

**Annexure –VII**  
**(FORCE MAJEURE, RISK & COST CLAUSE)**

(The Terms & Conditions given hereunder, supersede the relevant terms & conditions given in “General Terms & Conditions and Statutory Compliances” or any other Tender document, where ever applicable).

**1. Force Majeure Clause :**

Notwithstanding anything contained in the contract, neither BHEL nor the Contractor shall be held responsible for total or partial non-execution of any of the contractual obligations, should the obligation become unreasonably onerous or impossible due to occurrence of a 'Force Majeure' which directly affects the obligations to be performed by the BHEL or the contractor; Such events include war, military operations of any nature, blockages, revolutions, insurrections, riots, civil commotions, insurgency, sabotage, acts of public enemy, fires, explosion, epidemics, quarantine restrictions, floods, earthquake, or acts of God, restrictions by Govt. authorities; over which the BHEL or the contractor has no control.

The party claiming to be affected by force majeure shall notify the other party in writing without delay, within two weeks from the occurrence of such situation and on the cessation thereof. Extension of time sought by the contractor along with supporting evidence and so granted by BHEL for the work affected, if any, shall not be construed as waiver in respect of remaining execution. Rescheduling of execution on account of force majeure conditions, if so agreed by BHEL, will not entail the contractor to claim any increase in the price on whatsoever account.

Notwithstanding above provisions, BHEL shall reserve the right to cancel the Contract, wholly or partly, in order to meet the overall project schedule and make alternative arrangements. If deemed necessary, BHEL may takeover partly processed work at a mutually agreed price”.

**2. RISK & COST Clause :**

If the work is not executed or partly executed within the agreed execution period, BHEL reserves the right to cancel the order and get the work executed from the alternate source(s) at the Risk and Cost of the Contractor. In such an event, it shall be obligatory on the part of contractor to make good any loss suffered by BHEL.