

## **ANNEXURE-I TO NIT**

### **1) Clause no 14 of GCC Rev 06**

Bidder shall arrange for inspection of completed GCB at its works free of charges. Bidder will not have to bear the to /fro boarding, lodging charges of BHEL/end customer's official visiting from INDIA to vendor works if visit is envisaged as per approved QAP. Only charges limited to local third party inspector for witness of test is to be borne if at all envisaged as per approved QAP apart from conducting Routine /FAT test as per GCB applicable standard/approved QAP. If inspection extend beyond one day as per approved QAP, if required, cost shall be borne by the bidder.

### **2) Payment Term: -**

(i) 90% payment shall be as per clause no-9.1.1 of GCTC of GCC Rev 06. Payment shall be through LC which shall be opened by BHEL 30 days prior to the date of dispatch. Usance period shall be 90 days for LC payment. Respective Bank charges to respective account. LC confirmation charges shall be borne by bidder. Bidder will not be held responsible for any delay at C&F Chennai Port.

(ii) 10% payment towards Material Receipt Certificate- Payment shall be paid through RTGS as per GCC rev 06 upon submission of INVOICE along with MRC which shall be given by BHEL within 30 days of site receipt or 180 days from the date of Bill of Lading whichever period concludes earlier.

(iii) 100% Payment towards Supervision of Erection, testing & commissioning: Payment terms shall be as per clause no-9.5 of GCTC of GCC Rev 06. Payment shall be through RTGS.

### **3) Clause no 12.6**

The Warranties and remedies provided for in this clause 12 are to the exclusion of any implied by law warranties.

### **4) Clause no 16**

Damages for breach of order/contract shall be limited to Liquidated damages as per cl. no. 16.2.1 and payment of Liquidated Damages shall be the Buyer's sole and exclusive remedy in case of delay, other than the right to cancel the Order / Contract if the delivery time line has been reached as agreed in PO. BHEL will send 3 official reminders via email/letter within a total period of 21 days.

**4.1) 16.2.2. & 16.3.2.** BHEL will exercise its rights under these clauses after sending due reminders 3 times in a total period of 21 days.

### **5) For Clause 26.1,**

**Risk purchase clause:** - Risk purchase is invoked if supplier is unable to dispatch the material even after reminder/meeting/notices etc.

BHEL right to cancel the Order/Contract: if the delivery time line has been reached as agreed in PO and subsequent thru an official reminder via letter by BHEL in a total period of 21 days and the Seller still not replied the time line of delivery or production schedule.

Further for clause no. 26.2, vendor's max liability shall be limited to the total contract value including taxes, duties & freight.

Recovery on account of purchases made by purchaser at the risk and cost of seller/contracter shall be worked out as per clause no.26.2 of GCC Rev 06.

With reference to clause no 26, 5% overhead charges shall be considered instead of 30%.

### **6) Clause no 27.1**

"Purchaser shall have the right to cancel Order/ Contract, wholly or in part, in case they are obliged to do so on account of any decline, diminution, curtailment or stoppage of their business and in that event, the Seller/ Contractor compensation claim shall be settled mutually as per documentary evidence."

### **7) Clause no 28**

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BHEL will approach third party supplier in case of bidder unable to supply the material even after several reminders, mail, letter etc. i.e the condition of risk purchase only.

### **8) Clause no 29.1**

The following shall also be considered Force Majeure events: Delay due to any actions or omissions by any state authorities, sanctions, blockade, embargo, prohibition of exportation or importation of material and any change in laws applicable to the Contract and occurring after the date of the LOA/Purchase Order Acceptance.

### **9) Clause no 29.3**

The right to termination in case of Force Majeure shall only apply after a continuous event of Force Majeure of 90 days. However, in the event of occurrence of Force Majeure BHEL will consider the case for equivalent time extension for performance. However, keeping in view the project time schedule, this shall be discussed and mutually agreed by both bidder and BHEL.

### **10) Clause no 30**

With reference to clause no 30 please read "of whatsoever nature" instead of "pertaining to bodily injury, death or property damage arising out of Seller's gross negligence or wilful misconduct".

### **11) Clause no 31.1**

Settlement of disputes shall be subject to Arbitration as per clause 32.

### **12) Clause no 32.1**

With reference to clause no. 32.1 line 6 of GCC Rev 06 "by the competent authority of Purchaser" shall be read as with "as per the following rule:

The number of Arbitrators shall be three: one Arbitrator shall be appointed by each party, the third and residing Arbitrator shall be appointed by those Arbitrators" and following shall be added at the end of 32.1. "The language of Arbitration shall be English".

### **13) Clause no 38**

Limitation of Liability and exclusion of consequential losses - Notwithstanding anything to the contrary contained in these General Conditions, the Order / Contract or otherwise, the Seller's total liability in respect of any and all claims for damages or losses which may arise in connection with his performance or non-performance under the contract shall in no event exceed 100% of the total purchase price. In no event shall the Seller be liable for loss of production, loss of profit, loss of use, loss of contracts or for any consequential or indirect loss whatsoever. This limitation of liability shall not apply to the Seller's obligation to indemnify the Buyer as per Clause 30 (as amended above).

### **14) Annexure-IV**

BHEL shall inform the Signing Authority of BG letter to bidder well in advance i.e 60 days before the final reminder on email regarding BG encashment.

### **15) Clause 16.0 of GCTC of GST related corrigendum of GCC Rev 06.**

**15.1)** Purchaser reserves the right to recover from the Seller/Contractor, as agreed liquidated damages and not by the way of penalty, as sum equivalent to half (1/2) percent of the total contract price per week or part thereof, subject to a maximum of ten (10) percent of the total contract price.

Liquidated Damages shall be the Buyer's sole and exclusive remedy in case of delay, other than the right to cancel the Order/ / Contract if the maximum Liquidated Damages as defined in clause 16.2 (i.e. 10%) have been reached and the Seller has still not delivered.

AWB/BL date for C&F contracts shall be treated as the date of dispatch for levying LD as per Clause

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**15.2)** In case of any amendment/ revision, LD shall be linked to the amended/ revised contract value and delivery date(s).

**16)** LR shall be read as freight forwarders receipt.

**17)** Following shipping documents shall be provided by the bidders in line with recent purchase orders for LC negotiation: -

- a) Original Invoices- 3 sets
- b) Packing List- 3 Sets.
- c) Certificate of Origin – 1 Set
- d) Copy of MDCC from Customer/BHEL – 1 set
- e) Guarantee Certificate as per GCC REV 06
- f) Bill of lading – 1 Set

**18)** BHEL will issue MDCC within 30 days from FAT/All test reports envisaged as per approved QAP. Any delay beyond 30 days due to delay in MDCC shall not be attributed to Supplier and shall be attributed to BHEL.

**19)** Bidder will provide vendor shall provide all necessary documents complete in all respect required for custom clearance at destination port. Any deficiency in the required documents shall be to bidders account.