GUIDELINES FOR PROCUREMENT OF GOODS AND SERVICES FOR IMPLEMENTATION OF RURAL ELECTRIFICATION PROJECT

RURAL ELECTRIFICATION CORPORATION LIMITED
NEW DELHI – SEPTEMBER 2004

Modifications to the Procurement Guidelines and Bidding Documents as agreed in the Technical Workshop

(Modifications have been incorporated at the respective places in the enclosed final document)

Sl. No.	Section	Clause	Clause No.	As per REC	Modifications as agreed in the Workshop
1	*2*	*3*	*4*	*5*	*6*
1	Procurement Guidelines – Domestic Competitive Bidding	Notification and Advertising (NIT)	1.3	Invitations to bid shall be advertised as Procurement Notices in at least two leading Hindi newspapers and one English newspaper of national circulation in the country and in an electronic portal with free access. Notification shall be given in sufficient time to enable prospective bidders to obtain bidding documents and prepare and submit their responses.	Invitations to bid shall be advertised as Procurement Notices in at least **one English newspaper of national circulation in the country and one Regional language newspaper** and in an electronic portal with free access. Notification shall be given in sufficient time to enable prospective bidders to obtain bidding documents and prepare and submit their responses.
2	Bidding Documents - Special Conditions of Contract (SCC)	Terms of Payment	8.1(i)	Ex-works price component of the equipment & materials shall be paid as below: Advance Payment: Fifteen percent (15%) of the Ex-works price component shall be paid as an initial advance on presentation of the following: (a) Acknowledgement of the Letter of Award by the Contractor. (b) Contractor's detailed invoice. (c) An unconditional & irrevocable Bank Guarantee for the equivalent amount of advance in accordance with the provisions of Clause 34.7.1 (i)(b), Section-GCC, Volume-I and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto the end of ninety (90) days after the scheduled date for successful completion of commissioning and shall be extended from time to time until ninety (90) days beyond the actual date of successful completion of commissioning, as may be required under the Contract.	Ex-works price component of the equipment & materials shall be paid as below: Advance Payment: Fifteen percent (15%) of the Ex-works price component shall be paid as an initial advance on presentation of the following: (a) Acknowledgement of the Letter of Award by the Contractor. (b) Contractor's detailed invoice. (c)An unconditional & irrevocable Bank Guarantee for the equivalent amount of advance in accordance with the provisions of Clause 34.7.1 (i)(b), Section-GCC, Volume-I and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto the end of ninety (90) days after the scheduled date for successful completion of commissioning and shall be extended from time to time until ninety (90) days beyond the actual date of successful completion of commissioning, as may be required under the Contract.

				(d) An unconditional & irrevocable Bank Guarantee for ten percent (10%) of the total Contract price towards Contract Performance Guarantee (CPG) in accordance with the provisions of Clause 41.0, Section INB and Clause 11.0 below and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said bank guarantee shall be initially valid upto ninety (90) days after expiry of the Warranty Period and shall be extended from time to time till ninety (90) days beyond successful completion of warranty period, as may be required under the Contract. (e) Detailed PERT Network/Bar chart and its approval by the Employer.	(d) An unconditional & irrevocable Bank Guarantee for **fifteen percent (15%)** of the total Contract price towards Contract Performance Guarantee (CPG) in accordance with the provisions of Clause 41.0, Section INB and Clause 11.0 below and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said bank guarantee shall be initially valid upto ninety (90) days after expiry of the Warranty Period and shall be extended from time to time till ninety (90) days beyond successful completion of warranty period, as may be required under the Contract. (e) Detailed PERT Network/Bar chart and its approval by the Employer.
			8.1(ii)	On shipment: Sixty percent (60%) of the Ex-works price component shall be paid on successful completion of inspection and testing of the materials/items and on submission of documents indicated herein under: (a) Evidence of dispatch (R/R or receipted L/R) (b) Contractor's detailed invoice & packing list identifying contents of each shipment. (c) Insurance policy/certificate (d) Manufacturer's/Contractor's guarantee certificate of Quality. (e) Material Inspection Clearance Certificate (MICC) for dispatch issued by the Employer's representative and the Contractor's factory inspection report. (f) Test certificate	On shipment: **Seventy percent (70%)** of the Ex-works price component shall be paid on successful completion of inspection and testing of the materials/items and on submission of documents indicated herein under: (a) Evidence of dispatch (R/R or receipted L/R) (b) Contractor's detailed invoice & packing list identifying contents of each shipment. (c) Insurance policy/certificate (d) Manufacturer's/Contractor's guarantee certificate of Quality. (e) Material Inspection Clearance Certificate (MICC) for dispatch issued by the Employer's representative and the Contractor's factory inspection report. (f) Test certificate

			8.1(iii)	Final Payment : The balance twenty five percent (25%) of the Ex-works price component shall be paid on submission of the certificate by the Employer's representative that the item(s) have been received and on submission of an unconditional & irrevocable Bank Guarantee for full 25% amount initially valid till scheduled date of completion of testing & commissioning of the transmission line/ distribution transformer/ service connections and its taking over by the Employer and shall be extended from time to time till the actual date of successful completion of testing & commissioning of line and its taking over by the Employer. Bills shall be submitted for such payment only once in three months commencing from the date of receipt of first lot of materials/items. The Bank Guarantee shall be furnished alongwith the first invoice of final payment.	Final Payment : The balance **fifteen percent (15%)** of the Ex-works price component shall be paid on submission of the certificate by the Employer's representative that the item(s) have been received and on submission of an unconditional & irrevocable Bank Guarantee for full **15%** amount initially valid till scheduled date of completion of testing & commissioning of the transmission line/ distribution transformer/ service connections and its taking over by the Employer and shall be extended from time to time till the actual date of successful completion of testing & commissioning of line and its taking over by the Employer. Bills shall be submitted for such payment only once in three months commencing from the date of receipt of first lot of materials/items. The Bank Guarantee shall be furnished alongwith the first invoice of final payment.
			8.3(i)	Erection Price Component (including Civil Works): i) An advance of ten percent (10%) of the total erection price shall be paid as initial advance subject to conditions stipulated in Clause 34.7.1 (ii) of Section GCC (Vol.-I) and the following: (a) Submission of detailed invoice for advance payment. (b) Establishment of Contractor's site offices, commencement of stub setting work, and certification by Engineer that satisfactory mobilisation for erection exists.	Erection Price Component (including Civil Works): i) An advance of ten percent (10%) of the total erection price shall be paid as initial advance subject to conditions stipulated in Clause 34.7.1 (ii) of Section GCC (Vol.-I) and the following: (a) Submission of detailed invoice for advance payment. (b) Establishment of Contractor's site offices, commencement of stub setting work, and certification by Engineer that satisfactory mobilisation for erection exists.

				(c) Submission of an unconditional & irrevocable Bank Guarantee in favour of ____*** for the equivalent amount of advance in accordance with Clause 34.7.1(ii) (b), Sec.-GCC, Vol.-I of bidding documents and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto the end of ninety (90) days after the scheduled date for successful completion of commissioning and shall be extended from time to time until ninety (90) days beyond the actual date of successful completion of commissioning, as may be required under the Contract. (d) Submission of an unconditional & irrevocable Bank Guarantee in favour of ___*** for ten percent (10%) of the total Contract price towards Contract Performance Guarantee (CPG) in accordance with Clause 41.0 of Section-INB, Vol.-I and as per proforma attached with Section-Annex of Volume-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto 90 (ninety) days after the expiry of warranty period and shall be extended from time to time till ninety (90) days beyond successful completion of warranty period, as may be required under the Contract.	(c) Submission of an unconditional & irrevocable Bank Guarantee in favour of ____*** for the equivalent amount of advance in accordance with Clause 34.7.1(ii) (b), Sec.-GCC, Vol.-I of bidding documents and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto the end of ninety (90) days after the scheduled date for successful completion of commissioning and shall be extended from time to time until ninety (90) days beyond the actual date of successful completion of commissioning, as may be required under the Contract. (d) Submission of an unconditional & irrevocable Bank Guarantee in favour of ___*** for **fifteen percent (15%)** of the total Contract price towards Contract Performance Guarantee (CPG) in accordance with Clause 41.0 of Section-INB, Vol.-I and as per proforma attached with Section-Annex of Volume-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto 90 (ninety) days after the expiry of warranty period and shall be extended from time to time till ninety (90) days beyond successful completion of warranty period, as may be required under the Contract.

3	Special Conditions of Contract (SCC)	Quantity variation	9.0	9.1 The quantity of all equipment/materials given in the Bid Proposal Sheets, Volume-IB of the bidding documents are provisional. The variation in quantity shall be limited to fifty percent (50%) for the individual items and the total variations in all such items under the Contract shall be limited to twenty percent (20%) of the Contract price. The Contractor shall be responsible for supply and execution of such final quantities for completion of the transmission line(s) and they shall be paid for such finalized quantity at the unit rate indicated in the Letter of Award.	9.1 The quantity of all equipment/materials given in the Bid Proposal Sheets, Volume-IB of the bidding documents are provisional. The variation in quantity shall be limited to fifty percent (50%) for the individual items and the total variations in all such items under the Contract shall be limited to twenty percent (20%) of the Contract price. **For quantity variation of the individual items beyond fifty per cent (50%), the matter shall be referred to the competent authority of the implementing agency.** Contractor shall be responsible for supply and execution of such final quantities for completion of the transmission line(s) and they shall be paid for such finalized quantity at the unit rate indicated in the Letter of Award.

RURAL ELECTRIFICATION CORPORATION LTD.

GUIDELINES FOR PROCUREMENT OF GOODS AND SERVICES FOR IMPLEMENTATION OF RURAL ELECTRIFICATION PROJECT

PART – I : INTRODUCTION

1. Purpose

1.1 Purpose of these guidelines is to indicate the general principles and procedures, which except as REC may otherwise agree, shall be observed in carrying out procurement of goods and works for projects under "Accelerated Electrification of One Lakh Villages and One Crore Households" of Government of India. The rights and obligations of the borrower/project owner and the providers of goods and works for the project are governed by the concerned bidding documents and by the contract signed between the relevant parties and not by these guidelines.

1.2 To facilitate the process of procurement of goods and services for implementation of RE programme, the following documents are also attached for adoption, stipulating the required bidding procedure :-

(i) Invitation to Bid (INV)	-	Volume - I
(ii) Instruction to Bidders (INB)	-	Volume - I
(iii) General Terms &Conditions of Contract (GCC)	-	Volume - I
(iv) Erection Conditions of Contract (ECC)	-	Volume - I
(v) Special Conditions of Contract (SCC).	-	Volume - IA

Any procurement of goods and services for the project shall be eligible for financing through REC, if the same are procured in accordance with the above bidding procedure.

The above bidding procedure has been prepared for implementation of the project in association with the CPSUs as may be desired by the State involving CPSU's total involvement in execution of the project.

1.3 The procurement guidelines and the bidding procedure(s) shall also be applicable, mutatis mutandis, where State Power Utilities (SPU) shall take up the execution of the project sanctioned by REC under the programme themselves. Accordingly, all the provisions of this bidding procedure as above shall also be operative in such cases.

2. Primary Considerations

While undertaking the actions towards award of Contracts and its implementation on the ground, the same shall be generally guided by the following primary considerations:

(a). To make available the needed goods, equipment, material, works and services in the right quality and quantity, at the right time and at the right price after giving fair and equal chance to tenderers/ bidders, so as to obtain the optimum value for each unit of expenditure.

(b). Economy and efficiency in implementation of the project, including the procurement of goods, works and services in question.

(c). To provide an opportunity to all eligible qualified bidders to compete for providing goods, works and services.

(d). To encourage the development of local, domestic contracting and manufacturing industries/agencies.

(e). Transparency in the procurement process and timely actions.

3. Applicability of guidelines

The procedure outlined in these guidelines apply to all contracts for goods and works financed in whole or in part by REC for implementation of “Accelerated Electrification of one lakh villages and one crore households”.

4. Eligibility

To foster competition, all firms and individuals are permitted to offer goods, works, and services for REC-financed projects. Conditions for participation shall be limited to those that are essential to ensure the firm's capability to fulfill the contract in question.

Borrower, including its assignee(s), may carry out due diligence on the technical and financial qualifications of bidders to be assured of their capabilities in relation to the specific contract.

A firm which has been engaged by the Borrower including its assignee(s) to provide consultancy services for the preparation or implementation of a project, and any of its affiliates, shall be disqualified from subsequently providing goods, works or services

resulting from or directly related to the firm's consultancy services for such preparation or implementation.

5. Joint Ventures

Any firm may bid independently or in joint venture confirming joint and several liability with domestic firms.

6. Mis-procurement

Financial assistance from REC is not eligible to meet expenditures for goods and works which have not been procured in accordance with these guidelines.

7. Fraud and Corruption

It should be kept in mind that all actions towards award of Contracts and its implementation on the ground have to be fair, consistent, transparent and based on highest standard of ethics. Similarly, bidders/suppliers/contractors associated in the procurement and works, are expected to observe the highest standard of ethics during procurement and execution of contracts. In pursuance to above:

(a). Proposal for award may be rejected, if it determines that the bidder, recommended for award, and/or its employees, sub-contractors, sub-vendors, agents have engaged in corrupt or fraudulent practices in competing for the Contract in question;

(b). Portion of the loan allocated to a contract may be cancelled, in full or in part, if it is determined that corrupt or fraudulent practices were engaged by contractor and/or its employees, subcontractors, sub-vendors, agents for getting the Contract or during the execution of a Contract;

(c). A firm may be declared as ineligible, either indefinitely or for a stated period of time, to be awarded a Contract, if it, at any time, determines that the firm has been engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of above provision, the terms, "Corrupt Practice" and "Fraudulent Practice", mean following:

i. "corrupt practice" means offering, giving, receiving, or soliciting anything of value to influence the action of a public official(s) in the procurement process or in the contract execution; and

ii. "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract and includes collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels.

PART – II: DOMESTIC COMPETITIVE BIDDING

1. GENERAL

1.1. Introduction

The objective of Domestic Competitive Bidding (DCB), as described in these Guidelines, is to provide all eligible prospective bidders with timely and adequate notification of a Borrower's requirements and an equal opportunity to bid for the required goods and works.

All procurement and works, in the normal course, shall be outsourced and undertaken through award of contracts for the same. The procurement and works, shall mean all procurement of equipment/material and civil/erection works during construction and O&M stage.

1.2. Type and Size of Contracts

1.2.1 The bidding documents shall clearly state the type of contract to be entered into and contain the proposed contract provisions appropriate therefor.

The size and scope of individual contracts will depend on the magnitude, nature, and location of the project.

The project execution will be carried out on turn key basis under which the design and engineering, supply and installation of equipment, and construction of a complete facility or works are provided under one contract. Alternatively, the Borrower may remain responsible for the design and engineering, and invite bids for a single responsibility contract for the supply and installation of all goods and works required for the project component. For projects requiring a variety of goods and works, separate contracts are awarded for the supply and/or installation of different items of equipment and plant and for the works.

1.2.2 The project execution shall be carried out on the basis of the following turnkey packages:

(a) Complete turnkey package involving all goods and services as required under the project

Or

(b) (i) all substation (33/11 KV) works, including lines & other arrangements for providing power to such sub-stations, but excluding distribution substations, and
(ii) balance works involved in the project excluding substation works as above.

1.3. Notification and Advertising (NIT)

Timely notification of bidding opportunities is essential in competitive bidding. The Procurement Notice shall contain information concerning the Borrower, amount and purpose of the loan, scope of procurement under DCB, and the name, telephone (or fax) number, and address of the Borrower's agency responsible for procurement and the address of the website where specific procurement notices will be posted. The scheduled date for availability of bidding documents should be indicated. The related bidding documents, shall not be released to the public earlier than the date of publication of the Procurement Notice.

Invitations to bid shall be advertised as Procurement Notices in at least one English newspaper of national circulation in the country and one Regional language newspaper and in an electronic portal with free access. Notification shall be given in sufficient time to enable prospective bidders to obtain bidding documents and prepare and submit their responses.

1.4. Qualifying requirements of Bidders

Certain requisite qualifications of the bidders are necessary for turnkey contracts.

This ensures that participation in the bid is limited only to those who have adequate capabilities and resources, such as (i) experience and past performance on similar contracts, (ii) capabilities with respect to personnel, equipment, and construction or manufacturing facilities, and (iii) financial position.

2. Bidding Documents

2.1. General

The bidding documents shall furnish all information necessary for a prospective bidder to prepare a bid for the goods and works to be provided. The bidding document generally include the following:

Invitation for Bids (INV)

Instruction to Bidders (INB)

General Terms & Conditions of Contract (GCC)

Special Conditions of Contract (SCC)

Bid Form and Price Schedules/ Bid Proposal Sheets (BPS)

Technical Specifications (TS)

Technical Data Sheet/ Data Requirement Sheet (DRS)

List of goods or bill of quantities

Delivery time or schedule of completion

Necessary appendices such as formats for various securities

The basis for bid evaluation and selection of the lowest evaluated bid shall be clearly outlined in the instructions to bidders and/or the specifications. If a fee is charged for the bidding documents, it shall be reasonable and reflect only the cost of their printing and delivery to prospective bidders, and shall not be so high as to discourage qualified bidders. The Borrower may use an electronic system to distribute bidding documents, provided that such system is adequate and satisfactory. If bidding documents are distributed electronically, the electronic system shall be secure to avoid modifications to the bidding documents and shall not restrict the access of Bidders to the bidding documents.

Borrowers shall use the appropriate Standard Bidding Documents with minimum changes, as necessary to address project-specific conditions. Any such changes shall be introduced only through bid or contract data sheets, or through special conditions of contract.

2.2. Validity of Bids and Bid Security

Bidders shall be required to submit bids valid for a period specified in the bidding documents which shall be sufficient to enable the Borrower to complete the comparison and evaluation of bids, and obtain all the necessary approvals so that the contract can be awarded within that period.

Borrowers have the option of requiring a bid security. When used, the Bid security shall be in the amount and form specified in the bidding documents and shall remain valid for a period of four weeks beyond the validity period for the bids, in order to provide reasonable time for the Borrower to act if the security is to be called. Bid security shall be released to unsuccessful bidders once the contract has been signed with the winning bidder.

2.3. Clarity of Bidding Documents

Bidding documents shall be so worded as to permit and encourage competition and shall set forth clearly and precisely the work to be carried out, the location of the work, the goods to be supplied, the place of delivery or installation, the schedule for delivery or completion, minimum performance requirements, and the warranty and maintenance requirements, as well as any other pertinent terms and conditions. In addition, the bidding documents, where appropriate, shall define the tests, standards, and methods that will be employed to judge the conformity of equipment as delivered, or works as performed, with the specifications. Drawings shall be consistent with the text of the specifications, and an order of precedence between the two shall be specified.

The bidding documents shall specify any factors, in addition to price, which will be taken into account in evaluating bids, and how such factors will be quantified or otherwise evaluated. If bids based on alternative designs, materials, completion schedules, payment terms, etc., are permitted, conditions for their acceptability and the method of their evaluation shall be expressly stated.

All prospective bidders shall be provided the same information, and shall be assured of equal opportunities to obtain additional information on a timely basis. Borrowers shall provide reasonable access to project sites for visits by prospective bidders. Any additional information, clarification, correction of errors, or modifications of

bidding documents shall be sent to each recipient of the original bidding documents in sufficient time before the deadline for receipt of bids to enable bidders to take appropriate actions. If necessary, the deadline shall be extended.

2.4. Standards

Standards and technical specifications quoted in bidding documents shall promote the broadest possible competition, while assuring the critical performance or other requirements for the goods and/or works under procurement. The Borrower shall specify standards as issued by REC.

2.5. Pricing

Bids for equipments shall be invited on basis of ex- works/ex –factory (FOR) plus cost of transportation and insurance to the place of destination. The bidder shall be required to quote separately for installation, commissioning or other similar services required to be performed by the bidder.

In the case of turnkey contracts, the bidder shall be required to quote the price of the installed equipment at site, including all costs for supply of equipment, local transportation and insurance, installation, and commissioning, as well as associated works and all other services included in the scope of contract. Unless otherwise specified in the bidding documents, the turnkey price shall include all duties, taxes, and other levies.

Bidders for works contracts shall be required to quote unit prices or lump sum prices for the performance of the works, and such prices shall include all duties, taxes, and other levies.

2.6. Price Variation

Bidding documents shall state either that (i) bid prices will be fixed or (ii) that price variations will be made to reflect any changes (upwards or downwards) in major cost components of the contract, such as labour, equipment, materials, and fuel. Price adjustment provisions are usually not necessary in contracts involving delivery of goods and/or completion of works within twelve months, but shall be included in contracts, which extend beyond twelve months.

For the purpose of calculation of price adjustment: (i) the indices for various materials shall be considered as published by IEEMA and indices of the other sources/publication shall be considered only when IEEMA does not publish such indices; and (ii) the indices for labour shall be considered as published/declared by Labour Bureau, Shimla. Accordingly, suitable provisions shall be made in the Bidding Documents.

Prices may be adjusted by the use of a prescribed formula (or formulae), which breaks down the total price into components that are adjusted by price indices specified for each component or, alternatively, on the basis of documentary evidence (including actual invoices) provided by the Supplier or Contractor. For price adjustment, the method, the formula and the base date for application shall be clearly defined in the bidding documents.

2.7. Transportation and Insurance

Bidding documents shall state the types and terms of insurance and transportation to be provided by the bidder.

2.8. Terms and Methods of Payment

Payments terms shall be in accordance with the commercial practices applicable to the specific good and works:

(i) Contracts for supply of goods may provide for full payment on the delivery and inspection, if necessary, of the contracted goods except for contracts involving installation and commissioning, in which case an appropriate portion of payment may be made after the supplier has complied with all its obligations under the contract.

(ii) Contracts involving installation works may be eligible for appropriate mobilization advances.

Any advance payment for mobilization and similar expenses, made upon signature of a contract for goods or works, shall be related to the estimated amount of these expenses and be specified in the bidding documents. Amounts and timing of other advances to be made, such as for materials delivered to the site for incorporation in the works, shall also be specified. The bidding documents shall specify the

arrangements for any security required for advance payments. Bidding documents shall clearly specify the payment methods and terms offered.

2.9. Currency Provisions and Currency of payment

The bidding documents shall state that the bidder shall express bid price in Indian Rupees only. Payment of the contract price shall also be in Indian Rupees only.

2.10. Conditions of contracts

The conditions of the contract shall necessarily have balanced allocation of risk and liabilities. The concerned documents shall clearly define the scope of work to be performed, the rights and obligations of the Borrower and of the Supplier or Contractor. In addition to the general conditions of contract, any special conditions particular to the specific goods or works to be procured and the location of the project shall be included.

2.11. Performance Security

Bidding documents for works shall require security in an amount sufficient to protect the Borrower in case of breach of contract by the Contractor. This security shall be provided in an appropriate form and amount, as specified by the Borrower in the bidding document. The amount of the security may vary, on the nature and magnitude of the works. A portion of this security shall extend sufficiently beyond the date of completion of the works to cover the defects liability or maintenance period up to final acceptance by the Borrower.

In the contracts for supply of goods, the borrower may decide on the need of performance security depending on the market conditions and commercial practices for a particular kind of goods and may decide appropriately the quantum of security to cover warranty obligations.

2.12. Liquidated Damages

Provisions for liquidated damages or similar provisions for an appropriate amount shall be included in the conditions of contract when delays in the delivery of goods, completion of works or failure of the goods or works to meet performance

requirements would result in extra cost, or loss of revenue or loss of other benefits to the Borrower.

2.13. Force Majeure

The conditions of contract shall stipulate that failure on the part of the parties to perform their obligations under the contract shall not be considered a default if such failure is the result of an event of force majeure as defined in the conditions of contract.

2.14. Applicable Law and Settlement of Disputes

The conditions of contracts shall incorporate required provisions dealing with the applicable law, jurisdiction of Courts and the forum for the settlement of disputes. The appropriate provisions for arbitration shall be required to be incorporated in the conditions of contract with clarity. In no case REC shall be named as an arbitrator nor shall REC be included as a party in the settlement of any disputes or be asked to name an arbitrator.

3. Bid Opening, Evaluation and Award of Contract

3.1. Time for Preparation of Bids

The period of sale of documents shall normally be kept as 30 days. The time allowed for the preparation and submission of bids shall be determined with due consideration of the particular circumstances of the project and the magnitude and complexity of the contract. The last date for submission of bids shall be approximately 7 days after the close of sale of bidding document. Bidders shall be permitted to submit bids by Mail or by hand. At the discretion of the borrower he may also use electronic media permitting bidders to submit bids by electronic means. **The deadline and place for receipt of bids shall necessarily be specified in the Invitation to Bid. Bids submitted/received after the declared dead line for bid submission shall be summarily rejected.**

3.2. Bid Opening Procedures

The time for the bid opening shall be the same as for the deadline for receipt of bids or promptly thereafter, and shall be announced, together with the place for bid opening, in the Invitation to Bid. The Borrower shall open all bids at the stipulated time and place. Bids shall be opened in public; that is, bidders or their representatives shall be allowed to be present. The name of the bidder and total amount of each bid, and of any alternative bids if they have been requested or permitted, shall be read aloud and recorded when opened.

