Corrigendum – 13 Dtd 21/11/2025 to CPC Tender No. BHEL/CPC/YNR/EPC-AHP/26/041

Name of Work: "EPC package for Ash Handling Plant at Yamunanagar Super Thermal Power Project (1x800 MW)"

A) Modification in Tender:

SL. NO.	Reference	Existing Provision	Revised As
1	Clause No. 8.1.1 of Chapter VIII: Liquidated Damages of Technical Conditions of Contract	LD for Completion of Facilities: If the Contractor fails to achieve final taking over of the package within stipulated period indicated in Chapter IV, the Contractor shall pay to the BHEL Liquidated damages for the delayed period at the rate of 0.25 % total contract price per week of delay or part thereof for a period of four (4) weeks delay. Subsequently LD shall be levied @ 0.5 % of total contract price per week of delay or part thereof.	Liquidated Damages (LD) for Delay in Unit(s) completion: The Contractor guarantees that it shall attain **final taking over including supply of mandatory spares** within the time of completion specified in the contract. If the Contractor fails to achieve final taking over of the unit/s within stipulated period, the Contractor shall pay to the Owner Liquidated damages for the delayed period at the rate of 0.25 % total contract price per week of delay or part thereof for a period of four (4) weeks delay. Subsequently LD shall be levied @ 0.5 % of total contract price per week of delay or part thereof.
2	Clause No. 8.1.2 of Chapter VIII: Liquidated Damages of Technical Conditions of Contract	The total amount of liquidated damages for delay shall be subject to a maximum of Seven and Half percent (7.5 %) of the Total Contract price plus GST (as and if applicable). It is agreed that liquidated damages are a genuine pre-estimate of damages and not by way of penalty.	The total amount of liquidated damages for delay shall be subject to a maximum of Seven-point Five percent (7.5%) of the Total Contract price plus GST (as and if applicable).
3	Clause No. 8.1.3 of Chapter VIII: Liquidated	NOTE: Since, it is an EPC PACKAGE; Liquidated Damages (LD) shall be applicable only in the event of a	NOTE: Since, it is an EPC PACKAGE; Liquidated Damages (LD) shall be applicable only in the event of a delay in

Corrigendum – 13 Dtd 21/11/2025 to CPC Tender No. BHEL/CPC/YNR/EPC-AHP/26/041

SL. NO.	Reference	Existing Provision	Revised As
	Damages of Technical Conditions of Contract	delay in completion of the entire scope of work (completion of Facilities), which includes both main supply and main services (excluding mandatory spares and O&M services, if any). LD shall not be levied for delays limited to supply alone, provided the overall scope of work is completed within the stipulated timeline, including any time extensions granted for delays not attributable to the bidder.	completion of the entire scope of work (completion of Facilities), which includes both main supply, **Mandatory Spares and O&M Services If any**. LD shall not be levied for delays limited to supply alone, provided the overall scope of work is completed within the stipulated timeline, including any time extensions granted for delays not attributable to the bidder.
4	Annexure-K referred in Chapter XVI of Technical Conditions of Contract	Annexure- K Price Variation Clause	Annexure- K Price Variation Clause Rev-01 attached with this Corrigendum

B) Forms & Procedures: The Following formats of Forms & Procedures are revised as below**:**

Sl. No.	Form No.	Existing in Tender	Revised As
1	F-22	F-22 (Rev 00) - BANK GUARANTEE FOR INTEREST FREE REFUNDABLE ADVANCE	F-22 (Rev 01) - BANK GUARANTEE FOR INTEREST FREE REFUNDABLE ADVANCE is attached herewith.
2	F-23	F-23 (Rev 00) - BANK GUARANTEE FOR INTEREST BEARING REFUNDABLE ADVANCE	F-23 (Rev 01) - BANK GUARANTEE FOR INTEREST BEARING REFUNDABLE ADVANCE is attached herewith.

C) Notice Inviting Tender (NIT): The Following Clauses of NIT are revised as below**:**

Sl. No.	Clause No.	Existing in Tender	Revised As
1	15.0	**15.0** Bidders shall submit Integrity Pact Agreement (Duly signed by authorized signatory who signs in the offer), **if applicable**, along with techno-commercial bid. This pact	**15.0** Bidders shall submit Integrity Pact Agreement (Duly signed by authorized signatory who signs in the offer), **if applicable**, along with techno-commercial bid. This pact

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shall be considered as a preliminary qualification for further participation.

Integrity Pact (IP)

(a) IP is a tool to ensure that activities and transactions between the Company and its Bidders/ Contractors are handled in a fair, transparent and corruption free manner.
(b) In case of any complaint arising out of the tendering process, the matter may be referred to any of the below e-mail IDs:

iem1@bhel.in; iem2@bhel.in; iem3@bhel.in

As on date, the positions of Independent External Monitors (IEMs) are vacant in the Company. As and when the IEMs join based on due approval of the Competent Authority, any complaint(s) received will be shared with the IEMs.

