed in writing by the Engineer.
- 1.32.4 If any Variation in the Works, results in reduction of Contract Price, the parties, shall agree, in writing, so to the extent of any change in the price, before the Contractor proceeds with the change.

1.32.5 In all the above cases,, in the event of a disagreement as to the reasonableness of the said sum, the decision of the Engineer shall prevail.

1.32.6 Notwithstanding anything stated above in this clause, the Engineer shall have the full power to instruct the Contractor, in writing, during the execution of the Contract, to vary quantities of the items or groups of items-

1.33.0 DEATH OR BANKRUPTCY ETC.

1.33.1 If the Contractor shall die or dissolve or commit any set of bankruptcy or being a corporation commence to be wound up except for reconstruction purposes or darry on its business under a receiver, the executors, successors or other representatives in law of the state of the Contractor or any such receiver, liquidator or any persons in whom the Contract may become vested, shall forth with give notice there of in writing to the Purchaser and shall for one (1) month, during which he shall take all reasonable steps to prevent stoppage of the work, have the option of carrying out the Contract subject to his or there providing such guarantee as may be required by the Purchaser but not exceeding the value of the work for the time being remaining unexecuted. Provided however that nothing above said shall be deemed to relieve the Contractor or his successors of his or their obligations under the Contract under any circumstances. In the event of stop age of the work the period of the option under this clause shall be fourteen (14) days only. Provided that should the above option be not exercised the Contract maybe terminated by the Purchaser by notice in writing to the Contractor and the same power and provisions reserved to the Purchaser as specified in the event of taking the work out of the Contractor's hands shall immediately become operative.

1.34.0 INSURANCE :

1.34.1 The Supplier at his cost shall arrange, secure and maintain insurance as may be necessary and for all such amounts to protect his interests and the interests of the Purchaser, against all risks as detailed herein. The form and the limit of such insurance, as defined herein together with the under writ thereof in each case shall be acceptable to the Purchaser. However irrespective of such acceptance, the responsibility to maintain adequate insurance coverage at all times during the period of Contract shall be that of the Suppliers alone. The Supplier's failure in this regard shall not relieve him of any of his contractual responsibilities and obligations.

1.34.2 All costs on account of insurance liabilities covered under the Contract will be on Supplier's account and will be included in Contract Price.

- 1.34.3 On receipt of materials at site these will be jointly verified by the representatives of the Purchaser and the Supplier against packing lists. In case some of the materials listed in packing list are found missing while the package is received in outward sound condition, such shortage shall be treated as short supplies.
- 1.34.4 If, however, the package is received in damaged condition and open delivery is taken the benefit of doubt will be given to the Supplier and missing items will be treated as lost in transit and claimed by the supplier from the underwriters as per insurance rates. The Purchaser shall regularise such requirements through separate Purchase Order.
- 1.34.5 However, in both cases the Supplier shall forthwith take all expeditious action to dispatch/manufacture and dispatch the missing / loss components in such a manner as not to jeopardise the sequential erection completion of the particular group.
- 1.34.6 The insurance shall be done upto the Project Stores of the Purchaser against all risks of transportation.
- 1.35.0 NEGLIGENCE :**
- 1.35.1 If the Contractor shall neglect to execute the work with due diligence and expedition or shall refuse or neglect to comply with any reasonable orders given to him in writing by the Engineer in connection with the work or shall contravene the provisions of the Contract, the Purchaser may give notice in writing to the Contractor calling upon him to make good the failure, neglect or contravention complained of.
- 1.35.2 Should the Contractor fail to comply with such notice within a period considered reasonable by the Purchaser from the date of service thereof, in the case of failure, neglect or contravention capable of being made good within that time or otherwise within such time as may in the opinion of the Purchaser reasonable necessary for making it good, then and in such case of Purchaser shall have 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 necessary to complete the work envisaged in the Contract either by himself or his agents or may recontract at reasonable price with any other person or persons to execute the same or any part thereof and provide any other materials, tool, tackle or labour for the purpose of completing the works of any part thereof.
- 1.35.3 In such event the Purchaser shall without being reasonable to Contract, for fair wear and tear of 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 site, for use at any time in connection with the work to the exclusion of any right of the Contractor over the same and the Purchaser shall be entitled to retain and apply and balance sum which may

otherwise be then due on the Contract by him to the Contractor or such part there as may be necessary, to the payment of the cost of execution of such work aforesaid.

- 1.35.4 If the cost of executing the work as aforesaid shall exceed the balance due to the Contractor and the Contractor fails to make good the deficit, the said materials, tools, tackle, construction plant or other things, the property of the Contractor as may not have been used up in the completion of the works may be sold by the purchaser and proceeds applied towards the payment of such difference and the cost of any incidental to such sale. Any outstanding balance existing after crediting the proceeds of such sale shall be paid by the Contractor on the certificate of the Engineer, but when all expenses costs and charges, incurred in the completion of the work are paid by the Contractor, all such materials, tools, tackle, construction plant or other things not used upon in the completion of the works and remaining unsold shall be removed by the Contractor. If the proceeds of the above sale of the Contractors materials, tools, tackle, construction plant, etc. are insufficient to cover the cost of executing the aforesaid work, the balance remaining after crediting the proceeds of such sale shall be recoverable from the Contractor by action of law.

1.36.0 CONTRACT PERFORMANCE GUARANTEE :

- 1.36.1 As a contract security, the successful tenderer, to whom the work is awarded shall be required to furnish in favour of the Purchaser a performance guarantee in the proforma as at Annexure—'C' on or before claiming 20% payment of E/M equipment. The guarantee amount shall be equal to 10% (ten percent) of the Contract price for E/M equipment for the faithful performance of the Contract in accordance with the terms and conditions specified in the Contract and in the tender Documents / Specification. The guarantee shall be for the period of 15 (fifteen) calendar months commencing immediately on the satisfactory completion of the final test at site.
- 1.36.2 Such guarantee period shall also cover the period of extension agreed upon.
- 1.36.3 The guarantee amount shall be payable to the Owner without any condition whatsoever.
- 1.36.4 Whether or not the equipment has been installed under his supervision, the Contractor shall give the following guarantees in respect of the equipment to be furnished : —
- (a) All equipment shall be free from any defect due to faulty design materials and / or workmanship.
 - (b) The equipment shall operate satisfactorily and reliably and the Performance and efficiencies of the several equipment shall not be less than the respective guaranteed values.