3.3. Clarifications or Alterations of Bids

Bidders shall not be requested or permitted to alter their bids after the deadline for receipt of bids. The Borrower shall ask bidders for clarification needed to evaluate their bids but shall not ask or permit bidders to change the substance or price of their bids after the bid opening. Requests for clarification and the bidders' responses shall be made in writing, in hard copy and by an electronic system satisfactory to the Borrower.

3.4. Confidentiality

After the public opening of bids, information relating to the examination, clarification, and evaluation of bids and recommendations concerning awards shall not be disclosed to bidders or other persons not officially concerned with this process until the contract award.

3.5. Examination of Bids

The Borrower shall ascertain whether the bids :

(i) meet the eligibility requirements specified
(ii) have been properly signed,
(iii) are accompanied by the required securities or required declaration signed as specified
(iv) are substantially responsive to the bidding documents, and
(v) are otherwise generally in order.

If a bid is not substantially responsive, that is, it contains material deviations from or reservations to the terms, conditions, and specifications in the bidding documents, it shall not be considered further. The bidder shall not be permitted to correct or withdraw material deviations or reservations once bids have been opened.

3.6. Evaluation and Comparison of Bids

The purpose of bid evaluation is to determine the cost to the Borrower of each bid in a manner that permits a comparison on the basis of their evaluated cost. The bid with the lowest evaluated cost, but not necessarily the lowest submitted price, shall be selected for award.

The bid price read out at the bid opening shall be adjusted to correct any arithmetical errors. Also, for the purpose of evaluation, adjustments shall be made for any quantifiable nonmaterial deviations or reservations. Price adjustment provisions applying to the period of implementation of the contract shall not be taken into account in the evaluation.

The evaluation and comparison of bids shall be on ex- works/ex –factory (FOR) plus cost of transportation and insurance to the place of destination for goods offered from manufactured together with prices required, installation, training, commissioning, and other similar services.

Bidding documents shall also specify the relevant factors in addition to price to be considered in bid evaluation and the manner in which they will be applied for the purpose of determining the lowest evaluated bid. For goods and equipment, other factors may be taken into consideration including among others, payment schedule, delivery time, operating costs, efficiency and compatibility of the equipment, availability of service and spare parts, and related training, safety, and environmental benefits. The factors other than price to be used for determining the lowest evaluated bid shall, to the extent practicable, be expressed in monetary terms, or given a relative weight in the evaluation provisions in the bidding documents.

Under works and turnkey contracts, Contractors are responsible for all duties, taxes, and other levies and bidders shall take these factors into account in preparing their bids. The evaluation and comparison of bids shall be on this basis. Bid evaluation for works shall be strictly in monetary terms. If time is a critical factor, the value of early completion to the Borrower may be taken into account according to criteria presented in the bidding documents, only if the conditions of contract provide for commensurate penalties for noncompliance.

The Borrower shall prepare a detailed report on the evaluation and comparison of bids setting forth the specific reasons on which the recommendation is based for the award of the contract.

3.7. Extension of Validity of Bids

Borrowers shall complete evaluation of bids and award of contract within the initial period of bid validity so that extensions are not necessary. An extension of bid validity, if justified by exceptional circumstances, shall be requested in writing from all bidders before the expiration date. The extension shall be for the minimum period required to complete the evaluation, to obtain the necessary approvals, and award the contract. In the case of fixed price contracts, requests for second and subsequent extensions will be permissible only if the request for extension provides for an appropriate adjustment mechanism of the quoted price to reflect changes in the cost of inputs for the contract over the period of extension. Whenever an extension of bid validity period is requested, bidders shall not be requested or be permitted to change the quoted (base) price or other conditions of their bid. Bidders shall have the right to refuse to grant such an extension. If the bidding documents require a bid security, Bidders may exercise their right to refuse to grant such an extension without forfeiting their bid security, but those who are willing to extend the validity of their bid shall be required to provide a suitable extension of bid security.

3.8. Post-qualification of Bidders

As the pre-qualification of bidders is not covered under these guidelines, the Borrower shall determine whether the bidder whose bid has been determined to offer the lowest evaluated cost has the capability and resources to effectively carry out the contract as offered in the bid. The criteria to be met shall be set out in the bidding documents, and if the bidder does not meet them, the bid shall be rejected. In such an event, the Borrower shall make a similar determination for the next-lowest evaluated bidder.

3.9. Award of Contract

The Borrower shall award the contract, within the period of the validity of bids, to the bidder who meets the appropriate standards of capability and resources and whose bid has been determined :

(i) to be substantially responsive to the bidding documents and
(ii) to offer the lowest evaluated cost.

A bidder shall not be required, as a condition of award, to undertake responsibilities for work not stipulated in the bidding documents or otherwise to modify the bid as originally submitted.

3.10. Rejection of All Bids

Bidding documents usually provide that Borrowers may reserve the right to reject all bids. However, rejection of all bids is justified when there is lack of effective competition, or bids are not substantially responsive. If all bids are rejected, the Borrower shall review the causes justifying the rejection and consider making revisions to the conditions of contract, design and specifications, scope of the contract, or a combination of these, before inviting new bids.

If the rejection of all bids is due to lack of competition, wider advertising shall be considered. If the rejection is due to most or all of the bids being non responsive, new bids may be invited from only those that submitted bids in the first instance, at the discretion of the borrower.

VOLUME – I

CONDITIONS OF CONTRACT
(Supply Cum Erection)

(DOMESTIC)

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SECTION – INV

INVITATION TO BID

INVITATION TO BIDS (INV)
FOR
RURAL ELECTRIFICATION WORKS IN ---------- DISTRICTS OF -----STATE ON TURNKEY BASIS UNDER ACCELERATED RURAL ELECTRIFICATION PROGRAMME.

DATE OF ISSUANCE OF INV :_____(DOMESTIC COMPETITIVE BIDDING)

1.0 _____ *** has been entrusted by ____** with the concurrence of Government of ____* for execution of Rural Electrification wroks for electrification of villages and rural households in the _____ district(s) of _____*.

The execution of the project shall be funded out of the proceeds of the financial assistance to be received by Government of ___* from Rural Electrification Corporation Limited (REC) and all eligible payments for the execution of the project under the intended contract shall be made by the _____*** under suitable arrangement with ___**. The ownership of the project shall remain vested with ___**.

1.1 The project shall be executed under the following packages for which ____*** invites sealed bids under domestic competitive bidding :-

To be detailed out in accordance with the approved project sanctioned by REC.

2.0 Scope of Work :

To be detailed out in accordance with the approved project sanctioned by REC.

The bidder can quote for any or all of the packages as indicated above, provided he satisfies the provisions as given in para 4.0 below.

2.1 The aforesaid scope of work is only indicative. The detailed scope is described in the Bidding Documents, which are available for inspection & sale, at the address mentioned at para 9.0, as per details given below:

Inspection & sale of Bidding Documents	From ------ to -------- (between---------- hrs. and ----- hrs. on all working days)
Cost of Bidding Documents	Rs. ------ (through crossed Demand Draf in favour of '_____***' payable at ----)

3.0 Bidding Documents are non-transferable and can be obtained by interested firms or their authorised representatives on submission of a written application and on payment of non-refundable specified amount. Issuance of the Bidding Documents, however, shall not automatically mean that such firm fulfills/meets the Qualifying Requirements.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

4.0 The detailed Qualifying Requirements (QR) are given in the Bidding Document of the subject package. The complete bidding documents including tender drawings are available at website of _____***. Interested bidders can download the bidding documents and commence preparation of bids to gain time. However, they will be required to purchase the Bidding Documents from _____***, (for submission of the bid), which will be duly authenticated by the executive issuing the documents. In case of any discrepancy between the documents downloaded by the prospective bidder and the Bid Documents (hard copy) issued by ____*** official, the latter shall prevail.

5.0 Bids must be delivered to _____*** at the address mentioned at para 9.0 below. Bids will be received and opened in presence of Bidders' representatives who choose to be present, as per following schedule:

Last date & time for submission of bids	----------at ----- hrs.
Bid opening date & time (applicable for all packages)	----------at --- hrs.

6.0 All the bids must be accompanied by a bid security of the following amount in a separate sealed envelope without which the bid shall be returned to the Bidder unopened:

Package No.	Amount

7.0 The successful bidder will be required to furnish a Contract Performance Guarantee for ten percent (10 %) of the total contract price on award of the Contract for the respective packages.

8.0 _____*** will not be responsible for misplacement/delay in receipt of either request for issuance of Bidding Documents or Bidding Documents or Bids sent by post.

9.0 All correspondence/communication including those pertaining to purchase of Bidding Documents and submission of bids with regard to the above shall be made at the following address of ____*** :-

---

10.0 _____*** reserves the right to cancel / withdraw the bid without assigning any reason for such decision. Such decision will not incur any liability whatsoever on the part of ____*** consequently.

End of INV

SECTION – INB

INSTRUCTION TO BIDDERS

INSTRUCTION TO BIDDERS

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SECTION – INB
INSTRUCTION TO BIDDERS

A. INTRODUCTION

1.0 GENERAL INSTRUCTIONS

1.1 The _____***, (implementer of the project on behalf of ____**) hereinafter called _____***/ 'Employer' will receive bids in respect of equipment to be furnished and erected as set-forth in the accompanying Specifications. All bids shall be prepared and submitted in accordance with these instructions.

2.0 QUALIFYING REQUIREMENTS OF BIDDERS

2.1 This bidding is open to any manufacturer or erector who provides satisfactory evidence concerning the following that he:

a. is a qualified manufacturer or erector who regularly manufactures or installs the equipment of the type specified and has adequate technical knowledge and practical experience;

b. does not anticipate change in the ownership during the proposed period of work (if such a change is anticipated, the scope and effect thereof shall be defined);

c. has adequate financial stability and status to meet the financial obligation pursuant to the scope of the works (the Bidders should submit at least 5 copies of their profit and loss account and balance sheet for the last five years);

d. (i) For Manufacturer :
has adequate plant and manufacturing capacity available to perform the works properly and expeditiously within the time period specified. The evidence shall consist of written details of the installed manufacturing capacities and present commitments (excluding the work under this Specification) of the Bidder or his principal. If the present commitments are such that the installed capacity results in inadequacy of the manufacturing capacities to meet the requirement of equipment corresponding to this bid, then the details of alternative arrangements to be organised by the Bidder for this purpose and which shall meet the Employer's approval, shall also be furnished;

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

(ii) For Erector :
has adequate capacity for erection and installation to perform the works properly and expeditiously within the time period specified. The evidence shall consist of written details of the capacities and present commitments (excluding the work under this specification) of the Bidder or its principal. If the present commitments are such that may result in inadequacy to undertake the works corresponding to this bid (work under this specification), then the details of the alternative arrangements to be organised by the Bidder for this purpose and which shall meet the Employer's approval, shall also be furnished;

e. has adequate field services organisation to provide the necessary field erection and management services required to successfully erect, test and commission the equipment as required by the Specifications and Documents; and

f. has established quality assurance systems and organisation designed to achieve high levels of equipment reliability, both during his manufacturing and field installation activities.

2.1.1 Majority publicly owned enterprises domiciled in India may be eligible to qualify if, in addition to meeting all the qualifying requirements, they also :

(a) are commercially oriented legal entities distinct from _____***, and are not a government of department;

(b) are financially autonomous, as demonstrated by requirements in their constitutions to provide separate audited accounts and return on capital, powers to raise loans and obtain revenues through the sale of goods or services; and

(c) are managerially autonomous

2.2 In addition, the qualifying requirement stated in the accompanying 'Special Conditions of Contract' shall also apply**.**

2.3 The above stated requirements are a minimum and _____*** reserves the right to request for any additional information and also reserves the right to reject the Proposal of any Bidder, if in the opinion of _____***, the qualification data is incomplete or the Bidder is found not qualified to satisfactorily perform the Contract.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

3.0 COST OF BIDDING

3.1 The Bidder shall bear all costs and expenses associated with preparation and submission of its bid including post-bid discussions, technical and other presentations etc, and _____*** will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

B. THE BIDDING DOCUMENTS

4.0 CONTENTS OF BIDDING DOCUMENT

4.1 The goods and services required, bidding procedures and Contract terms are prescribed in the Bidding Document.

In addition to the Invitation to Bids, the Bidding Document is a compilation of the following Sections:

a. Instructions to Bidders –Section INB (Vol.I).

b. General Conditions of Contract –Section GCC (Vol.I).

c. Erection Conditions of Contract-Section ECC (Vol.I).

d. Special Conditions of Contract (Vol.IA).

e. Bid Form and Price Schedules (Vol.IB).

f. Technical Specifications (Vol.II).

g. Technical Data Sheets (Vol.III).

5.0 UNDERSTANDING OF BID DOCUMENTS

5.1 A prospective Bidder is expected to examine all instructions, forms, terms and specifications in the Bid documents and fully inform himself as to all the conditions and matters which may in any way affect the scope of work or the cost thereof. Failure to furnish all information required by the Bid document or submission of a Bid not substantially responsive to the Bid document in every respect will be at the Bidder's risk and may result in the rejection of its bid.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

6.0 CLARIFICATIONS ON BID DOCUMENTS

6.1 If the prospective Bidder finds discrepancies or omissions, in specifications and document or is in doubt as to the true meaning of any part, he shall at once make a request, in writing, for an interpretation/clarification, to ____*** in triplicate. The ____***, then, will issue interpretation(s) and clarification(s) as he may think fit in writing. After receipt of such interpretation(s) and clarification(s), the Bidder may submit his bid but within the time and date as specified in the Invitation to Bid. All such interpretations and clarifications shall form a part of the Bidding Document and shall accompany the Bidder's Proposal. A prospective Bidder requiring any clarification on Bidding Document may notify _____*** in writing. _____*** will respond in writing to any request for such clarification of the Bidding Document which it receives not later than fifteen (15) days prior to the deadline for submission of bids prescribed by _____***. Written copies of ____***'s response (including an explanation of the query but without identifying its source) will be sent to all prospective Bidders who have received the Bidding Document.

6.2 Verbal clarification and information given by ____*** or his employee(s) or his representative(s) shall not in any way be binding on ___***.

7.0 AMENDMENT TO BIDDING DOCUMENT

7.1 At any time prior to the deadline for submission of bids, ____*** may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding Document by amendment (s).

7.2 The amendment will be notified in writing or by telex or cable to all prospective Bidders, which have received the Bidding Document at the address contained in the letter of request for issue of Bidding Document from the Bidders. ___*** will bear no responsibility or liability arising out of non-receipt of the same in time or otherwise.

7.3 In order to afford prospective Bidders reasonable time in which to take the amendment into account in preparing their bids, ____*** may, at its discretion, extend the deadline for the submission of bids by a maximum period of 15 days.

7.4 Such amendments, clarifications, etc, shall be binding on the Bidders and will be given due consideration by the Bidders while they submit their bids and invariably enclose such documents as a part of the bid.

C. PREPARATION OF BIDS

8.0 LANGUAGE OF BID

8.1 The bid prepared by the Bidder and all correspondences and documents relating to the bid, exchanged by the Bidder and ___*** shall be written in the English language, provided that any printed literature furnished by the Bidder may be written in another language so long as accompanied by an English translation of its pertinent passages. Failure to comply with this may disqualify a bid. For purposes of interpretation of the bid, the English translation shall govern.

9.0 LOCAL CONDITIONS

9.1 It will be imperative on each Bidder to fully inform himself of all local conditions and factors, which may have any effect on the execution of the Contract covered under these documents and specifications. ____*** shall not entertain any request for clarifications from the Bidders, regarding such local conditions.

9.2 It must be understood and agreed that such factors have properly been investigated and considered while submitting the Proposals. No claim for financial adjustment to the Contract, awarded under these specifications and documents, will be entertained by ____***. Neither any change in the time schedule of the Contract nor any financial adjustments arising thereof shall be permitted by the Employer, which are based on the lack of such clear information or its effect on the cost of the Works to the Bidder.

10.0 DOCUMENTS COMPRISING THE BID

10.1 The Bidder shall complete the Bid Form inclusive of Price Schedules, Technical Data Requirements etc. furnished in the Bidding Documents as detailed in clause 4.0 above, indicating for the goods to be supplied and services to be rendered, a brief description of goods and services, quantity and prices.

10.2 The Bidder shall also submit documentary evidence to establish that the Bidder meets the Qualification Requirements as detailed in Clause 2.0 above and accompanying Special Conditions of Contract.

10.3 The Bid Guarantee shall be furnished in a separate cover in accordance with clause 22.0 of Section INB.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

11.0 SCOPE OF THE PROPOSAL

11.1 The scope of the Proposal shall be on the basis of a single Bidder's responsibility, completely covering all the equipment and their erection specified under the accompanying Technical Specifications. It will include the following-

a. detailed design of the equipment;

b. complete manufacture including shop testing;

c. providing Engineering drawing, data, operational manual, etc for the ____***'s approval;

d. packing and transportation from the manufacturer's works to the site;

e. receipt, storage, preservation and conservation of equipment at the site;

f. pre-assembly, if any, erection, testing and commissioning of all the equipment; and

g. reliability tests and performance and guarantee tests on completion of commissioning.

11.2 Bids containing deviations from provisions relating to the following clauses will be considered as non-responsive:

a) **Bid Guarantee:** Clause 22.0, Section INB, Volume-I, Conditions of Contract.

b) **Price Basis and Payments & Price Adjustment:** Clause 13 & 15, Section INB, Volume-I, Conditions of Contract.

c) **Contract Performance Guarantee:** Clause 41.0, Section INB, Volume-I, Conditions of Contract.

d) **Liquidated damages:** Clause 14.0, Section GCC, Volume-I, Conditions of Contract.

e) **Guarantee:** Clause 15.0, Section GCC, Volume-I, Conditions of Contract.

f) **Payment:** Clause 34.0, Section GCC, Volume-I, Conditions of Contract.

_____***'s determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence.

11.3 Bids not covering the above entire scope of Works shall be treated as incomplete and hence rejected.

12.0 BID PRICE

12.1 The Bidder shall quote in the appropriate schedule of Bid Form lump-sum price for the entire scope of works (covered under the Bidding Document) and also the unit rates of the goods it proposes to supply under the Contract on a base price with price adjustment basis, unless otherwise specified in the Special Conditions of Contract.

12.2 The Bidder shall also furnish the price break-up in the appropriate schedules of Bid Form to indicate the following:

i Ex-works price of the equipment/materials (including tools and tackles etc.)

ii. Charges for inland transportation and insurance for delivery of the equipment/materials upto their final destinations.

iii. Lump-sum charges towards unloading, storage, insurance, erection (including insurance during construction period), testing & commissioning.

iv. Sales Tax and any other statutory levies payable on the transactions between _____*** and the Bidder.

vi. Any other charges as per the requirement of Special Conditions of Contract/ Technical Specifications.

13.0 PRICE BASIS AND PAYMENTS

13.1 The Bidders shall quote in their Proposals lump-sum price for the entire scope of works covered under the Technical Specifications as required in the Bid Proposal Sheets on a base price plus escalation basis unless otherwise specified in the Special Conditions of Contract. Bidders quoting a system of pricing other than that specified shall be rejected.

13.2 Bidder shall indicate bid prices in Indian Rupees only.

14.0 TAXES AND DUTIES

14.1 All customs duties, excise duties, sales taxes and other statutory levies payable by the Bidders in respect of the transaction between the Bidders and their vendors/sub-suppliers while procuring any components, sub-assemblies, raw materials and equipment shall be included in the bid price and no claim on this behalf will be entertained by ____***.

However, octroi/entry tax as applicable for destination site/state on all items of supply including bought-out finished items (as identified in the Contract), which shall be dispatched directly from the sub-vendors' works to Employer's site (sale-in-transit) shall not be included in the bid price. The applicable octroi/entry tax in respect of the said items of supply would be reimbursed to the Contractor separately by _____*** subject to furnishing of documentary proof.

Further, service tax as applicable on services that are not provided directly by the Contractor to ____*** viz. transportation & insurance shall be included in the bid price and any such taxes additionally payable will be to the Contractor's account and no separate claim on this behalf will be entertained by ____***. However, applicability of service tax shall be ascertained and if applicable on services (for which the charges are payable by ____***) that are provided directly by the Contractor to the Employer viz. type tests, erection, testing and commissioning shall not be included in bid price, but indicated separately, and the same shall be reimbursed to the Contractor by ____*** subject to furnishing of documentary proof.

14.2 Sales tax, excise duties, local taxes and other levies in respect of the transactions between ___*** and the Contractor under the Contract, if any, shall not be included in the bid price but they should be indicated separately wherever applicable in the Bid Proposal Sheets.

Whenever ex-works price is quoted exclusive of Excise duty applicable on the transaction between _____*** and the Contractor, then the due credit under the MODVAT (Modified Value Added Tax) scheme, as per the relevant Government policies wherever applicable, shall be taken into account by the Bidder while quoting bid price.

14.3 In respect of transactions solely between _____*** and the Contractor (for dispatches made from the Contractor's works under the Supply Contract), Sales Tax, Excise Duties, local taxes and other levies shall be paid/reimbursed by ___*** at the applicable rate at the time of dispatch, scheduled or actual, whichever is lower. However, in case of advancement of supplies solely at the request of ____***, taxes and duties prevailing at the time of dispatch, shall be payable by ____***.

14.4 Concessional Sales Tax declaration forms, as admissible, would be issued to the Contractor, on request, for all items (as identified in the price schedule of the bid) to be supplied directly by the Contractor as well as for the items to be supplied by the sub- suppliers as sale in transit.

14.5 Sales Tax on goods incorporated in the Works:

The Bidder shall include the Sales Tax on Works Contract, Turnover Tax or any other similar taxes under the Sales Tax Act, as applicable in their quoted bid price and ____*** would not bear any liability on this account. ____*** shall, however, deduct such taxes at source as per the rules and issue TDS Certificate to the Contractor.

14.6 For payment/reimbursement of Sales Tax, in respect of dispatches made directly from Contractor's works, invoices raised by the Contractor shall be accepted as documentary evidence. Similarly, pre-numbered invoices duly signed by authorized signatory will be considered as evidence for payment of Excise Duty.

14.7 As regards the Income Tax, surcharge on Income Tax and other corporate taxes the Bidder shall be responsible for such payment to the concerned authorities.

15.0 PRICE ADJUSTMENT

15.1 Unless otherwise specified in the accompanying Special Conditions of Contract, the Bidder shall, in his Proposal, quote a base price, which will be subject to price adjustment on account of variations in the cost elements during the period of the Contract. The intent of the price adjustment provisions in the Bidding Documents is to provide reasonable protection to the parties to the Contract, but within the prescribed limits, against fluctuations of the cost of material, labour etc, during execution of the Contract and resulting in variation in the Contract price.

15.2 The components of the bid price, which are subject to price adjustment provisions and the formulae for such price adjustment are described in Clause 33.0, Section GCC.

15.3 The indices for price adjustment shall be clearly named in the Bidder's Proposal in which the Ex-factory price of the equipment/material and erection price for the equipment has been expressed in the bid. The indices shall be well established and nationally recognized; preferably only government indices shall be used. For the Indian field labour, the index applicable shall be the All India Consumer Price Index for Industrial Workers as published by the Labour Bureau of the Government of India. The Bidder shall enclose with his Proposal authenticated copies of the relevant published indices, which reflect the price as of thirty (30) days prior to the date set for opening of bids.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

15.4 However, the successful Bidder may be permitted to suggest modifications in the values of co-efficient or group of co-efficient indicated in the Bid in line with the requirements indicated in the above formulae provided such successful Bidder is able to satisfy the Employer with proper justification for such modifications.

15.5 Bids specifying price adjustment provisions other than those specified in these specifications and documents shall be rejected.

However, a bid submitted with fixed price quotation will not be rejected but the price quoted will be treated as base price for the purpose of evaluation and no price variation will be allowed during the currency of the Contract.

15.6 The price adjustment provisions will not be taken into consideration for evaluation.

16.0 TIME SCHEDULE

16.1 The basic consideration and the essence of the Contract shall be strict adherence to the time schedule for performing the specified Works.

16.2 ____***'s requirement of completion schedule for the Works are mentioned in the accompanying Special Conditions of Contract.