(c) The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory) along with techno-commercial bid (Part-I, in case of two/ three part bid). Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification.

<u>Note:</u>
No routine correspondence shall be addressed to the above email ids regarding the clarifications, time extensions or any
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shall be considered as a preliminary qualification for further participation.

<u>Integrity Pact (IP)</u>

(a) IP is a tool to ensure that activities and transactions between the Company and its Bidders/ Contractors are handled in a fair, transparent and corruption free manner. Following Independent External Monitors (IEMs) on the present panel have been appointed by BHEL with the approval of CVC to oversee implementation of IP in BHEL.

<table>
<tr><th>Sl. No.</th><th>IEM</th><th>Email</th></tr>
<tr><td>1.</td><td>Dr. Sarat Kumar Acharya, Ex-CMD, NLC</td><td>iem1@bhel.in</td></tr>
<tr><td>2.</td><td>Shri R. Mukundan, IRPS (Retd.)</td><td>iem2@bhel.in</td></tr>
<tr><td>3.</td><td>Shri Madan Lal Meena, IAS (Retd.)</td><td>iem3@bhel.in</td></tr>
</table>

(b) The IP as enclosed with the tender is to be submitted (duly signed by authorized signatory) along with techno-commercial bid (Part-I, in case of two/ three part bid). Only those bidders who have entered into such an IP with BHEL would be competent to participate in the bidding. In other words, entering into this Pact would be a preliminary qualification.

(c) Please refer Section-8 of IP for Role and Responsibilities of IEMs. In case of any complaint arising out of the
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		other administrative queries, etc on the tender issued. All such clarification/issues shall be addressed directly to the tender issuing (procurement) department's officials whose contact details are as per Clause no. 1, Salient Features of NIT, Sl. No. (ix).	tendering process, the matter may be referred to any of the above IEM(s). All correspondence with the IEMs shall be done through email only. ***Note:*** No routine correspondence shall be addressed to the IEM (phone/ post/ email) regarding the clarifications, time extensions or any other administrative queries, etc. on the tender issued. All such clarification/ issues shall be addressed directly to the tender issuing (procurement) department's officials whose contact details are as per Clause no. 1, Salient Features of NIT, Sl. No. (ix).

1) **All other terms and conditions against this NIT shall remain unchanged.**
2) **This corrigendum is to be submitted duly signed and stamped along with the Techno-commercial bid (Part- I).**

for BHARAT HEAVY ELECTRICALS LTD

Sr. Manager/ SCT

ANNEXURE-K

PRICE ADJUSTMENT

(i) Only following components of the Contract Price will be subject to Price adjustment during performance of the Contract to reflect changes in the cost of labour and material components:

(a) Ex-Works (India) Price of Plant and Equipment excluding Mandatory Spares manufactured within the Owner's Country and Type Tests Charges (covered in Schedule 2).

(b) Installation Price Component of Contract Price (covered in Schedule 4) consisting of erection portion.

(c) Civil Works price component of Contract Price (covered in Schedule-4).

(d) Site Fabricated Structural Works price component of Contract Price (covered in Schedule-4)

(ii) The price adjustment provisions shall be applicable separately for price components relating to Supply of Equipment from Owner's country only, Installation, Civil and Structural Works, as per price break-up furnished by the Contractor in Schedule-2 and Schedule-4. The price adjustment considering variation of all factors shall have ceiling of $\pm$ 20% for the contract price for equipment/ system, installation, civil works and site fabrication structures as mentioned in S. No. (i) above. The ceiling of $\pm$ 20% shall be separately applicable for each of the above component.

(iii) Price adjustment amounts towards aforesaid components of Contract Price shall be paid in the Indian Rupees.

(iv) The indices for price adjustment shall necessarily be of the country of origin i.e. India of goods/labour and shall be on the basis of well established and nationally recognized Government indices. The Indices for Plant and Equipment to be supplied from within Owner's country shall be as published by The Economic Advisor, Ministry of Commerce and Industry, Govt. of India/ RBI.

(v) The price adjustment formula for the components of the Contract Price, as mentioned at Sl.No. (iii) above shall be as stipulated hereinafter.

(vi) Ex-Works Price Component of Plant and Equipment excluding Mandatory Spares and Type Tests Charges

It is understood that the price component of the equipment for any shipment/ dispatch comprises of a fixed portion (designated as 'F' and the value of which is specified hereunder) and a variable portion linked with the indices for various materials and labour (description and coefficients as enumerated below).

