

Ref: BHE/PW/PUR/ UKT-HOIST/1224/Corrigendum-01

Date: 23/08/2014

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To

ALL BIDDERS

**Sub: Providing services & Maintenance of complete Transit Flats of BHEL located at Shree Krishna Apartment, Mecosabuag, Nagpur**

**T.S.No: BHE/PW/PUR/WR-TRF/1304**

Bidders to kindly take note of the following:

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**AA) Issue of tender conditions regarding Security deposit.:**

**1.0 Security Deposit**

1. Upon acceptance of Tender, the successful Tenderer should deposit the required amount of Security Deposit for satisfactory completion of work, as per the rates given below:
2. The security Deposit should be furnished before start of the work by the contractor.
3. Security Deposit may be furnished in any one of the following forms
  - i) Cash (as permissible under the Income Tax Act)
  - ii) Pay Order / Demand Draft in favour of BHEL.
  - iii) Local cheques of scheduled banks, subject to realization.
  - iv) Securities available from Post Offices such as National Savings Certificates, Kisan Vikas Patras etc. (Certificates should be held in the name of Contractor furnishing the security and duly pledged in favour of BHEL and discharged on the back).
  - v) Bank Guarantee from Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The Bank Guarantee format for Security Deposit shall be in the prescribed formats
  - vi) Fixed Deposit Receipt issued by Scheduled Banks / Public Financial Institutions as defined in the Companies Act. The FDR should be in the name of the contractor, A/C BHEL, duly discharged on the back.
  - vii) Security deposit can also be recovered at the rate of 10% from the running bills. However in such cases at least 50% of the Security Deposit should be deposited in any form as prescribed before start of the work and the balance 50% may be recovered from the running bills.
  - viii) EMD of the successful bidder can be converted and adjusted against the cash portion of Security Deposit excepting for such bidders who have remitted One Time EMD.

**NOTE:** Acceptance of Security Deposit against Sl. No. (iv) and (vi) above will be subject to hypothecation or endorsement on the documents in favour of BHEL. However, BHEL will not be liable or responsible in any manner for the collection of interest or renewal of the documents or in any other matter connected therewith.

4. The Security Deposit shall not carry any interest.
5. In case the value of work exceeds / reduces from the awarded / accepted value, the Security Deposit shall be correspondingly enhanced / reduced as given below:
  - i) The enhanced part of the Security Deposit shall be immediately deposited by the Contractor or adjusted against payments due to the Contractor.

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6. The validity of Bank Guarantees towards Security Deposit shall be initially upto the completion period as stipulated in the Letter of Intent/Award + 3 months, and the same shall be kept valid by proper renewal till the acceptance of Final Bills of the Contractor, by BHEL.
7. BHEL reserves the right of forfeiture of Security Deposit in addition to other claims and penalties in the event of the Contractor's failure to fulfill any of the contractual obligations or in the event of termination of contract as per terms and conditions of contract. BHEL reserves the right to set off the Security Deposit against any claims of other contracts with BHEL.

## 2.0 BANK GUARANTEES

Where ever Bank Guarantees are to be furnished/submitted by the contractor, the following shall be complied with

- i) Bank Guarantees shall be from Scheduled Banks / Public Financial Institutions as defined in the Companies Act.
- ii) The Bank Guarantees shall be as per prescribed formats.
- iii) It is the responsibility of the bidder to get the Bank Guarantees revalidated/extended for the required period (subject to a minimum period of six months), as per the advice of BHEL Site Engineer / Construction Manager. BHEL shall not be liable for issue of any reminders regarding expiry of the Bank Guarantees.
- iv) In case extension/further extensions of any Bank Guarantees are not required, the bidders shall ensure that the same is explicitly endorsed by the Construction Manager and submitted to the Regional HQ issuing the LOI/LOA.
- v) In case the Bank Guarantees are not extended before the expiry date, BHEL reserves the right to invoke the same by informing the concerned Bank in writing, without any advance notice/communication to the concerned bidder.
- vi) Bidders to note that any corrections to Bank Guarantees shall be done by the issuing Bank, only through an amendment in an appropriate non judicial stamp paper.
- vii) The Original Bank Guarantee shall be sent directly by the Bank to BHEL under Registered Post (Acknowledgement Due), addressed to the Subcontracting Department of the respective Region.

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All other Terms and conditions of the Tender Specification shall remain unaltered unless expressly amended by BHEL in writing.

Bidders are requested to submit as a part of Technical Bid, a copy of this corrigendum & all drawings duly countersigned by the authorized signatory and stamped with the Official seal as a token of Bidder's unqualified acceptance of this corrigendum.

This letter is hosted as file titled "Corrigendum-01 " against NIT-19004 in BHEL web page (www.bhel.com→Tender Notifications → View Corrigendum).

Thanking you,

Yours faithfully,

AGM (Purchase)