

=====

VOLUME –I :: SECTION –III

INFORMATION TO BIDDERS (ITB)

=====

SECTION – III :: INSTRUCTIONS TO BIDDERS (ITB)

1.0 Eligible Bidders: This is Local Competitive Bidding. This Invitation of Bids is open to all Bidders from **India only**.

2.0 Scope of Bid for Transmission Lines :

Scope of the bid includes the following:

- (a) Furnishing of technical details of the material to be supplied.
- (b) Complete manufacture of all the units including their shop testing and galvanization.
- (c) Proto type assembly at works before dispatch, supply including packing, loading and transportation from the manufacturer's works to the Contractor's site stores/ TSTRANSCO stores with unloading and stacking and safe keep until these material are utilized for erection as specified.
- (d) Furnishing of reproducible / AUTO CAD structural drawings of towers (including Multi-circuit towers if any), shop drawings, bills of materials and foundations drawings, data, test reports, operation/instruction manuals etc., for Purchaser's approval and on approval submission of bound volumes of the same for future record wherever applicable in 10 sets.
- (e) The Structural drawings for Towers (including Multi-circuit towers if any) and their foundations shall be provided by TSTRANSCO as available. Wherever the drawings and designs are provided by TSTRANSCO, the suitability of these design and drawings shall be verified by the Bidder for design requirements as per standards, site and soil conditions based on the soil investigation and furnish the detailed design verification calculations before execution if sought by TSTRANSCO. Standard BOMs for towers, stubs will be communicated to the Contractor after placement of Purchase Order. Substitutions if any of steel sections of the tower parts with higher size due to non-availability or otherwise, shall be to the Contractor's account. The Purchaser will not accept any liability on this account. The supplier shall raise the invoices as per standard BOMs. In case of minor variation in BOM approved after proto inspection, only the approved standard BOM will be invoiced and paid.

All the templates required shall be manufactured and got proto inspected and approved by the Purchaser before starting the erection work. **New set each of the templates for all types of towers & their extensions shall be handed over to TSTRANSCO after completion of Tr. Line erection work.**

- (f) Where design of a particular Tower/Tower extension /Leg extension for Tr. Line (including Multi-circuit towers) is not available with the Purchaser or where any modification in the design or new design is required, the Bidder shall have to design the same to TSTRANSCO at no additional cost, including detailing, proto testing, furnishing of Bill of Material (BOMs) drawing etc. All the relevant drawings in AUTO CAD to the scale with reproducible tracings in such cases shall also be supplied to the Purchaser by the successful Bidder at free of cost. The new tower designs developed shall be got approved by CPRI Bangalore.
- (g) The scope of work also includes redrawing of existing structural and shop drawings of all the towers (including Multi-circuit towers) being used in the project using AutoCAD with scale duly certifying their correctness and to be handed over to TSTRANSCO in hard and soft copies before clearing the material for mass fabrication.
- (h) Supply of Tower accessories, 120 KN & 160KN Antifog Disc/Long rod Insulators, Moose ACSR CONDUCTOR, GSS Earthwire, OPGW, OFAC and Hardware & Accessories required for Earth wire and OPGW and GPS as detailed in technical specification. The type testing of these material should have been done within 5 years from the date of NIT. If the Purchaser feels that the type test has to be conducted for his satisfaction or any revision in the relevant IS, the tests should be conducted at free of cost. Please note that TSTRANSCO reserves the right to allot ACSR Moose Conductor and any surplus material from TSTRANSCO stores to project site and in such cases transportation charges which shall be inclusive of packing will be paid as per prevailing SSR rates and the Contractor has to transport such material invariably and the balance quantity of material shall only be offered for supply.
- (i) The scope also covers detailed survey (if and where required), check survey, laying of conventional /pile foundations, Design of foundations, river crossing works (if any), erection, testing and commissioning of the 400kV QMDC transmission lines employing Quad Moose bundled ACSR conductor per phase and one no. 7/3.66 mm GSS earth wire and 1 No. OPGW. The Bidder shall indicate whether the river crossing works (if any) including pile foundations will be carried out by them or by other agency in their name. In both cases the required proof of documentation (such as P.O., satisfactory completion and performance) as required by TSTRANSCO on execution of river crossing works shall be furnished in the bid for necessary approval. In case of other agency, an authorization letter to that extent shall be furnished in the bid for carrying out river crossing works on behalf of the Bidder for satisfactory completion as per the terms and conditions of the specification.
- (j) Scope also covers Supply of Scientific Instruments as indicated in Schedules.
- (k) Testing and Commissioning of the materials required for the line.

For Detailed scope of work bidders may please refer the scope of work attached separately with the tender document)

- 2.1 Please note that the contract with end User M/s TSTRANSCO is on TURN KEY basis and hence any other items not specifically mentioned in the specification but which are required for erection, testing and commissioning for satisfactory operation of the Substation, Transmission line and Bay extensions, are deemed to be included in the scope of the specification unless specifically excluded and same shall be arranged by contractor unconditionally. Quantities wherever indicated in the Bidding documents are tentative only for the scope of the works and will be considered only for the evaluation of Bids. Actual quantity will be as per the approved design and drawings for the complete scope of the works based on system requirement.

(For Details Please refer the scope of work attached separately with the tender document)

2.2 **SUBMISSION OF BIDS:**

Procedure for Bid submission:

2.2.1 **GENERAL INSTRUCTION**

- 2.2.1.1 All pages of the tender documents shall be duly signed, stamped and submitted along with the offer in token of complete acceptance thereof. The information furnished shall be complete by itself. The tenderer is required to furnish all the details and other documents as required in the following pages.
- 2.2.1.2 Tenderers are advised to study all the tender documents carefully. Any submission of tender by the tenderer shall be deemed to have been done after careful study and examination of the tender documents and with the full understanding of the implications thereof. Should the tenderers have any doubt about the meaning of any portion of the Tender Specification or find discrepancies or omissions in the drawings or the tender documents issued are incomplete or shall require clarification on any of the technical aspect, the scope of work etc., tenderer shall at once, contact the authority inviting the tender well in time (so as not to affect last date of submission) for clarification before the submission of the tender. Tenderer's request for clarifications shall be with reference to Sections and Clause numbers given in the tender documents. The specifications and terms and conditions shall be deemed to have been accepted by the tenderer in his offer. Non-compliance with any of the requirements and instructions of the tender enquiry may result in the rejection of the tender.

2.2.1.3 PROCEDURE FOR SUBMISSION OF SEALED TENDERS

- Bidders may please refer Cl no. 03 to 05 of the Notice inviting tender.
- The tenders received after the specified time of their submission shall be treated as 'Late Tenders' and shall not be considered under any circumstances.
- Tenders shall be opened by the officers concerned of BHEL at the time, date and venue as specified in the tender enquiry. Tenderer or their authorised representative may witness the bid opening.
- The tenderer shall closely pursue all the clauses, specifications and drawings indicated in the Tender Documents before quoting. Should the tenderer have any doubt about the meaning of any portion of the Tender Specifications or find discrepancies/omission in the drawings or the tender documents issued are incomplete or shall require clarification on any of the technical aspect, scope of work etc. he shall at once contact the authority inviting the tender for clarification before the submission of the tender.
- Before submission of offer, the tenderer are advised to inspect the work & the environments and be well acquainted with the actual working and other prevalent conditions, facilities available, sourcing of material and labour, means of transport and access to site, accommodation, etc. No claim will be entertained later on the grounds of lack of knowledge on any of these conditions/ resources.
- Tenderer must fill up all the schedules and furnish all the required information as per the instructions given in various sections of the tender specification. Each and every page of the Tender Specification must be SIGNED AND SUBMITTED ALONG WITH THE OFFER by the Tenderer in token of complete acceptance thereof the information furnished shall be complete by itself.
- The tenderer shall quote the rates in English Language and international numerals. Total price offered should be entered in figures as well as in words. . For the purpose of the tender, the metric system of units shall be used.
- **The tenderer shall quote a percentage above/ below/At Par the rates shown in the "Schedule-C i.e Summary of Commercial Schedule A & Schedule B" of subject tender.**
- **Price Bid format is uploaded on <https://eprocurebhel.co.in>. and also attached with the tender in section price schedules.**
- **The quoted percentage will apply to the individual items of all the schedules (Schedule A & Schedule B) uniformly.**
- All entries in the tender shall either be typed or be written legibly in ink. Erasing and overwriting are not permitted and may render such tender liable for rejection. All cancellations and insertions shall be duly attested by the tenderer.
- The tenderer must provide the registered e-mail of their registered office along with the addresses and authorised phone/mobile nos.

