



एन एच पी सी लिमिटेड
(भारत सरकार का उद्यम)

NHPC Limited
(A Government of India Enterprise)

संदर्भ सं./Ref. No. : **NHPC/CCW/C-V/Gen/07/130**

फोन/Phone : **21.06.2010**
दिनांक/Date :

CIRCULAR No. CCW/12/2010

Subject: Closure of Contracts.

- 1.1 The conditions of Contract for Civil Works provide mechanism and time limit for payment of final bill of the contractors. The final bill is required to be submitted by the Contractor normally within 1-2 month of issue of Completion Certificate and payment thereof by NHPC within 4-6 months of submission of such final bill. It has been observed that the final bills for Projects commissioned in the past could not be finalized by the Corporation within a reasonable time and as a result the Contractor invoked provisions of settlement of dispute through arbitration years after completion of works.
- 1.2 For closure of contracts all the issues relating to time and cost are required to be finalised/decided in time bound manner and payment of final bill is to be released within the time line specified in the contract. The various issues required to be decided for Closure of Contract interalia include the following:
 - a) Finalisation of "as-built drawings" as per terms of the contract.
 - b) Reconciliation of quantities payable to the Contractor for each Contract packages and finalization of Final Deviation statement.
 - c) Finalisation of Time Extension and liquidated damages, if any.
 - d) Finalisation of new rates for varied/extra items of works as per terms of the contract through Standing Committee.
 - e) Finalisation of recoveries of departmental material/equipment issued to the Contractor, wherever applicable.
 - f) Other recoveries from Contractor as per terms of respective Contracts.
 - g) Finalisation of the claims preferred by the Contractors, if any.
 - h) Other issues, if any.
- 1.3 A separate Contract Closure Cell will be created at each Project atleast 6 months in advance of scheduled completion of the Project. The persons associated with the execution of works in particular preparation of work done bills of the contractors will be involved even after commissioning of the Project for finalization of various issues associated with closure of contracts within 4 months of completion of Works under contract Package.

Contd...2...

पंजीकृत कार्यालय : एन एच पी सी ऑफिस कॉम्प्लेक्स, सेक्टर-33, फरीदाबाद, हरियाणा-121 003 (भारत)
Regd. Office : NHPC Office Complex, Sector-33, Faridabad, Haryana-121 003 (India)
Website : www.nhpcindia.com; E-mail : webmaster@nhpc.nic.in; Fax : 0129-2277941; EPABX No. : 0129-2278421

-2-

- 2.0 For Salal and Chamera- I Power Stations, head of Power Stations shall complete the task of contract closure within a time bound manner (say within 4 months).
- 3.0 As regards closure of contracts for the recently commissioned projects (Dulhasti, Teesta V, Dhauliganga), the task relating to Closure of Contracts is required to be undertaken through a task force as per the following:
- i) Task Force comprising concerned CE (Contracts- CO), CE (CED – CO), Chief (Finance - concerned Region/nominee of Corporate office where Chief (F) is not posted) and CE of Power Plant is constituted for each Power Plant. Concerned CE (Contract) shall be convener.
 - ii) The Power Plants shall depute their concerned Contract Closure Cell representatives to Corporate Office, Contracts Division along with relevant records for doing the needful as per guidelines of Task Force. This cell shall report to the concerned CE (Contracts), C.O.
 - iii) Task Force shall work out list of pending cases and propose a time frame which shall be discussed with Head of Power Plant and put up to Management for approval.
 - iv) The Task Force shall deliberate on all the issues required for Closure of Contracts. The Task Force shall have meetings at Corporate Office at regular intervals say fortnightly. The Task force shall endeavor to submit its final recommendations covering all the issues related to closure of contracts in a time bound manner (say within 6 - 8 months).

This issues with the approval of competent authority.


 (S C Gupta)
 ED (Contracts Civil) 21/06/10

Distribution:

1. CE (Tech.) to CMD / DM to Dir (Fin.) / CE (Tech.) to Dir. (Proj.) / CE (Tech.) to Dir. (Tech) / ES to Dir. (Personnel).
2. ED (O&M) / ED (Design-E&M) / ED (D&E) / ED (CED) / ED (Finance) / ED (CPMG) / ED (HR).
3. All Regional Executive Directors.
4. All Head of Power Stations / Projects.