



Bharat Heavy Electricals Limited
Integrated Office Complex
Lodhi Road, New Delhi 110 003

Project: 303/2011-PEEGT

SPECIAL CONDITIONS FOR CIVIL & ETC WORK – SYRIA PROJECT

1.	Customer/ Owner	:	Public Establishment of Electricity for Generation and Transmission (PEEGT)
2.	Project	:	230/66/20 K.V Khan Al Joz Substation in Syria
3.	Country	:	Syria
4.	End User	:	PEEGT
5.	Bid Validity	:	120 days with a definite provision of extension by another 120 days
6.	Bid Bond Amount	:	1% of the value of MOU shall be furnished by the successful contractor as bid – bond in the form of Bank guarantee or security deposit etc. at the time of signing of MOU.
7.	Brief Scope of Work	:	As per tech. Specification
8.	Project Schedule	:	15 months from the date of Commencement – For Civil work 17 months for Erection & Testing work
9.	Submission of offers	:	Offers by email shall also be accepted. The complete offers including technical, qualification , commercial and prices are to be sent by email in a non-editable pdf format at the email id: premprakash@bhelindustry.com . The price bids shall be password protected pdf files. Only the qualified bidders shall be required to send the password through email on the same email id at the time of opening of price offers.
10.	Signing of MOU	:	MOU will be signed with the successful bidder pursuant to fulfillment of conditions at sl no 6 above. However, in case of BHEL not securing the contract from PEEGT/ non-acceptance of the successful bidder as sub-contractor by PEEGT at the time of execution of the contract between PEEGT and BHEL, the MOU shall be null and void. In both these cases, the bid bond as mentioned at sl no 6 above shall be returned without any interest charges.
11.	Advance Payment Guarantee amount and validity	:	Normally, no advance payment shall be paid to the contractor. However, advance, if so required by contractor shall be interest bearing and secured through an equivalent bank guarantee and shall be limited to a maximum of 5% of the contract value. Interest rate will be prime lending rate of 16.75% p.a. (State Bank of India PLR plus 2%.) Recovery of advance payment shall be made from the running bills progressively such that the amount paid along with interest is fully recovered by the time contractor reached 90% billing of total value of works to be executed.
12.	Performance Guarantee amount and validity	:	10% of the Contract value to be issued within 30 days from the date of notification of award valid till issue of Final Acceptance Certificate as per the Proforma given with this tender document.
13.	Security Deposit	:	NIL (Replaced by Performance Guarantee)
14.	Earnest Money Deposit	:	NIL
15.	Provisional Acceptance	:	After the declaration of the completion of works of the project, PEEGT/ BHEL shall start the works for provisional acceptance, and shall record the observed deficiencies, defects and discrepancies with a special reservation in order to have them completed or performed by the Contractor during a specified period or else, PEEGT/ BHEL will deduct an amount from his due payments which is to be equivalent, according to the PEEGT/ BHEL estimation, to these defects and deficiencies, which will be completed by PEEGT/ BHEL whenever it finds that suitable The amount of withholdings and / or deductions will be specified by the same currency or currencies mentioned in the contract If the protocol of provisional acceptance included remarks concerning the repair or defects, the Contractor shall undertake performing them within a period to be specified by the acceptance committee provided that this period falls within the guarantee period
16.	Final Acceptance	:	The final acceptance of the project and also the works and equipment and requirements related to its operation and exploitation shall be effected after a period of one year from the date of issuing the certificate of provisional acceptance.
17.	Inspection of roads and bridges	:	The Contractor shall, within one month from the date of commencement order, inspect all roads and bridges of destination and the work site for the purpose of determining the suitability of the vehicles traffic that are carrying the materials