2.2.1.4 EVALUATION OF TECHNICAL BIDS

- Technical Bids submitted by the tenderer will be opened first and evaluated for fulfilling the Pre-Qualification criteria and other conditions in NIT/Tender documents, based on documentary evidences submitted along with the offer.
- In case the same qualifying experience is claimed by more than one bidder due to subletting of work by main contractor to subcontractor (s) then following conditions shall be applicable.
 - a) For labour + consumable contract without material and T&P:

Benefit of work experience shall be given to the subcontractor who has actually executed job and not to the contractor offloaded down the line.
 - b) For contract with complete scope i.e. with materials, T&P, labour and consumable:
 - i) Benefit of work experience shall be given to the subcontractor who has actually executed job and not to the contractor offloaded down the line.
 - ii) If the contractor offloads the labour and/or T&P portion only, Benefit of work experience shall be given to the main contractor and not to the subcontractor who has executed only as labour supply contractor

The bidders qualification shall be subject to submission of documentary proof. BHEL reserves the right to ask for further proofs including submission of TDS certificates/ for the said job

- In case the qualifying experience is claimed by private organizations based on Work Order and completion certificates, BHEL reserves the right to ask for further proofs including submission of TDS certificates/ form 26AS /bills for the said job.
- Credentials of all the bidders participating in open tender will be scrutinized thoroughly by the nominated committee w.r.t. the pre-qualifying requirement for the tender.
- Details of qualifying work(s) executed by the bidder will be forwarded to the principle employer for verification of the work with respect to completion, commencement & completion date, scope and value of the work executed. Performance feedback of the bidder will also be sought from the principle employer.
- BHEL may conduct onsite verification of at least one of the qualifying work to verify completion of the work and evaluate capability and performance of the bidder.
- The bidder representative may be called for the discussion with the committee. His originals may be verified by the committee. In addition to above their organization chart and detailed list of manpower, tools & plants and technical capability may be discussed and ascertained by the committee.

2.2.1.5 EVALUATION OF PRICE BIDS

- Price Bids of unqualified bidders shall not be opened.
- **The offers will be evaluated on the basis of total price basis I,e as per Schedule C - "Schedule-C i.e Summary of Commercial Schedule A & Schedule B".**
- Reasons for rejection of the bid shall be intimated in due course after successful formation of MOU / strategic tie up with successful bidder

2.2.1.6 DOCUMENTS TO BE ENCLOSED:

Full information shall be given by the tenderer in respect of the following.

- Tenders shall be signed by persons duly authorized/empowered to do so .An attested copy of the Power of Attorney to be submitted in all cases except where the sole proprietor is the signatory to the tender documents
- PERMANENT ACCOUNT NUMBER:

Certified copies of Permanent Account Numbers as allotted by Income Tax Department for the Company / Firm / Individual Partners, etc. shall be furnished along with tender.
- AUDITED BALANCE SHEET AND INCOME TAX RETURN:

Copy of Audited Balance sheets and income tax return for last three financial years (financial years as specified in PQR)
- SOLVENCY CERTIFICATE:

If asked in NIT, bidder should submit solvency certificate (not older than 12 months from date of tender notification) issued by any scheduled bank.
- DOCUMENT RELATED TO INCORPORATION OF BUSINESS ENTITY:
- IN CASE OF INDIVIDUAL TENDERER:

His/her full name, address and place & nature of business.
- IN CASE OF PARTNERSHIP FIRMS:

The names of all the partners with address. A copy of the partnership deed/instrument of partnership duly certified by the Notary shall be enclosed.
- IN CASE OF COMPANIES:

Date & place of registration including date of commencement certificate in case of Public Companies and the nature of business carried on by the company. Certified copies of Memorandum and Articles of Association are also to be furnished.
- Offer forwarding letter over the letterhead
- Declaration sheets (As per Prescribed format) over the letter head
- No Deviation certificates (As per Prescribed format) over the letterhead

➤ GST Registration certificate

All the data required to be enclosed with the tender need to be furnished neatly typed, signed & stamped in the given formats only (in the form of separate sheets) failing which the tender may be considered as incomplete and is liable for rejection. Documentary proof wherever necessary also need to be enclosed.

Apart from the above documents, bidders are requested to go through the List of Schedule & Annexures as per (Annexure- List of Documents / schedules) and PQ Templates. Bidder has to furnish the same in the given formats only (in the form of separate sheets) failing which the tender may be considered as incomplete and is liable for rejection. Documentary proof wherever necessary also need to be enclosed.

2.2.1.7. REJECTION OF TENDER & OTHER CONDITIONS:

- The decision of acceptance of tender will rest with BHEL which does not bind itself to accept the lowest tender or any tender and reserves to itself full rights for the following without assigning any reasons whatsoever:
 - (a) To reject any or all of the tenders.
 - (b) To split up the work amongst two or more Tenderer as per NIT
 - (c) To award the work in part as per NIT
 - (d) In either of the contingencies stated in (b) and (c) above to modify the time for completion suitably.
- 8Conditional tenders, unsolicited tenders, containing abnormally low/ unworkable rates & amounts, tenders which are incomplete or not in the form specified or defective or have been materially altered or not in accordance with the tender conditions, specifications etc. are liable to be rejected.
- Tenders are liable to be rejected in case of unsatisfactory performance of the tenderer with BHEL, or tenderer under suspension (hold / banning / delisted) by any unit / region / division of BHEL or tenderers who do not comply with the latest guidelines of Ministry / Commissions of Govt of India. BHEL reserves the right to reject a bidder in case it is observed that they are overloaded and may not be in a position to execute this job as per the required schedule in line with 'NIT'. The decision of BHEL will be final in this regard.
- In case of any adverse information is received concerning performance, capability or conduct of the tenderer after issue of tender enquiry or opening of tender or award of work, BHEL reserves the right to reject the offer at any stage as deemed fit.
- Offers with inadequate Tools & Plants, Manpower Deployment Plan, and Method Statement are liable for rejection.
- If a tenderer who is a proprietor expires after the submission of his tender or after the acceptance of his tender, BHEL may at its discretion, cancel such tender. If a partner of a firm expires after the submission of the tender or after the acceptance of the tender, BHEL may cancel such tender at its discretion unless the firm retains its character.

- BHEL will not be bound by any Power of Attorney granted by the tenderer or by changes in the composition of the firm made subsequent to the execution of the contract. BHEL may, however, recognise such Power of Attorney and changes after obtaining proper legal advice, the cost of which will be chargeable to the contractor concerned.
- If the tenderer deliberately gives wrong information in his tender, BHEL reserves the right to reject such tender at any stage or to cancel the contract, if awarded, and forfeit the Earnest Money/Security Deposit/any other moneys due.
- Canvassing in any form in connection with the tender is strictly prohibited and the tenders submitted by the tenderer who resorts to canvassing are liable to be rejected.
- In case the Proprietor, Partner or Director of the Company / Firm submitting the Tender, has any relative or relation employed in BHEL, the authority inviting tender shall be informed to the fact as per specified format along with the offer, failing this, BHEL may, at its sole discretion reject the tender or cancel the contract and forfeit the Earnest Money/ Security Deposit.
- The successful tenderer should not sub-contract the part or complete work detailed in the tender specifications without written permission of BHEL's Site In charge/ Sector Head. For this the contractor shall submit request application to site in charge supported by credentials (financial and technical) and resource mobilisation schedule of such sub-contractor. Such request are to be considered in consultation with end user/ultimate customer (if applicable) and subject to satisfactory credentials, fund flow arrangement between them, HSE and other contractual and statutory obligations. The tenderer is solely responsible to BHEL for the work awarded to him.
- The Tender submitted by a tenderer shall become the property of BHEL who shall be under no obligation to return the same to the bidder.
- unsolicited discount received after the due date and time of Bid Submission shall not be considered for evaluation. However, if the party who has submitted the unsolicited discount/rebate becomes the L-I party, then the awarded price i.e contract value shall be worked out after considering the discount so offered.
- BHEL shall not be liable for any expenses incurred by the bidder in the preparation of the tender irrespective of whether the tender is accepted or not.
- NO DEVIATIONS ARE ACCEPTABLE:-

Offers with deviations are likely to be rejected. However, if the bidder insists on any technical or commercial deviations from the specifications and / or tender conditions, **the price implication, if any, of withdrawing the deviations must be submitted along with the price bid in a separate sealed envelope** super-scribed "**PRICE IMPLICATION FOR WITHDRAWAL OF DEVIATIONS**". No price implication for withdrawal of deviation shall be accepted at a later date, after opening of technical bid.