The amount of price adjustment towards variable portion payable/recoverable on each shipment/dispatch shall be computed as under:

$$EC = EC_1 - EC_0$$

EC_1 will be computed as follows:

$$EC_1 = EC_0 \{ F + a \times \frac{A_1}{A_0} + b \times \frac{B_1}{B_0} + c \times \frac{C_1}{C_0} + L \times \frac{L_1}{L_0} \}$$

Where

EC = Adjustment to Ex-Works Price Component expressed in the currency of the Contract payable to the contractor for each shipment/despatch.

EC_1 = Adjusted Amount of Ex-Works Price Component expressed in the currency of the Contract payable to the Contractor for each shipment/despatch.

EC_o = Ex-Works Price for the plant and equipments in Indian Rupees

- The fixed portion of the Ex-Works Component of the Contract Price (F) shall be 0.15.
- a, b, c etc. shall be co-efficients of major materials/items involved in the Ex-Works Component of the Contract Price. The sum of these co-efficients shall be 0.60.
- A, B, C etc. shall be published price indices of corresponding major materials/items. Such indices shall necessarily be as Published by Economic Advisor, Ministry of Commerce & Industry/ RBI.
- 'Lb" shall be co-efficient for labour component in the Ex- Works Component of the Contract Price which shall be between 0.25.

  'L' shall be labour index.
- Sum of all the material co-efficients and the labour co-efficient shall be 0.85.

For the indices, subscript 'o' refers to indices as Last Date of Bid Submission

Subscript '1' refers to indices as of:

(a) three months prior to the date of shipment/dispatch for labour and

(b) at the expiry of two third (2/3) period from the date of LOI to the date of shipment/dispatch, formaterial.

For the purpose of this clause the date of dispatch shall mean the schedule date of dispatch i.e as given in approved Master/ L2 Network or actual date of dispatch, whichever is earlier. The schedule date of dispatch shall be as identified in approved Master/ L2 Network in line with provisions of Time Schedule.

In case of dispatches which are delayed beyond the schedule date of dispatch for reasons attributable to the Contractor the price adjustment provision shall not be applicable for the period of time between the schedule date of dispatch and the actual date of dispatch. However, in case price adjustment beyond the schedule completion period is lower, lower of the two i.e. upto schedule completion period and actual supply period shall be payable.

For this purpose, the schedule date of dispatch shall be as identified in approved L2 Network in line with provisions of Time Schedule.

(vii) For Installation Price Component (excluding Civil Works and Structural Works component) of the contract:

i) It is understood that the price component for erection portion of Installation Services comprises a fixed portion and variable portion linked with the index of labour (description and co-efficient as enumerated).

The monthly price adjustment amount for the erection portion of Installation Services component will be computed as per the formula given below:

a) Erection and Services (Indian Rupees)

ER = ER1 - ERo

ER1 will be computed as follows:

ER1 = ERo (0.15 + 0.5x0.85 (L1/Lo) + 0.5x0.85 (W1/Wo))

Where:

ER = Adjustment to Erection portion of Installation Services component of contract price expressed in Indian Rupees payable to the contractor for each billing.

ER1 = Adjusted amount of Erection portion of Installation Services component of contract price expressed in Indian Rupees payable to the Contractor.

ER0 = Value of the Erection work done in the billing period

- L shall be one of the labour indices, namely, Consumer Price Index for Industrial Workers (Gen.) applicable to "All India" as published by Labour Bureau, Shimla of the Govt. of India/RBI

- W shall be one of the labour index, which is the Arithmetical average of Minimum Wages for Unskilled, Skilled, Semi-skilled and Highly skilled workers notified by the Central Government for the particular classified Area in which the project site is located or notified by the State Government of the state in which the project site is located, whichever is higher

However, in case price adjustment beyond the schedule completion period is lower, lower of the two i.e. upto schedule completion period and actual supply period shall be payable.

(viii) Site Fabricated Structural Works Price Component

It is understood that the Structural Works Price Component comprises a fixed portion (designated as 'F' and the value of which is specified hereunder) and variable portion linked with the indices for various materials and labour (description and coefficients as enumerated below).

The amount of price adjustment towards variable portion payable/recoverable shall be computed as follows:

ESW = ESW1 - ESWo

ESW1 will be computed as follows:

ESW1=ESWo{F+ax(A1/Ao) + bx(B1/Bo)+0.5xLbxL/Lo + 0.5LbxW1/Wo)}

Where,

ESW= Adjustment to Structural Works Price Component expressed in the Indian Rupees.

ESW1= Adjusted amount of Structural Works Price Component expressed in the Indian Rupees.

F= The fixed portion of the Structural Works Price Component shall be 0.20.

- a, b shall be co-efficient of major materials/items involved in the Structural Works Price Component of the Contract Price.