16.3 The completion schedule as stated in the Special Conditions of Contract shall be one of the major factors in consideration of the bids.

16.4 ___*** reserves the right to request for a change in the work schedule during pre-award discussions with successful Bidder.

16.5 The successful Bidder will be required to prepare detailed PERT network and finalise the same with ____*** as per the requirement of Clause 12.0, Section GCC.

17.0 CONTRACT QUALITY ASSURANCE

17.1 The Bidder shall include in his Proposal the Quality Assurance Programme containing the overall quality management and procedures, which he proposes to follow in the performance of the Works during various phases as detailed in relevant clause of the General Technical Conditions.

17.2 At the time of Award of Contract, the detailed Quality Assurance Programme to be followed for the execution of the Contract will be mutually discussed and agreed to and such agreed Programme shall form a part of the Contract.

18.0 INSURANCE

The Bidder's insurance liabilities pertaining to the scope of Works are detailed out in Clauses titled 'Insurance' in General Terms and Conditions of Contract and in Erection Conditions of this Volume I. Bidder's attention is specifically invited to these clauses. Bid price shall include all the cost in pursuance of fulfilling all the insurance liabilities under the Contract.

19.0 MAINTENANCE TOOLS AND TACKLES

The Proposal shall include all special tools and tackles required for the operation and maintenance of the equipment in each equipment package. The Bidder shall indicate all the above items in the Proposal sheets in the form of a schedule given therein and the description and the quantity of each item. The lump sum price to be quoted by the Bidder shall include prices of these tools and tackles. These tools and tackles shall be delivered at site along with the last consignment of equipment and in no case earlier than this, unless otherwise specified in the Special Conditions of Contract and/or Technical Specifications, Volume-II.

20.0 ERECTION TOOLS & TACKLES

The Bidder, under a separate schedule, in his Proposal shall include a list of all special equipment, tools & tackles etc. which he proposes to bring to site for the purpose of erection, handling, testing and commissioning including performance & guarantee tests of the equipment. If any such equipment is listed anywhere else in the Proposal and not specially mentioned in the above schedule, it shall be deemed to have been included in the Bidder's proposed scope of supply.

21.0 BRAND NAMES

21.1 The specific reference in these specifications and documents to any material/ equipment by brand name, make or catalogue number shall be construed as establishing standards of quality and performance and not as limiting competition. However, Bidders may offer other similar material/equipment provided they meet the specified standard, design and performance requirements. The Bidder shall furnish adequate technical information about such alternative material/equipment to enable _____*** to determine its acceptability. _____*** shall be the sole judge on the acceptability or otherwise of such alternative material /equipment.

21.2 The Bidder shall note that standards for workmanship, material and equipment and reference to brand names or catalogue numbers designated by ____*** in its Technical Specifications are intended to be descriptive only and not restrictive. The Bidder may substitute alternative standards, brand name and/or catalogue numbers in its bid, provided that it demonstrates to ____***'s satisfaction that the substitutions are substantially equivalent or superior to those designed in the Technical Specifications.

22.0 **BID GUARANTEE**

22.1 The Bidder shall furnish, as part of its bid, bid guarantee for an amount as specified in the accompanying Special Conditions of Contract. The bid guarantee shall be valid for a period of seven (7) calendar months from the date of opening of bids.

22.2 The bid security is required to protect _____*** against the risk of Bidder's conduct, which would warrant the guarantee forfeiture, pursuant to Clause 22.7. The bid guarantee shall be made payable to ____*** without any condition whatsoever.

22.3 The bid guarantee shall be denominated in Indian Rupees only and shall be in one of the following forms:

a. Crossed Bank draft in favour of ----------, payable at ------, from a reputed commercial Bank/Financial Institution i.e IFCI, ICICI, IDBI.

b. A cheque certified by the Banker as good for payment drawn in favour of ---------- payable at ----- on a reputed commercial Bank/Financial Institution i.e. IFCI, ICICI, IDBI.

c. An irrevocable Bank Guarantee issued by a reputed commercial Bank/ Financial Institution i.e. IFCI, ICICI, IDBI in favour of ----------. Proforma for the Bank Guarantee is enclosed as **Annexure-I** to this Volume-I.

22.4 Any bid not secured in accordance with paras 22.1 and 22.3 above will be rejected by ____*** as non-responsive.

22.5 Unsuccessful Bidder's bid guarantee will be discharged/returned as promptly as possible but not later than 60 days after the expiration of the period of bid validity prescribed by _____***.

22.6 The successful Bidder's bid guarantee will be discharged upon the Bidder's executing the Contract and furnishing the Performance Guarantee pursuant to Clause 41.0.

22.7 The bid guarantee may be forfeited:

a. If a Bidder withdraws / modifies its bid during the period of bid validity specified by the Bidder on the Bid Form; or

b. In case the Bidder does not withdraw the deviations proposed by him, if any, at the cost of withdrawal stated by him in the bid; or

c. If a Bidder does not accept the corrections to arithmetical errors identified during preliminary evaluation of his bid pursuant to Clause 33.2, Section-INB; or

d. If, as per the Qualifying Requirements the Bidder has to submit a Deed of Joint Undertaking and he fails to submit the same, duly attested by Notary Public of the place(s) of the respective executant(s) or registered with the Indian Embassy/High Commission in that country, within ten days from the date of intimation of post-bid discussion; or

e. In case of a successful Bidder, if the Bidder fails to sign the Contract; or

f. In case of a successful Bidder, if the Bidder fails to furnish the Performance Guarantee.

22.8 The bid guarantee shall be submitted along with the bid in separate sealed envelope in one original and two copies. Any bid not accompanied by the required bid security in accordance with provisions of this clause will be rejected and shall not be opened.

22.9 No interest shall be payable by ____*** on the above bid security.

23.0 **PERIOD OF VALIDITY OF BIDS**

23.1 Bids shall remain valid for 6 (six) calendar months after the date of bid opening prescribed by ____*** unless otherwise specified in the accompanying Special Conditions of Contract. A bid valid for a shorter period will be rejected as non-responsive.

23.2 In exceptional circumstances, ____*** may solicit the Bidder's consent to an extension of the period of validity. The request and the response thereto shall be made in writing (including cable or telex). The bid security provided under Clause 22.0 shall also be extended by the same period as the extension in the validity of the Bid. A Bidder may refuse the request without forfeiting his bid security. A Bidder granting the request will not be required or permitted to modify its bid.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

D. SUBMISSION OF BIDS

24.0 FORMAT OF BID

24.1 The Bidder shall prepare five copies of the bid, clearly marking each “Original Bid” and “Copy of bid”, as appropriate. In the event of any discrepancy between them, the original shall govern.

24.2 The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the Contract. The letter of authorization shall be indicated by written Power-of-Attorney accompanying the bid. All pages of the bid, except for un-amended printed literature, shall be initialed by the person or persons signing the bid.

24.3 The Bidders must submit the qualifying data in five copies, as required in this Instruction to Bidders in a separate envelope sealed and enclosed in the envelope submitting Proposals, super scribed as under:

QUALIFYING DATA FOR THE SUPPLY AND ERECTION OF

_____

(Name of the Package)

_____

(Specification Number)

24.4 The bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such corrections shall be initialled by the person or persons signing the bid.

25.0 SIGNATURE OF BIDS

25.1 The bid must contain the name, residence and place of business of the person or persons making the bid and must be signed and sealed by the Bidder with his usual signature. The names of all persons signing should also be typed or printed below the signature.

25.2 Bid by a partnership must be furnished with full names of all partners and be signed with the partnership name, followed by the signature(s) and designation(s) of the authorized partner(s) or other authorized representative(s).

25.3 Bids by Corporation/Company must be signed with the legal name of the Corporation/Company by the President, Managing Director or by the Secretary or other person or persons authorized to bid on behalf of such Corporation/Company in the matter.

25.4 A bid by a person who affixes to his signature the word ‘President’, ‘Managing Director’, ‘Secretary’, ‘Agent’ or other designation without disclosing his principal will be rejected.

25.5 Satisfactory evidence of authority of the person signing on behalf of the Bidder shall be furnished with the bid.

25.6 The Bidder's name stated on the Proposal shall be the exact legal name of the firm.

25.7 Bids not conforming to the above requirements of signing shall be disqualified.

26.0 SEALING AND MARKING OF BIDS

26.1 The Bidders shall seal the original and each copy of the bid in an inner and an outer envelope, duly marking the envelopes as "Original" and "Copy".

26.2 The inner and outer envelopes shall be:

a. addressed to ____*** at the following address:

----------,
----------,
----------,
----------.

b. bear the name of package, the specification number, and the words **"DO NOT OPEN BEFORE ……"**

26.3 The inner envelope shall indicate the name and address of the Bidder to enable the bid to be returned unopened, in case it is declared "late" or "rejected".

26.4 If the outer envelope is not sealed and marked as required by para 26.2 above, ____*** will assume no responsibility for the bid's misplacement or premature opening.

26.5 The Bid Guarantee conditions must be submitted in a separate sealed envelope.

27.0 DEADLINE FOR SUBMISSION OF BIDS

27.1 The Bidders have the option of sending the bid by registered post or submitting the bid in person. Bids submitted by telex/telegram will not be accepted. No request from any Bidder to collect the Proposals from airlines, cargo agents etc. shall be entertained.

27.2 Bids must be received by ___*** at the address specified under para 26.2, not later than the time & date mentioned in the Invitation to Bid.

27.3 ____*** may, at its discretion, extend this deadline for the submission of bids by amending the Bidding Document, in which case all rights and obligations of ____*** and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

28.0 LATE BIDS

28.1 Any bid received by ___*** after the time & date fixed or extended for submission of bids prescribed by ____***, will be rejected and/or returned unopened to the Bidder.

29.0 MODIFICATION AND WITHDRAWAL OF BIDS

29.1 The Bidder may modify or withdraw its bid after the bid's submission provided that written notice of the modification or withdrawal is received by ___*** prior to the deadline prescribed for submission of bids.

29.2 The Bidder's modification or withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of Clause 26.0.

29.3 No bid may be modified subsequent to the deadline for submission of bids.

29.4 No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Bid Form. Withdrawal/modification of a bid during this interval may result in the Bidder's forfeiture of its bid security.

30.0 INFORMATION REQUIRED WITH THE PROPOSAL

30.1 The bids must clearly indicate the name of the manufacturer, the type of model of each principal item of equipment proposed to be furnished and erected. The bid should also contain drawings and descriptive materials indicating general dimensions, materials from which the parts are manufactured, principles of operation, the extent of pre-assembly involved, major construction equipment proposed to be deployed, method of erection and the proposed erection organizational structure.

30.2 The above information shall be provided by the Bidder in the form of separate sheets, drawings, catalogues, etc. in five copies.

30.3 Any bid not containing sufficient descriptive material to describe accurately the equipment proposed may be treated as incomplete and hence rejected. Such descriptive materials and drawings submitted by the Bidder will be retained. Any major departure from these drawings and descriptive material submitted will not be permitted during the execution of the Contract without specific written permission of ____***.

30.4 Oral statements made by the Bidder at any time regarding quality, quantity or arrangement of the equipment or any other matter will not be considered.

30.5 Standard catalogue pages and other documents of the Bidder may be used in the bid to provide additional information and data as deemed necessary by the Bidder.

30.6 The Bidder, along with his Proposal, shall submit a list of recommended erection equipment and materials which will be required for the purpose of erection of equipment and materials supplied under the Contract.

30.7 In case the 'Proposal' information contradicts specification requirements, the specification requirements will govern.

E. BID OPENING AND EVALUATION

31.0 OPENING OF BIDS

31.1 ____*** will open bids in the presence of Bidders' representatives (up to 2 persons) who choose to attend at the date and time for opening of bids in the Invitation to Bid or in case any extension has been given thereto, on the extended bid opening date and time notified to all the Bidders who have purchased the Bidding Document. The Bidders' representatives, who are present, shall sign in a register evidencing their attendance.

31.2 The Bidders' names, bid prices, modifications, bid withdrawals and the presence or absence of the requisite bid guarantee and such other details as ___***, at its discretion, may consider appropriate will be announced at the opening.

31.3 No electronic recording devices will be permitted during bid opening.

32.0 CLARIFICATION OF BIDS

32.1 To assist in the examination, evaluation and comparison of bids ___*** may, at its discretion, ask the Bidder for a clarification of its bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

33.0 PRELIMINARY EXAMINATION

33.1 ___*** will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.

33.2 Arithmetical errors will be rectified on the following basis:

If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and total price shall be corrected. If there is a discrepancy between words and figures, the amount in words will prevail. If the Bidder does not accept the correction of the errors as above, his Bid will be rejected and the amount of Bid guarantee forfeited.

The Bidder should ensure that the prices furnished in various price schedules are consistent with each other. In case of any inconsistency in the prices furnished in the specified price schedules to be identified in Bid Form for this purpose, the Employer shall be entitled to consider the highest price for the purpose of evaluation and for the purpose of award of the Contract use the lowest of the prices in these schedules.

33.3 Prior to the detailed evaluation, ___*** will determine the substantial responsiveness of each bid to the Bidding Document. For purpose of this Clause, a substantially responsive bid is one, which conforms to all the terms and conditions of the Bidding Document without material deviations. A material deviation is one which limits in any substantial way, inconsistent with the bidding documents, the Employers rights or the bidder's obligation under the contract or whose rectification would affect a unfairly the competitive position of other bidders presenting substantially responsive bids and which affects in any way the prices, quality, quantity or delivery period of the equipment or which limits in any way the responsibilities or liabilities of the Bidder of any right of the ___*** as required in these specifications and documents. ____***'s determination of a bid's responsiveness shall be based on the contents of the bid itself without recourse to extrinsic evidence.

33.4 A bid determined as not substantially responsive will be rejected and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

33.5 ___*** may waive any minor informality or non-conformity or irregularity in a bid which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.

34.0 DEFINITIONS AND MEANINGS

34.1 For the purpose of evaluation and comparison of bids, the following meanings and definitions will apply: -

a. 'Bid Price' shall mean the base price quoted by each Bidder in his Proposal for the complete scope of works.

b. 'Differential Price' shall mean the summation of the equalizing elements of price for parameter differential or deficiencies in the equipment and services determined from the Bidder's Proposal.

c. 'Evaluated Bid Price' shall be the summation of 'Bid Price' and 'Differential Price'.

34.2 Calculation of Differential Price

34.2.1 The Differential Price to be added to the Bid Price of each bid during evaluation and comparison shall be derived as under:

Differential Price (DP)= n1F1 + n2F2…+nnFn where F1, F2……Fn are the various factors in Indian Rupees per unit of parameter differential or deficiency in the equipment and services offered as stipulated in these specifications; n1, n2…..nn are the respective parameter differential or deficiency in the corresponding units to be determined from the Bidder's Proposal. The above factors and corresponding units of parameter differential are brought out in the Technical Specifications and/or Special Conditions of Contract.

35.0 COMPARISON OF BIDS

35.1 The bids shall be compared on the basis of lump-sum prices (i.e. for supply portion and prices for services to be rendered as quoted by the Bidder) for the entire scope of the Proposal as defined in the Bidding Document.

35.2 For comparison purposes all the evaluated bid prices shall be in Indian Rupees as under: -

W = M + DP

Where

W = Total Comparison Price

M = Bid price in Indian Rupees (Ex-works value of equipment + Components of erection cost + mandatory spares and other components, if any).

DP = Differential price in Indian Rupees calculated according to para 34.2.1 above.

35.3 All evaluated bid prices of all the Bidders shall be compared among themselves to determine the lowest evaluated bid and, as a result of this comparison, the lowest Bid will be selected for the award of the Contract.

36.0 **CONTACTING THE EMPLOYER**

Bids shall be deemed to be under consideration immediately after they are opened and until such time official intimation of award/rejection is made by ____*** to the Bidders. While the bids are under consideration, Bidders and/or their representatives or other interested parties are advised to refrain from contacting by any means, ___*** and/or his employees/representatives on matters related to the bids under consideration. ___***, if necessary, will obtain clarifications on the bids by requesting for such information from any or all the Bidders, either in writing or through personal contacts as may be necessary. Bidders will not be permitted to change the substance of the bids after the bids have been opened.

F. AWARD OF CONTRACT

37.0 **AWARD CRITERIA**

37.1 _____*** will award the Contract to the successful Bidder whose bid has been determined to be substantially responsive and has been determined as the lowest evaluated bid, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily. ___*** shall be the sole judge in this regard.

37.2 In case of Supply Contract, the award shall be on the basis of FOR destination (site) basis.

37.3 Further, the Employer reserves the right to award separate Contracts to two or more parties in line with the terms and conditions specified in the accompanying Technical Specifications.

38.0 RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS

38.1 ___*** reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to award of Contract, without thereby incurring any liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders of the grounds for ___***'s action.

39.0 NOTIFICATION OF AWARD

39.1 Prior to the expiration of the period of bid validity and extended validity period, if any, ___*** will notify the successful Bidder in writing by registered letter or by cable/ telex/ fax, to be confirmed in writing by registered letter that its bid has been accepted.

39.2 The notification of award will constitute the formation of the Contract.

39.3 Upon the successful Bidder's furnishing of Contract Performance Guarantee pursuant to Clause 41.0, _____*** will promptly notify each unsuccessful Bidder and will discharge its bid security, pursuant to Clause 22.0.

40.0 SIGNING OF CONTRACT

40.1 At the same time, as ___*** notifies the successful Bidder that its bid has been accepted, ___*** will send the Bidder the detailed Letter of Award, incorporating all agreements between the parties.

40.2 Within 15 days of receipt of the detailed Letter of Award, the successful Bidder shall sign and date the same and return it to ____***.

40.3 The Bidder will prepare the Contract Agreement as per the proforma enclosed at **Annexure-IX** to this Volume I and the same will be signed within 60 (sixty) days of Notification of Award.

41.0 CONTRACT PERFORMANCE GUARANTEE

41.1 As a Contract Performance Security, the successful Bidder, to whom the work is awarded, shall be required to furnish a Performance Guarantee from (a) a Public Sector Bank or (b) a Scheduled Indian Bank having paid up capital (net of any accumulated losses) of Rs.100 crore or above (the latest annual report of the Bank should support compliance of capital adequacy ratio requirement) or (c) any foreign Bank or subsidiary of a foreign Bank with overall international corporate rating or rating of long term debt not less than A– (A minus) or equivalent by reputed rating agency, in the form attached as **Annexure-II** to this Volume-I in favour of ___***. The guarantee amount shall be equal to fifteen percent (15%) of

the Contract Price and it shall guarantee the faithful performance of the Contract in accordance with the terms and conditions specified in these documents and specifications. The guarantee shall be valid upto 90 days after the end of Warranty Period.

41.2 The Performance Guarantee shall cover additionally the following guarantees:

a. The successful Bidder guarantees the successful and satisfactory operation of the equipment furnished and erected under the Contract, as per the specifications and documents.

b. The successful Bidder further guarantees that the equipment provided and installed by him shall be free from all defects in design, material and workmanship and shall upon written notice from ___*** fully remedy free of expenses such defects as developed under the normal use of the said equipment within the period of guarantee specified in the relevant clause of the General Terms and Conditions in this Volume I/Special Conditions of Contract.

41.3 The Contract Performance Guarantee is intended to secure the performance of the entire Contract. However, it is not to be construed as limiting the damages under clause entitled “Equipment Performance Guarantee” in Technical Specifications, Volume-II and damages stipulated in other clauses in the Bid documents.

41.4 The Performance Guarantee will be returned to the Contractor without any interest at the end of guarantee period, unless otherwise specified in the Special Conditions of Contract.

END OF SECTION - INB

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

SECTION – GCC

GENERAL TERMS & CONDITIONS OF CONTRACT

GENERAL TERMS & CONDITIONS OF CONTRACT

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SECTION – ECC
ERECTION CONDITIONS OF CONTRACT

1.0 GENERAL

1.1 The following shall supplement the conditions already contained in other parts of these specifications and document and shall govern the portion of the work of this Contract to be performed at Site.

1.2 The Contractor upon signing of the Contract shall, in addition to a Project Coordinator, nominate another responsible officer as his representative at Site suitably designated for the purpose of overall responsibility and coordination of the works to be performed at Site. Such person shall function from the Site office of the Contractor during the pendency of Contract.

2.0 REGULATION OF LOCAL AUTHORITIES AND STATUTES

2.1 The Contractor shall comply with all the rules and regulations of local authorities during the performance of his field activities. He shall also comply with the Minimum Wages Act, 1948 and the Payment of Wages Act (both of the Government of India) and the rules made thereunder in respect of any employee or workman employed or engaged by him or his Sub-Contractor.

2.2 All registration and statutory inspection fees, if any, in respect of his work pursuant to this Contract shall be to the account of the Contractor. However, any registration, statutory inspection fees lawfully payable under any statutory laws and its amendments from time to time during erection in respect of the equipment ultimately to be owned by the Employer, shall be to the account of the Employer. Should any such inspection or registration need to be re-arranged due to the fault of the Contractor or his Sub Contractor, the additional fees to such inspection and/or registration shall be borne by the Contractor.

3.0 EMPLOYER'S LIEN ON EQUIPMENT

The Employer shall have lien on all equipment including those of the Contractor brought to the Site for the purpose of erection, testing and commissioning of the equipment to be supplied & erected under the Contract. The Employer shall continue to hold the lien on all such equipment throughout the period of Contract. No material brought to the Site shall be removed from the Site by the Contractor and/or his Sub-Contractors without the prior written approval of the Engineer.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

4.0 INSPECTION, TESTING AND INSPECTION CERTIFICATES

The provisions of the clause entitled Inspection, Testing and Inspection Certificates under Technical Specifications, Section GTR shall also be applicable to the erection portion of the Works. The Engineer shall have the right to re-inspect any equipment though previously inspected and approved by him at the Contractor's works, before and after the same are erected at Site. If by the above inspection, the Engineer rejects any equipment, the Contractor shall make good for such rejections either by replacement or modifications/repairs as may be necessary to the satisfaction of the Engineer. Such replacement will also include the replacements or re-execution of such of those works of other Contactors and/or agencies, which might have got damaged or affected by the replacements or re-work done to the Contractor's work.

5.0 ACCESS TO SITE AND WORKS ON SITE

5.1 Suitable access to and possession of the Site shall be afforded to the Contractor by the Employer in reasonable time.

5.2 The Employer shall have the necessary foundations to be provided by him ready, as per the agreed schedule for the execution of the individual phases of works

5.3 The works so far as it is carried out on the Employer's premises, shall be carried out at such time as the Employer may approve and the Employer shall give the Contractor reasonable facilities for carrying out the works.

5.4 In the execution of the works, no person other than the Contractor or his duly appointed representative, Sub- Contractor and workmen, shall be allowed to do work on the Site, except by the special permission, in writing of the Engineer or his representative.

6.0 CONTRACTOR'S SITE OFFICE ESTABLISHMENT

The Contractor shall establish a Site Office at the site and keep posted an authorized representative for the purpose of the Contract. Any written order or instruction of the Engineer or his duly authorised representative, shall be communicated to the said authorised resident representative of the Contractor and the same shall be deemed to have been communicated to the Contractor at his legal address.

7.0 CO-OPERATION WITH OTHER CONTRACTORS

7.1 The Contractor shall co-operate with all other Contractors or tradesmen of the Employer, who may be performing other works on behalf of the Employer and the workmen who may be employed by the Employer and doing work in the vicinity of the Works under the Contract. The Contractor shall also so arrange to perform his work as to minimize, to the maximum extent possible, interference with the work of other Contractors and their workmen. Any injury or damage that may be sustained by the employees of the other Contractors and the Employer, due to the Contractor's work shall promptly be made good at the Contractor's own expense. The Engineer shall determine the resolution of any difference or conflict that may arise between the Contractor and other Contractors or between the Contractor and the workmen of the Employer in regard to their work. If the work of the Contractor is delayed because of any acts of omission of another Contractor, the Contractor shall have no claim against the Employer on that account other than an extension of time for completing his Works.

7.2 The Engineer shall be notified promptly by the Contractor of any defects in the other Contractor's works that could affect the Contractor's Works. The Engineer shall determine the corrective measures, if any, required to rectify this situation after inspection of the works and such decision by the Engineer shall be binding on the Contractor.

8.0 DISCIPLINE OF WORKMEN

The Contractor shall adhere to the disciplinary procedure set by the Engineer in respect of his employees and workmen at Site. The Engineer shall be at liberty to object to the presence of any representative or employee of the Contractor at the Site, if in the opinion of the Engineer such employee has misconducted himself or is incompetent or negligent or otherwise undesirable and then the Contractor shall remove such a person objected to and provide in his place a competent replacement.