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			and equipment of the project. He shall submit a report about that. He shall also carry out another inspection two months before the arrival of any heavy load materials and equipment. A Representative of PEEGT shall participate in these two inspections In case these roads and bridges require repairing, supporting or leveling, then the expenses shall be borne by contractor
18.	Prices (Firm / PVC)	:	<ul style="list-style-type: none"> Firm. Prices should be offered in free convertible currency except for the U.S.D and in Syrian Pounds to cover the value of the local materials and services calculated on the neighbouring countries exchange rate of the Syrian currency which is specified in the bulletin of the rate of exchange issued by the Central Bank of Syria
19.	Currency of bid PRICES	:	<p>Euro+ Syrian Pounds</p> <p>PRICES QUOTED SHOULD BE INCLUSIVE OF THE FOLLOWING BUT NOT LIMITED TO:</p> <ul style="list-style-type: none"> - Prices should be offered in free convertible currency except for the U.S.D and in Syrian Pounds to cover the value of the local materials and services calculated on the neighbouring countries exchange rate of the Syrian currency which is specified in the bulletin of the rate of exchange issued by the Central Bank of Syria. - The prices should be presented as final on turn-key basis and any reduction will not be accepted. - Expenses of custom's clearance for the whole materials and equipment of the project and for the Contractor's equipment that are temporary imported. - Expenses of Workers' insurance with the Establishment of Social Insurance. - Expenses and commissions of issuing the bank guarantees that the Contractor must present including their stamp duty. Expenses and commissions of issuing the bank guarantees that the Contractor must present including their stamp duty.
20.	Terms of Payment	:	<p><u>FOR CIVIL WORK</u> 5%- Recoverable Advance (if required) – As per clause – As per clause 11. 80%-In proportion with the value of performed services/ work actually executed on site provided the work has been executed to the satisfaction of the Engineer / PEEGT as per monthly running bill. 10%-On Completion of works 10%-On Issue of Provisional acceptance certificate by PEEGT.</p> <p><u>FOR ETC WORK</u> 5%- Recoverable Advance (if required) – As per clause – As per clause 11.</p> <ul style="list-style-type: none"> - 20% of the contract item price on the monthly progressive bills on pro rata basis for receipt, material including arranging crane for unloading, maintaining proper records of receipt & storage in Field Quality Plans (FQPs) and as certified by BHEL Engineer. In case of power transformer, 10% amount shall be paid after unloading and 10% after dragging main tank in position on foundation. - 50% of the contract item price on the monthly progressive bills on pro rata basis after arranging necessary calibrated tools/tackles required for erection, submitting calibration reports, qualification/experience certificates of welder/Electrician/other staff, levelling, alignment, tightening and completion of erection including maintaining proper records of installation in FQPs and as certified by BHEL, Engineer. - 10% of the contract item price on the monthly progressive bills on pro rata basis on arranging calibrated testing equipment, submission of calibration reports, testing of equipment including maintaining proper records of testing



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			in FQPs and as certified by BHEL, Engineer.
		-	10%-On Completion of works – On Commissioning and submission of complete records of erection/ testing/ commissioning / charging protocol as per FQPs for the complete sub-station.
		-	10%-On Issue of Provisional acceptance certificate by PEEGT.
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21.	Mode of Payment	:	All Syrian (local) currency payments will be paid by bank transfer to the account of the Contractor which is opened at a Syrian bank
22.	Venue of arbitration		New Delhi

Other Details

23.	Language	:	English
24.	Guarantee	:	12 months from the date of issuing the provisional acceptance certificate of each section. A new guarantee period equalling the same previous guarantee period, concerning the replaced pieces and parts shall be valid and shall start from the date of replacement, if any.
25.	Execution program		The Contractor has to submit to BHEL within a period of 10 days from the date of commencement order, a (CPM) program, indicating in it measures and steps he would like to follow in executing the project, and has to specify the times during which he expects to fulfil each of the important stages of the contract for approval by BHEL/ PEEGT.
26.	Penalty Damages	:	<u>Penalty of delay in execution:</u> (0.1) % one per thousand of the Contract Value for each day of delay . The ceiling of the penalty of delay shall not exceed 20% (twenty per cent) of the total value of the contract . <u>Penalty of delay in presenting the execution program:</u> In case the contractor does not present the required execution program(CPM) within 10 days from the date of commencement order, Euro /250/ for each day of delay and the ceiling will be 30 000 EURO.
27.	Worker/ Labor accident Insurance		Contractor has to arrange full insurance for his workers/ labours towards accident / loss of life in line with the clauses given in Conditions of contract given in this tender.



28.	Taxes & Duties	:	<p>Taking into consideration the article No. /14/, the Contractor shall bear all expenses and taxes and duties arising outside of the SAR from the execution of the contract including:</p> <ul style="list-style-type: none">- Stamp duty on both copies of the contract amounting to 0.8 % (eight per thousand) of the value of the currency or currencies given in the contract shall be deducted from the L/C and will be paid in the equivalent in Syrian pounds by PEEGT to the Ministry of Finance in the SAR (General Treasury Fund) on the account No. 3541/23 opened at Central Bank of Syria during /30/ days starting from the following day of the date of commencement order.- Bank charges laid on bank guarantees which shall be presented by the Contractor including their Stamp duty.- Duties of consular approval.- All port fees and stevedoring.- Indirect taxes and duties laid on materials purchased locally for the purpose of executing the project. <p>PEEGT shall bear all other taxes and duties laid inside the SAR including Custom duties after taking the following into account:</p> <ul style="list-style-type: none">- Custom duties taking into consideration the following:<ul style="list-style-type: none">A. PEEGT will pay the custom duties for all materials and equipment of the project for one time, while the Contractor will bear the custom duties in case of his compulsion to import some damage or any other reason.B. The materials that are available locally, like Cement , reinforced steel and wood, the Contractor will bear all custom duties ,expenses and fees, in case of importing from out Syrian Arab Republic.- Expenses of confirming.- Income tax laid on the salaries and wages.- Real profits tax.- In case a local sub-contractor assisted the contractor in executing some works or services (civil works – erection....) payment of the taxes and duties liable on these works or services shall be made by the local sub-contractor.- The obligation of the Contractor to pay the taxes and duties and expenses laid inside the SAR as indicated above exclusively are to be according to the applicable valid laws and rules in Syrian Arab Republic (SAR)
29.	Force Majeure	:	<p>Yes</p> <p>The Contractor must notify BHEL in writing within (15) days from the date of the occurrence of the force major.</p> <p>To submit an evidence concerning the date of the occurrence of the force</p>