- 1.36.5 The above guarantees shall be valid for a period of twelve (12) calendar months commencing immediately on the satisfactory completion of the final tests at site and taking over or 24 months from the date of delivery at site, whichever is earlier. During this period the Contractor's liability shall be limited to the replacement of any defective parts that may develop in plant of his own manufacture or those of his sub-contractor's under the conditions provided for by the Contract under proper use and arising solely from faulty design, materials or workmanship provided always that such defective parts as are not repairable at site, and are not essential in the meantime for commercial use of the plant, are promptly returned to the Contractor's works at the expense of the Contractor unless otherwise arranged.
- 1.36.6 All such replacements of defective parts mentioned above shall be made free of cost at site by the Contractor and the return of the defective parts to the Contractor's work shall be the Contractor's responsibility and shall be made at his expense. The Purchaser will however render such assistance in this matter as will expedite the same. In the case of defective special parts not repairable at site but essential in the meantime for the commercial use of the plant, the Contractor shall replace at site free of cost to the Purchaser the said defective parts before the defective parts are removed to his works. The Contractor shall bear reasonable cost of minor repairs of the defective parts carried out on his behalf at site.
- 1.36.7 If for rectification or replacement of any part or equipment for work due to defective materials, manufacture or design, the service of the Contractor's personnel are requisitioned within the guarantee period these services shall be made available free of any cost to the Purchaser.
- 1.36.8 If it becomes necessary for the Contractor to replace or renew any defective parts or the plant under this clause, the provisions of this clause shall apply to the parts of the plant so replaced or renewed until the expiration of six (6) months from the date of such replacement or renewal or until the end of the above mentioned period of twelve (12) months, whichever may be later, If any defects be not remedied within a reasonable time, the Purchaser may proceed to do the work at the Contractor's risk and expense, but without prejudice to any other rights which the Purchaser may have against the Contractor in respect of such defects.
- 1.36.9 If the replacements or renewals are of such character as may effect the efficiency of the plant, the purchaser shall have the right to give to the Contractor within one (1) month of such replacement or renewal, notice in writing that "Tests on Completion" be made, in which case such tests shall be carried out as provided in the specifications. Should such tests show that the plant sustains the guarantees given in the Contract, the cost of the

tests will be borne by the Purchaser. Should the guarantee be not sustained, the cost of the tests shall be borne by the Contractor.

- 1.36.10 All replacements or renewals to be carried out by the Contractor during the maintenance period shall be subject to such clause of these General Conditions 3 may be considered reasonable by the Engineer.
- 1.36.11 Until the final certificate has been issued, the Contractor shall have the right of entry, at his own risk and expense, by himself or his duly authorized representatives whose names shall previously have been communicated in writing to the Engineer, at all reasonable working hours upon all necessary parts of the works, for the purpose of inspecting the working and the records of the plant and taking notes therefore and, if he desires, at his own expense making any tests, subject to the approval of the Engineer, that will not be unreasonably withheld.
- 1.36.12. The issue of the Engineer's certificate shall in no way exempt the Contractor from the provisions of this clause.
- 1.36.13 At the end of the maintenance period the Contractor's liability ceases. In respect of goods not covered by the first paragraph of this clause, the Purchaser shall be entitled to the benefit of any guarantee given to the Contractor by the original supplier or manufacturer of such goods.
- 1.36.14 The Contractor shall indemnify the Purchaser against any infringement of patent rights.

1.37.0 TAKING-OVER :

- 1.37.1 When the specification calls for performance test before dispatch and these have been successfully carried out, the plant shall be accepted and taken over when it has been satisfactorily put into operation at site for which the Engineer shall forthwith issue a taking over certificate.
- 1.37.2 When the specification calls for test at site, the plant shall be taken over and the taking over certificate issued after such tests have been successfully carried out at site.
- 1.37.3 Such certificates, however, shall be deemed to be on account and shall in no way release the contractor from his liabilities and responsibilities in respect of such plant including satisfactory performance of the test on completion.

1.38.0 ARBITRATION :

- 1.38.1 In any dispute or difference of any kind whatsoever shall arise between the Purchaser and the contractor, arising out of the contract for the performance of the contract whether during the progress of the contract or after its completion or whether before or after the termination, abandonment or breach of the contract, it shall, in the first place, be referred

to and settled by the Engineer who, within a period of thirty (30) days after being requested by either party to do so, shall give written notice of his decision to the Purchaser and the Contractor.

- 1.38.2 Save as hereinafter provided, such decision in respect of every matter so referred shall be final and binding upon the Parties until the completion of the contract and shall forthwith be given effect to by the Contractor who shall proceed with the contract with all due diligence, whether he or the Purchaser required arbitration as hereinafter provided or not.
- 1.38.3 If after the engineer has given written notice of his decision to the parties, no claim to arbitration has been communicated to him by either party within thirty(30) days from the receipt of such notice, the said decision shall become final and binding on the parties.
- 1.38.4 In the event of the engineer failing to notify his decision as aforesaid within thirty (30) days after being requested as aforesaid, or in the event of either the Purchaser or the Contractor being dissatisfied with any such decision, or within thirty (30) days after the expiry of the first mentioned period of thirty (30) days as the case maybe, either party may require that the matters in dispute be referred to arbitration as hereinafter provided.
- 1.38.5 All disputes or differences in respect of which the decision, if any, of the engineer has not become final or binding as aforesaid, shall be settled by arbitration in the manner hereinafter provided.
- 1.38.6 The matter shall be referred to the sole arbitration of an officer appointed to be the arbitrator by the Chairman-cum-Managing Director or Managing Director, Bihar State Hydroelectric Power Corporation Ltd. It will be no objection that the arbitrator is a Government Servant, that he had to deal with the matters to which the contract relates or that in the course of his duties as a Government Servant, he has expressed views on all or any of the matters in dispute or difference. The award of the arbitrator shall be final and binding on the parties to this contract.
- 1.38.7 In the event of the arbitrator dying, neglecting or refusing to act, or resigning or being incapable of acting or unable to act for any reason it shall be within the power of the Chairman-cum-Managing Director or Managing Director, Bihar State Hydroelectric Power Corporation Ltd., to appoint another arbitrator in place of the out-going arbitrator, in the manner aforesaid.
- 1.38.8 Subject to aforesaid, the Arbitration Act 1940 and the rules there under or any statutory modifications thereof for the time being in force shall be deemed to apply to the arbitration proceedings under this clause.
- 1.38.9 Work under the contract shall if reasonably possible, continue during the arbitration proceedings and due if any, payable by the purchaser to the contractor with respect to

the work not in dispute shall not ordinarily be withheld on account of such proceedings unless it becomes necessary to withhold the same.