9.0 CONTRACTOR'S FIELD OPERATION

9.1 The Contractor shall keep the Engineer informed in advance regarding his field activity plans and schedules for carrying-out each part of the works. Any review of such plan or schedule or method of work by the Engineer shall not relieve the Contractor of any of his responsibilities towards the field activities. Such reviews shall also not be considered as an assumption of any risk or liability by the Engineer or the Employer or any of his representatives and no claim of the Contractor will be entertained because of the failure or inefficiency of any such plan or schedule or method of work reviewed. The Contractor shall be solely responsible for the safety, adequacy and efficiency of plant and equipment and his erection methods.

9.2 The Contractor shall have the complete responsibility for the conditions of the Work-site including the safety of all persons employed by him or his Sub–Contractor and all the properties under his custody during the performance of the work. This requirement shall apply continuously till the completion of the Contract and shall not be limited to normal working hours. The construction review by the Engineer is not intended to include review of Contractor's safety measures in, on or near the Work-Site, and their adequacy or otherwise.

10.0 PHOTOGRAPHS AND PROGRESS REPORT

10.1 The Contractor shall furnish three (3) prints each to the Engineer of progress photographs of the work done at Site. Photographs shall be taken as and when indicated by the Engineer or his representative. Photographs shall be adequate in size and number to indicate various stages of erection. Each photograph shall contain the date, the name of the Contractor and the title of the photograph.

10.2 The above photographs shall accompany the monthly progress report detailing-out the progress achieved on all erection activities as compared to the schedules. The report shall also indicate the reasons for the variance between the scheduled and actual progress and the action proposed for corrective measures, wherever necessary.

11.0 MAN-POWER REPORT

11.1 The Contractor shall submit to the Engineer, on the first day of every month, a man hours schedule for the month, detailing the man hours scheduled for the month, skill-wise and area-wise.

11.2 The Contractor shall also submit to the Engineer, on the first day of every month, a man-power report of the previous month detailing the number of persons

scheduled to have been employed and actually employed, skill-wise and the areas of employment of such labour.

12.0 PROTECTION OF WORK

The Contractor shall have total responsibility for protecting his works till it is finally taken over by the Engineer. No claim will be entertained by the Employer or by the Engineer for any damage or loss to the Contractor's works and the Contractor shall be responsible for complete restoration of the damaged works to original conditions to comply with the specification and drawings, should any such damage to the Contractor's works occur because of any other party not being under his supervision or control. The Contractor shall make his claim directly with the party concerned. If disagreement or conflict or dispute develops between the Contractor and the other party or parties concerned regarding the responsibility for damage to the Contractor's works, the same shall be resolved as per the provisions of the Clause 7.0 above entitled "Cooperation with other Contractors". The Contractor shall not cause any delay in the repair of such damaged works because of any delay in the resolution of such dispute. The Contractor shall proceed to repair the Work immediately and no cause thereof will be assigned pending resolution of such disputes.

13.0 EMPLOYMENT OF LABOUR

13.1 The Contractor will be expected to employ on the work only his regular skilled employees with experience of his particular work. No female labour shall be employed after darkness. No person below the age of eighteen years shall be employed.

13.2 All traveling expenses including provisions of all necessary transport to and from Site, lodging allowances and other payments to the Contractor's employees shall be the sole responsibility of the Contractor.

13.3 The hours of work on the Site shall be decided by the Employer and the Contractor shall adhere to it. Working hours will normally be eight (8) hours per day-Monday through Saturday.

13.4 The Contractor's employees shall wear identification badges while on work at Site.

13.5 In case the Employer becomes liable to pay any wages or dues to Labour or any Government agency under any of the provisions of the Minimum Wages Act, Workmen Compensation Act, Contract Labour Regulation Abolition Act or any other law due to act of omission of the Contractor, the Employer may make such payment and shall recover the same from the Contractor's bills.

13.6 Compliance with Labour Regulations

13.6.1 During continuance of the contract, the Contractor and his sub-contractors shall abide at all times by all applicable existing labour enactments and rules made there-under, regulations, notifications and byelaws of the State or Central Government or local authority and any other labour law (including rules), regulations, bye laws that may be passed or notification that may be issued under any labour law in future either by the State or the Central Government or the local authority. The employees of the Contractor and the Sub-contractor in no case shall be treated as the employees of the Employer at any point of time.

13.6.2 The Contractor shall keep the Employer indemnified in case any action is taken against the Employer by the competent authority on account of contravention of any of the provisions of any Act or rules made there under, regulations, or notifications including amendments.

13.6.3 If the Employer is caused to pay under any law as Principal Employer such amount as may be necessary to cause or observe, or for non-observance of the provisions stipulated in the Notifications/Byelaws/Acts/Rules/Regulations including amendments, if any, on the part of the Contractor, the Employer shall have the right to deduct any money due to the Contractor under this contract or any other contract with the Employer including his amount of performance security for adjusting the aforesaid payment. The Employer shall also have right to recover from the Contractor any sum required or estimated to be required for making good the loss or damage suffered by the Employer.

13.6.4 Salient features of some major laws applicable to establishments engaged in building and other construction works:

(a) Workmen Compensation Act 1923: The Act provides for compensation in case of injury by accident arising out of and during the course of employment.

(b) Payment of Gratuity Act 1972: Gratuity is payable to an employee under the Act on satisfaction of certain conditions on separation if an employee has completed 5 years service or more or on death the rate of 15 days wages for every completed year of service. The Act is applicable to all establishments employing 10 or more employees.

(c) Employee P.F. and Miscellaneous Provision Act 1952: The Act provides for more contribution by the Employer plus workers @ 10% or 8.33%. The benefits under these are :

i) Pension or family pension on retirement or death, as the case may be.

ii) Deposit linked insurance on death in harness of the worker.

iii) Payment of P.F. accumulation on retirement/death etc.

(d) Maternity Benefit Act 1951: The Act provides for leave and some other benefit for women employees in case of confinement or miscarriage etc.

(e) Contract Labour (Regulation & Abolition) Act 1970: The Act provides for certain welfare measures to be provided by the Contractor to contract labour and in case contractor fails to provide, the same are required to be provided, by the Principal Employer by law. The Principal Employer is required to take Certification of Registration and the Contractor is required to take license from the designated Officer. The Act applicable to the establishments or contractor of Principal Employer if they employ 20 or more contract labour.

(f) Minimum Wages Act 1948: The Employer is supposed to pay not less than the Minimum Wages fixed by appropriate Govt. as per provision of the Act if the employment is scheduled employment.

(g) Payment of Wages Act 1936: It lays down as to by what date the wages are to be paid, when it will be paid and what deductions can be made from the wages of the workers.

(h) Equal Remuneration Act 1979: The Act provides for payment of equal wages for work of equal nature to male and female workers and for not making discrimination against female employees in the matters of transfer, training and promotions etc.

(i) Payment of Bonds Act 1965: The Act is applicable to all establishments employing 20 or more employees. The Act provides for payments of annual bonus subject to a minimum of 8.33% of wages and maximum of 20% of wages to employees drawing Rs.3500/- per month or less. The bonus is to be paid to employees getting Rs.2500 per month or above upto Rs.3500/- per month shall be worked out by taking wages of Rs.2500/- per month only. The Act does not apply to certain establishments. The newly set-up establishments are exempted for five years in certain circumstances. Some of the State Governments have reduced the employment size from 20 to 10 for the purpose of applicability of this Act.

(j) Industrial Dispute Act 1947 : The act lays down the machinery and procedure for resolution of industrial disputes, in what situations as

strike or lock-out becomes illegal and what are the requirements for laying off or retrenching the employees or closing down the establishment.

(k) Industrial Employment (Standing Orders) act 1946: It is applicable to all establishments employing 100 or more workmen (employment size reduced by some of the States and Central Government to 50). The Act provides for laying down rules governing the conditions of employment by the Employer on matters provided in the Act and get the same certified by the designated Authority.

(l) Trade Unions Act 1926: The Act lays down the procedure for registration of trade ;unions of workmen and Employers. The Trade ;Unions registered under the Act have been given certain immunities from civil and criminal liabilities.

(m) Child Labour (Prohibition & Regulation) Act 1986: The Act prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulations of employment of children in all other occupations and processes. Employment of Child Labour is prohibited in building and Construction Industry.

(n) Inter-State Migrant Workmen's (Regulation of Employment & Conditions of Service) Act 1979: The Act is applicable to an establishment which employs 5 or more inter-state migrant workmen through an intermediary (who has recruited workmen in one state for employment in the establishment situated in another state). The Inter-State migrant workmen, in an establishment to which this Act becomes applicable, are required to be provided certain facilities such as ;housing, medical aid, traveling expenses from home upto the establishment and back, etc.

(o) The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act 1996 and the Cess Act of 1996: All the establishments who carry on any building or other construction work and employ 10 or more workers are covered under this Act. All such establishments are required to pay cess at the rate not exceeding 2% of the cost of construction as may be modified by the Government. The Employer of the establishment is required to provide safety measures at the building or construction work and other welfare measures, such as canteens, first-aid facilities, ambulance, housing accommodations for workers near the work place etc. The Employer to whom the Act applies has to obtain a registration certificate from the Registering Officer appointed by the Government.

(p) Factories Act 1948: The Act lays down the procedure for approval at plans before setting ;up a factory, health and safety provisions, welfare provisions, working hours, annual earned leave and rendering information regarding accidents or dangerous occurrences to designated authorities. It is applicable to premises employing 10 persons or more with aid of power or 20 or more persons without the aid of power engaged in manufacturing process.

14.0 FACILITIES TO BE PROVIDED BY THE EMPLOYER

14.1 Space

Land for Contractor's Office, Store, Workshop etc.

a) The Engineer shall at his discretion and for the duration of execution of the Contract make available at site, land for construction of Contractor's field office, workshop, stores, magazines for explosives in isolated locations, assembling yard, etc. required for execution of the Contract. Any construction of temporary roads, offices, workshop, etc. as per plan approved by the Engineer shall be done by the Contractor at his cost.

b) On completion of work the Contractor shall hand over the land duly cleaned to the Engineer. Until and unless the Contractor has handed over the vacant possession of land allotted to him for the above purpose, the payment of his final bill shall not be made. The Contractor shall be made liable to pay for the use and occupation at the rates to be determined by the Engineer if the Contractor over stays in the land after the Contract is completed.

14.2 Electricity:

Power supply:

Where power supply is available with the Employer for construction purpose the same will be provided at the job site at one point of the distribution system as may be decided by Engineer free of charge for consumption in works. Electricity furnished will be 440 volts, 3 phase, 50 cycles and 230 volts, 1 phase, 50 cycles. Each Contractor shall provide and install all necessary transformers, switchgears, wiring fixtures, bulbs and other temporary equipment for further distribution and utilisation of energy for power and lighting and shall remove the same on completion of the work. Should, however, electricity be used in the Contractor's labour/staff colony, the power so consumed shall be charged at the prevailing tariff rate of State Electricity Board as prevalent for that area at the time of award of work; the supply may be withdrawn if the power is used for purposes other than for the work of the project and the Contractor shall not be

entitled to any claim whatsoever on account of any such action taken by the Engineer.

14.3 **Water**

Free supply of water will be made available for the construction purpose wherever water is available and the same shall be given at an agreed single point at the Site. Any further distribution will be the responsibility of the Contractor. Free drinking water if available will also be provided at one agreed point in the Site. Further distribution either to his labour colony or his work Site or to his office shall be the responsibility of the Contractor.

15.0 **FACILITIES TO BE PROVIDED BY THE CONTRACTOR**

15.1 **Tools, tackles and scaffoldings**

The Contractor shall provide all the construction equipment; tools, tackles and scaffoldings required for pre-assembly, erection, testing and commissioning of the equipment covered under the Contract. He shall submit a list of all such materials to the Engineer before the commencement of pre-assembly at Site. These tools and tackles shall not be removed from the Site without the written permission of the Engineer.

15.2 **Communication**

The Employer will extend the telephone and telex facilities, if available at Site, for purposes of Contract. The Contractor shall be charged at actual for such facilities.

15.3 **First-aid**

15.3.1 The Contractor shall provide necessary first-aid facilities for all his employees, representatives and workmen working at the Site. Enough number of Contractor`s personnels shall be trained in administering first-aid.

15.3.2 The Employer will provide the Contractor, in case of any emergency, the services of an ambulance for transportation to the nearest hospital.

15.4 **Cleanliness**

15.4.1 The Contractor shall be responsible for keeping the entire area allotted to him clean and free from rubbish, debris etc. during the period of Contract. The Contractor shall employ enough number of special personnel to thoroughly clean his work-area atleast once in a day. All such rubbish and scrap material shall be stacked or disposed off in a place to be identified by the Engineer. Materials and

stores shall be so arranged to permit easy cleaning of the area. In areas where equipment might drip oil and cause damage to the floor surface, a suitable protective cover of a flame resistant, oil proof sheet shall be provided to protect the floor from such damage.

15.4.2 Similarly the labour colony, the offices and the residential areas of the Contractor's employees and workmen shall be kept clean and neat to the entire satisfaction of the Engineer. Proper sanitary arrangement shall be provided by the Contractor, in the work-areas, office and residential areas of the Contractor.

16.0 LINES AND GRADES

All the works shall be performed to the lines, grades and elevations indicated on the drawings. The Contractor shall be responsible to locate and lay-out the works. Basic horizontal and vertical control points will be established and marked by the Engineer at site at suitable points. These points shall be used as datum for the works under the Contract. The Contractor shall inform the Engineer well in advance of the times and places at which he wishes to do work in the area allotted to him so that suitable datum points may be established and checked by the Engineer to enable the Contractor to proceed with his works. Any work done without being properly located may be removed and/or dismantled by the Engineer at Contractor's expense.

17.0 FIRE PROTECTION

17.1 The work procedures that are to be used during the erection shall be those, which minimize fire hazards to the extent practicable. Combustible materials, combustible waste and rubbish shall be collected and removed from the Site at least once each day. Fuels, oils and volatile or inflammable materials shall be stored away from the construction and equipment and materials storage areas in safe containers. Un-treated materials shall not at all be used at Site for any other purpose unless otherwise specified. If any such materials are received with the equipment at the Site, the same shall be removed and replaced with acceptable materials before moving into the construction or storage area.

17.2 Similarly, corrugated paper fabricated cartons etc. will not be permitted in the construction area either storage or for handling of materials. All such materials used shall be of waterproof and flame resistant type. All other materials such as working drawings, plans etc., which are combustible but are essential for the works to be executed shall be protected against combustion resulting from welding sparks, cutting flames and other similar fire sources.

17.3 All the Contractor's supervisory personnel and sufficient number of workers shall be trained for fire fighting and shall be assigned specific fire protection duties.

Enough of such trained personnel must be available at the Site during the entire period of the Contract.

17.4 The Contractor shall provide enough fire protection equipment of the types and numbers for the warehouses, office, temporary structures, labour colony area etc. Access to such fire protection equipment shall be easy and kept open at all times.

18.0 SECURITY

The Contractor shall have total responsibility for all equipment and materials in his custody/stores, loose, semi-assembled and/or erected by him at Site. The Contractor shall make suitable security arrangements including employment of security personnel to ensure the protection of all materials, equipment and works from theft, fire, pilferage and any other damages and loss. All materials of the Contractor shall enter and leave the project site only with the written permission of the Engineer in the prescribed manner.

19.0 CONTRACTOR'S AREA LIMITS

The Engineer will mark-out the boundary limits of access roads, parking spaces, storage and construction areas for the Contractor and the Contractor shall not trespass the areas not so marked out for him. The Contractor shall be responsible to ensure none of his personnel move out of the areas marked out for his operations. In case of such a need for the Contractor's personnel to work out of the areas marked out for him, the same shall be done only with the written permission of the Engineer.

20.0 CONTRACTOR'S CO-OPERATION WITH THE EMPLOYER

In case where the performance of the erection work by the Contractor affects the operation of the system facilities of the Employer, such erection work of the Contractor shall be scheduled to be performed only in the manner stipulated by the Engineer and the same shall be acceptable at all times to the Contractor. The Engineer may impose such restrictions on the facilities provided to the Contractor such as electricity, water, etc. as he may think fit in the interest of the Employer and the Contractor shall strictly adhere to such restrictions and co-operate with the Engineer. It will be the responsibility of the Contractor to provide all necessary temporary instrumentation and other measuring devices required during start-up and operation of the equipment systems, which are erected by him. The Contractor shall also be responsible for flushing and initial filling of all the oil and lubricants required for the equipment furnished and erected by him, so as to make such equipment ready for operation. The Contractor shall be responsible for supplying such flushing oil and other lubricants unless otherwise specified elsewhere in the document and specifications.

21.0 PRE-COMMISSIONING TRIALS AND INITIAL OPERATIONS

The pre-commissioning trials and initial operations of the equipment furnished and erected by the Contractor shall be the responsibility of the Contractor as detailed in relevant clauses in Technical Specifications, Section GTR. The Contractor shall provide, in addition, test instruments, calibrating devices, etc and labour required for successful performance of these trials. If it is anticipated that the above test may prolong for a long time, the Contractor's workmen required for the above test shall always be present at Site during such trials.

22.0 MATERIALS HANDLING AND STORAGE

22.1 All the equipment furnished under the Contract and arriving at Site shall be promptly received, unloaded, transported and stored in the storage spaces by the Contractor.

22.2 Contractor shall be responsible for examining all the shipment and notify the Engineer immediately of any damages, storage, discrepancy etc, for the purpose of Engineer's information only. The Contractor shall submit to the Engineer every week a report detailing all the receipts during the week. However, the Contractor shall be solely responsible for any shortages or damages in transit, handling and/ or in storage and erection of the equipment at Site. Any demurrage, wharfage and other such charges claimed by the transporters, railways etc, shall be to the account of the Contractor.

22.3 The Contractor shall maintain an accurate and exhaustive record detailing out the list of all equipment received by him for the purpose of erection and keep such record open for the inspection of the Engineer in-charge.

22.4 All equipment shall be handled very carefully to prevent any damage or loss. No bare wire ropes, slings, etc. shall be used for unloading and/or handling of the equipment without the specific written permission of the Engineer. The equipment stored shall be properly protected to prevent damage either to the equipment or to the floor where they are stored. The equipment from the store shall be moved to the actual location at the appropriate time so as to avoid damage of such equipment at Site.

22.5 All electrical panels, control gears, motors and such other devices shall be properly dried by heating before they are installed and energized. Motor bearings, slip ring, commutators and other exposed parts shall be protected against moisture ingress and corrosion during storage and periodically inspected.

22.6 All the electrical equipment such as motors, generators, etc. shall be tested for insulation resistance at least once in three months from the date of receipt till the

date of commissioning and a record of such measured insulation values maintained by the Contractor. Such records shall be opened for inspection by the Engineer.

22.7 The Contractor shall ensure that all the packing materials and protection devices, used for various equipment during transit and storage, are removed before the equipment are installed.

22.8 The consumable and other supplies likely to deteriorate due to storage must be thoroughly protected and stored in a suitable manner to prevent damage or deterioration in quality by storage.

22.9 All the materials stored in the open or dusty location must be covered with suitable weatherproof and flame proof covering material wherever applicable.

22.10 If the materials belonging to the Contractor are stored in areas other than those earmarked for him, the Engineer will have the right to get it moved to the area earmarked for the Contractor at the Contractor's cost.

22.11 The Contractor shall be responsible for making suitable indoor storage facilities to store all equipment, which require indoor storage. Normally all the electrical equipment such as motors, control gears, generators, exciters and consumables like electrodes, lubricants etc. shall be stored in the closed storage space. The Engineer, in addition, may direct the Contractor to move certain other materials, which in his opinion will require indoor storage, to indoor storage areas, which the Contractor shall strictly comply with.

23.0 CONSTRUCTION MANAGEMENT

23.1 The field activities of the Contractors working at Site, will be coordinated by the Engineer and the Engineer's decision shall be final in resolving any disputes or conflicts between the Contractor and other Contractors and the tradesmen of the Employer regarding scheduling and coordination of work. Such decision by the Engineer shall not be a cause for extra compensation or extension of time for the Contractor.

23.2 The Engineer shall hold weekly meetings of all the Contractors working at Site, at a time and place to be designated by the Engineer. The Contractor shall attend such meetings and take notes of discussions during the meeting and the decision of the Engineer and shall strictly adhere to those decisions in performing his works. In addition to the above weekly meeting, the Engineer may call for other meetings either with individual Contractors or with selected number of Contractors and in such a case the Contractors if called, will also attend such meetings.

23.3 Time is the essence of the Contract and the Contractor shall be responsible for performance of his works in accordance with the specified construction schedule. If at any time, the Contractor is falling behind the schedule, he shall take necessary action to make good for such delays by increasing his work force or by working overtime or otherwise accelerate the progress of the work to comply with the schedule and shall communicate such actions in writing to the Engineer, satisfying that his action will compensate for the delay. The Contractor shall not be allowed any extra compensation for such action.

23.4 The Engineer shall, however, not be responsible for provision of additional labour and/or materials or supply or any other services to the Contractor except for the coordination work between various Contractors as set out earlier.

24.0 FIELD OFFICE RECORDS

The Contractor shall maintain at his Site office up to date copies of all drawings, specifications and other Contract Documents and any other supplementary data complete with all the latest revisions thereto. The Contractor shall also maintain in addition the continuous record of all changes to the above Contract Documents, drawings, specifications, and supplementary data, etc. effected at the field and on completion of his total assignment under the Contract shall incorporate all such changes on the drawings and other Engineering data to indicate as installed conditions of the equipment furnished and erected under the Contract. Such drawings and Engineering data shall be submitted to the Engineer in required number of copies.

25.0 CONTRACTOR'S MATERIALS BROUGHT ON TO SITE

25.1 The Contractor shall bring to Site all equipment, components, parts, materials, including construction equipment, tools and tackles for the purpose of the works under intimation to the Engineer. All such goods shall, from the time of their being brought vest in the Employer, but may be used for the purpose of the works only and shall not on any account be removed or taken away by the Contractor without the written permission of the Engineer. The Contractor shall nevertheless be solely liable and responsible for any loss or destruction thereof and damage thereto.

25.2 The Employer shall have a lien on such goods for any sum or sums which may at any time be due or owing to him by the Contractor, under, in respect of or by reasons of the Contract. After giving a fifteen (15) days notice in writing of his intention to do so, the Employer shall be at liberty to sell and dispose off any such goods, in such manner as he shall think fit including public auction or

private treaty and to apply the proceeds in or towards the satisfaction of such sum or sums due as aforesaid.

25.3 After the completion of the Works, the Contractor shall remove from the Site under the direction of the Engineer the materials such as construction equipment, erection tools and tackles, scaffolding etc. with the written permission of the Engineer. If the Contractor fails to remove such materials, within fifteen (15) days of issue of a notice by the Engineer to do so then the Engineer shall have the liberty to dispose off such materials as detailed under Clause 25.2 above and credit the proceeds thereto to the account of the Contractor.

26.0 PROTECTION OF PROPERTY AND CONTRACTOR'S LIABILITY

26.1 The Contractor shall be responsible for any damage resulting from his operations. He shall also be responsible for protection of all persons including members of public and employees of the Employer and the employees of other Contractors and Sub-Contractors and all public and private property including structures, building, other plants and equipment and utility either above or below the ground.

26.2 The Contractor will ensure provision of necessary safety equipment such as barriers, signboards, warning lights and alarms, etc. to provide adequate protections to persons and property. The Contractor shall be responsible to give reasonable notice to the Engineer and the Employer of public or private property and utilities when such property and utilities are likely to get damaged or injured during the performance of his works and shall make all necessary arrangements with such Employers, related to removal and/ or replacement or protection of such property and utilities.

27.0 PAINTING

All exposed metal parts of the equipment including piping, structures, railing etc. wherever applicable, after installation unless otherwise surface protected, shall be first painted with at least one coat of suitable primer which matches the shop primer paint used, after thoroughly cleaning all such parts of all dirt, rust, scales, grease, oil and other foreign materials by wire brushing, scraping or sand blasting and the same being inspected and approved by the Engineer for painting. Afterwards, the above parts shall be finished painted with two coats of allowed resin machinery enamel paints. The quality of the finish paint shall be as per the standards of ISI or equivalent and shall be of the colour as approved by the Engineer.

28.0 INSURANCE

28.1 In addition to the conditions covered under the Clause entitled 'Insurance' in General Terms and Conditions of Contract of this Volume-I, the following provisions will also apply to the portion of works to be done beyond the Contractor's own or his Sub-Contractor's manufacturing Works.