		<p>major and its duration by appropriate means such as the documents issued by the Competent Authorities and approved by the Consulates of SAR if the event of the force major occurred outside the Syrian Arab Republic.</p> <p>To prove that the events under discussion actually hindered the progress of the works of his obligation. The force major gives the Contractor only the right to obtain an extension of the execution period, but not the right to be exempted of some of his duties or the right of compensation for any damage or loss befalling upon him.</p>
30.	Social Insurance Participation	<p>The Contractor shall be subject to the labour law valid in the Syrian Arab Republic concerning employment and dismissal of Syrian workers. He shall also be subject to the legislations concerning social insurance valid in SAR, especially those related to work accidents and illnesses of profession as a result of the work nature. He shall bear all insurance payments relating to that and also all payments of the social insurance arising from the execution of the contract</p>
31.	Handing over the sites	<p>Within a maximum period of (15) days from the date of the invitation of PEEGT to him to take the sites over. Otherwise, the sites will be considered definitely handed over to him.</p>
32.	Increase and decrease of the project size	<p>In accordance with article /62/ of the law /51/ of 2004 the orderer of Expense may increase or decrease the materials, equipment or works contracted upon during the execution period of the contract by a rate of 30% of each item or article of the contract by the same conditions and prices mentioned in the contract without concluding a new contract. The total value of the increase or decrease should not exceed 25% of the total value of the contract</p> <p>In the case of increase, the Contractor shall be given an additional period proportional with the nature and amount of the increase for this increase only</p>
33.	Performance details	<p>: A list of the projects that the Bidder performed or still under performance and are similar in nature and size to the project specified in this call for offers</p> <ul style="list-style-type: none"> i. Number of these projects ii. Their specifications iii. Name and address of Owners iv. Date of contract's signing v. Date of putting into operation
34.	Withdrawal of the execution of the project	<p>: A – Contracts regulations issued by law No. 51 of 2004, and especially the provisions of its articles 54,55 and 59. B – Book of general conditions of PEEGT issued by decree No. 450 dated 2004 and especially the provisions of the two articles No. 15B AND 42</p>
35.	Temporary admission and temporary import	<p>1-The Contractor has the right to benefit from the regulations governing temporary admission and import valid in SAR, concerning materials, equipment, vehicles and machines required for the project execution.</p> <p>PEEGT will render assistance to the Contractor in the formalities required in this respect, without any additional expenses due to that.</p> <p>The Contractor shall submit the required bank guarantees to the Syrian Customs Administration, for the purpose of guaranteeing the temporary admission declaration.</p> <p>When the need for these materials, equipment, machinery and machines comes to an end, the Contractor can sell all or part of them in the local markets after paying what PEEGT had already paid for them, the provisions of foreign trade and customs shall be respected regarding that.</p> <p>PEEGT has the preference right to buy them for a price agreed upon by the two sides.</p> <p>After approval of foreign currency office, the Contractor has the right to transfer the value arising from this sale outside the SAR according to the applicable laws and regulations.</p>



		<p>The vehicles, equipment and materials whose import is controlled by the Government can be sold only to the Syrian General Establishment which, is concerned in this.</p> <p>2-The Contractor shall bear all taxes, duties and expenses due to the benefiting of the Contractor from the temporary admission and temporary import.</p> <p>3- The Contractor shall discharge the temporary declaration which is presented for the clearance of the materials which will be put in local consumption and substitute them with final statements within a period not exceeding the period already specified by the Syrian Customs Administration. The Contractor shall bear all penalties resulting from the delay in discharging these statements and the performance bond shall not be freed completely unless a deed of release is given by the Customs Administration indicating that the statements were discharged.</p> <p>4- The above mentioned clauses will not be applied on the materials which were finally imported and were excessive for the project and shall be the property of PEEGT.</p>
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Others & Definitions :