- 1.38.10. The proceedings, if any, in relation to the arbitration referred to above, shall be held by the arbitrator aforesaid at Patna and all legal proceeding, if any, arising out of and in connection with the said clause shall be in the course of competent jurisdiction at Patna in the state of Bihar,
- 1.38.11. No decision given by the engineer in accordance with the afore going provisions shall disqualify him as being called as a witness or giving evidence before the arbitrators on any matter whatsoever relevant to the dispute of difference referred to the arbitrators as aforesaid.

ANNEXURE—"C"**PROFORMA OF BANK GUARANTEE FOR CONTRACT PERFORMANCE**

(To be stamped in accordance with Stamp Act.)

Ref Bank Guarantee No

Dated

To,

Bihar State Hydroelectric Power Corporation Ltd.,
 "SONE BHAWAN", Bir Chand Patel Marg,
 Patna—800001.

Dear Sirs,

In consideration of the Bihar State Hydro-Electric Power Corporation Ltd., (hereinafter referred to as the "Purchaser / Owner", which expression shall unless repugnant to the context or meaning thereof include its successors, administrators and assigns) having awarded to M/swith its Registered/Head Office at(hereinafter referred to as the "Supplier / Contractor", which expression shall unless repugnant to the context or meaning thereof include its successors, administrators, executors and assigns, a Contract by issue of Purchaser/Owner's Letter of Intent No.....datedand the same having been unequivocally accepted by the Supplier/Contractor resulting in a 'Contract' bearing No dated valued at..... for..... and the Contractor/ Supplier having agreed to provide for and the Supplier / Contractor having agreed to (Scope of Contract) provide a Contract performance Guarantee for the faithful performance of the entire contract equivalent topercent) of the said value of the Contract to the Purchaser / Owner.

We having it Head office at (Name & Address)

(hereinafter referred to as the "Bank, which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns) do hereby guarantee and under take to pay the Purchaser/ Owner, on demand any and all monies payable by the Supplier/Contractor to the extent ofas aforesaid at any time upto without

(days/month/year)

any demur, reservation, contest, recourse or protest and/or without any reference to the Supplier/Contractor- Any such demand made by the Owner on the Bank shall be conclusive and binding notwithstanding any difference between the Purchaser / Owner and Supplier / Contractor or any other Authority. The Bank undertakes not to revoke this guarantee herein contained shall continue to be enforceable till the Purchaser/Owner discharges this guarantee-

The Purchaser/Owner shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee from time to time to extend the time for performance of the Contract by the Supplier/Contractor.

The Purchaser / Owner shall have the fullest liberty, without affecting this guarantee, to postpone from time to time the exercise of any powers vested in them or of any rights which they might have against the Supplier / Contractor, and to exercise the same at any time in any manner, and either to enforce or, to forbear to enforce any covenants, contained or implied, in the Contract between the Purchaser / Owner and the Supplier / Contractor or any other course of a remedy of security available to the Purchaser / Owner. The Bank shall not be released of its obligations under these presents by any exercise by the Purchaser/ Owner of its liberty with reference to the matters aforesaid or any of them or by reason or any other acts of omission or Commission on the part of the Purchaser/ Owner or any other indulgence shown by the Purchaser/Owner or by any other matters or thing whatsoever which under law would, but for this provision, have the effect of relieving the Bank.

The Bank also agrees that the Purchaser/Owner at its option shall be entitled to enforce this Guarantee against the Bank as principal debtor in the first instance without proceeding against the Supplier / Contractor and notwithstanding any security or other guarantee that the Purchaser/Owner may have relation to the Supplier's/Contractor's liabilities-

Notwithstanding anything contained herein above our liability under this guarantee is restricted to and it shall remain in force upto and including and shall be extended from time to time for such period (not exceeding one year), as may be desired by M/s..... whose behalf his guarantee has been given.

WITNESS :

Dated this..... day of.....20.....at

WITNESS :

.....(Signature).....

Signature

.....(Bank's Rubber Stamp)

.....Attorney as per power

(Official address) of Attonery No.

Dated

NOTE : * This sum shall be ten percent (10%) of the Contractor Price.

** The date will be ninety (90) days after the end of warranty Period of any time extension agreed upon as specified in the contract.

SECTION -II

GENERAL AND TECHNICAL FEATURES OF THE PROJECT AND SUPPLEMENTARY CONDITIONS OF CONTRACT

2.4.0 CORRESPONDENCE :

2.4.1 All correspondence shall be dispatched by the fastest commercial means. The successful tenderer shall comply with the requirements of purchaser regarding the number of invoices, shipping and other documents and the authorities to whom all correspondence are required to be sent.

2.5.0 TENDER OFFER :

2.5.1 "PROGRAMME and Schedules to be furnished.

The successful tenderer shall submit for approval of the Purchaser programme indicating the various activities involving design, drawings, manufacturer, shop-testing/reliability runs, shipment etc. based on the contract delivery periods.

2.5.2 The purchaser reserves the right to call for further necessary detailed Progress Reports during the currency of contract, so that he may be able to adequately follow up the progress of work.

2.6.0 DEPARTURE FROM SPECIFICATION :

2.6.1 While the purchaser does not bind himself to accept the lowest or any other tender, due consideration will be given to any special devices or equipment put forward by the Tenderer with a view to increase the efficiency of the Plant /Equipment and minimise the initial cost or maintenance cost of the Plant /Equipment as a whole.

2.6.2 Should the tenderer wish to depart from these specifications he shall submit a complete and itemized list of such departures together with full particulars of the reasons for the departure in a separate schedule with reference to section and paragraph nos. of this tender specification. Unless this is done and also the Purchaser's concurrence in respect of such departures is obtained in writing, the Plant/Equipment offered shall be deemed to comply in every respect with these specifications.

2.7.0 COMPLETENESS OF TENDER :

2.7.1 The tenders shall be complete and include all accessories even though not specifically mentioned in these specifications, schedule etc. but which are essential for the complete Plant / Equipment including all hydraulic and electrical equipment.

2.8.0 GUARANTEES :

2.8.1 The Contractor shall guarantee, besides performance guarantee and other thing, the following :

- (a) Quality and strength of materials used.
- (b) Adequate factors of safety for all parts of equipment to withstand the mechanical and / or electrical stresses developed therein. These shall be stated in the tender-
- (c) Suitability of design and workmanship of the equipment for the conditions envisaged in these specifications.
- (d) Satisfactory erection and commissioning of the Plant/ Equipment at site.
- (e) The efficiency, temperature rise and other performance data furnished for the equipment as applicable in accordance with relevant standard and provisions of these specifications.
- (f) The delivery periods given in the tender.

