

ANNEXURE TO GCC FOR CIVIL WORKS

The following terms and conditions shall form a part of the tender document. If any discrepancies found between below mentioned clauses and clauses in the Conditions of Contract for Civil Works, Doc.No.-TB-Civil-GCC, Rev-02, the clauses mentioned in this annexure shall prevail.

1. **Clause C-26.0 “escalation/ price variation”** under special condition of contract is now deleted. No escalation/ price variation charges are payable under the contract.
2. **Clause C-27.0 “Over run charges”** under special conditions of contract is now deleted. No overrun charges are payable under the contract.
3. **Clause C-35.0 “secured advance”** under special conditions of contract is now deleted. No advance on materials shall be payable under the contract.

4. **Clause C-29.7**, under special condition of contract is now deleted and now this clause should be read as below:

4.1 This Project is located in SEZ Area . Service Tax for services fully consumed with in SEZ are exempt.

4.2 Bidders may note that Project is located in DAHEJ Special Economic Zone Area . Name of main client is ONGC Petro Additions Limited (OPAL). OPAL is an Unit in Special Economic Zone. OPAL has awarded contract to BHEL .

Bidders are requested to quote their prices considering the exemptions/benefits , which they are entitled to avail , as regards VAT (Gujarat VAT) , Service Tax , CST , Custom Duty, Works Contract Tax (WCT), Excise Duty for performing work with in SEZ Area. Responsibility for completion of all documentation and formalities etc. as may be applicable from time to time , required for availing necessary exemptions, shall solely lie with bidders. BHEL will also assist in documentation /signing of papers wherever required as per law.

4.3 Bidders are requested to make themselves fully aware & conversant with prevailing law , rules , procedures & practices , formalities and documentation required for (a) exemptions/benefits which they may avail (b) Entry of Goods in SEZ (c) Taking the goods out of SEZ (c) Performing activities within SEZ .In case BHEL; /OPAL has to bear any fine/penalty/duty /taxes /any other costs by whatsoever name called , for contravention/violation of any rules/ ,undertakings given by them ,or due to any of their acts or deeds, whatsoever nature , contractor shall be liable to make good the loss to BHEL . BHEL shall be at its liberty to deduct the amount from payment of contractor

Bidders are requested to indicate the formalities/documentation, which the bidders expect to be completed by BHEL /OPAL, if any, for availing exemption.

4.4 Variations in taxes, duties etc :

A. Regarding Newly Introduced taxes:

As regards newly introduced taxes (i.e. taxes introduced by Govt. after tender opening date), No reimbursement will be made for taxes / duties not directly levied on items specified in Bill of Quantities. However for newly introduced taxes, which become directly leviable on items specified in BOQ, reimbursement will be made by BHEL subject to following:

- a) Provided no reimbursement will be made if exemption in respect of new tax can be availed as per law/SEZ Policy prevailing at that time.
- b) In case as per law/ SEZ Policy prevailing at that time , no exemption can be availed or only partially exemption is available in respect of new tax, reimbursement will be limited to the extent it has additional burden on contractor
- c) In case tax newly introduced by Central/State Govt. becomes directly applicable on items specified in Bill of Quantities but is in substitution / abolition / reduction of any of present taxes, BHEL will reimburse to the extent it has additional burden on contractor. While arriving at the amount of new tax, it shall be presumed that contractor will/has availed the applicable benefit as per modified law/SEZ Policy prevailing at that time. It shall be responsibility of bidder to comply with formalities/ documentation required for availing applicable taxation benefit. For old taxes, contractors past trend /record of availment of benefit may also be taken into consideration.
- d) For verification of working of additional burden(if any), additional burden will be calculated with reference to tax rate structure/Taxation benefits prevailing as on date of tender opening, contractor will have to provide such documents, details, information as considered fit by BHEL for verification of working.
- e) However, in case period of additional burden falls beyond the contractual period of contract, reimbursement will be made only if delay is not attributable to the contractor.

B. Regarding Present Taxes:

- a) As regards present taxes other than : (a) VAT (Gujarat VAT) (b) Service Tax (c) CST (d) Custom Duty(e) , Works Contract Tax (WCT) (f) Excise Duty:

In case of change in tax rates, no increase or decrease in prices shall be admissible. The prices are inclusive of all such taxes.

- b) As regards withdrawal /change of taxation benefits in respect of VAT (Gujarat VAT) , Service Tax , CST, Custom Duty , works Contract tax & Excise Duty :
 - (i) BHEL will reimburse to the extent it has additional burden on contractor. While arriving at the amount, it shall be presumed that contractor will/has availed the applicable benefit as per modified law/SEZ Policy prevailing at that time. It shall be responsibility of bidder to comply with formalities/ documentation required for availing applicable taxation benefit. While arriving at the differential amount, contractors past trend /record of availment of benefit for these taxes may also be taken into consideration
 - (ii) For verification of working of additional burden(if any), additional burden will be calculated with reference to tax rate structure/Taxation benefits prevailing as on date of tender opening, Contractor will have to provide such documents, details, information as considered fit by BHEL for verification of working .
 - (iii) However, in case period of additional burden falls beyond the contractual period of contract, reimbursement will be made only if delay is not attributable to the contractor.

5.0 REINFORCEMENT STEEL

- 5.1 The reinforcement steel for the works shall be supplied by BHEL. Hence under items of reinforcement steel in BOQ annexure(s), the bidders are required to quote labour rates only.
- 5.2 The reinforcement steel shall be lifted from the stock yard by the contractors based on our delivery order from the steel suppliers, normally nearest to site or within the state depending on the availability of stock. Loading charges / transportation upto site and unloading at site are to be included in the scope of bidder and deemed to be included in the quoted rates. Transit insurance & insurance during storage till consumption is also to be included in bidder's scope.
- 5.3 The steel issued to the contractor shall be mainly in standard length and section as received from the steel supplier. However the contractors shall be bound to accept the steel in length as available. No claims for extra payment because of issue of non standard length will be entertained during execution.