- A, B shall be published price indices of corresponding major material/items mainly steel materials as published by The Economic Advisor, Ministry of Commerce & Industry, Govt. of India, RBI.

a)	Hot Rolled Coils & Sheet	(a)	0.50	Index for "Hot Rolled (HR) Coils & Sheets, including Narrow Strip" under subgroup of Mild steel-Flat Products under group of Manufacture of Basic Metals as Published by Ministry of Commerce and Industry, GoI
b)	Manufacture of Fabricated Metal Products-Structural Metal Product	(b)	0.15	Index for Manufacture of structural metal products under group of manufacture of fabricated metal products except machinery & Equipment as published by Ministry of Commerce & Industry, GoI

- "Lb" shall be co-efficient for labour component for Structural Works Price Component of Contract Price which shall be 0.15.

- L shall be one of the labour indices, namely, Consumer Price Index for Industrial Workers (Gen.) applicable to "All India" as published by Labour

Bureau, Shimla of the Govt. of India.

- W shall be one of the labour index, which is the Arithmetical average of Minimum Wages for Unskilled, Skilled, Semi-skilled and Highly skilled workers notified by the Central Government for the particular classified Area in which the project site is located or notified by the State Government of the state in which the project site is located, whichever is higher.

- Sum of all the material co-efficient and the labour coefficient shall be 0.80.

Subscript '0' refers to indices as on Last Date of Bid Submission

For the indices, subscript '1' refers to the indices as applicable for one month prior to the month of execution of the structural work except "Hot Rolled Coils & Sheets". For Hot Rolled Coils & Sheets the index, '1' refers to the indices as applicable for 90 days prior to the month of execution of the structural work. For the purpose of this clause, month of execution of structural work shall mean the schedule month of execution of the structural work or actual month of execution of Structural Work, whichever is earlier. The schedule date for completion shall be as identified in approved master network/ L2 network in line with provisions of Time Schedule.

In case of Structural Works activities which are delayed beyond the schedule date for reasons attributable to the contractor, the price adjustment provision shall not be applicable for the period of time between the schedule date of completion and actual date of completion of the respective Structural activity. For this purpose, the schedule date for completion of a particular Structural activity shall be as given above.

However, in case price adjustment beyond the schedule completion period is lower, lower of the two i.e. upto schedule completion period and actual supply period shall be payable.

(ix) Price adjustment for civil works component of the Contract Price (including construction materials)

The prices quoted by the bidder shall be base price, which will be subjected to price adjustment in accordance with the conditions and formula prescribed herein and further subject to satisfying the requirement specified in this clause.

A fixed percentage of the civil works component of the contract price shall be firm and shall not be subject to any price adjustment. The balance portion of the civil works component of the contract price shall be subject to price adjustment on account of changes in materials and labour as detailed below:

$$CV = CV1 - CVo$$

CV1 will be computed as follows:

$$CV1 = CVo\ \{F + mx(M1/Mo) + dx(D1/Do) + sx(S1/So) + cx(C1/Co) + 0.5xLbxL1/Lo + 0.5xLbxW1/Wo)\ \}$$

Where,

CV = Adjustment to civil works component expressed in the currency of the contract payable to the contractor for each billing period.

CV1 = Adjusted amount of Civil Works Price Component of contract price i.e. value of work done after application of above price adjustment formula in the billing period.

CVo = Base Value of Civil Works Price Component of contract price, i.e. the value of the Civil work done in the billing period as per the monthly billing schedule for which the price adjustment is to be calculated.

F	Fixed portion of the contract price which will not be subjected to any adjust under this formula or otherwise which will be 0.20.
m	Coefficient of material (excluding cement & steel) content in the cost of civil portion of the work which will be0.15.
d	Coefficient of High Speed Diesel Oil (P.O.L) content in the cost of civil portion of the work which will be 0.05.
s	Coefficient of steel content in the cost of civil portion of work which will be 0.25.
c	Coefficient of cement content in the cost of civil portion of work which will be 0.10.
Lb	Coefficient of labour (for all categories) content in the cost of civil portion of the work which will be0.25.
M	Material Index, namely, Index No. of wholesale price under group. "All commodities" as published by office of the Economic Adviser, Government of India.
D	High Speed Diesel Oil price, namely price of High Speed diesel oil, at Pump Station of India Oil Corporation nearest to the project site. (selling price inclusive of taxes and duties as per litre of H.S.D.Oil).
S	Index for "MS Wire Rods" as published by Ministry of Commerce and Industry, GOI under subgroup "Mild Steel- Long Products" under the group of "Manufacture of Basic Metals".