2.8.2 The suppliers shall furnish copies of test certificates of materials used for manufacture and also the test certificates of the tests conducted on the equipment after manufacture and assembly in their works.

2.9.0 SPARE PARTS :

2.9.1 The tenderer shall include as a separate item one set of spare parts required(recommended by him) for satisfactory operation of the plant / Equipment for a period of three years. Itemised prices of these spare parts shall be given in the offer.

The spare parts shall include the items indicated in the technical specifications. Additional spare parts which the tenderer may consider necessary shall also be quoted. He may also indicate if any of the spare parts indicated is not considered necessary by him. Spare parts shall be supplied along with the first unit.

2.10.0 SPANNERS AND TOOLS :

2.10.1 A complete outfit of tools, spanners, gauges, slings and other lifting devices instruments and all other appliances necessary or convenient for the complete assembly, erection at site, dismantling and maintenance of the Paint Equipment covered by the contract, together with suitable racks for holding them shall be supplied and included in the contract. Spanners shall be single ended, and made to fit each size of nut and bolt of the plant. One set of spanners, tools and appliances shall be supplied.

2.11.0 EXTRA WORKS :

2.11.1 The Contractor shall, when asked in writing by the Purchaser, perform extra work and furnish extra material not covered by the specifications or included in the schedule but forming an inseparable part of the work contracted for- The terms of payments for such extra work or material shall be mutually agreed upon in advance.

2.12.0 INTERCHANGEABILITY :

2.12.1 All similar component parts of similar equipment supplied shall be interchangeable with one another.

2.13.0 DIRECT CURRENT SUPPLY CONTROL/PROTECTION

2.13.1 The power stations control and protection schemes shall be as per the technical specification.

Any requirement which requires D.C. supply for the purpose of annunciation control alarm, trip and interlock etc. shall be suitable for operation for the above specified D.C. voltage unless and until this point is specifically agreed to and approved by BHPC.

2.14.0 STANDARDS :

2.14.1 All material and equipment shall comply in all respects with the requirements of the latest edition of relevant Indian Standard (IS) or any other equivalent standards.

2.14.2 There a certain equipment is stated not to comply with Indian Standard (IS) or any other equivalent standard the salient points of comparison between the standard adopted and those mentioned above shall be clearly brought out in he tender, making at the same time necessary connections for operation under the conditions specified herein. A complete set of adopted standard shall be supplied by the Contractor, free of charge before the award of the Contract. Wherever a standard is specifically mentioned in these specifications, it is understood that the corresponding standards or Standards from amongst the sources mentioned above shall also apply it is however, understood that the Plant and Equipment offered shall comply with one consistent set of standard except in so far as they are modified by the requirements of these specifications.

2.15.0 MANUFACTURER'S STANDARDS :

2.15.1 The general principal on which these specifications are drawn up is to permit the adoption of modem manufacturing standards- The tenderers are requested to tender for their own standard equipment as far as possible provided the secondly with the requirements of these specifications. However, should the contractor wish to depart from the provisions of these specifications either on account of manufacturing practice or for any other reasons, he shall draw the attention of the Purchaser to the proposed points of departure and shall

submit such full information, drawings and specifications as will enable the relative merits of his proposals to be fully appreciated.

2.15.2 In the event of these specifications or a part thereof and the Contractor's drawing, specifications, forms, table etc being found to disagree during the execution of the Contract these specifications shall be held as binding unless, the departures have been duly approved in writing by the Purchaser.

2.16.0 DRAWINGS, INSTRUCTION MANUALS.

PHOTOGRAPHS AND PROGRESS REPORT.

2.16.1 The tenderer shall submit with the tender the drawings enumerated below and in various other sections of the specifications :

- (1) Layout of main equipment and auxiliary equipment.
- (2) Cross-Section through centre line of the machine,
- (3) Single line diagram.
- (4) Control, Schematic diagrams for unit control boards / generator panels, instrumentations and safety devices-
- (5) Erection procedures to be followed.
- (6) Characteristics curves / graphs showing the performance of various equipments.

2.16.2 These drawings shall show sufficient overall dimensions, clearances etc. required for assembling and dismantling; and space requirements of all apparatus to be furnished to enable the purchaser to determine the design and layout of the installation.

2.17.0 DRAWINGS TO BE FURNISHED BY CONTRACTOR AFTER AWARD OF CONTRACT

2.17.1 Contract drawings (6 copies of each) as listed below shall be supplied by the Contractor to the Purchaser within thirty (30) days after the award of contract.

- (1) All tender drawings specified as tender drawings above, together with those specified in individual sections of the specifications incorporating such modifications as may be required by purchaser.
- (2) Key-diagrams-Schematic diagram of all piping systems, control instrumentation, protection and alarm system, wiring diagrams for all electrical circuits, cabling layout etc.
- (3) Foundation drawings of all component parts of the plant/equipment clearly showing the details of the foundation required for these parts and of all ducts,

trenches etc. required for pipes, cables and other accessories, required by the purchaser for designing the civil works.

- (4) Detailed drawings of the entire equipment. These shall include separate drawings of all important components parts of the plant clearly showing details like mode of fastening etc. The drawing shall be sufficient to furnish a complete understanding of the design and working of the entire plant and shall contain all necessary information required for its erection and maintenance.

2.17.2 The Contractor shall submit for approval six sets of assembly drawings and sufficient detailed drawings (including one set on tracing cloth or in telegraph) to demonstrate fully that the apparatus furnished will conform to the provision and intent of these specifications. Detailed drawings or design data for the purpose of checking and adequacy of the contractor's designs by calculations will not ordinarily be required but the purchaser reserves the right to call for these in certain cases, at his discretion. Any manufacturing work performed prior to the approval of drawings will be at the Contractor's risk.

2.17.3 When revised drawings are submitted for approval the changes from the previous submittals shall be clearly identified on the drawings, with every revision made during the life of the contract shown by number, date and subject in a revision block and a notation shall be in the drawing margin. The drawings shall be clear and legible in all respects.

2.17.4 The Purchaser shall have the right to require the contractor to make any changes in the design which may be necessary in the opinion of the Purchaser to make equipment conform to the provision and intent of these specifications, without additional cost to the purchaser. Approval by the purchaser of the contractor's drawings shall not be held to relieve the contractor of any part of the contractor's obligation to meet all the requirements of these specifications or of the responsibility for the correctness of the contractor's drawings. One set of drawings marked (approved) will be returned to the contractor within one month after their receipt.