3.0 Bidders ineligible to Tender:

- (i) A retired officer of the Govt. of Telangana or Govt. of India executing works is disqualified from tendering for a period of two years from the date of retirement without the prior permission of the Government.

- (ii) The Bidder who has employed any retired officer as mentioned above shall be considered as an ineligible Bidder.
- (iii) The Bidder himself or any of his employee is found to be Gazetted Officer who retired from Government Service and had not obtained permission from the Government for accepting the Bidder's employment within a period of 2 years from the date of his retirement.
- (iv) The Bidder or any of his employees is found at any time after award of contract, to be such a person who had not obtained the permission of the Government as aforesaid before submission of the tender or engagement in the Bidder's service.
- v) Bidder shall not be eligible to tender for works in TS Transco where any of his near relatives are employed in the rank of Assistant Engineer or Assistant Executive Engineers and above on the Engineering side and Assistant Accounts Officer and above on the accounts side. The Bidder shall intimate the names of persons who are working with him in any capacity or are subsequently employed. He shall also furnish a list of Gazetted/Non-Gazetted State Government Employees related to him. Failure to furnish such information Bidder is liable to be removed from the list of approved Bidders and his contract is liable for cancellation.

Note: Near relatives include

Sons, step sons, daughters, and step-daughters.

Son-in-law, and daughter-in-law.

Brother-in-law, and sister-in-law.

Brothers and Sisters.

Father and Mother.

Wife / Husband.

Father-in-law and Mother-in-law

Nephews, nieces, uncles and aunts

Cousins and

Any person residing with or dependent on the Bidder.

4.0 Last date / time for Submission of the Tenders.

1. Tenders must be submitted online not later than the date and time specified in NIT.

2. The tender inviting authority may extend the dates for issue and receipt of Tenders by issuing an amendment in which case all rights and obligations of the tender inviting authority and the Bidders will remain same as previously.
3. The Bidders are requested to check / verify the web site before scheduled closing date & time for any changes/ amendments in the tender.

5.0 Late Tenders:

Tenders will not be considered which are uploaded after Bid closing date and time as prescribed in NIT.

6.0 Modification to the Tender:

Bidders can modify their **Tender percentage** online before the last date/time prescribed in NIT.
No Tender shall be modified after the last date /time of submission of Tenders.

7.0 Language of the bidding documents:

Bids shall be submitted in English language only.

8.0 Cost of Tendering :

The Bidder shall bear all costs associated with the preparation and submission of his Tender and the tender inviting authority will in no case be responsible and liable for those costs.

9.0 PRICES: Refer Various schedules of Bill of Quantity Cum Price Schedule

Bidder shall indicate bid prices in Indian Rupees only.

10.0 (a) TREE / CROP COMPENSATION RIGHT-OF-WAY, CUTTING OF**TREES, ETC.**

Payment of compensation for damaged crops or fruit bearing trees shall be initially made by the Contractor, which will be reimbursed by TSTRANSCO later on. The compensation so payable in respect of damaged crops shall be based on the assessment of MRO. In respect of the trees, compensation so payable is the lowest of the rates fixed by the Horticulture/NABARD/MRO. The Contractor shall take up the payment of compensation amount only after written approval by the Executive Engineer. The payment shall be made in the presence of representatives of LIS construction field officers, Accounts and Vigilance wings of TSTRANSCO. The Superintending Engineer/LIS shall finalize the compensation claims. Also refer technical specification of 400kV Line.

b) WAY LEAVES AND STATUTORY NOTICES: (ROAD CUTTING CHARGES) (IF APPLICABLE)

The successful bidder shall submit proposals for way leaves and right of way. The bidder is entirely responsible in getting permissions from the concerned

Government Departments. The field officials of TSTRANSCO will assist to prepare required letters to apply for permissions. The cost payable to local authorities towards Road cutting / utility charges / permissions is to be paid by the successful bidder as per contract.

11.0 PRICE VARIATION (PV) Clause

11.1 The Price Variation clause for steel and cement utilized in civil works:

The Price Variation applicable in respect of steel and cement utilized in civil works shall be as per G.O.Ms.No.94, Dt: 16-04-2008 and T.O.O CE (Civil) Ms.No.24, Dt: 23-04-2008 of TSTRANSCO with subsequent amendments subject to the following conditions:

a) The Price adjustment shall be applicable for both upward and downward variation in prices of respective items within original contract period or period extended on grounds of the departmental delays and valid reasons and shall not be applicable to the extensions granted on account of the Contractors fault.

b) The price adjustment shall be applicable for actual components of items of works actually carried out during the period of bill and allow to adopt price adjustment for steel and cement utilized in civil works by the absolute variation between the estimated rate and the rate approved by the Govt. based on the recommendation of Board of Chief Engineers for the month.

The basic rate for Cement and Steel rates adopted in the estimate is as follows:

(i) Substations and Bays :

For Cement and Steel rates adopted in the estimate is Oct ' 2020.

Cement :- 5,600/1MT

Structural Steel :- 39,000/-1MT

Reinforcement Steel :- 44,000/1MT

(ii) 400 kV Lines:

For Cement and Steel rates adopted in the estimate is Oct' 2020.

Cement :- 5,600/1MT

Reinforcement Steel :- 44,000/1MT

c) i) The price adjustment will be applied where the variation in rates only to the extent where it is above 5% over the estimates rates. Thus if the price excess is

10%, payment will be made only to the extent of 5% (10% - 5%). Further, the same procedure should be also followed for Negative Price variation.

- ii) For the time extension period due to
 - a) Department fault, price variation (Both +ve and –ve) is applicable.
 - b) Contractors fault, only negative price variation is applicable.
- d) Necessary supplemental proposal regarding differential rate payable or difference rate recoverable on agreement rates of steel and cement utilized in civil works and structural steel due to price adjustment is to be submitted to the agreement concluding authority for approval.
- e) The completion schedule approved in the form of bar chart shall be the basis for timing of the each activity for calculating the Price Variation during a month. If the schedule is not complied by the Contractor as per the above programme due to the reasons like right-of-way, the particular activity or task can be rescheduled by moving upward or downward on the time axis of the bar chart within the agreement period, as agreed by the Concerned Executive Engineer (field officer), as per the actual site conditions. In such cases, the concerned Executive Engineer will record the reasons for re-scheduling / delay of the work.
- a) In specific cases like Substation site being not handed over to the Contractor in time by the TSTRANSCO due to delay in land acquisition, natural calamities, right-of-way problems, for which the Contractor is not responsible, extension of the agreement period may be given duly rescheduling the programme of completion with the approval of competent authority. In all such cases, TSTRANSCO will consider application of Price variation clause case to case.