36.	Commencement Date	Date of award of work through LOI/ Work order
37.	Rating	: 230/66/20 K.V
38.	Completion of the Works:	<p>The Contractor shall inform BHEL by a written letter duly registered at its registry office about the date of completing the works of the project , and of his readiness to hand over it to PEEGT ready to put into operation.</p> <p>BHEL / PEEGT shall refer this letter within a week from the date of its registration at the most to the party supervising the execution to make sure that the works were actually completed on the date specified by the Contractor.</p> <p>In case of any deficiency, defect or non conformance with the terms of the contract is observed in this project in or any part of it or in any of the requirements and equipment relating to its operation and exploitation BHEL / PEEGT shall have the right to reject the declaration of completion of works of the project and ask the Contractor to complete the deficiencies, repair the defects, and remove the discrepancies.</p> <p>If these observed deficiencies, defects and discrepancies are of the common type, which can be repaired relatively easily and which do not hinder the operation of this project, PEEGT will declare the completion of the works if its interests require that, and will consider the project as ready for putting into service.</p> <p>In this case, the date which is specified in the letter of the contractor will be considered as the date of completion of the period of the execution of the project.</p>
39.	Certificate of provisional acceptance:	<p>The certificate that should be issued by PEEGT after the success of provisional acceptance tests for the project and putting it into service. After the declaration of the completion of works of the project, PEEGT shall start the works for provisional acceptance, and shall record the observed deficiencies, defects and discrepancies with a special reservation in order to have them completed or performed by the Contractor during a specified period or else, PEEGT will deduct an amount from his due payments which is to be equivalent, according to the PEEGT estimation, to these defects and deficiencies, which will be completed by PEEGT whenever it finds that suitable.</p>



		<p>The amount of withholdings and / or deductions will be specified by the same currency or currencies mentioned in the contract.</p> <p>If the protocol of provisional acceptance included remarks concerning the repair or defects, the Contractor shall undertake performing them within a period to be specified by the acceptance committee provided that this period falls within the guarantee period.</p> <p>The Contractor shall, before the provisional acceptance of the project, remove all extra rubbish, debris and soil as well as the patches and dirt, at his own expense and in a way which is considered as acceptable by the PEEGT.</p>
40.	Guarantee period:	<p>The period during which the Contractor shall be responsible for any defect or deficiency that may appear in the executed works which, were provisionally accepted.</p> <p>The Contractor shall guarantee all works subject of his obligation, for one year which begins from the date of issuing the relevant certificate of provisional acceptance for the project .</p> <p>A new guarantee period equalling the same previous guarantee period, concerning the replaced pieces and parts shall be valid and shall start as of the date of replacement.</p> <p>The guarantee period of the whole section shall be extended for a period equalling the period of stoppage of operation for replacing and repairing the damaged pieces and parts</p> <p>In addition to the contractor's responsibility during the guarantee period, he shall remain responsible concerning the civil works, for a period of ten years for any fundamental defect that may appear in the construction and which will affect the safety of the constructions and which results from adulteration or bad execution.</p>
41.	Final Acceptance Certificate:	<p>Means that certificate to be issued by PEEGT for the whole works after the expiration of the guarantee period.</p> <p>The final acceptance of the project and also the works and equipment and requirements related to its operation and exploitation shall be effected after a period of one year from the date of issuing the certificate of provisional acceptance</p> <p>The Contractor shall remain, during all these periods, responsible towards PEEGT for every new defect or discrepancy that may appear in the executed and provisionally accepted works during that period.</p> <p>The Contractor shall perform, at his own expense, all what is needed for repairing, changing, removing of those defects and discrepancies as well as the carrying out of the maintenance works no matter how much they cost.</p> <p>The Contractor shall perform, at his own expense, all what is needed for repairing, changing, removing of those defects and discrepancies as well as the carrying out of the maintenance works no matter how much they cost.</p> <p>But repair of damages resulting from bad usage by PEEGT of the works performed during that period, shall not be included in this maintenance responsibility.</p>
42.	PEEGT	The Public Establishment of Electricity for Generation and Transmission, Syria
43.	Year:	Gregorian year



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44.	The responsibility toward others:	The Contractor will bear the responsibility of all damages which hurt others due to the execution of the Contract works, and he is obliged to pay compensation of these damages according to the laws and regulations valid in Syrian Arab Republic, where such damages have occurred, BHEL has the right to recourse upon him for any consequent obligations through clearing or any other procedure.
45	Syrian laws and regulations:	The Contractor and their sub-contractors shall undertake to respect the regulations, laws and provisions valid in the Syrian Arab Republic.