



Bharat Heavy Electricals Limited

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AMENDEMENT NO-1 TO NIT

DATE: 30.01.2008

SUB : AMENDMENT- 01 To NIT 3975 For ETC Works

REF: TENDER SPECIFICATION. No. – TBSM/KARAD/ETC/TENDER, DATED: 24.12.07

With reference to above tender for ETC works for Controlled Shunt Reactor (CSR) Project at Karad in Maharashtra, following amendments may be noted.

1. Condition of Contract for Erection works (DOC. NO. – TB-ETC-GCC, REV.-03 30th NOV, 2007):

A. Clause No. C.17.0 “Over-run Charges” stands deleted. Now this clause shall be read as below.

Over-run compensation- If the contract is extended beyond the contract period (including grace period) for any reason (including due to extra work/additional quantity) other than those attributable to the contractor or force majeure conditions, the contractor will be compensated by payment of over-run charges at the rate of 0.2 percent (point two percent) of the original awarded contract value per month after the expiry of grace period. The original awarded contract value will be considered firm for calculation purpose of over run compensation.

The over run compensation will be payable for the eligible period of time extension on account of reasons attributable to BHEL only. No over run will be payable for the extension on account of reasons attributable to contractor and/or force majeure conditions.

Over run compensation for the eligible period shall be in proportion to the progress achieved against the plan for respective period.

Part of Extension attributable to the contractor, if any, in total contract extension shall be exhausted first i.e. immediately after end of grace period. This shall be followed by Extension on account of force majeure conditions, if any and lastly on account of BHEL.

The compensation will be payable for the extended eligible period in months and days as applicable.

Any compensation paid to the contractor against over run charges during the eligible extended period of the project will be recovered from the contractor or any payment on this account payable to the contractor will be cancelled if further extension is required due to the reasons attributable to the contractor or situation of risk & cost arises due to failure of the contractor to complete the work.

If the delay is attributable to the contractor LD will be imposed as per the provision in the contract.

Grace period- The grace period will be defined in the Tender Document based on the calculation as one month for every six month (or part there of) of the contract period. The prices quoted by the contractor will remain firm till the contract period plus the grace period including extended period if any.

B. Clause No. B.16.3 shall be read in conjunction with the following

Extra works - Extra works that arise on account of contractor's fault will have to be carried out by the contractor free of cost including the supply of consumables etc.

After eligibility of extra works is established and finally accepted by BHEL Engineer/Designer, payment will be decided on the following rates

Man-day rate for eligible extra works:

Single average man-day rate for carrying out rework/repairs/rectification/fabrication and other such works for a man-day of 8 hours as may arise during the course of erection will be

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|-------------------------|------------------|
| i) For Skilled manpower | Rs 200/- per day |
| ii) For Un-skilled | Rs 125/- per day |

(The above man day rate includes overtime if any, other site expenses and incidentals, consumables, tools and tackles etc.)

As mentioned above, no payment will be made if an item of work lasts less than eight man hours.

- C. Over all price variation-** The individual quantity can vary to any extent or may be deleted for which no compensation will be payable to the contractor and the rates will remain firm. Also the rate of each item remains firm as long as the variation in the total value of work executed under the contract including extra items if any remains within plus/minus 30 percent of the contract value. In case the actual value of executed work including extra work on completion of work becomes less than 70% of the basic/original contract value than the following method shall be adopted.

The actual executed value shall be raised by 7 % (For arriving at the final payment against work executed) subject to the condition that total value of work executed plus increase by 7% as above shall be limited to 70% of the basic/original contract value. The rate quoted shall be firm irrespective of any upward variation in the contract price.

- D. Clause No. C.16.0 "ESCALATION/ PRICE VARIATION" stands deleted and now this clause should be read as below**

Under this contract, No escalation/ Price variation is allowed. The quoted prices are FIRM till complete commissioning and handing over of the Project to Customer/Owner.

- All other terms & conditions of the tender specifications remain unchanged.
- If any discrepancies between above mentioned amendments and clauses in the condition of contract for erection work, DOC. NO. – TB-ETC-GCC, REV.-03, 30th NOV, 2007, the clauses mentioned in this amendment shall prevail.
- Please enclose with your Technical Bid a copy of this amendment-01 duly signed by your authorized signatory and stamped.
- Vendors, who have already submitted their offer, may submit Revised Price offer in a sealed cover. This duly signed letter is to be submitted in a separate sealed cover. Both these cover shall be kept in a separate envelope superscribing “Revised price offer due to amendment in NIT” and also indicating tender specification No.

(R.Lodwal)
SDGM/TBSM