2.17.5 After the completion of the erection work, the contractor shall furnish 6 sets (including one copy of tracing cloth or in velograph) of the completion drawings listed below :

- (1) All tender drawings as specified.
- (2) Key-diagram-Schematic diagram of all piping systems. Control, instrumentation, protection and alarm system, wiring diagrams for all electrical circuit including cabling arrangement etc.
- (3) Detailed drawings of the entire equipment. These shall include separate drawings of the entire equipment and of all important component parts of the

Plant/Equipment clearly showing all details, mode of fastening etc. The drawings shall be sufficient to furnish a complete understanding of the design and shall contain all the necessary information required for the erection and maintenance.

2.17.6 In addition, such details/drawings as may be necessary for erection, maintenance, repair, identification of plants and for making or ordering replacement Parts shall be supplied by the Contractor as may be required by the Purchaser.

2.18.0 INSTRUCTION AND SPARE PART BOOKS :

2.18.1 The Contractor shall supply within sufficient time before completion of supply, six sets, free of cost of the following :—

- (1) Full instructions for the operation & maintenance of all Plant/Equipment.
- (2) List of spare parts.
- (3) Price list of spare parts.
- (4) Complete instruction manual for assembly and erection.

2.19.0 PROGRESS REPORTS :

2.19.1 The Contractor shall submit to the purchaser detailed Progress reports of the manufacture and supply of the equipment every month during the contract period. They shall also submit required number of photographs together with negatives wherever necessary at no extra cost to the purchaser.

2.20.0 FOUNDATION AND FIXTURES :

2.20.1 Foundations will be prepared by the Purchaser in accordance with the basic design data to be supplied by the Contractor. All fixtures necessary for proper erection of embedded parts shall be supplied by the Contractor.

2.21.0 MATERIAL AND WORKMANSHIP :

2.21.1 The materials used in the construction of the Plant / Equipment shall be new, of high quality and selected particularly to meet the duties required of them. The material specification shall be indicated in the contractor's detailed drawings. The use of materials liable to attack by termites or other insects will not be allowed- All workmanship is to be of the highest quality throughout, and the design, dimensions and materials of all parts are to be such that the stresses to which they may be subjected shall not render them liable to distortion or damage under the most severe conditions encountered in service.

2.21.2 Materials and workmanship shall meet the latest issue of the standard as applicable.

2.22.0 TROPICAL TREATMENT :

2.22.1 All equipment shall be suitably designed and treated for normal life and satisfactory operation under the climatic conditions prevalent at the site and shall be dust & vermin proof. All parts and surfaces which are subject to corrosion shall be made of such material, and shall be provided with such protecting finishes as would protect the equipment installed from any injurious effects of excessive humidity. All electrical auxiliary equipment shall be specially treated for tropical conditions and the materials and method for this treatment shall be got approved in advance.

2.23.0 PAINTING :

- 2.23.1 All surfaces interior and exterior of the equipment shall be shot blasted to remove all rust, scale, grease or other adhering foreign matter. Surfaces shall be painted inside and outside with two (2) coats of high quality approved primers and two (2) coats of finish paint in approved colour.
- 2.23.2 All metal parts not accessible for painting shall be made of corrosion resisting materials. All finished surfaces subject to rust, shall be coated with a suitable rust preventive compound. Surfaces shall be putty filled and rubbed down to ensure first quality glossy finish.
- 2.23.3 Paints shall be carefully selected to withstand tropical heat and extremes of weather specified herein. It shall not scale off or crinkle or be removed by abrasion in handling
- 2.23.4 The contractor shall also supply adequate quantities of paints, varnish etc- for the use of finishing cost and for touching up any scratched during transport and handing, erection, testing and commissioning.

2.24.0 PACKING AND DISPATCH :

- 2.24.1 The Contractor shall wrap, pack and crate all plant / equipment included in the work or part thereof suitable for dispatch to a tropical location, and in a manner which facilitates handling and protects the plant from damage in rail, truck or air shipment as applicable and within the size and weight limitations imposed by the carrier. An approved drying agent, such as silicagel shall be packed in containers or packages holding plant which may be adversely affected by moisture or excessive humidity. The Contractor shall check right of way clearance and weight limitations and make all dispatch arrangements.
- 2.24.2 All plants parts shall be marked to facilitate erection. All packing crates shall be clearly and indelibly marked before shipping to indicate the contract number and dispatch address volume, weight, name, number and unit-number of the contents, slinging and weight bearing points.

2.24.3 Each packing crate shall contain list in a waterproof envelope. Three copies of the packing list shall be forwarded to the purchaser prior to dispatch. Parts shall be described and also identified by their numbered marking in the packing list.

2.25.0 STORAGE AT SITE :

2.25.1 Complete instructions regarding the storage of the equipment/plant at site shall be furnished by the Contractor. If at anytime after the arrival of equipment/plant at site, the contractor or his representative desires to draw the attention of the purchaser to the conditions of storage, which in his opinion might effect the state of the equipment/plant stored, he shall do so in writing to the Purchaser.

2.26.0 TEST AND INSPECTIONS :

2.26.1 All the shop test detailed in the respective sections of these specifications for equipment shall be carried out at the manufacturer's expense at his works. The Purchaser reserves to himself the right to be represented at these tests, for which purpose, adequate prior notices shall be given to him before tests are conducted.

2.26.2 All the site tests specified in the respective sections of the specifications shall be carried out by the Contractor at his expense.

2.26.3 No dispatch of any portion of the equipment shall be made till the test certificates of the tests conducted at the factory are approved by the purchaser. One advance copy of the test certificates of materials used for manufacture and also of the prescribed tests conducted on the equipment after manufacture and assemble in their works shall be sent for approval to the purchaser by Air Mail and a second and third copy by surface mail wherever applicable.

2.27.0 ELECTRICITY RULES :

2.27.1 All works shall conform with the rules in force under the Electricity Act/ rules and other legislation applicable at the places of works.

2.28.0 SUSPENSION OF WORKS :

2.28.1 The Purchaser shall not be liable to pay to the contractor any compensation what so ever arising from suspension of work or for idle labour.

2.29.0 TRAINING OF PURCHASER'S PERSONNEL :

2.29.1 The Contractor shall undertake to impart suitable training for operation and maintenance of plant / equipment to the Purchaser's personnel either at their works or at Purchaser's site, which shall be decided mutually. In the event of the training being imparted at the

Manufacturer's/Suppliers/Contractor's, Works, necessary suitable accommodation shall be provided by the Contractor free of cost to the Purchaser's personnel for the entire period of such training.

2.29.2 In the event of the Owner for any reason, failing to avail of the training facilities, they shall not be entitled for any rebate what-so-ever on this account.