28.2 Workmen's Compensation Insurance

This insurance shall protect the Contractor against all claims applicable under the Workmen's Compensation Act, 1948 (Government of India). This policy shall also cover the Contractor against claims for injury, disability, disease or death of his or his Sub-Contractor's employee, which for any reason are not covered under the Workmen's Compensation Act, 1948. The liabilities shall not be less than:

Workmen's Compensation	:	As per statutory Provisions
Employee's liability	:	As per statutory Provisions

28.3 Comprehensive Automobile Insurance

This insurance shall be in such a form to protect the Contractor against all claims for injuries, disability, disease and death to members of public including the Employer's men and damage to the property of others arising from the use of motor vehicles during, on or off the Site operations, irrespective of the Employership of such vehicles. The liability covered shall be as herein indicated:

Fatal Injury	:	Rs.100,000 each person
		Rs.200,000 each occurrence
Property Damage	:	Rs.100,000 each occurrence

28.4 Comprehensive General Liability Insurance

28.4.1 The insurance shall protect the Contractor against all claims arising from injuries, disabilities, disease or death of members of public or damage to property of others, due to any act of omission on the part of the Contractor, his agents, his employees, his representatives and Sub-Contractors or from riots, strikes and civil commotion. This insurance shall also cover all the liabilities of the Contractor

arising out of the Clause entitled 'Defence of Suits' under General Terms and Conditions of Contract of this Volume-I.

28.4.2 The hazards to be covered will pertain to all the works and areas where the Contractor, his Sub-Contractors, his agents and his employees have to perform work pursuant to the Contract.

28.5 The above are only illustrative list of insurance covers normally required and it will be the responsibility of the Contractors to maintain all necessary insurance coverage to the extent both in time and amount to take care of all his liabilities either direct or indirect, in pursuance of the Contract.

29.0 UNFAVOURABLE WORKING CONDITIONS

The Contractor shall confine all his field operations to those works, which can be performed without subjecting the equipment and materials to adverse effects during inclement weather conditions, like monsoon, storms etc. and during other unfavorable construction conditions. No field activities shall be performed by the Contractor under conditions, which might adversely affect the quality and efficiency thereof, unless special precautions or measures are taken by the Contractor in a proper and satisfactory manner in the performance of such Works and with the concurrence of the Engineer. Such unfavorable construction conditions will in no way relieve the Contractor of his responsibility to perform the Works as per the schedule.

30.0 PROTECTION OF MONUMENTS AND REFERENCE POINTS

The Contractor shall ensure that any finds such as relic, antiquity, coins, fossils, etc. which he may come across during the course of performance of his Works either during excavation or elsewhere, are properly protected and handed over to the Engineer. Similarly the Contractor shall ensure that the bench marks, reference points, etc, which are marked either with the help of Engineer or by the Engineer shall not be disturbed in any way during the performance of his Works. If any work is to be performed which disturbs such reference the same shall be done only after these are transferred to other suitable locations under the direction of the Engineer. The Contractor shall provide all necessary materials and assistance for such relocation of reference points etc.

31.0 WORK & SAFETY REGULATIONS

31.1 The Contractor shall ensure proper safety of all the workmen, materials, plant and equipment belonging to him or to the Employer or to others, working at the Site. The Contractor shall also be responsible for provision of all safety notices

and safety equipment required both by the relevant legislations and the Engineer, as he may deem necessary.

31.2 The Contractor will notify well in advance to the Engineer of his intention to bring to the Site any container filled with liquid or gaseous fuel or explosive or petroleum substance or such chemicals which may involve hazards. The Engineer shall have the right to prescribe the conditions, under which such container is to be stored, handled and used during the performance of the works and the Contractor shall strictly adhere to and comply with such instructions. The Engineer shall have the right at his sole discretion to inspect any such container or such construction plant/equipment for which material in the container is required to be used and if in his opinion, its use is not safe, he may forbid its use. No claim due to such prohibition shall be entertained by the Employer and the Employer shall not entertain any claim of the Contractor towards additional safety provisions/conditions to be provided for/constructed as per the Engineer's instructions.

Further, any such decision of the Engineer shall not, in any way, absolve the Contractor of his responsibilities and in case, use of such a container or entry thereof into the Site area is forbidden by the Engineer, the Contractor shall use alternative methods with the approval of the Engineer without any cost implication to the Employer or extension of work schedule.

31.3 Where it is necessary to provide and/or store petroleum products or petroleum mixtures and explosives, the Contractor shall be responsible for carrying-out such provision and/or storage in accordance with the rules and regulations laid down in Petroleum Act 1934, Explosives Act, 1948 and Petroleum and Carbide of Calcium Manual published by the Chief Inspector of Explosives of India. All such storage shall have prior approval of the Engineer. In case, any approvals are necessary from the Chief Inspector (Explosives) or any statutory authorities, the Contractor shall be responsible for obtaining the same.

31.4 All equipment used in construction and erection by Contractor shall meet Indian/International Standards and where such standards do not exist, the Contractor shall ensure these to be absolutely safe. All equipment shall be strictly operated and maintained by the Contractor in accordance with manufacturer's Operation Manual and safety instructions and as per Guidelines/rules of the Employer in this regard.

31.5 Periodical examinations and all tests for all lifting/hoisting equipment & tackles shall be carried-out in accordance with the relevant provisions of Factories Act 1948, Indian Electricity Act 1910 and associated Laws/Rules in force from time to time. A register of such examinations and tests shall be properly maintained by the Contractor and will be promptly produced as and when desired by the Engineer or by the person authorised by him.

31.6 The Contractor shall be fully responsible for the safe storage of his and his Sub-Contractor's radioactive sources in accordance with BARC/DAE Rules and other applicable provisions. All precautionary measures stipulated by BARC/DAE in connection with use, storage and handling of such material will be taken by the Contractor.

31.7 The Contractor shall provide suitable safety equipment of prescribed standard to all employees and workmen according to the need, as may be directed by the Engineer who will also have right to examine these safety equipment to determine their suitability, reliability, acceptability and adaptability.

31.8 Where explosives are to be used, the same shall be used under the direct control and supervision of an expert, experienced, qualified and competent person strictly in accordance with the Code of Practice/Rules framed under Indian Explosives Act pertaining to handling, storage and use of explosives.

31.9 The Contractor shall provide safe working conditions to all workmen and employees at the Site including safe means of access, railings, stairs, ladders, scaffoldings etc. The scaffoldings shall be erected under the control and supervision of an experienced and competent person. For erection, good and standard quality of material only, shall be used by the Contractor.

31.10 The Contractor shall not interfere or disturb electric fuses, wiring and other electrical equipment belonging to the Employer or other Contractors under any circumstances, whatsoever, unless expressly permitted in writing by the Employer to handle such fuses, wiring or electrical equipment

31.11 Before the Contractor connects any electrical appliances to any plug or socket belonging to the other Contractor or Employer, he shall:

a. Satisfy the Engineer that the appliance is in good working condition;

b. Inform the Engineer of the maximum current rating, voltage and phases of the appliances;

c. Obtain permission of the Engineer detailing the sockets to which the appliances may be connected.

31.12 The Engineer will not grant permission to connect until he is satisfied that;

a. The appliance is in good condition and is fitted with suitable plug;

b. The appliance is fitted with a suitable cable having two earth conductors, one of which shall be an earthed metal sheath surrounding the cores.

31.13 No electric cable in use by the Contractor/Employer will be disturbed without prior permission. No weight of any description will be imposed on any cable and no ladder or similar equipment will rest against or attached to it.

31.14 No repair work shall be carried out on any live equipment. The equipment must be declared safe by the Engineer and a permit to work shall be issued by the Engineer before any repair work is carried out by the Contractor. While working on electric lines/equipment, whether live or dead, suitable type and sufficient quantity of tools will have to he provided by the Contractor to electricians/workmen/officers.

31.15 The Contractors shall employ necessary number of qualified, full time electricians/electrical supervisors to maintain his temporary electrical installation.

31.16 The Contractor employing more than 250 workmen whether temporary, casual, probationer, regular or permanent or on contract, shall employ at least one full time officer exclusively as safety officer to supervise safety aspects of the equipment and workmen, who will coordinate with the Project Safety Officer. In case of work being carried out through Sub-Contractors, the Sub-Contractor's workmen/employees will also be considered as the Contractor's employees/workmen for the above purpose.

The name and address of such Safety Officers of the Contractor will be promptly informed in writing to Engineer with a copy to Safety Officer-In charge before he starts work or immediately after any change of the incumbent is made during currency of the Contract.

31.17 In case any accident occurs during the construction/ erection or other associated activities undertaken by the Contractor thereby causing any minor or major or fatal injury to his employees due to any reason, whatsoever, it shall be the responsibility of the Contractor to promptly inform the same to the Engineer in prescribed form and also to all the authorities envisaged under the applicable laws.

31.18 The Engineer shall have the right at his sole discretion to stop the work, if in his opinion the work is being carried out in such a way that it may cause accidents and endanger the safety of the persons and/or property, and/or equipment. In such cases, the Contractor shall be informed in writing about the nature of hazards and possible injury/accident and he shall comply to remove shortcomings promptly. The Contractor after stopping the specific work can, if felt necessary, appeal against the order of stoppage of work to the Engineer within 3 days of such stoppage of work and decision of the Engineer in this respect shall be conclusive and binding on the Contractor.

31.19 The Contractor shall not be entitled for any damages/compensation for stoppage of work due to safety reasons as provided in clause 31.18 above and the period of such stoppage of work will not be taken as an extension of time for completion of work and will not be the ground for waiver of levy of liquidated damages.

31.20 It is mandatory for the Contractor to observe during the execution of the works, requirements of Safety Rules which would generally include but not limited to following:

Safety Rules

a) Each employee shall be provided with initial indoctrination regarding safety by the Contractor, so as to enable him to conduct his work in a safe manner.

b) No employee shall be given a new assignment of work unfamiliar to him without proper introduction as to the hazards incident thereto, both to himself and his fellow employees.

c) Under no circumstances shall an employee hurry or take unnecessary chance when working under hazardous conditions.

d) Employees must not leave naked fires unattended. Smoking shall not be permitted around fire prone areas and adequate fire fighting equipment shall be provided at crucial location.

e) Employees under the influence of any intoxicating beverage, even to the slightest degree shall not be permitted to remain at work.

f) There shall be a suitable arrangement at every work site for rendering prompt and sufficient first aid to the injured.

g) The staircases and passageways shall be adequately lighted.

h) The employees when working around moving machinery, must not be permitted to wear loose garments. Safety shoes are recommended when working in shops or places where materials or tools are likely to fall. Only experienced workers shall be permitted to go behind guard rails or to clean around energized or moving equipment.

i) The employees must use the standard protection equipment intended for each job. Each piece of equipment shall be inspected before and after it is used.

j) Requirements of ventilation in underwater working to licensed and experienced divers, use of gum boots for working in slushy or in inundated conditions are essential requirements to be fulfilled.

k) In case of rock excavation, blasting shall invariably be done through licensed blasters and other precautions during blasting and storage/transport of charge material shall be observed strictly.

31.21 The Contractor shall follow and comply with the Employer's Safety Rules, relevant provisions of applicable laws pertaining to the safety of workmen, employees, plant and equipment as may be prescribed from time to time without any demur, protest or contest or reservations. In case of any discrepancy between statutory requirement and Employer's Safety Rules referred above, the latter shall be binding on the Contractor unless the statutory provisions are more stringent.

31.22 If the Contractor fails in providing safe working environment as per Employer's Safety Rules or continues the work even after being instructed to stop work by the Engineer as provided in clause 31.18 above, the Contractor shall promptly pay to the Employer, on demand by the Employer, compensation at the rate of Rs.5, 000/- per day of part thereof till the instructions are complied with and so certified by the Engineer. However, in case of accident taking place, causing injury to any individual, the provisions contained in clause 31.23 shall also apply in addition to compensation mentioned in this clause.

31.23 If the Contractor does not take all safety precautions and/or fails to comply with the Safety Rules as prescribed by the Employer or under the applicable law for the safety of the equipment and plant and for the safety of personnel and the Contractor does not prevent hazardous conditions which cause injury to his own employees or employees of other Contractors or Employer's employees or any other person who are at Site or adjacent thereto, the Contractor shall be responsible for payment of compensation to the Employer as per the following schedule:

a.	Fatal injury or accident causing death	Rs. 1,00,000/- per person
b.	Major injuries or accident causing 25% or more permanent disablement to Workmen or employees	Rs. 20,000/- per person

(These are applicable for death / injury to any person, whatsoever)

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

Permanent disablement shall have same meaning as indicated in Workmen's Compensation Act. The compensation mentioned above shall be in addition to the compensation payable to the workmen/employees under the relevant provisions of the Workmen's Compensation Act and rules framed there under or any other applicable laws as applicable from time to time. In case the Employer is made to pay such compensation then the Contractor is liable to reimburse the Employer such amount in addition to the compensation indicated above.

31.24 If the Contractor observes all the Safety Rules and Codes, Statutory Laws and Rules during the currency of Contract awarded by the Employer and no accident occurs then the Employer may consider the performance of the Contractor and award suitable 'ACCIDENT FREE SAFETY MERITORIOUS AWARD' as per scheme as may be announced separately from time to time.

32.0 CODE REQUIREMENTS

The erection requirements and procedures to be followed during the installation of the equipment shall be in accordance with the relevant Codes and accepted good engineering practice, the Engineer's drawings and other applicable Indian recognized codes and laws and regulation of the Government of India.

33.0 FOUNDATION DRESSING & GROUTING

33.1 The surfaces of foundation shall be dressed to bring the top surface of the foundation to the required level, prior to placement of equipment/equipment bases on the foundation.

33.2 All the equipment bases and structural steel base plates shall be grouted and finished as per these specifications unless otherwise recommended by the equipment manufacturer.

33.3 The concrete foundation surfaces shall be properly prepared by chipping and/or grinding as required to bring the type of such foundation to the required level to provide the necessary roughness for bondage and to ensure enough bearing strength. All laitance and surface film shall be removed and cleaned.

33.4 Grouting Mix

The grouting mixture shall be composed of Portland cement, sand and water. The Portland cement to be used shall conform to ISI No.269 or equivalent. Sand shall conform to ISI No.383/2386 or equivalent. The grout proportions for flat bases where the grouting space does not exceed 35 mm shall be 50 Kg bag of cement to 75 Kg of sand. Only the required quantity of water shall be added so as to make the mix quaky and flowable and the mix shall not show excess water on top when it is being puddled in place. For thicker grout beds upto 65 mm, the

amount of sand shall be increased to 105 Kg per bag of cement. Bases which are hollow and are to be filled full of grouting shall be filled to a level of 25 mm above the outside rim with a mortar mix in the volumetric proportion of one part of cement and 1.5 part sand and 1.5 part 6 mm granite gravel. An acceptable plasticiser may be added to the grout mixes in a proportion recommended by the plasticiser's manufacturer. All such grouts shall be thoroughly mixed for not less than five minutes in an approved mechanical mixer and shall be used immediately after mixing.

33.5 Placing of Grout

33.5.1 After the base has been prepared, its alignment and level has been checked and approved and before actually placing the grout a low dam shall be set around the base at a distance that will permit pouring and manipulation of the grout. The height of such dam shall be at least 25 mm above the bottom of the base. Suitable size and number of chains shall be introduced under the base before placing the grout, so that such chains can be moved back and forth to push the grout into every part of the space under the base.

33.5.2 The grout shall be poured either through grout holes provided or shall be poured at one side or at two adjacent sides giving it a pressure head to make the grout move in a solid mass under the base and out in the opposite side. Pouring shall be continued until the entire space below the base is thoroughly filled and the grout stands at least 25mm higher all around than the bottom of the base. Enough care should be taken to avoid any air or water pockets beneath the bases.

33.6 Finishing of the Edges of the Grout

The poured grout should be allowed to stand undisturbed until it is well set. Immediately thereafter, the dam shall be removed and grout, which extends beyond the edges of the structural or equipment base plates shall be cut off, flushed and removed. The edges of the grout shall then be pointed and finished with 1:2 cement mortar pressed firmly to bond with the body of the grout and smoothened with a tool to present a smooth vertical surface. The work shall be done in a clean and scientific manner and the adjacent floor spaces, exposed edges of the foundations, and structural steel and equipment base plates shall be thoroughly cleaned of any spillage of the grout.

33.7 **Checking of Equipment after Grouting**

After the grout is set and cured, the Contractor shall check and verify the alignment of equipment, alignment of shafts of rotating machinery, the slopes of all bearings, pedestals, centering of rotors with respect to their sealing bores, couplings etc. as applicable and the like items to ensure that no displacement has taken place during grouting. The values recorded prior to grouting shall be used during such post grouting checkup and verification. Such pre and post grout records of alignment details shall be maintained by the Contractor in a manner acceptable to the Engineer.

34.0 **SHAFT ALIGNMENTS**

All the shafts of rotating equipment shall be properly aligned to those of the matching equipment to as perfect an accuracy as practicable. The equipment shall be free from excessive vibration so as to avoid overheating of bearings or other conditions, which may tend to shorten the life of the equipment. All bearings, shafts and other rotating parts shall be thoroughly cleaned and suitably lubricated before starting.

35.0 **DOWELLING**

All the motors and other equipment shall be suitably dowelled after alignment of shafts with tapered machined dowels as per the direction of the Engineer.

36.0 **CHECK OUT OF CONTROL SYSTEMS**

After completion of wiring, cabling furnished under separate specification and laid and terminated by the Employer, the Contractor shall check out the operation of all control system for the equipment furnished and installed under these specifications and documents.

37.0 **CABLING**

37.1 All cables shall be supported by conduits or cable trays run in air or in cable channels. These shall be installed in exposed runs parallel or perpendicular to dominant surface with right angle turn made of symmetrical bends for fittings. When cables are run on cable trays, they shall be clamped at minimum intervals of 2000 mm or otherwise as directed by the Engineer.

37.2 Each cable, whether power or control, shall be provided with a metallic or plastic tag of an approved type, bearing a cable reference number indicated in the cable and conduit list (prepared by the Contractor), at every 5 metre run or part thereof and at both ends of the cable adjacent to the terminations. Cable routing is to be

done in such a way that cables are accessible for any maintenance and for easy identification.

37.3 Sharp bending and kinking of cables shall be avoided. The minimum radii for PVC insulated cables 1100 V grade shall be 15 D where D is the overall diameter of the cable. Installation of other cables like high voltage, coaxial, screened compensating, mineral insulated shall be in accordance with the cable manufacturer's recommendations. Wherever cables cross roads and water, oils, sewage or gas lines, special care should be taken for the protection of the cables in designing the cables channels.

37.4 In each cable run some extra length shall be kept at a suitable point to enable one or two straight through joints to be made, should the cable develop fault at a later date.

37.5 Control cable terminations shall be made in accordance with wiring diagrams, using identifying codes subject to Engineer's approval. Multi-core control cable jackets shall be removed as required to train and terminate the conductors. The cable jacket shall be left on the cable, as far as possible, to the point of the first conductor branch. The insulated conductors from which the jacket is removed shall be neatly twined in bundles and terminated. The bundles shall be firmly, but not tightly, tied utilizing plastic or nylon ties or specially treated fungus protected cord made for this purpose. Control cable conductor insulation shall be secure and even.

37.6 The connectors for control cables shall be covered with a transparent insulating sleeve so as to prevent accidental contact with ground or adjacent terminals and shall preferably be terminated in elmex terminals and washers. The insulating sleeve shall be fire resistant and shall be long enough to over pass the conductor insulation. All control cables shall be fanned out and connection made to terminal blocks and test equipment for proper operation before cables are corded together.

END OF SECTION - ECC

SECTION – ANNEX

ANNEXURES

ANNEXURES

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ANNEXURE-I

PROFORMA OF BANK GUARANTEE
FOR BID GUARANTEE
(To be stamped in accordance with Stamp Act)
The non-judicial stamp paper should be in the name of issuing Bank

Ref. …… Bank Guarantee No. ……

Date ……

To

_____***,
----------,
----------,
----------.

Dear Sirs,

In accordance with Invitation to Bid under your Specification No..……..…M/s ……having its Registered/Head Office at ……(hereinafter called the 'Bidder') wish to participate in the said Bid or……and you, as a special favour have agreed to accept an irrevocable and unconditional Bank Guarantee for an amount of……. valid upto ……on behalf of Bidder in lieu of the Bid deposit required to be made by the Bidder, as a condition precedent for participation in the said Bid.

We, the …… Bank at……(local address) having our Head Office at…… guarantee and undertake to pay immediately on demand by _____*** the amount of ……
……
(in words & figures)
without any reservation, protest, demur and recourse. Any such demand made by said 'Employer' shall be conclusive and binding on us irrespective of any dispute or difference raised by the Bidder.

This Guarantee shall be irrevocable and shall remain valid upto and including…… @ ……. If any further extension of this guarantee is required, the same shall be extended to such required period (not exceeding one year) on receiving instructions from M/s ……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……at…….

WITNESS

……..	……
(Signature)	(Signature)
……..	……
(Name)	(Name)
……..	……
(Official Address)	(Designation with Bank Stamp)
	Attorney as per Power of Attorney No. ……..…… Dated……..

@ This date shall be thirty (30) days after the last date for which the bid is valid.

ANNEXURE-II

PROFORMA OF BANK GUARANTEE FOR CONTRACT PERFORMANCE
(To be stamped in accordance with Stamp Act)

Ref. ……. **Bank Guarantee No. ……**

Date ……..

To

_____***,
----------,
----------.

Dear Sirs,

In consideration of ---------- (hereinafter referred to as the 'Employer' which expression shall unless repugnant to the context or meaning thereof include its successors, administrators and assigns) having awarded to M/s …….. with its Registered/Head office at …….(hereinafter referred to as the "Contractor" which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns), a Contract by issue of Employer's Letter of Award No……..dated……and the same having been acknowledged by the Contractor, resulting in a Contract, bearing No. ……dated …….valued at ……for ……(scope of Contract) and the Contractor having agreed to provide a Contract Performance Guarantee for the faithful performance of the entire Contract equivalent to ……$…….(%) …….per cent) of the said value of the Contract to the Employer.
We……
(Name & Address)
having its Head Office at…….(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 undertake to pay the Employer on demand any and all monies payable by the Contractor to the extent of ……..as aforesaid at any time upto ……$$……(days/month/year) without any demur, reservation, contest, recourse or protest and/or without any reference to the Contractor.

Any such demand made by the Employer on the Bank shall be conclusive and binding not withstanding any difference between the Employer and the Contractor or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. The Bank undertakes not to revoke this guarantee during its currency without previous consent of the Employer and further agrees that the guarantee herein contained shall continue to be enforceable till the Employer discharges this guarantee.

The Employer 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 Contractor. The Employer 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 right which they might have against the 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 Employer and the Contractor or any other course or remedy or security available to the Employer. The Bank shall not be released of its obligations under these presents by any exercise by the Employer of its liberty with reference to the matters aforesaid or any of them or by reason of any other act of omission or commission on the part of the Employer or any other indulgences shown by the Employer or by any other matter or thing whatsoever which under law would, but for this provision have the effect of relieving the Bank.

The Bank also agrees that the Employer at its option shall be entitled to enforce this Guarantee against the Bank as a principal debtor, in the first instance without proceeding against the Contractor and not withstanding any security or other guarantee the Employer may have in relation to the Contractor's liabilities.

Notwithstanding anything contained hereinabove 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 …….on whose behalf this guarantee has been given.

Dated this…….day of ……20…….at……

WITNESS

…….	……
(Signature)	(Signature)
……..	……
(Name)	(Name)
……...	……
(Official Address)	(Designation with Bank Stamp)

Attorney as per Power
of Attorney No. …….

Date ..…….

$ This sum shall be fifteen per cent (15 %) of the Contract price.

$$ The date will be ninety (90) days after the end of Warranty Period as specified in the Contract.

NOTE: The stamp papers of appropriate value shall be purchased in the name of issuing Bank.

ANNEXURE-III

PROFORMA OF EXTENSION OF BANK GUARANTEE
(To be stamped in accordance with Stamp Act)

Ref. ……. **Date ……..**

_____***,
----------,
----------,
----------.

Dear Sirs,

Sub: Extension of Bank Guarantee No……. for Rs…….. favouring yourselves, expiring on……. on account of M/s…… in respect of Contract No……. dated…….. (hereinafter called original Bank Guarantee).

At the request of M/s ……., we…… Bank, branch office at…… and having its Head Office at …….. do hereby extend our liability under the above-mentioned Guarantee No…… dated……. for a further period of …… years/months from ……. to expire on…….. Expect as provided above, all other terms and conditions of the original Bank Guarantee No……dated ……..shall remain unaltered and binding.

Please treat this as an integral part of the original Bank Guarantee to which it would be attached.

Yours Faithfully,

For……..
Manager/Agent/Accountant
Power of Attorney No ……
Dated……..

SEAL OF BANK

NOTE: The non-judicial stamp paper of appropriate value shall be purchased in the name of the Bank which has issued the Bank Guarantee.