C	Index for "Puzzolona Cement" as published by Ministry of Commerce and Industry, GOI under subgroup "Manufacture of Cement, Plaster & Lime" under the group of "Non- Metallic Mineral Products".
L	"Lb" shall be co-efficient for labour component for Structural Works Price Component of Contract Price which shall be 0.15. L shall be one of the labour indices, namely, Consumer Price Index for Industrial Workers (Gen.) applicable to "All India" as published by Labour Bureau, Shimla of the Govt. of India. W shall be one of the labour index, which is the Arithmetical average of Minimum Wages for Unskilled, Skilled, Semi-skilled and Highly skilled workers notified by the Central Government for the particular classified Area in which the project site is located or notified by the State Government of the state in which the project site is located, whichever is higher.

Subscript

'o' = Refers, to the values of above mentioned labour, material, steel and cement indices, and for diesel price as on Last Date of Bid Submission

'1' = Refers to values of corresponding labour, material, steel and cement indices, and for diesel price as applicable for one month prior to month inwhich the Civil work is executed.

For the purpose of this clause, month of execution of civil work shall mean the schedule month of execution of Civil work or actual month of execution of Civil Work, whichever is earlier. The schedule date for completion shall be as identified in approved master /L2 network in line with provisions of Time Schedule.

In case of Civil Works activities which are delayed beyond the schedule date for reasons attributable to the contractor, the price adjustment provision shall not be applicable for the period of time between the schedule date of completion and actual date of completion of the respective Civil Work activity. For this purpose, the schedule date for completion of a particular Civil Work activity shall be as identified in approved master /L2 network in line with provisions of Time Schedule.

However, in case the supply is beyond the schedule completion period is lower, the price adjustment lower of the two i.e. upto schedule completion period and actual supply period shall be payable.

(x) The following components of the contract price shall not be subject to price adjustment and shall remain firm during the execution of the contract:

(1) CIF Price component of Equipment & Materials to be supplied from abroad including Mandatory Spares & Recommended Spares.

(2) Ocean Freight and Marine Insurance for Plant and Equipment, mandatory spares and recommended spares.

(3) Ex-works/CIF price component for Mandatory spares & Recommended Spares.

(4) Inland Transportation charges (including Inland Transit Insurance, port clearance, port handling & port charges) for plant & equipment and Spare Parts.

(5) Type Test Charges

(6) Training Charges

(7) Annual Maintenance Contract (AMC) Charges if any.

(xi) The value of co-efficients and the source of applicable indices and their base values for the purpose of computing price adjustment under the contract shall be as under:

A. Ex-Works price component of the equipment*

S.No.	Item	Valueof Coefficient	Name of published indexand itsorigin	Value of Base Date Indices Last Date of Bid Submission
Fixed Portion		F=0.15		
Material:				
1.		a=		
2.		b=		
3.		c=		
		....		
4.	Labour:	Lb =		

B. Installation Price Component*

S.No.	Item	Value of Coefficient	Name of published index and its origin	Value of Base Date Indices Last Date of Bid Submission
	Fixed Portion	F =0.15		
	Indian Field labour	**0.85**		

L = Lb= 0.5x0.85 L1/Lo + 0.5x0.85 W1/Wo

"Lb" shall be co-efficient for labour component for Installation works.

L shall be one of the labour indices, namely, Consumer Price Index for Industrial

Workers (Gen.) applicable to "All India" as published by Labour Bureau, Shimla of the Govt. of India.

We shall be one of the labour index, which is the Arithmetical average of Minimum Wages for Unskilled, Skilled, Semi-skilled and Highly skilled workers notified by the Central Government for the particular classified Area in which the project site is located or notified by the State Government of the state in which the project site is located, whichever is higher.

C. Civil Works Price Component*

Item	Index	Value of Coefficients	Name of published index and its origin	Value of Base date Indices (Last Date of Bid Submission

Fixed Portion F = 0.20

1.	**Labour**	
(a)	**Lb= 0.5x0.25 Lb1/Lbo**	Consumer price index for industrial workers (All India general) as published by Labour bureau Shimla
(ii)	**Labour (W)** **0.5x0.25 W1/Wo**	Arithmetical Average of Minimum Wages for Unskilled Skilled, Semi-skilled and highly Skilled Workers notified by the Central Government for the particular classified area in which the Project site is located or notified by the State Government of the State in which the project site is located whichever is higher.
2.	Material m=0.15 (excluding cement & steel)	Index no. of wholesale price under group "All Commodities" as published by Ministry of Commerce and Industry, GoI
3	High Speed Diesel d=0.05	Price of high speed diesel oil per Speed diesel per litre at the Indian Oil Corpn. Outlet nearest to the project (selling price inclusive of taxes & duties, if any)
4	Steel s=0.25	Index for " MS Wire Rods" undersub-group of "Mild Steel Long Products" under Group of "Manufacture of Basic Metals" as published by Ministry of Commerce and Industry, GOI
5	Cement c=0.10	Index for "Puzzolona Cement" under sub-group of "Cement, Plaster & Lime" under Group of "Manufacture of Non-Metallic Mineral Products" as published by Ministry of Commerce and Industry, GOI.