2.30.0 CO-OPERATION WITH OTHER MANUFACTURERS :

2.30.1 The Contractor shall exchange, with the other manufacturers of items not covered in this specification or alternatively covered in these specifications but forming partial supply of others, all necessary drawings, templates, gauge and other information required to ensure the complete and proper design and coordinated manufacture of all connecting or related parts of the various equipment.

SECTION — IV
ERECTION & SUPERVISION CONDITIONS
OF CONTRACT

4 1.0 GENERAL:

These special conditions for erection of equipment shall be read and construed with General Conditions of Contract but if there be any conflict or inconsistency between the provisions hereof and other conditions of contract, the provisions contained in these conditions shall prevail so far as the erection work covered under the contract is concerned.

4.2.0 WORK AND SERVICES TO BE FURNISHED BY

THE CONTRACTOR UNDER ERECTION CONTRACT:

Unless otherwise specified, the following work and service shall be provided by the Contractor when complete erection, testing and commissioning of any equipment is called for by the Purchaser-

- (a) All labour, skilled and unskilled including supervisory personnel for expeditious and efficient erection of the equipment and material covered by the specification.
- (b) Taking delivery of all erection materials and equipment to be erected from the Project Stores-
- (c) Safe transportation of the equipment and materials from Project Stores to the site of erection.
- (d) All consumable materials, tools and tackles for the purpose of erection, unless otherwise specified.
- (e) All fastening materials, nuts, bolts, serews, clamps, washers and gaskets etc. unless otherwise specified-
- (f) All consumable and erection materials to be supplied by the Contractor shall be of the best quality and according to the specification approved by the Engineer.
- (g) All the materials procured by the Contractor shall be got inspected and approved by the Engineer before the same are used for erection work.
- (h) All equipments, tools, platforms, scaffolding, temporary supports and facilities required for erection and for handling of heavy packages at site.
- (i) Purchaser's equipment and tools may be made available on payment of hire charges, if and when available. The hire charges shall be those determined by the Engineer, who shall however be under no obligation to supply such tools.

- (j) Erection of the equipment and materials complying with the specifications and design requirements and to the entire satisfaction of the Engineer.
- (k) Skilled and unskilled personnel as may be required for carrying out tests on the equipment during start up, testing and commissioning.
- (l) All work shall be carried out as per requirements of Codes and shall be electrically and mechanically corrected.
- (m) The Contractor shall supply and paint with anticorrosive paint damaged and rusty parts before erection.
- (n) All parts of an equipment delivered in disassembled condition shall be checked for wear or damage, accumulation of dust, cleaned and assembled for erection.
- (o) Strict cleanliness shall be observed during the erection,
- (p) Accommodation of supervisory personnel and housing of all labour.
- (q) Daily transport for erection personnel as required.
- (r) Site office and covered storage as required.
- (s) Watch and ward to ensure security and safety of materials under his custody.
- (t) Cleaning up of site after erection.

4.3.0 INSURANCE OF EQUIPMENT AND MATERIALS TO BE ERECTED :

The Contractor shall take an overall insurance cover for all equipment and materials issued to him for erection against loss or damage during storage, erection, testing and commissioning of the plant. Such insurance shall remain valid till the plant and equipment are taken over by the Purchaser and cover the third party risk.

The Contractor shall report to the Purchaser immediately any loss or damage, which is detected during the course of storage, erection, testing and commissioning of the equipment and materials and shall settle the claims with his Insurance Company. The contractor shall, however, have to make good the loss or damage at his own cost- The Purchaser, however, reserves the right to ask the Contractor to arrange for Insurance cover with his approved underwriters but when called upon to do so, the Contractor shall obtain the desired cover.

4.4.0 REPAIR OR DAMAGE OF EQUIPMENT SUSTAINED DURING TRANSIT:

If required by the Purchaser and if it be within the competence of the contractor, the contractor shall repair the damage during transit.

The total man hour actually employed for this work shall be certified by the Engineer in each case and the later's decision in this regard shall be final.

4.5.0 DELIVERY OF ERECTION EQUIPMENT AND MATERIALS :

The Contractor shall take delivery of erection equipment / materials from Project Stores. It will be the responsibility of the Contractor to arrange for transportation of equipments from the Project Stores to work sites.

The Contractor shall be responsible for bringing the materials safely to the site of erection. An authorised representative of the Contractor shall take delivery of the plant and equipment in accordance with the procedure prescribed by the engineer and shall submit a complete detailed account of the same after completion.

4.6.0 RESPONSIBILITY OF ERECTION :

The Contractor shall be completely responsible for the satisfactory erection, testing and commissioning of the plant notwithstanding that he may have been assisted by the Engineer in doing so.

4.7.0 EXTRA WORK SHIFT:

Night work shall be permitted with the written approval of the Engineer provided that except in an emergency, sufficient notice is given by the Contractor. The Engineer may also direct such extra shift for the Contractor to ensure completion of contract on schedule if in his opinion such work is permitted.

4 8.0 PROTECTION OF WORK :

The Contractor shall take all reasonable care to protect the work under erection till such time the erected equipment has been taken over by the Purchaser. Where necessary, suitable fencing and lighting shall have to be provided by the Contractor as a safety measure against accident and damage of Purchaser's property.

Caution notices shall be displayed by the Contractor to give warning to the persons working a site if access to any part may be deemed unsafe and hazardous.

The Contractor shall be responsible for any loss or damage of the equipment or material under his custody until the same is taken over by the Purchaser.

4.9.0 CARE OF FINISHED WORK:

The Contractor shall effectively protect the work from action of weather and from damage or defacement and shall cover finished parts where required for their thorough protection. Face work shall be perfectly clean and free from defects.

The Contractor and his sub-contractors shall be responsible during their work for protection of the work which has been completed by other Contractors. Suitable means shall be used to protect finished work when moving equipment over it.

4.10.0 CLEANING UP OF WORK SITE :

During erection the Contractor shall, without any additional payment at all times keep the working and storage areas used by him free from accumulation of waste materials or rubbish. Upon completion of erection he shall remove or dispose of in a satisfactory manner all temporary structures, waste and debris and leave the premises in a condition satisfactory to the Engineer, and in the event of the Contractor's failure to do so, the same may be removed by the Purchaser and the cost incurred shall be recovered from the Contractor or his surety or sureties.

All stripped wooden packings of the equipment shall become the Property of the Purchaser and they shall be delivered to the Purchaser's store.

4.11.0 ERECTION PROGRAMME AND PROGRESS REPORT:

The Contractor shall submit in such forms as may be requested by the Engineer, schedule showing the programme and order in which the Contractor proposes to carry out the work, with dates and estimated completion time for various parts of the work. Such schedules shall be approved by the Engineer, prior to starting the erection. The Contractor shall also furnish when so directed by the Purchaser, the Organisation that he will set up for completion of the work according to the approved Erection Schedule.