5.4 RETURN OF STEEL:

All surplus steel and all wastage materials shall be taken back on weighment basis. Surplus, unused and untampered steel shall be stored diameter / section wise and returned separately at a place directed by BHEL / engineer incharge within the project area. Return of such materials will not be entitled to any handling and incidental charges. All wastage / scrap (including melting scrap, wastage, unusable) shall be returned diameter/ section wise to the stores and a receipt obtained for material accounting purposes.

(A) CONSUMPTION:

The theoretical consumption of various section / diameter of reinforcement shall be based on approved construction drawing and bar bending schedule, approved laps, chairs & lugs. The weight shall be calculated considering the sectional weights as per indian standards. No extra cost shall be payable to the contractor for any deviation in weights for the different procedures adopted for issue and calculation for the theoretical consumption including rolling tolerances. The consumption / wastage shall be determined as under:

- i) Actual consumption = (QTY issued by BHEL) – (surplus QTY returned by the contractor).
- ii) Surplus = Un-tampered and unused quantity of steel returned by the contractor to BHEL supported by relevant documents
- iii) Wastage = actual consumption - theoretical consumption (as erected quantity)

(B) WASTAGE

Allowable wastage: (+5%) of the theoretical consumption shall be considered as allowable wastage.

Wastage is further classified as cut pieces [pieces of lengths 3 m and above] and scrap (including pieces of lengths less than 3 m) measured as per actual weighment basis.

Sl.	Reinforcement steel	Basis of issue & penal recovery
R-1	Theoretical consumption [without considering wastage and scrap of loss	Free
R-2	Wastage limited to plus five percent [+5%] of aforesaid theoretical consumption [r-1] towards allowable wastage [cut pieces plus scrap to be returned to BHEL]	Free
R-3	Wastage beyond five percent [+5%] of the theoretical consumption above (r-1).	Penal rate @ 50% over & above the procurement rate

6.0 **CEMENT**

The cement for the works shall be supplied by BHEL as a “free issue item.”

6.1 The cement shall be lifted by the contractors based on our delivery order from BHEL store within project area or from the stock yard of the cement suppliers, normally nearest to site or within the SEZ area depending on the availability of stock. Loading charges / transportation upto site and unloading at site are to be included in the scope of bidder and deemed to be included in the quoted rates. Transit insurance & insurance during storage till consumption is also to be included in bidder's scope.

6.2 Cement as received from manufacturer/ stockiest will be issued to you. The theoretical weight of each bag of cement for issue purpose will be considered as 50kg. You shall be accountable for the cement issued to you on this notional weight only. No claim whatsoever will be entertained because of difference between the theoretical & actual weight of the bags of cement.

6.3 **RETURN OF CEMENT:**

Sealed cement bags remaining unused and in perfectly good condition at the time of completion or termination of the contract shall be returned promptly, if bhel/ engineer is satisfied of the physical condition of the cement. Return of such cement to the project stores/ place as identified within the project area by engineer/ BHEL will not be entitled to handling and incidental charges. Surplus sealed and good conditioned cement bags will be taken back on weighment basis.

6.4 **CONSUMPTION:**

The theoretical consumption of cement shall be based on the following:-

For design mix concrete: as per approved design mix.

For nominal mix concrete work: as per minimum cement as specified or as approved by engineer-in-charge.

For item of works, where volume mix is permitted in writing by the BHEL, for masonry work, plaster other miscellaneous items, the cement consumption shall be governed by the “statement of cement consumption” attached to delhi schedule of rates of

cpwd-dsr-2007 unless otherwise specified in the specifications or the drawing of contract or mutually agreed.

Actual consumption= Qty issued by BHEL- surplus/unused Qty. Of cement returned in good condition by you to store. (No sweep cement will be taken back by BHEL).

6.5 **WASTAGE:**

Allowable wastage:- two percent (+2%) of theoretical consumption of cement unless specified in the technical specification.

For any material issued by BHEL to you free of cost, and which is not accounted for by you to BHEL, then recovery for such material shall be effected at penal rates.

SL.	CEMENT CONSUMPTION	BASIS OF ISSUE AND PENAL RECOVERY
C-1	Theoretical consumption (without considering any wastage or less).	Free.
C-2	Actual consumption being limited to plus two percent (+2%) of aforesaid theoretical consumption towards allowable wastage.	Free.
C-3	Actual consumption beyond two percent (+2%) of above (c-1).	Penal rate @50% over & above the procurement rate

7.0 **OVER ALL PRICE VARIATION-**

The individual quantity can vary to any extent or may be deleted for which no compensation will be payable to the contractor and the rates will remain firm. Also the rate of each item remains firm as long as the variation in the total value of work executed under the contract including extra items if any remains within plus/minus 30 percent of the contract value. In case the actual value of executed work including extra work on completion of work becomes less than 70% of the basic/original contract value than the following method shall be adopted.

The actual executed value shall be raised by 7 % (For arriving at the final payment against work executed) subject to the condition that total value of work executed plus increase by 7% as above shall be limited to 70% of the basic/original contract value. The rate quoted shall be firm irrespective of any upward variation in the contract price.

It is further clarified that the enhancement/rate revision on the basic rate as per PVC clause shall not be accounted for the purpose of operating this clause.

All other terms and conditions of tender shall remain unchanged.