11.2 PRICE VARIATION CLAUSES FOR TRANSMISSION LINES ITEMS :

(I) For supply

The Price Variation applicable in respect of the items i.e 400 kV Transmission towers including Bolts & Nuts, Moose ACSR Conductor and GSS earth wire is subject to the following conditions:

- (a) Price variation shall be applicable for both upward and downward variation in prices.
- (b) The indices adopted for calculation of price variation shall be

For 400kV Transmission line towers including Bolts & Nuts - IEEMA

For ACSR Moose Conductor - CACMAI

For Earth wire - CACMAI

- (c) The price variation is limited to maximum of 50% over the Price quoted/accepted mentioned above (own manufactured / bought out items as the case maybe). However there is no ceiling for negative variation.
- (d) If the delivery of the material is within the scheduled delivery period, the Price variation applicable will be based on the actual delivery (the date on which Transmission line towers are notified as being ready for inspection / dispatch) for transmission towers and check measurement date as per Form-13 in case of conductor and earth wire.
- (e) In the case the Purchaser advance the delivery, the price variation applicable will be based on the actual delivery (the date on which Transmission line towers are notified as being ready for inspection / dispatch) for transmission towers and check measurement date as per Form-13 in case of conductor and earth wire.
- (f) If the date of delivery as defined in the P.V. formula is beyond the schedule delivery date, the scheduled delivery date or the actual delivery date (the date on which Transmission line towers are notified as being ready for inspection / dispatch) for transmission towers and check measurement date as per Form-13 in case of conductor and earth wire whichever is advantageous to the Purchaser will form the basis for calculation of price variation.
- (a) Notwithstanding the formula applicable for regulating the price variation, if at any time any documentary evidence or certificate in regard to the price variation bills is required by the Purchaser, the supplier will have to furnish the same to the Purchaser.
- (h) The proportionate taxes and duties on such increase or decrease in the price is to the TSTRANSCO's account, as per actual on production of the gate pass relating to the consignments for which price variation is claimed.
- (b) The price variation amount can be claimed for each batch of supplies made from time to time (out of total quantity) and will be payable after due verification.
- (j) In specific cases for which the Contractor is not responsible, extension of the agreement

period may be given duly rescheduling the programme of *delivery* with the approval of competent authority. In all such cases, TSTRANSCO will consider application of Price variation clause case to case.

(c) **Applicable formula for calculating Price Variation for 400 Kv Transmission towers including Bolts &Nuts**

“Price variation clause in the Tender specification are provisional and all modification/updates issued by IEEMA from time to time are applicable for TSTRANSCO turnkey projects. The Price variations will be calculated using IEEMA PV CALCULATOR(whenever applicable) which includes all modifications issued by IEEMA from time to time.”

Prices are variable . Price Variation will be calculated according to IEEMA formula as given below.

$$P = \frac{Po}{100} \left\{ 11 + 32 \times \frac{SBLR}{SBLRo} + 25 \times \frac{SBIR}{SBIRo} + 09 \times \frac{Zn}{Zno} + 23 \times \frac{W}{Wo} \right\}$$

Wherein,

P = Price payable as adjusted in accordance with the above formula.

Po = Price quoted/accepted

SBLRo = Price of Steel Blooms Retail

This price is as applicable on the 1st working day of the month,
One month prior to the date of tender opening.

SBIRo = Price of Steel Billets Retail

This price is as applicable on the 1st working day of the month,
One month prior to the date of tender opening.

Zno = Price of Electrolytic high grade zinc

This price is as applicable on the 1st working day of the month,
One month prior to the date of tender opening.

Wo = All India average consumer price index number for industrial workers, published by the Labour Bureau, Ministry of Labour, Govt of India (Base : 2001 = 100). This index number is as applicable on the first working day of the month, three months prior to the date of tender opening.

SBLR	=	Price of Steel Bloom Retail This price is as applicable on the 1st working day of the month, Two months prior to the date of delivery.
SBIR	=	Price of Steel Billets Retail This price is as applicable on the 1st working day of the month, two months prior to the date of delivery.
Zn	=	Price of Electrolytic high grade zinc This price is as applicable on the 1st working day of the month, two months prior to the date of delivery.
W	=	All India average consumer price index number for industrial workers, as published by the Labour Bureau, Ministry of Labour, Govt of India (Base : 2001 = 100). This index number is as applicable on the first working day of the month, four months prior to the date of delivery.

The date of delivery is the date on which Transmission line towers are notified as being ready for inspection / dispatch (in the absence of such notification, the date of manufacturer's dispatch note is to be considered as the date of delivery).

(ii) PRICE VARIATION FOR ACSR MOOSE CONDUCTOR

The price shall be based on and subject to adjustment due to variation in the following factors:

- i) E.C. Grade Aluminium: The ex-works cost of indigenous E.C. grade aluminium wire rod based on average price of M/s. Nalco, Balco, Hindalco, and Malco as given in CACMAI circulars prevailing as on 30 days prior to the Bid opening.
- ii) HTGS Wire: The ex-works cost per MT of HTGS wire exclusive of duties and taxes prevailing as on 30 days prior to the Bid opening corresponding to 3.00 to 4.09 mm size, as given in CACMAI circulars prevailing as on 30 days prior to the Bid opening.
- iii) The above basic prices of raw materials will remain unaltered during the execution of contract.

- iv) For any variation up or down in the prices of raw materials as defined above, for every one rupee change in the rate of one MT of EC grade aluminium wire rod and HTGS wire the corresponding increase or decrease in price per KM of finished conductor allowable shall be as given below:

CONDUCTOR TYPE	Variation in Rs. Per Km of Conductor	
	For Aluminium	For HTGS wire 2.79 mm to 4.09 mm
MOOSE ACSR CONDUCTOR	1.467	0.537

$$P = P_o + (A_i - A_o) \times 1.467 + (S_t - S_o) \times 0.537 - \text{For Moose}$$

- v) For the purpose of calculation of price variation, the prices of HTGS wire and EC grade aluminium shall be taken as those prevailing on the first working day of the calendar month one month prior to the date of delivery.
- vi) The Base and final prices/ indices shall correspond to same manufacturers as given in the CACMAI.
- vii) The date of delivery shall be the date of receipt of materials in good condition at destination stores (i.e. check measurement date as per Form-13) for the purpose of the price variation calculations.
- viii) Irrespective of increase in the prices of raw materials, the price increase per km of the conductor in the Price quoted / accepted will be limited to a maximum of 50% over the original Price quoted / accepted mentioned above (own manufactured / bought out items as the case maybe). However there is no ceiling for negative variation.
- ix) In case of conductors, where the supplier makes his own arrangements to get the Rod made out of Aluminium Ingots, the prices of Aluminium Rod as per CACMAI mentioned above will only be taken into consideration for arriving at the price variation claims irrespective of whatever expenditure the supplier might have incurred in getting the ingot converted into Rod.

(iii) PRICE VARIATION FOR GSS EARTHWIRE :

Prices are Variable:

- i) The formula for calculation of the price adjustment to be applied to the Price quoted / accepted component of Galvanised Steel Earth wire is as below:

$$EC_{EW1} = EC_{EW} [0.15 + 0.74 (A_1/A_0) + 0.11(L_1/L_0)] - EC_{EW} \text{ Where,}$$

EC_{EW1} = Price adjustment amount payable on Price quoted / accepted of Earth wire, shipment-wise.

EC_{EW} = Ex-works price for Earth wire, shipment-wise.

A = Published price indices for high tensile steel galvanized wire, as published by CACMAI.

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

- a) **Subscript '0' refers to indices in the circular as on thirty (30) days prior to date of opening of Bids, for materials & labour.**
- b) **Subscript '1' refers to indices in the circular as on 60 (sixty) days prior to the date of delivery for materials & labour.**
- ii) The Base and final prices/ indices shall correspond to same manufacturers as given in the CACMAI.
- iii) The date of delivery shall be the date of receipt of materials in good condition at destination stores (i.e. check measurement date as per Form-13) for the purpose of the price variation calculations.
- iv) Irrespective of increase in the prices of raw materials, the price increase per KM of the conductor in the Price quoted/accepted will be limited to a maximum of 50% over the

original Price quoted/accepted mentioned above(own manufactured / bought out items as the case maybe. However there is no ceiling for negative variation.

However, the PV calculations for above material/equipments will be calculated as per the latest amendments (if any) for formulas issued by IEEMA/CACMAI.