ANNEXURE-IV

PROFORMA OF LETTER OF UNDERTAKING
(To be submitted by the Bidder along with his Bid)
(To be executed on non-judicial stamp paper of requisite value)

Ref.: **Date:**

To
_____***,
----------,
----------.

Dear Sir,

1. 1*/We* have read and examined the following bid documents relating to the

……(full scope of work).

a) Notice Inviting Tender

b) Conditions of Contract (Non-IDA Supply-cum-Erection containing Sections Invitation to Bid (INV)", " Instructions to Bidders (INB)", "General Terms & Conditions of Contract (GCC)" and "Erection Conditions of Contract (ECC)").

c) Special Conditions of Contract alongwith Annexure……..to……
……

d) Drawing Nos……..

e) Technical Specifications.

2. I*/We* hereby submit our Bid and undertake to keep our Bid valid for a period of six (6) calendar months from the date of bid i.e. upto …….I*/We* hereby further undertake that during the said period I/We shall not vary/alter or revoke my/our Bid.

This undertaking is in consideration of _____*** agreeing to open my/our* Bid and consider and evaluate the same for the purpose of award of Work in terms of provisions of clause entitled "Award of Contract", Section INB, Conditions of Contract in the Bid Documents.

Should this Bid be accepted, *1/we* also agree to abide by and fulfill all the terms & conditions of provisions of the above mentioned bid documents.

Signature alongwith Seal of Company
…….
(Duly authorised to sign the Bid on behalf of the Contractor)

Name……..

Designation…….

Name of Company……
(in Block Letters)

WITNESS

Signature …… Date & Postal Address

Date…….. …..……..……

Name & Address…….. ……

…….. Telephone No……..

Fax No.……..

*Strike out whichever is not applicable.

ANNEXURE-V

PROFORMA OF APPLICATION FOR PAYMENT

Project :

Equipment package : Date :

Name of Contractor : Contract No. :

Contract Value : Contract Name:

Unit Reference : Application Serial number :

To

_____***

----------.

Dear Sir,

APPLICATION FOR PAYMENT

Pursuant to the above referred Contract dated……..the undersigned hereby applies for payment of the sum of…….. ……. (Specify amount and currency in which claim is made).

2. The above amount is on account of : [**TICK (√)** whichever is applicable]

Initial advance (Schedule $$)

Interim payment as advance (Schedule$$)

Progressive payment against dispatch of equipment (Schedule$$)

Progressive payment against receipt of equipment at site (Schedule$$)

Progressive payment against Erection (Schedule$$)

Ocean freight & marine insurance (Schedule$$)

Inland transportation (Schedule$$)

Inland insurance

Price adjustment

Extra work not specified in Contract

(Ref. Contract change order No……)

Other (specify)

Final payment (Schedule$$)

as detailed in the attached Schedule(s) which form an integral part of this application.

3. The payment claimed is as per item(s) No.(s)……..of the payment schedule annexed to the above-mentioned Contract.

4. The application consists of this page, a summary of claim statement (Schedule$$), and the following signed schedule.

1. ……

2. …….

3 ……

The following documents are also enclosed

1 ……..

2. ……

3. ……

Signature of Contractor/
Authorised Signatory

Application for payment will be made to 'Engineer' to be designated for this purpose at the time of award of the Contract.

$$ Proforma for the Schedules will be mutually discussed and agreed to during the finalisation of the Contract Agreement.

ANNEXURE –VI

PROFORMA OF BANK GUARANTEE FOR ADVANCE PAYMENT
(To be stamped in accordance with Stamp Act)

Ref…… Bank Guarantee No…….
Date…….

_____***,
----------,
Dear Sir,

In consideration of _____*** (hereinafter referred to as the 'Employer', which expression shall, unless repugnant to the context or meaning thereof include its successors, administrators and assigns) having awarded to M/s…….(hereinafter referred to as the "Contractor" which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators, executors and assigns), a Contract by issue of Employer's Letter of Award No……dated……..and the same having been acknowledged by the Contractor, resulting in a Contract bearing No ……..dated…….valued at……for……..(scope of work)……. (hereinafter called the 'Contract') and the Employer having agreed to make an advance payment to the Contractor for performance of the above Contract amounting ……(in words and figures) as an advance against Bank Guarantee to be furnished by the Contractor.

We,……
(Name of the Bank)
having its Head Office at ……(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 undertake to pay the Employer, immediately on demand any or, all monies payable by the Contractor to the extent of ……as aforesaid at any time upto ……@…… without any demur, reservation, contest, recourse or protest and/or without any reference to the Contractor. Any such demand made by the Employer on the Bank shall be conclusive and binding notwithstanding any difference between the Employer and the Contractor or any dispute pending before any Court, Tribunal, Arbitrator or any other authority. We agree that the guarantee herein contained shall be irrevocable and shall continue to be enforceable till the Employer discharges this guarantee.

The Employer shall have the fullest liberty without affecting in any way the liability of the Bank under this guarantee, from time to time to vary the advance or to extend the time for performance of the Contract by the Contractor. The Employer 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 right which they might have against the 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 Employer and the Contractor or any other course or remedy or security available to the Employer. The Bank shall not be released of its obligations under these presents by any exercise by the Employer of its liberty with reference to the matters aforesaid or any of them or by reason of any other act or forbearance or other acts of omission or commission on the part of the Employer or any other indulgence shown by the Employer or by any other matter or thing, whatsoever, which under law would, but for this provision have the effect of relieving the Bank.

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

Notwithstanding anything contained hereinabove our liability under this guarantee is limited 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……on whose behalf this guarantee has been given.

Dated this……. Day of ……at……..

WITNESS

……	…….
(Signature)	(Signature)
……	……..
(Name)	(Name)
……	Designation…….
(Official Address)	(with Bank Stamp)

Attorney as per Power of
Attorney No…….
Dated……

@ The date will be ninety (90) days after the date of completion of the Contract.

NOTE: The non-judicial stamp papers of appropriate value shall be purchased in the name of Bank, which issues the Bank Guarantee.

ANNEXURE-VII

PROFORMA OF INDEMNITY BOND TO BE EXECUTED BY THE CONTRACTOR FOR EQUIPMENT HANDED OVER FOR PERFORMANCE OF ITS CONTRACT
(Entire Equipment consignment in one lot)
(On non-Judicial stamp paper of appropriate Value)

INDEMNITY BOND

THIS INDEMNITY BOND is made this…….day of …….20 ……..by ……a Company registered under the Companies Act, 1956/Partnership Firm/Proprietary Concern having its Registered Office at ……..(hereinafter called as 'Contractor' or "Obligor" which expression shall include its successors and permitted assigns) in favour of _____***, a Company incorporated under the Companies Act, 1956 having its Registered Office at ---------- and its project at ……(hereinafter called "____***" Which expression shall include its successors and assigns):

WHEREAS ____*** has awarded to the Contractor a Contract for…… vide its Letter of Award/Contract No …….. dated …….and its Amendment No. …….and Amendment No…….. (applicable when amendments have been issued) (hereinafter called the "Contract") in terms of which ____*** is required to hand over various equipment to the Contractor for execution of the Contract.

And WHEREAS by virtue of Clause No…… of the said Contract, the Contractor is required to execute an Indemnity Bond in favor of ____*** for the Equipment handed over to it by ____*** for the purpose of performance of the Contract/Erection portion of the Contract (hereinafter called the "Equipment'').

NOW THEREFORE**,** This Indemnity Bond witnesseth as follows:

1. That in consideration of various equipment as mentioned in the Contract, valued at Rs. ……(Rupees……) handed over to the Contractor for the purpose of performance of the Contract, the Contractor hereby undertakes to indemnify and shall keep ___*** indemnified, for the full value of the Equipment. The Contractor hereby acknowledges receipt of the Equipment as per dispatch title documents handed over to the Contractor duly endorsed in their favour and detailed in the Schedule appended hereto. It is expressly understood by the Contractor that handing over of the dispatch title documents in respect of the said Equipment duly endorsed by ____*** in favour of the Contractor shall be construed as handing over of the Equipment purported to be covered by such title documents and the Contractor shall hold such Equipment in trust as a Trustee for and on behalf of ____***.

2. That the Contractor is obliged and shall remain absolutely responsible for the safe transit/protection and custody of the Equipment at ____*** project Site against all risks, whatsoever, till the Equipment are duly used/erected in accordance with the terms of the Contract and the Plant/Package duly erected and commissioned in accordance with the terms of the Contract, is taken over by _____***. The Contractor undertakes to keep _____*** harmless against any loss or damage that may be caused to the Equipment.

3. The Contractor undertakes that the Equipment shall be used exclusively for the performance/execution of the Contract strictly in accordance with its terms and conditions and no part of the equipment shall be utilized for any other work or purpose whatsoever. It is clearly understood by the Contractor that non-observance of the obligations under this Indemnity Bond by the Contractor shall inter-alia constitute a criminal breach of trust on the part of the Contractor for all intents and purpose including legal/penal consequences.

4 That ____*** is and shall remain the exclusive Employer of the Equipment free from all encumbrances, charges or liens of any kind, whatsoever. The Equipment shall at all times be open to inspection and checking by Engineer-in-Charge/Engineer or other employees/agents authorised by him in this regard. Further, ____*** shall always be free at all times to take possession of the Equipment in whatever form the Equipment may be, if in its opinion the Equipment are likely to be endangered, mis-utilised or converted to uses other than those specified in the Contract, by any acts of omission or commission on the part of the Contractor or any other person or on account of any reason, whatsoever, and the Contractor binds himself and undertakes to comply with the direction of demand of ____*** to return the Equipment without any demur or reservation.

5 That this indemnity Bond is irrevocable. If at any time any loss or damage occurs to the Equipment or the same or any part thereof is mis-utilised in any manner whatsoever, then the Contractor hereby agrees that the decision of the Engineer-in– Charge/Engineer of ___*** as to assessment of loss or damage to the Equipment shall be final and binding on the Contractor. The Contractor binds itself and undertakes to replace the lost and/or damaged Equipment at its own cost and/or shall pay the amount of loss of ____*** without demur, reservation or protest. This is without prejudice to any other right or remedy that may be available to ___*** against the Contractor under the Contract and under this Indemnity Bond.

6. NOW THE CONDITION of this Bond is that if the Contractor shall duly and punctually comply with terms and conditions of this Bond to the satisfaction of ____***, THEN, the above Bond shall be void, but otherwise, it shall remain in full force and virtue.

IN WITNESS WHEREOF, the Contractor has hereunto set its hand through its authorised representative under the common seal of the Company, the day, month and year first above mentioned.

SCHEDULE

Particulars of the Equipment handed over	Quantity	Particulars of Despatch Title Documents		Value of the Equipment	Signature of Attorney (authorised representative) as a token of receipt
		RR/GR No./ Date of Bill of Lading	Carrier		

For and on behalf of

M/s.....

WITNESS

1. 1. Signature ..... Signature .....

   2. Name ..... Name .....

   3. Address ..... Designation .....

Authorised representative$

2. 1. Signature .....

   2. Name ..... (Common Seal in case of Company)

   3. Address .....

$ Indemnity Bonds are to be executed by the authorised person and (i) in case of Contracting Company under common seal of the Company or (ii) having the Power of Attorney issued under common seal of the company with authority to execute Indemnity Bonds, (iii) In case of (ii), the original Power of Attorney if it is specifically for this Contract or a photostat copy of the Power of Attorney if it is General Power of Attorney and such documents should be attached to Indemnity Bond.

ANNEXURE-VIII

PROFORMA OF INDEMNITY BOND TO BE EXECUTED BY THE CONTRACTOR FOR THE EQUIPMENT HANDED OVER IN INSTALMENTS FOR PERFORMANCE OF ITS CONTRACT

(On non-judicial stamp paper of appropriate value)

INDEMNITY BOND

THIS INDEMNITY BOND i s made this ..... day of ..... 20 ..... by ....., a Company registered under the Companies Act, 1956/Partnership Firm/Proprietary Concern having its Registered Office at ..... (hereinafter called as 'Contractor' or 'Obligor' which expression shall include its successors and permitted assigns) in favour of ____***, a Company incorporated under the Companies Act, 1956 having its Registe red Office at ----------and its project at ……..(hereinafter called "___***" which expression shall include its successors and assigns).

WHEREAS _____*** has awarded to the Contractor a Contract for ..... vide its Letter of Award/Contract No. ..... dated ..... and Amendment No. …. and Amendment No. …. (applicable when amendments have been issued) (hereinafter called the 'Contract') in terms of which ___*** is required to hand over various Equipment to the Contractor for execution of the Contract.

AND WHEREAS by virtue of Clause No. ..... of the said Contract, the Contractor is required to execute an Indemnity Bond in favour of ___*** for the E quipment handed over to it by _____*** for the purpose of performance of the Contract/Erection portion of the Contract hereinafter called the 'Equipment').

NOW THEREFORE, This Indemnity Bond witnesseth as follows :

1. That in consideration of various Equipmen t as mentioned in the Contract, valued at Rs. ..... (Rupees .....) to be handed over to the Contractor in installments from time to time for the purpose of performance of the Contract, the Contractor hereby undertakes to indemnify and shall keep ____*** indemnified, for the full value of the Equipment. The Contractor hereby acknowledges receipt of the initial installment of the equipment as per details in the Schedule appended hereto. Further, the Contractor agrees to acknowledge receipt of the subsequent installments of the Equipment as required by ____*** in the form of Schedules consecutively numbered which shall be attached to this Indemnity Bond so as to form integral par ts of this Bond. It is expressly understood by the Contractor that handing over the dispatch title documents in respect of the said Equipment duly endorsed by ____*** in favour of the Contractor shall be construed as handing over the Equipment purported to be covered by such title documents and the Contractor shall hold such Equipment in trust as a Trustee for and on behalf of ____***.

2. That the Contractor is obliged and shall remain absolutely responsible for the safe transit/protection and custody of th e Equipment at ____*** project Site against all risks, whatsoever, till the Equipment are duly used/erected in accordance with the terms of the Contract and the Plant/Package duly erected and commissioned in accordance with the terms of the Contract, is ta ken over by ____***. The Contractor undertakes to keep ___*** harmless against any loss or damage that maybe caused to the Equipment.

3. The Contractor undertakes that the Equipment shall be used exclusively for the performance/execution of the Contract s trictly in accordance with its terms and conditions and no part of the equipment shall be utilised for any other work or purpose, whatsoever. It is clearly understood by the Contractor that non -observance of the obligations under this Indemnity Bond by th e Contractor shall inter-alia constitute a criminal breach of trust on the part of the Contractor for all intents and purpose including legal/penal consequences.

4. That _____*** is and shall remain the exclusive Employer of the Equipment free from all encumbrances, charges or liens of any kind, whatsoever. The Equipment shall at all times be open to inspection and checking by Engineer -in-Charge/Engineer or other employees/agents authorised by him in this regard. Further, ____*** shall always be free at all times to take possession of the Equipment in whatever form the Equipment may be, if in its opinion the Equipment are likely to be endangered, mis -utilised or converted to use other than those specified in the Contract, by any acts of omission or commission on the part of the Contractor or any other person or on account of any reason, whatsoever, and the Contractor binds himself and undertakes to comply with the directions of demand of ____*** to return the equipment without any demur or reservation.

5. That this Indemnity Bond in irrevocable. If at any time any loss or damage occurs to the Equipment or the same or any part thereof is mis -utilised in any manner whatsoever, then the Contractor hereby agrees that the decision of the Engineer -in-Charge/Engineer of ____*** as to assessment of loss or damage to the Equipment shall be final and binding on the Contractor. The Contractor binds itself and undertakes to replace the lost and/or damaged Equipment at its own cost and/or shall pay the amount of loss to ___*** without any demur, reservation or protest. This is without prejudice to any other right or remedy that may be available to _____*** against the Contractor under the Contract and under this Indemnity Bond.

6. NOW THE CONDITION of this Bond is that if the Contractor shall duly and punctually comply with the terms and conditions of this Bond to the satisfaction of ____***, THEN above Bond shall be void, but otherwise, it shall remain in full force and virtue.

IN WITNESS WHEREOF, the Contractor has her eunto set its hand through its authorised representative under the common seal of the Company, the day, month and year first above mentioned.

SCHEDULE No. 1

Particulars of the Equipment handed over	Quantity	Particulars of Despatch Title Documents		Value of the Equipment	Signature of Attorney (authorised representative) as a token of receipt
		RR/GR No./ Date of Bill of Lading	Carrier		
(Please number subsequent Schedules)					

For and on behalf of M/s……..

WITNESS

1. 1. Signature .... Signature .....
   2. Name ..... Name .....
   3. Address ..... Designation ….....

Authorised representative$

2. 1. Signature .....
   2. Name ..... (Common Seal)
   3. Address ..... (In case of Company)

$ Indemnity Bonds are to be executed by the authorised person and (i) in case of Contracting Company under common seal of the Company or (ii) having the power of attorney issued, under common seal of the company with authority to execute Indemnity Bonds, (iii) In case of (ii), the original Power of Attorney if it is specifically for this Contract or a photostat copy of the Power of Attorney if it is General Power of Attorney and such documents should be attached to Indemnity Bond.

ANNEXURE-IX

PROFORMA OF 'AGREEMENT'
(To be executed on non-judicial stamp paper)

This Agreement made this ..... day of .....,two thousand ..... between ____***, a company incorporated under the Companies Act, 1956, having its Registered Office at ---------- (hereinafter referred to as the '___***' which expression shall include its administrators, successors, executors and permitted assigns) of the one part and M/s……., a company incorporated under the Companies Act, 1956 having its Registered Office at .....[hereinafter referred to as the 'Contractor' or "X" (name of the Contracting Co.) which expression shall include its administrators, successors, executors and permitted assigns] of the other part.

WHEREAS ____*** desirous of setting up its Transmission System associated with ……. invited bids for ..... (briefly describe scope of work) against its Bid Specification No. .....

AND WHEREAS ..... "X" ..... had participated in the above referred bidding vide their Proposal No. ..... dated ..... and awarded the Contract to ..... "X" ..... on terms and conditions of the documents referred to therein, which have been acknowledged by ..... "X" ..... resulting into a "Contract".

NOW THEREFORE THIS DEED WITNESSETH AS UNDER: -

1.0 **Article**

1.1 **Award of Contract**

--------- has awarded the Contract to ..... "X" ..... for the work of..... on the terms and conditions contained in its Letter of Award No. ..... dated .....
..... and the documents referred to therein. The award has taken effect from aforesaid Letter of Award. The terms and expressions used in this Agreement shall have the same meaning as are assigned to them in the 'Contract Documents' referred to in the succeeding Article.

2.0 **Contract Documents**

2.1 The Contract shall be performed strictly as per the terms and conditions stipulated herein and in the following documents attached herewith (hereinafter referred to as "Contract Documents').

i) --------'s Bidding Documents in respect of Specification No. ..... issued vide its letter No. ..... dated ..... consisting of Invitation to Bid, Instructions to Bidders, General Terms & Conditions of Contract, Special Conditions of Contract and all other Sections entitled "Conditions of Contract" including all amendments issued vide its letter(s) No. (s) ..... dated .....

(Volume-I)

ii) ---------'s Technical Specifications including Amendments issued vide its Letter No. ..... dated .....

(Volume-II)

iii) "X"s Proposal No. ..... dated ..... alongwith Bid Proposal Sheets, Data Requirements, payment terms and Work Schedules submitted by "X" entitled as "....."

(Volume-III)

iv) Agreed Minutes of the meeting held on ..... between --------and "X".

(Volume-IV)

v) ---------'s Letter of Award No. ..... dated ..... duly acknowledged by "X".

(Volume-V)

vi) Quality Plans for manufacturing and field activities entitled 'Quality Plan'.

(Volume-VI)

vii) Contract Network

(Volume-VII)

All the aforesaid Contract Documents shall form an integral part of this Agreement, in so far as the same or any part conform to the Bidding Documents (Vol. I & II) and what has been specifically agreed to by the ___*** in its Letter of Award. Any matter inconsistent therewith, contrary or repugnant thereto or any deviations taken by the Contractor in its Proposal (Vol-III) but not agreed to specifically by the ___*** in its Letter of Award shall be deemed to have been withdrawn by the Contractor. For the sake of brevity, this agreement alongwith its aforesaid Contract Documents shall be referred to as the 'Agreement'.

3.0 **Conditions & Covenants**

3.1 The scope of Contract, Consideration, Terms of Payment, Price Adjustment, Taxes wherever applicable, Insurance, Liquidated Damages, Performance Guarantee and all other terms and conditions are contained in ____***'s Letter of Award No..... dated..... read in conjunction with other aforesaid Contract documents. The Contract shall be duly performed by the Contractor strictly and faithfully in accordance with the terms of the Agreement.

3.2 The scope of work shall also include supply and installation of all such items which are not specifically mentioned in the Contract documents, but which are needed for successful, efficient, safe & reliable operation of the equipment unless otherwise specifically excluded in the Specifications under 'Exclusions' or Letter of Award .

3.3 **Time Schedule**

3.3.1 Time is the essence of the Contract and schedules shall be strictly adhered to. 'X" shall perform the work in accordance with the agreed schedule as given in Volume - V & VI of Contract documents [clause 2.1(v & vi) above].

3.4 **Quality Plans**

3.4.1 The Contractor is responsible for the proper execution of the Quality Plans enclosed in Volume-VI. The work beyond the Customer Inspection Points (CIP) will progress only with the ___***'s consent. The ___*** will also undertake quality surveillance and quality audit of the Contractor's/Sub-Contractor's works, systems and procedures and quality control activities. The Contractor further agrees that any change in the Quality Plan will be made only with the Employer's approval. The Contractor shall also perform all quality control activities, inspection and tests agreed with the ___*** to demonstrate full compliance with the Contract requirements.

3.4.2 The Contractor also agrees to provide the ____*** with the necessary facilities for carrying out inspection, quality audit and quality surveillance of Contractor's and its Sub-Contractor's Quality Assurance Systems and manufacturing activities.

These shall include but not limited to the following:

i) Relevant plant standards, drawing and procedures;

ii) Detailed Quality Assurance System manuals for manufacturing activities,

iii) Storage procedures and instructions weld, NDT, heat treatment prior to commencement of manufacture;

iv) Complete set of log sheets (blank) mentioned in the quality plan.

3.4.3 It is expressly agreed to by the Contractor that the quality tests and Inspection by the Employer shall not in any way relieve the Contractor of its responsibilities for quality standards, and performance guarantee and their other obligations under the Agreement.

3.4.4 'X' agrees to submit Quality Assurance Documents package to ____*** for review and record after completion and within three weeks of dispatch of material.

The package will include the following:

i) Factory test result/inspection reports for testing required by this Contract or applicable codes and standards;

ii) Two copies of inspection reports duly signed by Quality Assurance personnel of both ____*** and 'X' for the agreed Customer Inspection Points;

iii) Report of the rectification works where and if applicable.

3.5$ It is expressly agreed to by the Contractor that notwithstanding the fact that the Contract is termed as Supply-cum-Erection Contract or indicates the break-up of the Contract consideration, for convenience of operation and for payment of sales tax on supply portion, it is in fact one composite Contract on single source responsibility basis and the Contractor is bound to perform the total Contract in its entirety and non-performance of any part or portion of the Contract shall be deemed to be a breach of the entire Contract.

3.6 The Contractor guarantees that the equipment supplied under the Contract shall meet the ratings and performance parameters as stipulated in the Technical Specifications (Volume-II) and in the event of any deficiencies found in the requisite performance figures, the ____*** may at its option reject the equipment package or alternatively accept it on the terms and conditions and subject to levy of the liquidated damages in terms of Contract documents. The amount of liquidated damages so leviable shall be in accordance with the Contract documents and without any limitation.

3.7 It is further agreed by the Contractor that the Contract Performance Guarantee shall in no way be construed to limit or restrict the ___***'s right to recover the damages/compensation due to short-fall in the equipment performance figures as stated in para 3.6 above or under any other clause of the Agreement. The amount of damages/compensation shall be recoverable either by way of deductions from the Contract price, Contract Performance Guarantee and/or otherwise.

The Contract Performance Guarantee furnished by the Contractor is irrevocable and unconditional and the ___*** shall have the powers to invoke it notwithstanding any dispute or difference between the Employer and the Contractor pending before any court tribunal, arbitrator or any other authority.

3.8 This Agreement constitutes full and complete understanding between the parties and terms of the presents. It shall supercede any prior correspondence, terms and conditions contained in the Agreement. Any modification of the Agreement shall be effected only by a written instrument signed by the authorised representative of both the parties.

4.0 **SETTLEMENT OF DISPUTES**

4.1 It is specifically agreed by and between the parties that all the differences or disputes arising out of the Agreement or touching the subject matter of the Agreement shall be decided by the process of Settlement & Arbitration as specified in Clause..... and ..... of the General Terms & Conditions of the Contract and the provisions of the Indian Arbitration Act, 1940 shall apply and Delhi Courts alone shall have exclusive jurisdiction over the same.