The Contractor shall also give sufficient notice in advance intimating in writing his requirement of materials which are to be supplied by the Purchaser.

During the progress of work the Contractor shall submit fortnightly progress reports on the erection work and organisation as the Engineer may direct. If for any reason the work is held up, the Contractor shall bring it to the attention of the Engineer in writing without any delay.

4.12.0 TESTING AND COMMISSIONING OF ERECTED EQUIPMENT BY THE CONTRACTOR :

The Contractor shall be completely responsible for conducting the pre start checks and commissioning and trial run notwithstanding that he may have been assisted by the Engineer in doing so. The Contractor shall supply all labour in the execution of these tests. Operating personnel will be provided by the Purchaser.

If the first test is not satisfactory and the defect is due to Contractor, the Contractor shall rectify the defects to the satisfaction of the Engineer at no extra cost to the Purchaser and

subsequent tests shall be carried out as necessary by the Contractor till the tests are successful.

If however, the defect is not due to the Contractor the repeat tests shall be carried out as mutually agreed upon and the maximum number of repetitive tests in such cases will be limited to two in number.

4.13.0 COMMISSIONING REPORT :

The Purchaser and Contractor shall properly maintain in the agreed format their respective records of all observations and measurements taken in respect of all tests and operations- Joint protocol shall be signed on completion of each and every test/check till the trial operation. During trial operations all readings shall be jointly maintained and signed. On successful completion of trial operations, a report shall be jointly prepared and signed indicating results of all the tests / checks and trial operation readings.

4.14.0 FACILITIES TO BE PROVIDED BY THE PURCHASER :

- (a) All equipments and materials to be erected by the contractor will be delivered to him at the equipments stores
- (b) Civil foundations for all equipment including concrete trenches unless otherwise specified-
- (c) Construction Drawings in suitable numbers.
- (d) Special construction tools as may be supplied by the manufacturer alongwith the Plant and Equipment.
- (e) Water for Construction will be provided at a central location at prevail ingrates. The Contractor shall arrange for his own distribution lines to his area of work from the central point at which the water for construction will be supplied. In case any rerouting of such distribution lines is needed to facilitate work at site, the Contractor shall do so at his own cost.
- (f) Electricity for construction work will be provided at one central distribution point. However the cost of energy consumed by the Contractor for the work and the lighting of this work area shall be charged at the prevailing rates. The Contractor shall arrange to install his own switchgear and distribution lines to take necessary connection to the place of work at his own cost and will observe Indian Electricity Rules. He shall also arrange at his own cost for temporary lighting for his own work

area. In case any rerouting of such distribution lines is needed to facilitate work at site the Contractor shall do so at his own cost.

- (g) Medical facilities as available at site. The cost of medicine and other facilities will be borne by the Contractor.

**4.15.0 ITEMS OF WORK TO BE FURNISHED IF ONLY
ERECTION SUPERVISORY SERVICES ARE CALLED FOR :**

If so desired by the purchaser, the Tender shall provide the services of an experienced Engineer for supervision of erection, testing and commissioning of the plant and equipment covered under his scope of supply.

The work and services to be rendered under this clause shall include but are not limited to :—

- (a) Complete checking of the materials at site and reporting to the Engineer in writing of any discrepancy, loss / damage thereof.
- (b) Assisting of Engineer to lodge claims with Insurance Company for any loss / damage noted.

NOTE : If so desired by the Purchaser, the Contractor shall arrange to depute his representative for rendering the services under item (a) & (d) on receipt of equipment/materials at site and within the claim period of transit insurance.

- (c) Advising the Engineer regarding rectification of any damage during transit.
- (d) Preparation of schedules for constructions, pre-commissioning check-up and tests.
- (e) Preparation of material requirement schedule,
- (f) Advising the engineer on the procedure of erection to be followed,
- (g) Ensuring that the work is being carried out as per normally accepted engineering practice.
- (h) Exercising quality control for construction material and actual construction.
- (i) Submission of erection logs and all records of erection in proper proforma in triplicate.
- (j) Issuing completion certificate for readiness to start-up,
- (k) Testing, commissioning and putting the equipment in successful operation.

4.16.0 PAYMENT :

ERECTION, TESTING & COMMISSIONING :

Subject to any deduction which the Purchaser may be authorised to make under the contract or subject to any deduction provided under other clauses in the contract the Contractor shall be entitled to payment as follows :—

(a) FOR ONLY E/M (PACKAGE)

- (i) 90% payment less proportionate advance against each running bill duly verified by concerned field officer as per actual progress of work.
- (ii) 10% payment less proportionate advance on successful

(b) ERECTION/TESTING/COMMISSIONING (for turn key package)

100% payment less proportionate advance, of each running bill verified by concerned Field Officers as per actual progress of work and milestones mentioned in the agreement.

Note : Progress Report and Revised PERT Chart should be enclosed with every bill raised for the payment.

4.17.0 WITHHOLDING PAYMENT:

The Purchaser may withhold the whole or part of any payment for erection claimed by the contractor which in the opinion of the Purchaser is necessary to protect himself from loss on account of:

- (a) Defective work not remedied or guarantees not met.
- (b) Claims filed against the Contractor.
- (c) Failure by the Contractor to make due payments for materials or labour employed by him.
- (d) Damage to another Contractor.
- (e) In-sufficient progress, when the grounds for withholding payment are removed, payments of the amount due to the Contractor shall be made by the Purchaser without delay.

4.18.0 CONTRACTOR'S EMPLOYEES AT SITE :

The Contractor shall provide at the proper time, the necessary erectors, supervisor and other personnel duly qualified and in sufficient number for the erection, testing and commissioning of the plant. The qualification and experience of different categories of personnel will require prior approval of the Purchaser.

Contractor's representatives shall abide by all general regulation's in force on the site and to any special conditions affecting the local administration issued by the Purchaser or his duly authorised representatives. All the employees of the, Contractor living on the land belonging to the purchaser shall be deemed to be aware of all dangers and risks incidental to the activities of the Purchaser and other Contractors and the conditions of the Purchaser's land and work from time to time and the Purchaser will not be responsible for any injury arising therefrom. The Contractor shall discharge all the obligations under the Indian workmen's, compensation Act and labour Laws so far as it will affect the work under his control.