(II) For Erection:

- i) Price variation shall be applicable for both upward and downward variation in prices of respective items if the delivery of goods / work completion is within the stipulated period mentioned in the purchase order.
- ii) The rate approved by the Govt. based on the recommendation of Board of Chief Engineers for the month will be considered for the items cement, reinforcement steel.
- iii) Not Applicable.
- iv) Price adjustment shall be calculated separately for reinforcement steel & cement components in proportion to the cost of work done involving the above materials during the billing period. The percentage of reinforcement steel & cement components is based on estimated rate only. The price variation amount so obtained will be added to the cost of work done calculated on quoted rate, put up for billing.
- v) The concerned Field Executive Engineer will calculate the Price Variation for the billing period, preferably monthly. For this purpose the Contractor shall submit invoice supported by calculation as per formula specified along with documentary evidence for different indices applicable for Price Adjustment.
- vi) Price variation will be limited to the amount arrived based on schedule date of completion or actual date of completion whichever is earlier. Lower of the two indices values will be considered.

- vii) In specific cases like right-of-way problems, for which the Contractor is not responsible, extension of the agreement period may be given duly rescheduling the programme of completion with the approval of competent authority. In all such cases, TSTRANSCO will consider application of Price variation clause case to case.

12.0 TAXES AND DUTIES:

- 12.1** All taxes (except GST) , duties , charges , royalties, cess and any other levies by Central/ State/local authorities for the execution of the contract shall be borne by the contractor and shall not be payable extra . Any increase of the same at any stage during execution of the contract shall be borne by the contractor .Quoted price of the same shall be inclusive of all such requirements.
- 12.2** Contractors have to make their own arrangement at their cost for completing the formalities, if required with relevant taxation authorities, for bringing their material, plant and machinery at site for the execution of the contract. Road permits / way bill if required shall be arranged by the contractor.
- 12.3** The Contractor is responsible to furnish documentary evidence towards GST Registration of the State wherein the site is located and any other documents as per GST Act which may be required from time to time by BHEL. BHEL will not be held to be responsible for any non-compliance of the Contractor in respect of GST laws as framed from time to time.
- 12.4** Goods and Service Tax (GST) will be reimbursed to the Contractor subject to the following conditions :-
- (i) Submission of valid GST Compliant Tax Invoice as per the GST Invoice Rules
 - (ii) The Invoice raised by the Contractor should indicate the BHEL GST Registration Number.
- 12.5** The GST amount shall get reflected within prescribed time limit in the GSTN for BHEL to avail the input credit. If the GST Credit is reversed/ denied/ delayed to BHEL due to non-receipt/delayed receipt of Services and/or tax invoice or due to expiry of timeline prescribed in GST law or due to any other factor for availing such Input Tax Credit (ITC) or for any other reason arising out of the act directly attributable to the Contractor, GST amount shall be recoverable from Contractor from any dues payable to the Contractor along with any interest levied/ leviable on BHEL.
- 12.6** Statutory variation, if any, on account of GST will be payable by BHEL (if Payable by TSTRANSCO) at actuals on submission of documentary evidence within the contractual delivery schedule only.

12.7 TDS under Income Tax Act/GST Act shall be deducted as per applicable rates unless Exemption certificate, if applicable, from the appropriate Authority is furnished to BHEL along with the Invoice.

12.8 New Taxes & duties:

If any new tax or duty is levied by the Central/State Government/ Municipality/Local Authority and becomes directly applicable on items specified in the Bill of Quantities, full reimbursement shall be made (if Payable by TSTRANSCO) subject to submission of documentation as per statute within the contractual delivery schedule Only..

13.0 STATUTORY VARIATION:

Any variation up or down in statutory levy or new levies introduced after calling of tender date under this specification will be to the account of BHEL/ TSTRANSCO and which shall be regulated in the contract agreement by the agreement concluding authority.

The successful Bidder has to declare the own manufactured and bought out items at the time of acceptance of LOI.

Any increase in statutory levies will be granted by the competent Authority on production of documentary evidence of such increase by the Supplier provided the variation is within the scheduled completion period of contract. This is allowed only once during delivery period i.e. at the time of delivery of goods at factory.

In cases where the Bidder does not adhere to schedule of completion date of Supply/ works and if there is any upward variation/revision in taxes & duties after the agreed schedule completion of programme of works, the Bidder shall bear such impact of levies and if there is any downward variation/revision, the credit shall be passed on to TSTRANSCO to that extent irrespective of scheduled completion of period of contract.

In case of sub-vendor (bought out) items, no statutory variation is applicable after the acceptance of LOI by the successful Bidder.

14.0 Import License:-

Obtaining import license shall be of Contractors' responsibility for imported goods considered in the Bid. The Purchaser has no responsibility what so ever in this regard and any customs duty incurred by the Bidder on the imported goods considered in the bid will not be borne/reimbursed by the Purchaser.

15.0 BID FORM:

The Bidder shall complete the Bid Form and all the bidding schedules for Part-I of the bid and Price schedules for Part- II furnished in the bidding documents.

16.0 Bid Currency:

The bid prices shall be quoted in **Indian rupees only**.

17.0 Validity of Tenders:

Bids shall remain valid for 04 months from the date of opening of the bid or Contract finalization date from TSTRANSCO's end (whichever is later)

The rates in the Tender shall be kept valid for acceptance 04 months from the date of opening of the bid or Contract finalization date from TSTRANSCO's end (whichever is later). In case BHEL (Bharat Heavy Electricals Limited) calls for negotiations, such negotiations shall not amount to cancellation or withdrawal of the original offer which shall be binding on the tenderer.

During the above-mentioned period no plea by the Bidder for any sort of modification of the tender based upon or arising out of any alleged misunderstanding of misconceptions or mistake or for any reason will be entertained.

18.0 Corrupt or Fraudulent Practices:

The TS Transco require that the Bidders / suppliers / Contractors under Government financed contracts; observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, the Government .

(a) Define for the purposes of the provision, the terms set forth below as follows:

- i) "Corrupt practices" means the offering, giving, receiving or soliciting of any thing of value to influence the action of a Government official in procurement process or in contract execution: and
- ii) "Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Government and includes collusive practice among Bidders (prior to or after Tender submission) designed to establish in Tender prices at artificial non-competitive levels and to deprive the Government of the benefits of free and open competition.

- (b) Will reject a proposal for award if it determines that the Bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.
- (c) Will blacklist / or debar a firm, either indefinitely or for a stated period of time, if at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing a Government Contract.
- (d) Further more, Bidders shall be aware of the provisions stated in the General Conditions of Contract.

The decision of Chief Engineer/LIS/TS Transco/Vidyut Soudha/ Hyderabad, to accept any tender and to reject any or all tenders is final.

19.0 PURCHASER'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS:

The Purchaser 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.

20.0 Process to be Confidential:

1. Information relating to the examination, clarification, evaluation and comparison of Tenders and recommendations for the award of a contract shall not be disclosed to Bidders or any other persons not officially concerned with such process until the award to the successful Bidder has been announced by the tender accepting authority. Any effort by a Bidder to influence the processing of Tenders or award decisions may result in the rejection of his Tender.
2. No Bidder shall contact the officer inviting tenders or any authority concerned with finalization of tenders on any matter relating to this Tender during the period from the date of Tender opening to the date of award of Contract.
3. Before recommending/accepting the tender, the tender recommending/ accepting authority shall verify the correctness of certificates submitted to meet the eligibility criteria.
4. Tenders will be finalized by the authority inviting tenders on the recommendation of the competent technical authority. The authority will scrutinize the tenders in accordance with the conditions stipulated in the tender document. In case of any discrepancy or non-

adherence to the conditions, the same shall be communicated to the Bidder, which will be binding on the Bidder. The decision taken by the concerned authority on the tender shall be final.

21.0 LOCAL CONDITIONS:

21.1 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 works/supplies covered under these documents and specifications.