4.2 **Notice of Default**

Notice of default given by either party to the other party under Agreement shall be in writing and shall be deemed to have been duly and properly served upon the parties hereto if delivered against acknowledgment or by telex or by registered mail with acknowledgment due addressed to the signatories at the addresses mentioned herein above.

IN WITNESS WHEREOF, the parties through their duly authorised representatives have executed these presents (execution whereof has been approved by the competent authorities of both the parties) on the day, month and year first above mentioned at New Delhi.

WITNESS:

1. ..... (___***'s signature)
(Printed Name)

2. ..... (Designation)
(Company's Stamp)

1. ..... (Contractor's signature)
(Printed Name)

2. ..... (Designation)
(Company's Stamp)

$ Applicable in case single award is placed on one party on Supply-cum-Erection basis. In case two separate awards are placed on single party/two different parties this clause is to be modified suitably while signing the Contract Agreement to be signed separately for two awards to incorporate cross-fall breach clause.

SECTION – SCC

SPECIAL CONDITIONS OF CONTRACT

VOLUME-IA

SPECIAL CONDITIONS OF CONTRACT

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SPECIAL CONDITIONS OF CONTRACT
VOLUME- IA

1.0 GENERAL INFORMATION

1.1 _____***(A Government of India Enterprise) incorporated under the Companies Act, 1956, having its Registered Office at ----------(hereinafter called the **Employer /___*****) has been entrusted by ___** (hereinafter called the **Owner**) with the concurrence of Government of _____* for execution of Rural Electrification Works for electrification of villages and rural households in the ---------- districts of ___*.

1.2 _____***, therefore, invites sealed bids for the following packages of Rural Electrification Works in ----- Districts of ____* on domestic competitive bidding basis:

(To be detailed out in accordance with the approved project sanctioned by REC)

1.3 The project shall be executed by _____*** on deposit work basis with funds made available out of the proceeds of the financial assistance received by Government of ____* from REC and the Ownership of the aforesaid package shall remain vested with ___**. All eligible payments against this work shall be made by ____*** under suitable arrangement with ____**.

1.4 "Owner" shall mean ___**.

For the purpose of execution of the Contract, the contractual activities on the part of the 'Owner', wherever context requires so, shall be performed by ____*** (the Agency appointed by ____**) " for and on behalf of ___**" except in case where ___** itself is statutorily required to do so.

1.5 Wherever reference to ____*** is made in the bidding documents, Contract/Notification/Letter of Award (in the event of Award of Contract) or any related papers/documents, it shall be deemed to be "for and on behalf of ____**".

1.6 The contents of Bidding Documents are as indicated under Clause 4.0, Section INB, Conditions of Contract, Volume-I of Bidding Documents. The requirements, conditions, appendices etc., stated in Conditions of Contract (Volume-I), Bid Proposal Sheets (Volume-IB), Technical Specifications (Volume-II) and Technical Data Requirements (Volume-III), shall apply to and shall be considered as part of this Volume (i.e. Volume-IA) as if bound together. In case of any discrepancy between the provisions of this volume and other volumes of the Bidding Documents, the provisions of this volume shall prevail.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

1.7 Unless brought out clearly, the Bidder shall be deemed to conform strictly to the provisions of Bidding Documents. Any discrepancy between Specifications and the catalogues of the Bid will not be considered.

1.8 The respective rights of the Employer and Bidders/Contractors shall be governed by the Bidding Documents/Contracts signed between the Employer and the Contractor for the respective packages.

2.0 SCOPE OF WORK

2.1 The detailed scope of work covered under the package is specified in the Technical Specifications, Volume-II (TS) and is indicated briefly hereunder:

2.1.1 Package:

Design, engineering, testing, supply, erection and commissioning of the following:

(To be detailed out in accordance with the approved project sanctioned by REC)

-

2.2 Before proceeding with the work, the Contractor shall fully familiarise himself with the site conditions. It shall be the responsibility of the Contractor to arrange all inputs required for detailed engineering and execution. The Bidders are advised to visit the site, collect all necessary inputs and acquaint themselves with the topography, infrastructure etc. The Contractor shall be fully responsible for providing all equipment, materials, systems and services specified or otherwise which are required to complete the work and successful testing & commissioning of the Transmission Lines.

2.3 All materials required for the civil works shall be supplied by the Contractor. Cement and steel shall also be supplied by the Contractor.

2.4 All major equipment like power transformers and distribution transformers shall have suitable metallic marking plate securely fixed on the body of the equipment having inscription “For REC–financed RHhE project”. All 33/11 KV substations and pole–mounted distribution transformers (DTS) shall have suitable identification plate of adequate size indicating the name of the substation, its voltage class, name of the village where located and having inscription “Financed by REC under RHhE project”.

2.5 Any other items not specifically mentioned in the Specifications but which are required for erection, testing, commissioning and satisfactory operation of the Transmission/Distribution Lines are deemed to be included in the scope of the Specifications unless specifically excluded.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

3.0 QUALIFYING REQUIREMENTS

3.1 The Qualifying Requirements for the Bidders are given in **Annexure-A (SCC)** to these Special Conditions of Contract, Vol.-IA.

4.0 PRICES

4.1 The items/equipment/materials/works (referred to as 'items' for the sake of brevity) generally required for completion of the scope of work as per the Technical Specifications (TS), Vol.-II of Bidding Documents, are described and given in Schedules of Items and Prices (Price Schedules) forming part of Bid Proposal Sheets (BPS), Vol.-IB of Bidding Documents. However, the brief descriptions shall not be construed to limit the scope of work, and the same shall be read in conjunction with corresponding Sections of TS including amendment/errata, if any, thereto.

4.2 Bidder shall quote ex-works/ex-factory/ex-showroom (referred to as 'Ex-works') price, as applicable, and transportation and insurance charges separately, for FOR destination site delivery of all the items indicated in the relevant schedules of Bid Proposal Sheets (BPS), Volume-IB. Sales Tax, Excise Duty, Local Taxes, Octroi/Entry tax and other levies, if any, in respect of direct transaction between the Employer and the Contractor under the Contract, shall not be included in the quoted price but shall be indicated separately, wherever applicable, in the BPS. Also, Octroi/Entry tax, if any, in respect of bought-out finished items, which shall be dispatched directly from the Sub-vendor's works to the Employer's site (sale-in-transit), shall not be included in the quoted price but shall be indicated separately, wherever applicable, in BPS.

4.3 Bidder shall quote separately, as per relevant Price Schedules of BPS, the charges for erection, testing & commissioning (which shall be inclusive of charges for unloading, handling, storage, insurance etc.) of all items which are to be supplied and/or erected at site and charges of associated civil works as specified in TS. These charges together for all equipment/materials/spares, as applicable, shall be deemed to be included in the 'Erection charges' to be quoted against the items indicated in relevant schedule of BPS. In addition, the cost of all materials required for successful erection, testing and commissioning of the transmission line including the associated civil works, not indicated separately in the schedule of supply items in the BPS but required as per TS, shall be deemed to be included in the 'Erection Charges'.

4.4 Bidders shall include the cost of type tests and other tests, to be carried out in line with the Technical Specifications, in the bid price of respective equipment and no separate charges for any test and service tax on the same shall be payable to the contractor.

4.5 Service tax, as reimbursable to the Contractor by ____***, in terms of the Bidding Documents shall not be included in the quoted price but shall be indicated separately, wherever applicable, in BPS.

5.0 PRICE ADJUSTMENT

5.1 General

5.1.1 The prices for execution of the entire works covered under the scope of this Specification shall be quoted by the Bidder in the manner specified, in the BPS. The Ex-works price component, less advance will be subject to price adjustment, only for equipment/materials/items of work specifically stated under clause 5.2 below, (for which the bidder shall quote a base price), based on separate formulae as per price adjustment provisions given herein:

5.1.2 Prices for Ex-works price component for all other equipments/items except specified at clause 5.2 below, Erection Charges, charges for inland freight & insurance etc. shall be FIRM and no price adjustment shall be applicable for these components for the entire duration of the Contract.

5.1.3 No price adjustment shall be applicable on the portion of the Contract Price payable to the Contractor as advance payment.

5.2 Line Materials

(a) **For AAAC Conductor:**

The price adjustment on the Ex-works price component, less advance, of Conductor shall be as follows:

$$dEC = ECc \left[0.80 \times \frac{(A_1 - A_0)}{A_0} + 0.05 \times \frac{(L_1 - L_0)}{L_0}\right]$$

Where,

dECc = Price adjustment amount payable on Ex-works price of Conductor, shipment-wise.

EC_c = Ex-works price for Conductor, shipmentwise, less advance.

A = Published price indices for EC grade aluminium ingots as published by CACMAI/ Nationally recognized published index acceptable to ___***.

L = All India consumer price index for industrial workers as published by Labour Bureau, Shimla (Govt. of India)

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

Fixed portion of the ex-works price component shall be 0.15. This shall not be subject to any adjustment.

5.2.1 Price Adjustment for the ex-works price component of the conductor will be without any ceiling.

5.3 In the above price adjustment formulae

Subscript 'o' refers to indices as on 30 days prior to date of bid opening (referred to as base date indices),

Subscript '1' refers to indices as on 60 days prior to date of shipment.

5.4 For the purpose of price adjustment for Ex-works price component, the date of shipment for goods shall mean the scheduled date of shipment or actual date of shipment, whichever is earlier. Scheduled date of shipment will be ex-works date of dispatch, governed by the approved Bar Chart.

5.5 No price increase shall be allowed beyond the original delivery dates unless specifically stated in the Time Extension letter, if any, issued by the Employer. The Employer will, however, be entitled to any decrease in the Contract price which may be caused due to lower price adjustment amount in case of delivery beyond the original delivery dates. Therefore, in case of delivery of goods beyond the original delivery dates, the liability of the Employer shall be limited to the lower of the price adjustment amount which may be worked out either on scheduled date or actual date of dispatch of goods.

5.6 In case of non-publication of applicable indices on a particular date, which happens to be the applicable date for price adjustment purposes, the published indices prevailing immediately prior to the particular date shall be applicable.

5.7 If the price adjustment amount works out to be positive, the same is payable to the Contractor by the Employer and if it works out to be negative, the same is to be recovered by the Employer from the Contractor.

5.8 The Contractor shall promptly submit the price adjustment invoices for the supplies made/works done, positively within three (3) months from the date of shipment/work done whether it is positive or negative.

5.9 Bids shall conform to the price adjustment provisions detailed above. Bids specifying prices for items mentioned at 5.1.2 on variable basis run the risk of rejection. A bid submitted on a fixed price basis will not be rejected but the price adjustment will be treated as zero.

6.0 TAXES & DUTIES

6.1 Taxes and duties shall be governed by Clause 14.0, Section INB and Clause 16.0, Section GCC, Volume-I of the Bidding documents.

6.2 The statutory deduction of taxes and duties at source, related to these works, shall be done by _____*** on behalf of _____**. TDS so deducted shall be deposited with the relevant tax Authorities & TDS certificates shall be issued by ____*** on behalf of _____** using their Permanent A/C number & TDS A/C number. Relevant challans and copies of TDS certificates shall be forwarded to _____** for filing the necessary returns.

7.0 BASIS OF EVALUATION & COMPARISON

7.1 Bidder has to quote for the complete scope of work for the packages as stated in Technical Specifications, Volume-II. Bids for individual items or incomplete services shall be treated as incomplete and are liable to be rejected.

7.2 The bid evaluation for the package(s) shall be carried out package-wise. However, multi-package discount(s) offered, if any, shall also be considered in evaluation. The Employer will evaluate and compare bids on the basis of a Bid Package or a combination of Bid Packages or as a total of all Bid Packages in a manner most advantageous to the Employer, and award of Contract(s) would be made to the bidder (s) for the package(s) on the basis of least evaluated price to the Employer, as per provisions of the Bidding Documents.

7.3 Conditional discounts/rebates, if any, offered by the bidder shall not be taken into consideration for evaluation. It shall, however, be considered in case of award.

7.4 Bid stipulating commissioning dates beyond that specified under the Clause 10.0 titled “Work Schedule” in this Volume run the risk of rejection.

7.5 Bids shall be evaluated and compared on the basis of lump sum price for the entire scope of work under the package. The lump sum price shall include:-

(i) FOR destination (site) price of equipment/materials, including mandatory spares (if any).

(ii) Charges for erection, which shall include unloading, handling, storage, insurance, erection, testing & commissioning of the complete transmission line and all associated civil works.

7.6 The Employer’s evaluation of a bid, in addition to the total price as per Clause 7.5 above, will take into account the applicable taxes, duties and levies payable/ reimbursable by the Employer to the Contractor as per Clause 6.0 of this volume, which will be added to bid price as indicated under clause 35.0, Section-INB, Vol-I,

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

using pricing information available to the Employer. The comparison of bids shall be in the manner indicated in Clause 35.0 of Section INB, Vol.-I and in the Technical Specifications, Volume-II of Bidding Documents.

7.7 The prices of all such item(s) against which bidder has not quoted rates/amount (viz. items left blank or against which '-'is indicated) in the schedules will be deemed to have been included in other item(s).

7.8 Particulars, Performance & Efficiency of Equipment/ Materials

(a) Bidder shall state the guaranteed technical particulars, performance or efficiency of different equipment/ materials in response to the Technical Specifications. Goods offered shall have minimum acceptable particulars/ performance/efficiency specified in Technical Specification to be considered responsive, otherwise the Bids may be rejected.

(b) For the purpose of evaluation, the adjustment on the basis of per watt differential loss in Rupees indicated in Clause 13.0 below, will be added to the Bid Price.

8.0 TERMS OF PAYMENT

The payment to the Contractor under the contract will be made by the Employer in line with Clause 34.0, Section GCC, Vol.-I and as per the guidelines and conditions specified hereunder. All payments made during the contract will be on on-account payment purpose only.

8.1 Ex-works price component of the equipment & materials shall be paid as below:

(i) **Advance Payment**: Fifteen percent (15%) of the Ex-works price component shall be paid as an initial advance on presentation of the following:

(a) Acknowledgement of the Letter of Award by the Contractor.

(b) Contractor's detailed invoice.

(c) An unconditional & irrevocable Bank Guarantee for the equivalent amount of advance in accordance with the provisions of Clause 34.7.1 (i)(b), Section-GCC, Volume-I and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto the end of ninety (90) days after the scheduled date for successful completion of commissioning and shall be extended from time to time until ninety (90) days beyond the actual date of successful completion of commissioning, as may be required under the Contract.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

(d) An unconditional & irrevocable Bank Guarantee for fifteen percent (15%) of the total Contract price towards Contract Performance Guarantee (CPG) in accordance with the provisions of Clause 41.0, Section INB and Clause 11.0 below and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said bank guarantee shall be initially valid upto ninety (90) days after expiry of the Warranty Period and shall be extended from time to time till ninety (90) days beyond successful completion of warranty period, as may be required under the Contract.

(e) Detailed PERT Network/Bar chart and its approval by the Employer.

(ii) **On shipment**: Seventy percent (70%) of the Ex-works price component shall be paid on successful completion of inspection and testing of the materials/items and on submission of documents indicated herein under:

(a) Evidence of dispatch (R/R or receipted L/R)
(b) Contractor's detailed invoice & packing list identifying contents of each shipment.
(c) Insurance policy/certificate
(d) Manufacturer's/Contractor's guarantee certificate of Quality.
(e) Material Inspection Clearance Certificate (MICC) for dispatch issued by the Employer's representative and the Contractor's factory inspection report.
(f) Test certificate

(iii) **Final Payment**:

The balance fifteen percent (15%) of the Ex-works price component shall be paid on submission of the certificate by the Employer's representative that the item(s) have been received and on submission of an unconditional & irrevocable Bank Guarantee for full 15% amount initially valid till scheduled date of completion of testing & commissioning of the transmission line/ distribution transformer/ service connections and its taking over by the Employer and shall be extended from time to time till the actual date of successful completion of testing & commissioning of line and its taking over by the Employer. Bills shall be submitted for such payment only once in three months commencing from the date of receipt of first lot of materials/items. The Bank Guarantee shall be furnished alongwith the first invoice of final payment.

8.2 Inland Transportation & Insurance Charges

Inland transportation and insurance charges shall be paid to the Contractor on pro-rata basis, as per the unit rates indicated in the Letter of Award, after receipt of materials/items at site and on presentation of the invoices alongwith supporting

documents by the Contractor. However, these charges will be subject to a limitation that the aggregate of all invoices does not exceed the total amount indicated in the Letter of Award.

8.3 **Erection Price Component (including Civil Works):**

i) An advance of 10% (ten) of the total erection price shall be paid as initial advance subject to conditions stipulated in Clause 34.7.1 (ii) of Section GCC (Vol.-I) and the following:

(a) Submission of detailed invoice for advance payment.

(b) Establishment of Contractor's site offices, commencement of stub setting work, and certification by Engineer that satisfactory mobilisation for erection exists.

(c) Submission of an unconditional & irrevocable Bank Guarantee in favour of ____*** for the equivalent amount of advance in accordance with Clause 34.7.1(ii) (b), Sec.-GCC, Vol.-I of bidding documents and as per proforma attached with Section-Annex of Vol.-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto the end of ninety (90) days after the scheduled date for successful completion of commissioning and shall be extended from time to time until ninety (90) days beyond the actual date of successful completion of commissioning, as may be required under the Contract.

(d) Submission of an unconditional & irrevocable Bank Guarantee in favour of ___*** for fifteen percent (15%) of the total Contract price towards Contract Performance Guarantee (CPG) in accordance with Clause 41.0 of Section-INB, Vol.-I and as per proforma attached with Section-Annex of Volume-I (Conditions of Contract). The said Bank Guarantee shall be initially valid upto 90 (ninety) days after the expiry of warranty period and shall be extended from time to time till ninety (90) days beyond successful completion of warranty period, as may be required under the Contract.

ii) 80% (eighty percent) of the erection price component will be paid on progressive monthly basis depending on the actual work done against each completed erection activity and on certification of the same by the Employer.

iii) The balance 10% (ten percent) of the erection price component shall be paid after successful commissioning of the transmission line/ distribution transformer/ service connections and issuance of Taking Over Certificate. However, in case, for any reason solely attributable to the Owner/Employer, the commissioning of equipments/materials is delayed beyond 120 days of successful completion of final checking and testing of line for the purpose of commissioning as defined in

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Technical Specification, Volume-II of the bidding documents, the balance 10% payment shall be released against an unconditional & irrevocable bank guarantee of equivalent amount initially valid till 6 months from the readiness of transmission lines/ distribution transformer/ service connections for commissioning and charging at rated voltage, to be extended till 90 days beyond actual commissioning & taking over.

8.4 'Commissioning' for the purpose of payments shall mean satisfactory completion of all supplies, erection, commissioning checks and successful completion of all site tests and continuous energisation of the equipment/ materials at rated voltage as per the Contract and to the satisfaction/approval of the Employer.

8.5 **Payment towards Taxes and Duties**

Taxes and duties, applicable as per Indian Tax laws, in respect of direct transaction between ____*** and the Contractor, and to be reimbursed by ___*** (for and on behalf of ___**) as per the Contract, will be reimbursed after each shipment against documentary evidence. Entry tax/octroi, to be reimbursed by ____*** (for and on behalf of ___**) as per Contract, will be reimbursed after receipt of goods at site destination. Service tax, wherever reimbursable as per contract, will be reimbursed after the services are performed. Payment towards taxes & duties shall be released by ___*** directly to the Contractor against invoices alongwith documentary evidence, to be submitted by the Contractor as specified in the Contract.

8.6 **Payment towards Price adjustment**

8.6.1 Any variation in Contract Price due to Price Adjustment provision of Clause 5.0 above shall be effected on presentation of invoice supported by calculations as per formula specified therein along with documentary evidence for different indices applicable for Price Adjustment.

8.6.2 Any increase in Contract Price due to price adjustment provision as per Clause 5.0 above shall be payable as follows:

For supply of conductor, ninety percent (90%) of the price adjustment amount for the respective shipment shall be paid on receipt of said shipment at site and balance ten percent (10%) shall be payable alongwith final payment mentioned at Clause 9.1.1(iii) above.

8.6.3 Any reduction in Contract Price due to price adjustment provision as per Clause 5.0 above shall be effected by recovering 100% of the reduction amount from any of the Contractor's invoices falling immediately due for payment or any other payments.

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8.7 **Mode of Payment**

8.7.1 Payments shall be made promptly by the Employer within thirty (30) days of receipt of Contractor's invoice, complete in all respects and supported by the requisite documents and fulfillment of stipulated conditions, if any. All the payment shall be released to the Contractor directly.

8.7.2 All invoices under the Contract shall be raised by the Contractor on "___** acting through ___***" and all payments shall be made to the Contractor by ____*** on behalf of ____**.

8.8 In case the Contract is awarded on a joint venture, the Advance Bank Guarantees as well as Contract Performance Guarantees referred above, shall be in the name of the Joint Venture covering all the partners of the Joint Venture and not in the name of the Lead Partner or any partner(s) of the Joint Venture alone.

9.0 **QUANTITY VARIATION**

9.1 The quantity of all equipment/materials given in the Bid Proposal Sheets, Volume-IB of the bidding documents are provisional. The variation in quantity shall be limited to fifty percent (50%) for the individual items and the total variations in all such items under the contract shall be limited to twenty percent (20%) of the contract price. For quantity variation of the individual items beyond fifty percent (50%), the matter shall be referred to the competent authority of the implementing agency. The Contractor shall be responsible for supply and execution of such final quantities for completion of the transmission line(s) and they shall be paid for such finalized quantity at the unit rate indicated in the Letter of Award.

10.0 **WORK SCHEDULE**

10.1 The Bidder shall include in his proposal his programme for furnishing and erecting the **equipments covered under the package**. The programme shall be in the form of a bar chart/master network identifying key phases in various areas of total work like procurement of raw material/bought out items/components, manufacturing, type testing, supply of materials and field activities such as foundation, erection, stringing etc. and testing & commissioning of the transmission lines/ distribution transformers/ service connections, so as to achieve testing & commissioning of all equipments/ materials under each of the Package within **12 (twelve)** months from the date of Letter of Award.

10.2 The schedule shall be reckoned from the date of issue of Letter of Award. Within 15 (fifteen) days of issuance of Letter of Award, Contractor shall submit Bar Chart/PERT Network conforming to the delivery/erection dates mentioned in Letter of Award for review and approval. After approval of Bar Chart/ PERT Network, one reproducible with sufficient number of prints as desired by ___*** shall be submitted.

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10.3 The provisions of liquidated damages leviable in case of delay in completion pursuant to clause 12.0 below shall become effective after the period mentioned above for successful completion of testing and commissioning.

11.0 CONTRACT PERFORMANCE GUARANTEE

11.1 The successful bidder shall be required to furnish to ____*** a Contract Performance Guarantee (CPG) for the value of fifteen percent (15%) of total Contract Price as per conditions stipulated in Clause No. 41.0, Section INB of Vol.-I, and Clause No. 32.0, Section-GCC, of Volume-I, which shall be extended from time to time till 90 (ninety) days beyond the actual date of successful completion of warranty period, as may be required under the Contract. The bid guarantee shall be kept valid by the successful bidder till the Contract Performance Guarantee is accepted by ___***.

12.0 LIQUIDATED DAMAGES FOR DELAY IN COMPLETION

12.1 If the Contractor fails to perform the work within the specified period given in the Letter of Award or any extension granted thereof, with respect to successful completion of testing & commissioning of transmission line/ distribution transformer/ service connections, the Contractor shall pay to ____*** as liquidated damages and not as penalty, a sum of half percent (0.5%) of the Contract price for each calendar week of delay or part. However, the amount of liquidated damages for the Contract shall be limited to a maximum of five percent (5%) of the total Contract price.

13.0 FUNCTIONAL GUARANTEES, LIQUIDATED DAMAGES FOR NON-PERFORMANCE (APPLICABLE FOR DISTRIBUTION TRANSFORMER).

13.1 The bidder shall guarantee that the Distribution Transformer offered shall meet the rating and performance requirements stipulated for various equipment covered in this specification. The Bidder shall also furnish a declaration and details in the manner prescribed in the relevant schedule of Bid Proposal Sheets for guarantees which shall attract levy of liquidated damages for non-performance as given below:

13.2 If the guarantees are not established at factory tests, then ____*** at its discretion may reject or accept the equipment after assessing the liquidated damages against the Contractor and such amounts shall be deducted from the Contract Price or otherwise recovered from the Contractor.