4.19.0 QUALIFICATIONS OF CONTRACTOR'S SUPERVISORY PERSONNEL :

The Contractor's supervisory personnel will be adequately qualified, trained and experienced so as to carry out the duties most efficiently* and effectively as expected of them- The Contractor's personnel shall have adequate' experience of working on similar type of equipment and similar job. Notwithstanding above if any of the supervisory personnel is not found to be performing his services in a manner as expected of him. under the contract, the Contractor on advice from the engineer, shall replace such person (s) at his cost with those acceptable to the engineer, by mutual agreement.

4.20.0 WORK AT SITE :

In the execution of the work, no persons other than the Contractor or his duly appointed representatives, sub-contractors and workmen shall be allowed to do work at Site, except by special permission, in writing of the Engineer or his representative but access to the work at all times shall be accorded to the Engineer and his representative and other authorised officials or representatives of the Purchaser.

4.21.0 SITE LABOUR & WAGES:

The Contractor shall not employ for the purpose of this contract any person who is below the age of eighteen years and shall pay to each labourer for the work done by such labourer, wages not less than the wages paid for similar work in the neighbourhood and also not less than to Minimum wages.

The engineer shall have the right to enquire into and decide any complaint alleging that the wages paid by the Contractor to any Labourer for the work done by such labourer, is less than the wages paid for similar work in the neighbourhood.

The Engineer shall have the right to decide whether any labourer employed by the Contractor is below the age of eighteen years and to refuse to allow any labourer whom he decides to be below the age of eighteen years, to be employed by the Contractor.

The Contractor shall make regular and prompt payment of wages to the labourers engaged on the work irrespective of the fact whether the contractor, in turn, had received the payment from the Corporation or otherwise and that the Corporation will in no way be responsible for arranging disbursement of wages to the workmen of the contractor within the time limit prescribed. If the workers are not paid regularly the Contract is liable to be rescinded-

The Corporation will have no liability to any stoppage caused in the work resulting in the labour of the Contractor being idle due to maintenance work or breakdown of erection equipment and tools and plants to be supplied by the Corporation if any.

4.22.0 LIABILITY FOR ACCIDENTS AND DAMAGES :

The Contractor shall indemnify the Purchaser against any claims which may be made under the Workmen's Compensation Act 1923 or any statutory modification or otherwise for or in respect of any damages or compensation payable in consequence of an accident or injury sustained by any workman or other person whether in the employment of the Contractor or not. In every case in which by virtue of the provision of the sub-section (1) of section 12 of the Workmen's Compensation Act, 1923, the purchaser is obliged to pay compensation to a workman employed by the Contractor in execution of works, the purchaser will recover from the Contractor the amount of the compensation so paid, and without prejudice to the rights of the purchaser under sub-section (2) of section 12 of the said act, the purchaser shall be at liberty to recover such amount or any part thereof by deducting it from the security Deposit or from any such due by the Purchaser to the Contractor whether under this Contract or otherwise. The Purchaser shall not be bound to contest any claim made against it under section-12, sub-section (1) of the said except on the written request of the Contractor and upon his giving to the purchaser full security for all costs for which the purchaser might become liable in consequence of contesting such claim.

In the event of any claim being made, or action brought against the purchaser involving the Contractor and arising out of the matters referred to and in respect of which the Contractor is liable under the clause, the Contractor shall be immediately notified thereof, and he shall, with the assistance, if he so requires, of the purchaser but at the sole expense of the Contractor, conduct, all negotiations for the settlement of the same or of any litigation that may arise therefrom. In such case the purchaser shall, at the expense of the Contractor, afford all available assistance for any such purpose.

The Contractor shall, during the progress of the work, properly cover up and protect the plant from injury to weather and shall take every reasonable, proper, timely and useful precaution against accident or injury to the same from any causes and shall be and remain answerable and liable for all accidents or injuries thereto which, until the same be, or be

deemed to be taken over or be occasioned by the acts or omissions of the Contractor or his workmen or sub-Contractor and all losses and damages to the plant arising from such accidents or injuries as aforesaid shall be made good in the most complete and substantial manner by and at the sole cost of the Contractor and to the reasonable satisfaction of the Engineer.

Until the plant shall be or be deemed to be taken over as aforesaid the Contractor shall also be liable for and shall be deemed to have agreed to indemnify the Purchaser in respect of all damages to any property of purchaser or of other occasioned by the negligence or fault of the Contractor or sub-contractor or his or their workmen or representative or by defective design, work or material or otherwise.

Provided that the Contractor shall not be liable under the Contract of any loss of profit or loss of Contractor any other claims made against the purchaser not already provided for in the Contract, nor for any damage or injury caused by or arising from the acts of the purchaser or of any other person or due to circumstances over which the Contractor has no control, nor shall his total liability for loss, damage or injury exceed the total value of the Contract.

4.23.0 REGULATION OF LOCAL AUTHORITIES :

The purchaser will, throughout the continuance of the Contract and in respect of all matters arising in the performance thereof, serve all notices and obtain consents, way leaves, approvals and permissions required in connection with the Regulations and by laws of the local or other authority which shall be acceptable to the work-

All work shall be executed in accordance with the requirements of relevant standard codes with all statutory modification thereof to date, wherever applicable, unless otherwise agreed to in writing by the Engineer.

4.24.0 POSSESSION PRIOR TO COMPLETION :

The Purchaser shall have the right to take Possession of or use any completed or partially completed part or of the work. Such possession or use shall not be deemed to be an acceptance of any work in terms of the Contract.

4.25.0 PENALTY

In the event of the Contractor failing to complete the work within mentioned period, he shall pay as compensation one (1) percent of the erection cost of each Equipment, per each week of delay in completion, provided always that the entire amount of compensation to be paid under the provision of this clause shall not exceed, ten (10) percent of the total erection

cost. No penalty shall be payable due to minor omission or defects which do not effect the final commissioning of the equipment, provided the contractor agrees to make good the omission or defect at the earliest possible date. The Contractor shall however be responsible for any damage that may be caused by such defects.

4.26.0 EXTENSION OF TIME :

If the Contractor is delayed at any time in the progress of works by any act, delay or neglect of the Purchaser or by any other Contractor employed by the Purchaser or by changes ordered in the work by the Engineer, or by strikes, lockout, fire, war, act of public enemy or by any cause which the Engineer shall decide to justify the delay, then the time of completion shall be extended by a reasonable time or by such time as the Engineer may decide. No such extension shall be allowed unless claims are made in writing to the Engineer within fifteen (15) calender days from the date of occurrence of the cause of delay.

4.27.0 MEDICAL SUPERVISION & CARE :

The Contractor shall be fully responsible for any first aid and emergency medical treatment to his employees. Necessary arrangement for this purpose shall be made by the Contractor.