21.2 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 the Purchaser. Neither any change in the time schedule of the contract nor any financial adjustments arising there of which are based on the lack of such clear information, its effect on the cost of the works to the Bidder shall be permitted by the Purchaser.

22.0 PERFORMANCE SECURITY:

Within One (1) month of the issue of Letter of Intent from the Purchaser, the successful Bidder shall furnish the Performance Security for an amount equivalent to sum of 10% of the supply value and 5% of the erection value of the contract along with additional performance securities if any in accordance with the contract, in the Performance Security form provided in the bidding documents or any other form acceptable to the Purchaser.

The Performance Security/additional performance securities shall cover the Twelve (12) months over and above completion period, with a further claim period of two (2) months from the date of check measurement of material/equipment.

- (i) The Bank Guarantee furnished by Line Tower Manufacturer towards 10% of cost of total towers shall be valid upto complete supplies of tower parts.
- (i) The Transformer Manufacturer shall submit an additional Bank Guarantee for value equivalent to 10 % of the cost of the Transformers and which shall be valid up to completion of supplies of Transformers.
- (ii) The Reactor Manufacturer shall submit an additional Bank Guarantee for value equivalent to 10 % of the cost of the Reactor and which shall be valid up to completion of supply of Reactor.

All the Bank Guarantees shall be furnished as per the specific validity mentioned in specification with additional Two(2) months claim period.

Note: Further, the Transformer/Reactor along with accessories supplied shall be under warranty for the satisfactory functioning as per the specification for a minimum period of 60 months from the date of check measurement in Form-13 i.e date of receipt of Reactor in full shape at store/site in good condition.

The Purchaser will discharge the Performance Security after completion of the warranty/ Guarantee period.

Failure of the successful Bidder to furnish the Performance Security as specified within One (1) month after issuance of Letter Of Intent shall constitute sufficient grounds for the annulment of the Award and forfeiture of the bid guarantee, in such case the Purchaser may Award the said contract to the next lowest evaluated Bidder or call for new bids. Any further correspondence made by the Bidder in this regard will not be entertained.

However, the successful bidder has to extend the validity of the bid security bank guarantee till submission of all Performance Bank Guarantees.

Performance security may in the form of

- (i) A Bank Guarantee from Nationalized Banks as per list under Section IX(b) in favour of Chief Engineer / LIS/TSTRANSCO.
- (ii) A Banker cheque, crossed Demand Draft, pay order on any Nationalized Banks as per list under Section IX(b) in the Headquarters in favour of Pay Officer/ TSTRANSCO.

All Bank Guarantees, which are executed in accordance with this specification, shall be only on Non- Judicial Stamp paper purchased in **TELANGANA State** to the value of not less than Rs.100/- (Rupees one hundred only). Bank Guarantee executed on the Non- Judicial stamp paper of value less than Rs.100/- will not be accepted.

In case of the non-execution of works within the stipulated completion period the Bidder shall extend the bank guarantee suitably to cover the 12 Months performance and 2 Months claim period from the expected date of commission of the project.

In case of replacement/repair of any material/works after commissioning of the Sub-Station/Bay Extension and before expiry of Guarantee / Warranty period, the Contractor shall furnish separate

bank guarantee valid for 12 Months with 2 months claim period from the date of repair / replacement covering the value of such materials / works.

The Purchaser will discharge the Performance Security after completion of the contract and within 60 days of the expiry of the warranty.

23.0 FORFEITURE OF PERFORMANCE SECURITY:

The Performance Securities will be forfeited in the following cases :

1. When the successful Bidder does not fulfill the obligations under the contract or proven to be false submission of the information either in the bid or the information relating to the contract.
2. When the successful Bidder fails to execute the work in accordance with the clauses under this specification.
3. When the successful Bidder executing the work with in-ordinate delays or with poor quality which hampers the prime object of the contract, the securities will be en-cashed and will be adjusted towards such losses incurred by TSTRANSCO or towards risk purchase.
4. When the successful Bidder pleads his inability to erect the Substation / Bay Extensions/Transmission Lines and backs out of his obligations after issue of the preliminary acceptance letter or the letter of intent, the TSTRANSCO will forfeit his performance/ additional/ bid securities and also recover the loss, if any, sustained by the TSTRANSCO as a consequence of such backing out. In addition, the company will be blacklisted.

24.0 COMPLETION PERIOD:

The Contractor shall take up and commence the work as per the instructions of concerned Superintending Engineer/LIS/Karimnagar and complete the work as indicated in **Schedule-D**.

25.0 EXCESS DELIVERY PERIOD / COMPLETION PERIOD:

If, in the opinion of the Engineer, the work is delayed

- i) by reason of abnormally bad weather, or
- ii) by reason of serious loss or damage by fire, or
- iii) by reason of civil commotion, local combination of workmen, strike or lockout, affecting any of the trades employed on the work, or

- iv) by delay on the part of the agency or tradesman engaged by the BHEL in executing work not forming part of the contract, or
 - v) By reason of any other cause which in the absolute discretion of the Engineer is beyond the contractor's control, then in any such case, the Engineer (or higher authority) may make fair and reasonable extension in the completion dates of the individual items of work of the contract as whole. Such extension which will be communicated to the contractor by the Engineer in writing shall be final and binding on the contractor. No other claim in this respect for compensation, idle labour or otherwise howsoever is admissible. Upon the happening of any such event causing delay the contractor shall immediately give notice thereof in writing to the Engineer but shall nevertheless use constantly his best endeavour to prevent or make good the delay and shall do all that may reasonably be required to the satisfaction of the Engineer to proceed with the work.
 - vi) In case of delay in completion of work BHEL reserve the right to grant time extension under the following options depending upon the performance of the vendor:
 - a) Time extension without levy of LD in case it is found that delay is not attributable to the vendor
 - b) Time extension with deduction of applicable LD in line with Liquidity Damage clause if the delay is solely attributable to the vendor.
 - c) In case facts of delay is not settled, BHEL reserve the right to grant provisional time extension for delay in completion of total work or part thereof and running/ interim payments to the vendor will be released without deduction of LD subject to submission of additional Bank guarantee equivalent to maximum LD amount valid till completion of work under their scope and grant of final time extension.
 - d) During provisional time extension period ORC/ PVC shall not be payable to the contractor. The Final Delay analysis shall be prepared on completion of the work. In case of delay is not attributable to contractor as per final delay analysis the ORC/ PVC shall be released along with the final bill without any interest charges attributable to BHEL.
 - e) In case of delay attributable to contractor, LD shall be deducted for that period in line with clause "Compensation/ LD/ Penalty for delay in execution" of conditions of contract and balance ORC/ PVC (if any) shall be released along with the final bill without any interest charges attributable to BHEL.
- PVC/ ORC shall be governed by respective clauses in the NIT.

26.0 VARIATIONS IN QUANTITIES:

The quantities indicated in the Schedule-A (Materials / Equipment) and Schedule-B (Works) are only provisional and are likely to change during actual execution.

For material and equipment covered in Schedule – A and Works items covered in Schedule – B :

The rates accepted for individual items of material / equipment covered under Schedule-A and works items covered in Schedule –B shall hold good for the actual quantities of material supplied and works executed, including any increase necessitated during actual execution.

27.0 PURCHASER’S RIGHT TO VARY THE SCOPE DURING THE PERIOD OF CONTRACT:

Purchaser/ BHEL may change the scope of the contract (No. of line bays etc.) based on the priorities and may subsequently extend for balance scope with the prices quoted if required.

Purchaser reserves the right to increase or decrease the scope stated above as per requirement up to + or - 50% during the execution of the order with quoted prices.

28.0 SUPPLEMENTAL/NEW ITEMS AND PROCEDURE FOR WORKING OUT RATES

The Contractor is bound to execute Supplemental / new items that are found essential, incidental and inevitable during execution of the contract at the rates to be worked out as below:

For the items relating to the Schedule-B where the rate can be deduced from the estimate or TSTRANSCO / DISCOMS/ Common SSR, the rate applicable will be the estimated / SSR rate +/- tender percentage quoted/ accepted by the Bidder for Schedule –B. The schedule of rates adopted for supplemental items / new items shall be from the current SSR applicable during the execution period.