13.3 The guaranteed loss at rated voltage for each equipment shall be corrected in accordance with latest issue of **IS: 2026, Part-I** for the purpose of comparison of guaranteed losses with measured losses for levy of liquidated damages. However, the equipment under no circumstances shall be accepted if the measured losses are more than (+)15 percent of the guaranteed losses at rated voltage quoted by the bidder.

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13.4 The amount of liquidated damages so recoverable shall be without any ceiling and shall not prejudice the Contractor's other liabilities under the Contract in any manner. The liquidated damages for shortfall in guaranteed parameters and for delay in completion are independent of each other and shall be applicable separately and concurrently.

14.0 INDEMNITY BOND

14.1 For the materials/equipment to be provided by the Contractor and/or for the Employer supplied items, it will be the responsibility of the Contractor to take delivery, unload and store the materials at site and execute an indemnity bond as per proforma at Annexure-VIII, Conditions of Contract, Vol.-I in favour of ____*** against loss, damage and risks involved for the full value of the materials. This indemnity bond shall be furnished by the Contractor before commencement of the supplies and shall be valid till the scheduled date of testing, commissioning and handing over the transmission line to ____***.

15.0 STORAGE-CUM-ERECTION INSURANCE

In addition to conditions specified in Clause No. 37.0 Section GCC, Vol.-I following shall also apply:

15.1 All the equipment and materials including spares, if any, being supplied by the Contractor shall be kept completely insured by the Contractor at his cost from time of dispatch from the Contractor's works/Sub-vendor's works, upto the completion of erection, testing & commissioning at site and taking over of the transmission line by ___*** in accordance with the Contract.

15.2 Further all equipment and materials being supplied by ____*** for the erection (as per Technical Specification) shall be kept insured by the Contractor against any loss, damage, pilferage, theft, fire, etc. from the point of unloading upto the time of taking over by ____*** including handling, transportation, storage, erection, testing and commissioning etc. The premium paid to the Insurance company by the Contractor for such insurance shall be reimbursed by _____*** to the Contractor. The Contractor shall obtain competitive quotation for such insurance and shall take prior approval from ____*** before taking the insurance. The insurable value of the equipment being supplied by ____*** shall be intimated to the Contractor for arranging the insurance.

15.3 It will be the responsibility of the Contractor to lodge, pursue and settle all claims with the insurance company in case of any damage, loss, theft, pilferage or fire during execution of Contract and ____*** shall be kept informed about it. The Contractor shall replace the lost/damaged materials promptly irrespective of the settlement of the claims by the underwriters and ensure that the work progress is as per agreed schedules. The losses, if any, in such replacement will have to be borne by the Contractor.

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16.0 POWER, WATER & COMMUNICATION

The Contractor shall make his own arrangements for power, water, telephone and other facilities necessary for the construction/erection of transmission line at his own cost.

17.0 LAND FOR CONTRACTOR's OFFICE, STORE, WORKSHOP ETC.

The Contractor shall make his own arrangement for land for construction of his field office, workshop, stores, magazines for explosives in isolated locations, assembling yard, etc. as required for execution of the Contract at his own cost.

18.0 PROGRESS REPORTS

18.1 During execution of the Contract, the Contractor shall furnish monthly progress reports to ____*** in a format as specified by ____***, indicating the progress achieved during the month, and total progress upto the month against scheduled and anticipated completion dates in respect of activities covered in programmes/schedules referred to above. If called for by ___***, Contractor shall also furnish to _____*** resources data in a specified format and time schedule. The Contractor shall also furnish any other information that is necessary to ascertain progress, if called for by ___***.

19.0 SURPLUS MATERIALS

19.1 On completion of the works all such materials supplied by ____***, if any, for erection, that remain unutilized shall be returned to the Engineer by and at the expense of the Contractor in ____***'s store(s), except for the wastage allowed for various line materials in accordance with provision of the relevant clause.

19.2 The Contractor, within two (2) months from the taking over of the equipment/ materials under the package, shall return and account for the surplus materials, failing which necessary recoveries will be made from the outstanding bills of the Contractor for the cost of the materials left unaccounted as decided by the Engineer.

20.0 LATENT DEFECT WARRANTY

20.1 The period of latent defect warranty in terms of clause 15.0, Section GCC, Volume-I shall be limited to 10 years from the date of expiry of Guarantee Period.

21.0 FIRST AID

21.1 To deal with emergency/accidental eventualities at works site, the Contractor shall make all such arrangements necessary, such as services of an ambulance etc. for transportation to hospital at his own cost.

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22.0 SUBMISSION OF BIDS

22.1 The bid shall be submitted by the bidders as per Clause 24.0 of Section-INB of Vol.-I and as indicated in the Invitation to Bid (INV). However, the bidders are required to prepare and submit only three copies of the bid (i.e., one original and two copies) and qualifying data, clearly marked “Original Bid” and “Copy of Bid”.

23.0 BID GUARANTEE

23.1 A Bid Guarantee in a separate sealed cover, shall accompany the Bid in original and two copies of the original, separately for each package, for the amount indicated below, in a manner as set forth in clause 22.0 Sec.-INB, Vol.-I:

Package	Amount

24.2 Any Bid not accompanied by a Bid Guarantee as set forth in Clause 22.0, Section INB, Vol.-I and hereinabove shall not be accepted and shall be returned without being opened.

24.3 In case the bid is submitted by a joint venture, the Bid Guarantee shall be in the name of the Joint Venture covering all the partners of the Joint Venture and not in the name of the Lead Partner or any partner(s) of the Joint Venture alone.

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ANNEXURE-A (SCC)

QUALIFICATION OF THE BIDDER

Qualification of bidder will be based on meeting the minimum pass/fail criteria specified in Part-A below regarding the Bidder's technical experience, manufacturing/construction facilities and financial position as demonstrated by the Bidder's responses in the corresponding Bid Schedules. The bidder shall also be required to furnish the information specified in Part-B in their Bid. Subcontractors' technical experience and financial resources shall not be taken into account in determining the Bidder's compliance with the qualifying criteria. The bid can be submitted by an individual firm or by consortium.

Notwithstanding anything stated hereinabove, the Employer reserves the right to assess the capacity and capability of the bidder, should the circumstances warrant such assessment in an overall interest of the Employer. ___*** reserves the right to waive minor deviations if they do not materially affect the capability of the Bidder to perform the contract.

1.0 <u>PART-A</u>

1.1 The bidder shall have constructed and commissioned transmission lines/ feeders of aggregate route length of 100 KM or more of 11 kV or above voltage class and/or installed/erected 11 KV or above voltage class sub-stations during the last seven (7) years and the same are in satisfactory operation for a period of two (2) years as on the date of bid opening.

1.2 Bids may be submitted by individual firms or joint venture of firms as one of the following:

a) A single firm that meets all the qualification requirements set forth in para 1.1 of Part-A above.

b) A Joint Venture of firms wherein any one of the partners should have designed, manufactured, type tested and supplied or installed/erected 11kV or above voltage class sub-stations or transmission lines/feeders and the same are in satisfactory operation for a period of two (2) years as on the date of bid opening and each of the other partner(s) should meet qualification requirements set forth in para 1.1 of Part-A above.

1.3 For the purpose of this particular bid, bidder shall meet the following minimum criteria.

a) Minimum Average Annual Turnover (MAAT) for best three years out of last five financial years of the bidder should be as below:

i) Package- : Rs. ----- lac

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

ii) Package- : Rs. ----- lac
iii) Package- : Rs. ----- lac
iv) Package- : Rs. ---- lac

b) Bidder shall have liquid assets (LA) and/or evidence of access to or availability of credit facilities of not less than:

i) Package- : Rs. ----- lac
ii) Package- : Rs. ----- lac
iii) Package- : Rs. ----- lac
iv) Package- : Rs. ---- lac

In case bidder is a holding company, MAAT & LA referred to in clause 1.2(a) & (b) above shall be of that holding company only (i.e. excluding its subsidiary/ group companies). In case bidder is a subsidiary of a holding company, MAAT & LA referred to in clause 1.2(a) & (b) above shall be of that subsidiary company only (i.e. excluding its holding company).

c) for Bidders to qualify for more than one package, the MAAT and LA requirement shall be he sum of MAAT and LA requirement of the packages, they proposed to qualify.

1.4 The figures for each of the partner of the joint venture shall be added together to determine the bidder's compliance with the minimum qualifying criteria set out in para 1.3 (a) & (b) of Part-A above; however in order for a joint venture to qualify, the partner(s) of joint venture must meet the following minimum criteria:

i) The lead partner shall meet, not less than 40% of the minimum criteria given at Para 1.3 (A) & (b) of Part-A.
ii) Each of the other partner(s)shall meet not les than 25% of the criteria given at Para 1.3 (a) & (b) of Part-A above.

Failure to comply with this requirement will result in rejection of the joint venture's bid. Sub contractors' experience and resources shall not be taken into account in determining the bidder's compliance with qualifying criteria.

1.5 (a) One of the partners shall be nominated as lead partner, and the lead partner shall be authorized to incur liabilities and receive instruction for and on behalf of any and all partner of the joint venture and the entire execution of the contract including receipt of payment shall be done exclusively through the lead partner. This authorization shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners as per proforma in section "Annexure" of special condition of contract-Vol.-IA.

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(b) All partner of the joint venture shall be liable jointly and severally for the execution of the contract in accordance with the contract terms and a copy of the agreement entered into by the joint venture partners having such a provision shall be submitted with the bid.

A statement to this effect shall be included in the authorization mentioned under (a) above as well as in the Bid Form and in the Contract Form (in case of a successful bid);

2.0 PART-B

2.1 The Bidder shall also furnish following documents/details with its bid.

i) A certificate from banker (as per format) indicating various fund based/non fund based limits sanctioned to the bidder and the extent of utilization as on date Such certificate should have been issued not earlier than three months prior to the date of bid opening. Wherever necessary ___*** may make queries with the Bidders' bankers.

ii) The complete annual reports together with Audited statement of accounts of the company for last five years of its own (separate) immediately preceding the date of submission of bid.

{Note: I. In the event the bidder is not able to furnish the information of its own (i.e. separate), being a subsidiary company and its accounts are being consolidated with its group/holding/parent company, the bidder should submit the audited balance sheets, income statements, other information pertaining to it only (not of its group/Holding/Parent Company) duly certified by any one of the authority [(i) Statutory Auditor of the bidder /(ii) Company Secretary of the bidder or (iii) A certified Public Accountant] certifying that such information/documents are based on the audited accounts as the case may be.

II. Similarly, if the bidder happens to be a Group/Holding/Parent Company, the bidder should submit the above documents/information of its own (i.e. exclusive of its subsidiaries) duly certified by any one of the authority mentioned in Note-I above certifying that these information/documents are based on the audited accounts, as the case may be.}

2.2 **Litigation History:**

The bidder should provide detailed information on any litigation or arbitration arising out of contracts completed or under execution by it over the last five years. A consistent history of awards involving litigation against the Bidder or any partner of JV may result in rejection of Bid.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

3.0 Notwithstanding anything stated hereinabove, the Employer reserves the right to access the capacity and capability of the bidder, should the circumstances warrant such assessment in an overall interest of the Employer. The Employer reserves the right to waive minor deviations if they do not materially affect the capability of the Bidder to perform the contract.

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ANNEXURE-B (SCC)

PROFORMA OF JOINT UNDERTAKING BY MANUFACTURER ALONGWITH THE BIDDER/CONTRACTOR

NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE

THIS DEED OF UNDERTAKING executed this……day of Two Thousand and…….by …….., a Company incorporated under the laws of ……..and having its Registered Office at ……..(hereinafter called the "Manufacturer" which expression shall include its successors, executors and permitted assigns), and ……. a Company incorporated under the laws of …….having its Registered Office at …….(hereinafter called the "Bidder"/"Contractor" which expression shall include its successors, executors and permitted/assigns) in favour of _____***, having its Registered Office at ---------- (hereinafter called the "Employer" which expression shall include its successors, executors and permitted assigns).

WHEREAS the "Employer" invited Bid as per its Specification No…….for the manufacture, fabrication, supply of tower parts as per Employer design, Casting of foundation, erection of all type of towers, stringing of conductor and earth wire, testing and commissioning of Transmission line of execution of ……Transmission Line.

AND WHEREAS Clause No……, Section ……, of……, Vol..…forming part of the Bid Documents inter-alia stipulates that the Bidder alongwith Manufacturer must fulfill the Qualifying Requirements and be jointly and severally bound and responsible for the quality and timely supply of tower parts in the event the Bid submitted by the Bidder is accepted by the Employer resulting in a Contract.

AND WHEREAS the Bidder has submitted its Bid to the Employer vide Proposal No……dated……..based on tie up with the Manufacturer for supply of tower parts.

NOW THEREFORE THIS UNDERTAKING WITNESSTH as under:

1.0 In consideration of the award of Contract by the Employer to the Bidder (hereinafter referred to as the "Contract") we, the Manufacturer and the Bidder/Contractor do hereby declare that we shall be jointly and severally bound unto ____***, for the manufacture, testing, supply of tower parts on FOR destination delivery at site basis in accordance with the Contract Specifications.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

2.0 Without in any way affecting the generality and total responsibility in terms of this Deed of Undertaking, the Manufacturer hereby agrees to depute their representatives from time to time to the Employer's Project site as mutually considered necessary by the Employer, Bidder/Contractor and the Manufacturer to ensure proper quality, manufacture, testing and supply on FOR destination delivery at site basis and successful performance of the material in accordance with Contract Specifications. Further, if the Employer suffers any loss or damage on account of nonperformance of the material (tower parts) fully meeting the performance guaranteed as per Bid Specification in terms of the contract. We the Manufacturer and the Contractor jointly and severally undertake to pay such loss or damages to the Employer on its demand without any demur.

3.0 This Deed of Undertaking shall be construed and interpreted in accordance with the laws of India and the Courts in Delhi shall have exclusive jurisdiction in all matters arising under the Undertaking.

4.0 As a security, the 'Manufacturer shall apart from the Contractor's performance guarantee of 15% of the contract price, furnish a Contract Performance Guarantee from its Bank in favour of the Employer in a form acceptable to the Employer. The value of such guarantee shall be equivalent to 2% of the cost of tower parts to be supplied by the Manufacturer as identified in the Contract awarded by the Employer to the Bidder/Contractor and it shall be part of guarantee towards the faithful performance/compliance of this Deed of Undertaking in terms of the Contract. The guarantee shall be unconditional, irrevocable and valid for the entire period of the Contract, namely till the end of the warranty period under the Contract. The Bank Guarantee amount shall be payable to the Employer on demand without any reservation or demur.

5.0 We, the Manufacture/Bidder/Contractor agree that this Undertaking shall be irrevocable and shall form an integral part of the Contract and further agree that this Undertaking shall continue to be enforceable till the Employer discharges it. It shall become operative from the effective date of Contract.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

IN WITNESS WHEREOF the Manufacturer and the Bidder/Contractor have through their Authorised Representatives executed these presents and affixed

Common seals of their respective Companies on the day, month and year first above mentioned.

WITNESS

For Manufacturer

1.	……...	Signature of Authorised
	(Signature)	Representative.
	(Name in Block Letter)	Name……..
	(Office Address)	Common Seal of Company
		…….

For Bidder

2.	……..	Signature of Authorised
	(Signature)	Representative
	(Name in Block Letter)	Name ……
	(Office Address)	Common Seal of Company
		…….

Note

(i) The Deed of Joint Undertaking shall be attested by Notary Public of the place(s) of the respective executant(s).

(ii) In case the bid is submitted by a Joint Venture (JV) of two or more firms as partners, then the Joint deed of undertaking shall be modified accordingly.

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ANNEXURE-C (SCC)

FORMAT FOR EVIDENCE OF ACCESS TO OR AVAILABILITY OF CREDIT/FACILITIES

BANK CERTIFICATE

This is to certify that M/s. ..... (Full Name & Address) .....……..... who are submitting their bid to -------- against their tender specification vide ref. No. ..... & date ..... is our Customer for the past ..... years.

Their financial transactions with our Bank have been satisfactory. They enjoy the following fund based and non fund based limits including for guarantees, L/C and other credit facilities with us against which the extent of utilization as on date is also indicated below:

SL. NO.	TYPE OF FACILITY	SANCTIONED LIMIT AS ON DATE	UTILISATION AS ON DATE .....

This letter is issued at the request of M/s.....

Sd/-
Name of Bank .....
Name of Authorised Signatory .....
Designation .....
Phone No. .....….....
Address .....

SEAL OF THE BANK

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

ANNEXURE-D (SCC)

FORM OF POWER OF ATTORNEY FOR JOINT VENTURE
(On Non-judicial Stamp Paper of Appropriate value
to be Purchased in the Name of Joint Venture)

KNOW ALL MEN BY THESE PRESENTS THAT WE, the Partners whose details are given hereunder.....have formed a Joint Venture under the laws of..... and having our Registered Office(s)/Head Office(s) at..... (hereinafter called the 'Joint Venture' which expression shall unless repugnant to the context or meaning thereof, include its successors, administrators and assigns) acting through M/s. .....being the Partner in-charge do hereby constitute, nominate and appoint M/s. .....a Company incorporated under the laws of .....and having its Registered/Head Office at .....as our duly constituted lawful Attorney (hereinafter called "Attorney" or " Authorised Representative" or "Partner in-charge") to exercise all or any of the powers for and on behalf of the Joint Venture in regard to Specification No.....for Construction of ..... Package of ____*** (hereinafter called the "Employer") and the bids for which have been invited by the Employer, to undertake the following acts:

i) To submit proposal and participate in the aforesaid Bid Specification of the Employer on behalf of the "Joint Venture".

ii) To negotiate with the Employer the terms and conditions for award of the Contract pursuant to the aforesaid Bid and to sign the Contract with the Employer for and on behalf of the "Joint Venture".

iii) To do any other act or submit any document related to the above.

iv) To receive, accept and execute the Contract for and on behalf of the "Joint Venture".

It is clearly understood that the Partner in-charge (Lead Partner) shall ensure performance of the Contract(s) and if one or more Partner fail to perform their respective portion of the Contract(s), the same shall be deemed to be a default by all the Partners.

It is expressly understood that this Power of Attorney shall remain valid binding and irrevocable till completion of the Defect Liability Period in terms of the Contract.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

The Joint Venture hereby agrees and undertakes to ratify and confirm all the whatsoever the said Attorney/ Authorised Representative/Partner in-charge quotes in the bid, negotiates and signs the Contract with the Employer and/or proposes to act on behalf of the Joint Venture by virtue of this Power of Attorney and the same shall bind the Joint Venture as if done by itself.

IN WITNESS THEREOF the Partners Constituting the Joint Venture as aforesaid have executed these presents on this .....day of .....under the Common Seal(s) of their Companies.

for and on behalf of
the Partners of Joint Ventures
…….....
.....……
.....……

The Common Seal of the above Partners of the Joint Venture:

The Common Seal has been affixed there unto in the presence of:

WITNESS

1. Signature.....
   Name .....
   Designation .....
   Occupation .....

2. Signature .....
   Name .....
   Designation .....
   Occupation .....

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

ANNEXURE-E (SCC)

FORM OF JOINT VENTURE AGREEMENT

(ON NON-JUDICIAL STAMP PAPER OF APPROPRIATE VALUE TO BE PURCHASED IN THE NAME OF JOINT VENTURE)

PROFORMA OF JOINT VENTURE AGREEMENT BETWEEN …… AND ……. FOR BID SPECIFICATION NO. …….. OF ----------.

THIS Joint Venture Agreement executed on this…..day of ……Two thousand and ……between M/s. …….. a company incorporated under the laws of ……..and having its Registered Office at …… (hereinafter called the "Lead Partner" which expression shall include its successors, executors and permitted assigns), M/s. ……a company incorporated under the laws of ……and having its Registered Office at ……. (hereinafter called the "Partner" which expression shall include its successors, executors and permitted assigns) and M/s. ……a company incorporated under the laws of ……..and having its Registered Office at …….. (hereinafter called the "Partner" which expression shall include its successors, executors and permitted assigns) for the purpose of making a bid and entering into a contract (in case of award) against the Specification No.: …….. for Construction of …… of ____*** incorporated under the Companies Act of 1956 having its Registered Office at ----------(hereinafter called the "Employer).

WHEREAS the Employer invited bids as per the above mentioned Specification for the design manufacture, supply and erection, testing and commissioning of Equipment/Materials stipulated in the bidding documents under subject Package for …….

AND WHEREAS Annexure - A (Qualification Requirement of the Bidder), Section-SCC, Vol.-IA, forming part of the bidding documents, stipulates that a Joint Venture of two or more qualified firms as partners, meeting the requirement of Annexure-A, Section SCC as applicable may bid, provided the Joint Venture fulfills all other requirements of Annexure-A, Section SCC and in such a case, the BID shall be signed by all the partners so as to legally bind all the Partners of the Joint Venture, who will be jointly and severally liable to perform the Contract and all obligations hereunder.
The above clause further states that the Joint Venture agreement shall be attached to the bid and the contract performance guarantee will be as per the format enclosed with the bidding document without any restriction or liability for either party.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

AND WHEREAS the bid has been submitted to the Employer vide proposal No..... dated.....by Lead Partner based on the Joint Venture agreement between all the Partners under these presents and the bid in accordance with the requirements of Annexure-A (Qualification Requirements of the Bidders), Section -SCC has been signed by all the partners.

NOW THIS INDENTURE WITNESSETH AS UNDER:
In consideration of the above premises and agreements all the Partners to this Joint Venture do hereby now agree as follows:

1. In consideration of the award of the Contract by the Employer to the Joint Venture partners, we, the Partners to the Joint Venture agreement do hereby agree that M/s……..shall act as Lead Partner and further declare and confirm that we shall jointly and severally be bound unto the Employer for the successful performance of the Contract and shall be fully responsible for the design, manufacture, supply, and successful performance of the equipment in accordance with the Contract.

2. In case of any breach of the said Contract by the Lead Partner or other Partner(s) of the Joint Venture agreement, the Partner(s) do hereby agree to be fully responsible for the successful performance of the Contract and to carry out all the obligations and responsibilities under the Contract in accordance with the requirements of the Contract.

3. Further, if the Employer suffers any loss or damage on account of any breach in the Contract or any shortfall in the performance of the equipment in meeting the performance guaranteed as per the specification in terms of the Contract, the Partner(s) of these presents undertake to promptly make good such loss or damages caused to the Employer, on its demand without any demur. It shall not be necessary or obligatory for the Employer to proceed against Lead Partner to these presents before proceeding against or dealing with the other Partner(s).

4. The financial liability of the Partners of this Joint Venture agreement to the Employer, with respect to any of the claims arising out of the performance of non-performance of the obligations set forth in the said Joint Venture agreement, read in conjunction with the relevant conditions of the Contract shall, however, not be limited in any way so as to restrict or limit the liabilities of any of the Partners of the Joint Venture agreement.
5. It is expressly understood and agreed between the Partners to this Joint Venture agreement that the responsibilities and obligations of each of the Partners shall be as delineated in Appendix-I (*To be incorporated suitably by the Partners) to this agreement. It is further agreed by the Partners that the above sharing of responsibilities and obligations shall not in any way be a limitation of joint and several responsibilities of the Partners under this Contract.

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility

6. This Joint Venture agreement shall be construed and interpreted in accordance with the laws of India and the courts of Delhi shall have the exclusive jurisdiction in all matters arising thereunder.

7. In case of an award of a Contract, We the Partners to the Joint Venture agreement do hereby agree that we shall be jointly and severally responsible for furnishing a contract performance security from a bank in favour of the Employer in the forms acceptable to purchaser for value of 15% of the Contract Price in the currency/currencies of the Contract.

8. It is further agreed that the Joint Venture agreement shall be irrevocable and shall form an integral part of the Contract, and shall continue to be enforceable till the Employer discharges the same. It shall be effective from the date first mentioned above for all purposes and intents.

IN WITNESS WHEREOF, the Partners to the Joint Venture agreement have through their authorised representatives executed these presents and affixed Common Seals of their companies, on the day, month and year first mentioned above.

1. Common Seal of..... has been affixed in my/our presence pursuant to the Board of Director's resolution dated.....

   Signature….....
   Name.....
   Designation.....

For Lead Partner

(Signature of authorised representative)
Name….....……....
Designation…….....
Common Seal of the company
.....

2. Common Seal of..... has been affixed in my/our presence pursuant to the Board of Director's resolution dated.....

   Signature.....
   Name.....
   Designation.....

For other Partners

(Signature of authorised representative)
Name.....…
Designation.....
Common Seal of the company
.....

WITNESSES:

1. .....
   (Signature)
   Name .....
   .....
   (Official address)

2. .....……
   (Signature)
   Name .....
   .....……..
   (Official address)

To be inserted: (*) Name of State (**) Name of State Power Utility (***) Name of Central Public Sector Utility