D Site Fabricated Structural Works Price Component*

Item	Coefficient	Value of Coefficients	Name of published index and its origin	Value of Base date Indices (Last Date of Bid Submission)

Material :

Hot Rolled Coils & Sheet	(a)	0.50	Index for "Hot Rolled(HR) Coils & Sheets, including Narrow Strip" under subgroup of Mild steel-Flat Products under group of Manufacture of Basic Metals as Published by Ministry of Commerce and Industry, GoI
Manufacture of Fabricated Metal Products-Structural Metal Product	(b)	0.15	Index for Manufacture of structural metal products under group of manufacture of fabricated metal products except machinery & Equipment as published by Ministry of Commerce & Industry, GoI
Labour :	Lb/W	0.15	0.5x0.15xLb1/Lbo + 05x0.15xW1/Wo
Fixed Component:	Fs	0.20	

* The above information shall be filled in at the time of Contract Agreement signing based on price adjustment data offered by the bidder in Attachment-20 to Bid Form of Techno Commercial Bids and/or as mutually discussed and agreed upon.

BANK GUARANTEE FOR INTEREST FREE REFUNDABLE ADVANCE

(To be stamped in accordance with Stamp Act of India)

Bank Guarantee No: ………………

Date:………………………………..

To

Bharat Heavy Electricals Limited,
Power Sector Eastern Region,
DJ-9/1, Sector – II, Salt Lake,
Kolkata (W.B.)– 700091

Dear Sirs,

This deed of Guarantee made this ____________day of ______ two thousand_________ by **__< Name and Address of Bank>** hereinafter called the "The Guarantor" (which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns) in favour of M/s Bharat Heavy Electricals Limited a Company incorporated under the Companies Act, 1956, having its registered office at BHEL House, Siri Fort, New Delhi - 110049 through its unit at Power Sector, ……………. Region, ………..(Address)………………., hereinafter called "The Company" (which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns).

WHEREAS M/s. ____________________(hereinafter referred to as the Contractor) have entered into a Contract arising out of Letter of Award no._________dtd_______(hereinafter referred to as "the Contract") for the < **Name of work** > with the Company.

AND WHEREAS "the Contract" inter-alia provides that the Company may pay to the Contractor interest free advance of Rs.______________ (Rupees_________________________________ only) on certain terms and conditions specified in "the Contract"subject to the Contractor furnishing a Bank Guarantee for Rs._______ (Rupees________________________________ only) in favour of the Company.

AND WHEREAS the Company has agreed to pay the advance and to accept a Bank Guarantee from a Bank to cover the said advance.

AND WHEREAS the Contractor has approached the Guarantor and in consideration of the arrangement arrived at between the Contractor and the Guarantor, the Guarantor has agreed to give the Guarantee as hereinafter mentioned in favour of the Company.

NOW THIS DEED WITNESSES AS FOLLOWS:-

(1) In consideration of the Company having agreed to advance a sum of Rs.______________ (Rupees___________________only) to the Contractor, the Guarantor do hereby guarantee the due recovery by the Company of the said advance thereon as provided according to the terms and conditions of "the Contract". If the said Contractor fails to utilize the said advance for the purpose of "the Contract"and /or the said advance is not fully recovered by the Company the Guarantor do hereby

BANK GUARANTEE FOR INTEREST FREE REFUNDABLE ADVANCE

(To be stamped in accordance with Stamp Act of India)

unconditionally and irrevocably undertake to pay to the Company without demur, reservation, protest and contest, merely on a demand, to the extent of the said sum of Rs._______ (Rupees________________ only) any claim made by the Company on them for any default, loss or damage caused to or suffered by the Company by reasons of the Company not being able to recover in full the advance as aforesaid.

(2) The decision of the Company whether the Contractor has failed to utilize the said advance or any part thereof for the purpose of the Contract and / or as to the extent of any default, loss or damage caused to or suffered by the Company by reason of the Company not being able to recover in full the said sum of Rs.__________, shall be final and binding on the Guarantor, irrespective of the fact whether the Contractor admits or denies the default or questions the correctness of any demand made by the Company in any Court, Tribunal, Forum, Arbitration proceedings or before any other Authority including judicial or quasi-judicial authority..