For the items relating to the Schedule-A or Schedule-B where the rates of new items cannot be deduced from the estimate / SSR, the rate payable will be arrived based on the prevailing market rates duly enquiring/collecting quotations and observing the reasonableness of the rates by the Purchaser.

The Schedule time required to complete the new/supplemental items including the balance work will be indicated in the approval letter issued for new / supplemental items.

The Contractor shall plan and procure the materials indicated in the Schedule ‘A’ duly verifying with the approved layout and profile so that the procured quantities match with actual requirement to avoid excess supply of materials. The Executive Engineer shall give the details of the materials such as quantities of type wise towers and extensions and other line materials

based on the line approved profile and the quantities of type wise structures and other materials based on the approved layout on the date of Kickoff meeting without fail.

29.0 Performance Guarantee / Warranty:

The materials/equipment supplied and erected shall be guaranteed for satisfactory operation for a minimum period of 12 months from the date of commissioning of project. Where the suppliers/Manufacturers provided longer period of warranty than the period mentioned above, TSTRANSCO shall be entitled for such longer warranty. By the time of completion of commissioning, Bank Guarantee for performance security and Bank Guarantee for final payment shall be valid to cover Guarantee/warranty period with a claim period of two months. The supplier will further guarantee that the material/equipment will conform to the technical specification.

Equipment, sub-assemblies or mandatory spare parts replaced under warranty will have further warranty from the date of acceptance, for a further period of 12 months.

The supplier will warrant that the materials/equipment supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier will further warrants that all materials/equipment supplied under the contract will be free from defects, arising from a design and/ or use of materials as required by the Purchaser's specifications or from any act of omission of the supplier that may develop under normal use of the supplied materials / equipment.

All the material will be of the best class and will be capable of satisfactory operation in the topics under the service conditions indicated without distortion or deterioration. No welding, filling or plugging of defective parts will be permitted. Unless otherwise specified, they will conform to the requirements of the appropriate Indian Standards. (Where a standard specification covering the material in question has not been published, the standards of the American Society for Testing of Materials should be followed).

The entire design and construction will be capable of withstanding the severest stresses likely to occur in actual service and be capable of resisting rough handling during transport.

The supplier will in addition, comply with the performance guarantees specified under the contract. If, for reasons attributable to the supplier, these guarantees are not attained in whole or in part, the supplier will at its discretion either,

- (a) make such charges, modifications, and / or additions to the materials / equipment or any part thereof as may be necessary in order to attain the contractual guarantees specified in the contract at its own cost and expense and to carry out further performance tests as per the relevant standards.
- (b) Replace the material / equipment at his own expense.

The Purchaser will promptly notify the supplier in writing of any claims arising under this warranty.

Upon receipt of such notice, the supplier will within 15 days repair or replace the defective materials / equipment or parts thereof, free of cost at the ultimate destination. The supplier will take over the replaced parts / materials / equipment at the time of their replacement. No claim whatsoever will lie on the Purchaser for the replaced parts / materials / equipment thereafter. In the event of any correction of defects or replacement of defective material during the warranty period, the warranty for the corrected / replaced material will be extended to a further period of 12 months.

If the supplier, having been notified, fails to remedy the defect(s) within the above period, the Purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense duly deducting the expenditure from subsequent bills / bank guarantee and without prejudice to any other rights which the Purchaser may have against the supplier under the contract. Should any damage occur to any other equipment covered under this bidding document due to defective part supplied under this contract, the Bidder should be responsible for making good, the said damage.

If the work or any portion thereof shall be damaged in any way excepting by the acts of the TSTRANSCO, or if defects not readily detected by prior inspection shall develop before the final completion and acceptance of the whole work, the CONTRACTOR shall forthwith make good, without compensation, such damage or defects in a manner satisfactory to the TSTRANSCO. In no case shall defective or imperfect work be retained.

If the Contractor fails to remove or repair any defect within a reasonable time, the Purchaser shall do so by themselves or by any other agencies at the Contractor's cost and risk and cost of such repairs/removals will be adjusted against the amount due to the Contractor.

30.0 Delay beyond Contractor's control:

The Contractor shall not be entitled to claim compensation on account of delays or hindrances to the works for any cause whatsoever. Should the cause of delay or hindrance not be the responsibility of the Contractor, the Chief Engineer *may* consider extension of time to compensate for this delay or hindrance based on the merits of the case. The Contractor will not, however, be eligible for any compensation by way of increase in the rates for the works executed beyond the contract period.

31.0 Extension of time for contract completion:

When a work cannot be completed within the completion period indicated for reasons beyond the control of the Contractor, the Contractor shall represent for the same and extension of time shall be granted only on the issue of an undertaking by the Contractor that he will not put forth at a later date, claims for extra payments towards increased overheads, labour costs etc.

32.0 Mile Stones:

Bar chart assigning definite time period for each of the activity to be ensured for total completion period of work is enclosed for strict adherence to the payment terms mentioned in Clause No.15 of GCC (Terms of payment). The Bidders are requested to give specific acceptance in the form of an undertaking as per Annexure -28 of PQ Template at the time of bidding. **Bids received without this undertaking are liable to be overlooked.**

33.0 Technical Audit on Completed Works:

- i) All the completed works shall be technically audited by Quality Assurance wing within two months of the completion/commissioning of the project for the correctness of project in terms of agreements, specifications, detailed project report / technical sanction, deviation in quantities & rates.
- ii) All the remarks which are pointed out by Quality Assurance Wing in the above technical audit shall invariably attend by LIS Field Wing within one month and in case the remarks are pertaining to the execution of work which is in the scope of the agreement, the Contractor has to attend the remarks without insisting of any additional payment.

34.0 Model Conciliation Clause For Conducting Conciliation Proceedings Under The BHEL Conciliation Scheme, 2018

- iii) The Parties the if at any time (whether before, during or after the arbitral or judicial proceedings), any Disputes (which terms shall means and include any dispute, difference, question or disagreement arising in connection with construction, meaning, operation, effect, interpretation or breach of the agreement, contract or the Memorandum of Understanding (delete whichever is inapplicable), which the parties unable to settle mutually), arise inter-se the Parties, the same may, be refereed by

either party to conciliation to be conducted through Independent Experts Committee to be appointed by competent authority of BHEL from the BHEL Panel of Conciliators.

- iv) Notes:
- v) 1. No serving or a retired employee of BHEL/Administrative Ministry of BHEL shall be included in the BHEL Panel of Conciliators.
- vi) 2. Any other person(s) can be appointed as Conciliator(s) who is/are mutually agreeable to both the parties from outside the BHEL Panel of Conciliators.
- vii) The proceedings of Conciliation shall broadly be governed by Part-III of the Arbitration and Conciliation Act 1996 or any statutory modification thereof and as provided in Annexure-A to this GCC.
- viii) The Annexure-A together with its appendices will be treated as if the same is part and parcel hereof and shall be as effectual as if set out herein in these GCC."
- ix) Guidelines for settlement of claims for compensation on accidents
- x) The amount of compensation paid by BHEL under its guidelines on Settlement of claims for compensation on accidents as applicable for BHEL, i.e. Rs 10,00,000/- (Rs Ten Lakh) in the event of death or permanent disability resulting from Loss of both limbs and Rs 7,00,000/-(Rs Seven Lakh) in the event of permanent disability: shall be recoverable in full from the contractor, agency or firm, if the accident is attributable to negligence of contractor, agency or firm or any of its employees, except in case of work/ service contract etc. being of less than ` 5,00,000/- value, in which case the entire amount of compensation shall be borne by BHEL.