(3) The Company shall have the fullest liberty without affecting in any way the liability of the Guarantor under this Guarantee, from time to time to vary any of the terms and conditions of the Contract or extend time of performance by the Contractor or to postpone for any time and from time to time any of the powers exercisable by it against the Contractor and either enforce or forebear from enforcing any of the terms and conditions governing the Contract or securities available to the Company and the Guarantor shall not be released from its liability under these presents by any exercise by the Company of the liberty with reference to the matters aforesaid or by reasons of time being given to the Contractor or any other forbearance, act or omission on the part of the Company or any indulgence by the Company to the Contractor or of any other matter or thing whatsoever which under the law relating to sureties would, but for this provision have the effect of so releasing the Guarantor from its liability under this guarantee.

(4) The Guarantor further agrees that the Guarantee herein contained shall remain in full force and effect during the period till the Company discharges this Guarantee, subject to however, that the Company shall have no claim under this Guarantee after_____ i.e. (the present date of validity of Bank Guarantee unless the date of validity of this Bank Guarantee is further extended from time to time, as the case may be) unless a notice of the claim under this Guarantee has been served on the Guarantor before the expiry of the said period in which case the same shall be enforceable against the Guarantor notwithstanding the fact that the same is enforced after the expiry of the said period.

(5) The Guarantor undertakes not to revoke this Guarantee during the period it is in force except with the previous consent of the Company in writing and agrees that any liquidation or winding up or insolvency or dissolution or any change in the constitution of the Contractor or the Guarantor, shall not discharge the Guarantor's liability hereunder.

(6) It shall not be necessary for the Company to proceed against the Contractor before proceeding against the Guarantor and the Guarantee herein contained shall be enforceable against them notwithstanding any security which the Company may have obtained or obtain from the Contractor shall at the time when proceedings are taken against the Guarantor hereunder be outstanding or unrealized.

BANK GUARANTEE FOR INTEREST FREE REFUNDABLE ADVANCE

(To be stamped in accordance with Stamp Act of India)

(7) Notwithstanding anything contained herein before, our liability under the Guarantee is restricted to Rs.______________(Rupees____________). Our guarantee shall remain in force until ___________, i.e. the present date of validity of Bank Guarantee unless the date of validity of this Bank Guarantee is further extended from time to time. Unless a claim or demand under this guarantee is made against us on or before--------, we shall be discharged from our liabilities under this Guarantee thereafter.

(8) Any claim or dispute arising under the terms of this document shall only be enforced or settled in the courts at …………… (To be decided by the contract issuing agency) only.

(9) The Guarantor hereby declares that it has power to execute this Guarantee under its Memorandum and Articles of Association and the executant has full powers to do so on its behalf under the Power of Attorney dated__________ (To be incorporated by the Bank) granted to him by the proper authorities of the Guarantor.

IN WITNESS whereof the ___________(Bank) has hereunto set and subscribed its hand the day, month and year first, above written.

(Name of the Bank)

Signed for and on behalf of the Bank
(Designation of the Authorized Person Signing the Guarantee)

(Signatory No.----------------------)

DATED:

SEAL

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Notes :

1. The BG shall be executed on non-judicial stamp papers of adequate value procured in the name of the Bank in the State where the Bank is located.

2. The BG is required to be sent by the executing Bank directly to BHEL at the address where tender is submitted / accepted, under sealed cover.

BANK GUARANTEE FOR INTEREST BEARING REFUNDABLE ADVANCE

(To be stamped in accordance with Stamp Act of India)

Bank Guarantee No: ………………

Date:…………………………………

To

Bharat Heavy Electricals Limited,

Power Sector Eastern Region,

DJ-9/1, Sector – II, Salt Lake,

Kolkata (W.B.)– 700091

Dear Sirs,

This deed of Guarantee made this _____________day of ______ two thousand _________ by **< Name and Address of Bank>** hereinafter called the "The Guarantor" (which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns) in favour of M/s Bharat Heavy Electricals Limited a Company incorporated under the Companies Act, 1956, having its registered office at BHEL House, Siri Fort, New Delhi - 110049 through its unit at Power Sector, ……………. Region, ………..(Address)………………., hereinafter called "The Company" (which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and assigns).

WHEREAS M/s. ____________________ (hereinafter referred to as the Contractor) have entered into a Contract arising out of Letter of Award no.: _________dtd. _______ (hereinafter referred to as “the Contract") for the < **Name of work** > with the Company.

AND WHEREAS the Contract inter-alia provides that the Company may pay to the Contractor interest bearing advance of Rs._______ (Rupees___________________________________ only) on certain terms and conditions specified in the Contract subject to the Contractor furnishing a Bank Guarantee for Rs._______ (Rupees________________________________ only) in favour of the Company.

AND WHEREAS the Company has agreed to pay an advance and to accept a Bank Guarantee from a Bank to cover the said advance.

AND WHEREAS the Contractor has approached the Guarantor and in consideration of the arrangement arrived at between the Contractor and the Guarantor, the Guarantor has agreed to give the Guarantee as hereinafter mentioned in favour of the Company.