35.0 RIGHTS OF BHEL: -

BHEL reserves the following rights in respect of this contract during the original contract period or its extensions if any, as per the provisions of the contract, without entitling the contractor for any compensation

- 35.1 To withdraw any portion of work (after due opportunity given to contractor to meet schedule) &/or to restrict/alter quantum of work as indicated in the contract during the progress of construction and get it done through other agency to suit BHEL's commitment to its customer or in case BHEL decides to advance the date of completion period due to other emergent reasons/BHEL's obligations to its customer.
- 35.2 To restrict or increase the quantity and nature of work to suit site requirements, since the tender specification is based on preliminary documents and quantities furnished therein are indicative and approximate.. Quantity/ contract variation clause may also be read in conjunction with this clause.
- 35.3 To terminate the contract or to restrict the quantum of work and pay for the portion of work executed in case BHEL's contracts with its customer are terminated/ altered/ deferred/ disputed/on hold for any reason as per mutual agreement.
- 35.4 To effect recovery from any amounts due to the contractor under this or any other contract or in any other form, the moneys BHEL is statutorily forced to pay to anybody, due

to contractor's failure to fulfill any of his obligations. BHEL shall levy overheads of 5% on all such payments.

- 35.5 While every endeavour will be made by BHEL to this end, they cannot guarantee uninterrupted work due to conditions beyond their control. The Contractor will not be normally entitled for any compensation/extra payment on this account unless otherwise specified elsewhere in the contract. No idle labour charges will be payable by BHEL in any case.
- 35.6 To deploy BHEL's skilled and unskilled workmen in case of emergency/poor progress/deficiency in skill on the part of the employees of the contractor and to recover the expenditure on account of the same from the moneys due to the contractor.
- 35.7 In event of termination of contract/ withdrawal/ the contractor shall have no claim to compensate for any loss sustained by him by reason of having purchase of any material or entered into agreement or made any advance on account of execution of work/ contract on account of any profit or advantage which he might have derived from the execution of the works in full but which he did not derive in consequence of the termination/ withdrawal of works.
- 35.8 In the event of any dispute of technical nature, the decision of BHEL shall be final and binding on the Contractor.

35.9 Risk & Cost Clause

In case of fault of the contractor, BHEL reserves the following rights without entitling the contractor for any compensation:

- 35.9.1 To terminate the contract or withdraw portion of work and get it done through other agency, at the risk and cost of the contractor after due notice **of a period of 14 days' by BHEL** in any of the following cases:
- i) Contractor's poor progress of the work vis-à-vis execution timeline as stipulated in the Contract, backlog attributable to contractor including unexecuted portion of work does not appear to be executable within balance available period considering its performance of execution.
 - ii) Withdrawal from or abandonment of the work by contractor before completion of the work as per contract.
 - iii) Non-completion of work by the Contractor within scheduled completion period as per Contract or as extended from time to time, for the reasons attributable to the contractor.
 - iv) Termination of Contract on account of any other reason (s) attributable to Contractor.
 - v) Assignment, transfer, subletting of Contract without BHEL's written permission.
 - vi) Non-compliance to any contractual condition or any other default attributable to Contractor.

35.9.2 Risk & Cost Amount against Balance Work:

Risk & Cost amount against balance work shall be calculated as follows:

$$\text{Risk \& Cost Amount} = [(A-B) + (A \times H/100)]$$

Where,

A= Value of Balance scope of Work (*) as per rates of new contract

B= Value of Balance scope of Work (*) as per rates of old contract being paid to the contractor at the time of termination of contract i.e. inclusive of PVC & ORC, if any.

H = Overhead Factor to be taken as 5

In case (A-B) is less than 0 (zero), value of (A-B) shall be taken as 0 (zero).

* Balance scope of work (in case of termination of contract):

Difference of Contract Quantities and Executed Quantities as on the date of issue of Letter for 'Termination of Contract', shall be taken as balance scope of Work for calculating risk & cost amount.

Contract quantities are the quantities as per original contract. If, Contract has been amended, quantities as per amended Contract shall be considered as Contract Quantities.

Items for which total quantities to be executed have exceeded the Contract Quantities based on drawings issued to contractor from time to time till issue of Termination letter, then for these items total Quantities as per issued drawings would be deemed to be contract quantities.

Substitute/ extra items whose rates have already been approved would form part of contract quantities for this purpose. Substitute/ extra items which have been executed but rates have not been approved, would also form part of contract quantities for this purpose and rates of such items shall be determined in line with contractual provisions.

However, increase in quantities on account of additional scope in new tender shall not be considered for this purpose.

NOTE: In case portion of work is being withdrawn at risk & cost of contractor instead of termination of contract, contract quantities pertaining to portion of work withdrawn shall be considered as 'Balance scope of work' for calculating Risk & Cost amount.

35.9.3 **LD against delay in executed work in case of Termination of Contract:**

LD against delay in executed work shall be calculated in line with LD clause of the contract, for the delay attributable to contractor. For limiting the maximum value of LD, contract value shall be taken as Executed Value of work till termination of contract.

Method for calculation of "LD against delay in executed work in case of termination of contract" is given below.

- i) Let the time period from scheduled date of start of work till termination of contract excluding the period of Hold (if any) not attributable to contractor = T1
- ii) Let the value of executed work till the time of termination of contract= X

- iii) Let the Total Executable Value of work for which inputs/fronts were made available to contractor and were planned for execution till termination of contract = Y
- iv) Delay in executed work attributable to contractor i.e. $T2 = [1 - (X/Y)] \times T1$
- v) LD shall be calculated in line with LD clause of the Contract for the delay attributable to contractor taking "X" as Contract Value and "T2" as period of delay attributable to contractor.

35.9.4 Recoveries arising out of Risk & Cost and LD or any other recoveries due from Contractor

Following sequence shall be applicable for recoveries from contractor after informing the contractor of the total proposed recovery:

- a) Dues available in the form of Bills payable to contractor, SD, BGs against the same contract.
- b) Demand notice for deposit of balance recovery amount to be sent to contractor, if funds are insufficient to effect complete recovery against dues indicated in (a) above.
- c) If contractor fails to deposit the balance risk & cost amount within the period as prescribed in demand notice, following action shall be taken for balance recovery:
 - i) Dues payable to contractor against other contracts in the same Region/unit shall be considered for recovery.
 - ii) If recovery cannot be made out of dues payable to the contractor as above, balance amount to be recovered, shall be informed to other Regions/Units for making recovery from the Unpaid Bills/Running Bills/SD/BGs/Final Bills of contractor.
 - iii) In-case recoveries are not possible with any of the above available options, Legal action shall be initiated for recovery against contractor.

36.0 ARBITRATION

Except as provide elsewhere in this Contract, in case amicable settlement is not reached between the Parties, in respect of any dispute or difference; arising out of the formation, breach, termination, validity or execution of the contract; or, the respective rights and liabilities of the Parties; or, in relation to interpretation of any provision of the contract; or, in relation to interpretation of any provision of the Contract; or, in any manner touching upon the contract, then, either Party may, by a notice in writing to the other Party refer such dispute or difference to the sole arbitration of an arbitrator appointed by Head of the BHEL Unit/Region/Division issuing the Contract.

The Arbitrator shall pass a reasoned award and the award of the Arbitrator shall be final and binding upon the Parties.

Subject as aforesaid, the provisions of Arbitration and Conciliation Act 1996 (India) or statutory modifications or re-enactments thereof and the rules made thereunder and for the time being in force shall apply to the arbitration proceedings under this clause. The seat of arbitration shall be New Delhi.

The cost of arbitration shall be borne as per the award of the Arbitrator.

Subject to the arbitration in terms of clause L above, the court at New Delhi shall have exclusive jurisdiction over nay matter arising out of or in connection with this Contract.

Notwithstanding the existence or any dispute or differences and/or reference for the arbitration, the Contractor shall proceed with and continue without hindrance the

performance of its obligations under this contract with due diligence and expedition in a professional manner except where the contract has been terminated by either Party in terms of this contract.

In the event of dispute or difference relating to the interpretation and application of the provisions of commercial contract(s) between Central Public Sector Enterprises (CPSEs)/ Port Trusts inter se and also between CPSEs and Government Departments/Organizations (excluding disputes concerning Railways, Income Tax, Customs & Excise Departments), such dispute or difference shall be taken up by either party for resolution through AMRCD as mentioned in DPE OM No.4(1)/2013-DPE9GM)/FTS-1835 dated 22.05.2018.