NOW THIS DEED WITNESSES AS FOLLOWS: -

(1) In consideration of the Company having agreed to advance a sum of Rs.________________(Rupees____________________only) to the Contractor, the Guarantor do hereby guarantee the due recovery by the Company of the said advance with interest thereon as provided according to the terms and conditions of the Contract. If the said Contractor fails to utilise the said advance for the purpose of the Contract and /or the said advance together with interest as aforesaid is not fully recovered by the Company, the Guarantor do hereby unconditionally and irrevocably undertake to pay to the Company without demur, reservation, protest and contest merely on a demand, to the extent of the said sum of Rs._______ (Rupees________________ only) any claim made by the Company on

BANK GUARANTEE FOR INTEREST BEARING REFUNDABLE ADVANCE

(To be stamped in accordance with Stamp Act of India)

them for any default, loss or damage caused to or suffered by the Company by reasons of the Company not being able to recover in full the advance with interest as aforesaid.

(2) The decision of the Company whether the Contractor has failed to utilise the said advance or any part thereof for the purpose of the Contract and / or as to the extent of loss or damage caused to or suffered by the Company by reason of the Company not being able to recover in full the said sum of Rs.__________ with interest if any shall be final and binding on the Guarantor, irrespective of the fact whether the Contractor admits or denies the default or questions the correctness of any demand made by the Company in any Court, Tribunal, Forum, Arbitration proceedings or before any other Authority including judicial or quasi-judicial authority.

(3) The Company shall have the fullest liberty without affecting in any way the liability of the Guarantor under this Guarantee, from time to time to vary any of the terms and conditions of the Contract or extend time of performance by the Contractor or to postpone for any time and from time to time any of the powers exercisable by it against the Contractor and either enforce or forebear from enforcing any of the terms and conditions governing the Contract or securities available to the Company and the Guarantor shall not be released from its liability under these presents by any exercise by the Company of the liberty with reference to the matters aforesaid or by reasons of time being given to the Contractor or any other forbearance, act or omission on the part of the Company or any indulgence by the Company to the Contractor or of any other matter or thing whatsoever which under the law relating to sureties would, but for this provision have the effect of so releasing the Guarantor from its liability under this guarantee.

(4) The Guarantor further agrees that the Guarantee herein contained shall remain in full force and effect during the period till the Company discharges this Guarantee, subject to however, that the Company shall have no claim under this Guarantee after_____ i.e. (the present date of validity of Bank Guarantee unless the date of validity of this Bank Guarantee is further extended from time to time, as the case may be) unless a notice of the claim under this Guarantee has been served on the Guarantor before the expiry of the said period in which case the same shall be enforceable against the Guarantor notwithstanding the fact that the same is enforced after the expiry of the said period.

(5) The Guarantor undertakes not to revoke this Guarantee during the period it is in force except with the previous consent of the Company in writing and agrees that any liquidation or winding up or insolvency or dissolution or any change in the constitution of the Contractor or the Guarantor shall not discharge the Guarantor's liability hereunder.

(6) It shall not be necessary for the Company to proceed against the Contractor before proceeding against the Guarantor and the Guarantee herein contained shall be enforceable against them notwithstanding any security which the Company may have obtained or obtain from the Contractor shall at the time when proceedings are taken against the Guarantor hereunder be outstanding or unrealised.

(7) Notwithstanding anything contained herein before, our liability under the Guarantee is restricted to Rs.______(Rupees_____________). Our guarantee shall remain in force until ____________, i.e. the present date of validity of Bank Guarantee unless the date of validity of this Bank Guarantee is further extended from time to time. Unless a claim or demand under this guarantee is made against us on or before---------, we shall be discharged from our liabilities under this Guarantee thereafter.

(8) Any claim or dispute arising under the terms of this document shall only be enforced or settled in the courts at ………………..(To be decided by the Contract issuing agency) only.

BANK GUARANTEE FOR INTEREST BEARING REFUNDABLE ADVANCE

(To be stamped in accordance with Stamp Act of India)

(9) The Guarantor hereby declares that it has power to execute this Guarantee under its Memorandum and Articles of Association and the executant has full powers to do so on its behalf under the Power of Attorney dated__________ (To be incorporated by the Bank) granted to him by the proper authorities of the Guarantor.

IN WITNESS whereof the ___________(Bank) has hereunto set and subscribed its hand the day, month and year first, above written.

(Name of the Bank)

Signed for and on behalf of the Bank
(Designation of the Authorized Person Signing the Guarantee)

(Signatory No.----------------------)

DATED:
SEAL

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Notes :

1. The BG shall be executed on non-judicial stamp papers of adequate value procured in the name of the Bank in the State where the Bank is located.
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