

**Project: Western Mountain GTPP-Extn., Libya**

**SPECIAL CONDITION OF CONTRACT FOR SUPPLY & SUPERVISION OF  
ERECTION AND COMMISSIONING**

These conditions shall be read & construed along with General Condition of Contract, sent along with tender enquiry and in case of any conflict or inconsistency, the Provision of these special conditions of contract shall prevail.

- 1.0 The "Purchaser" shall mean "BHARAT HEAVY ELECTRICALS LIMITED" which shall also be referred as "BHEL" in these documents.

The Sales Tax Registration No.(s) of BHEL are CST No. LC/44/027181/0871 dated 16.03.72 and Local Sales Tax No. LC/44/027181/0871 dated 16.02.71. IEC No.0588138690.

- 2.0 The "OWNER / CUSTOMER" GENERAL ELECTRIC COMPANY OF LIBYA, who will be the ultimate owner / Customer of this Project. Herein after to be called as GECOL.

- 3.0 **Buyer's name:** General Manager  
**and address:** Project Department  
(Customer) General Electricity Company  
PO Box no. 5175  
Tripoli, Libya

- 4.0 **SELLER /CONTRACTOR** shall mean the Supplier or the Contractor on whom BHEL has awarded the contract.

- 5.0 **CONSIGNEE :** General Electric Company  
P.O. BOX No. 5175, Tripoli (Libya)

**Destination:** Ruais, Libya

- 6.0 **PORT OF ENTRY POINT IN LIBYA :** Any Libyan/ Sea Port/ Airport

- 7.0 **ACTUAL DESTINATION OF SITE 255 KM from Tripoli (Capital of Libya) :** Delivery site AL JABAL AL-GHARBI POWER PLANT, near RUAIS VILLAGE, LIBYA.

- 8.0 **NEAREST TOWN TO SITE :** RUAIS

- a) The RUAIS Town is 5 KM from Project Site, Vehicles etc. are available for Taxi purposes and Internet facility is also available.  
b) **Naloot:** This town is 25 KM from Project site and is in opposite direction to RUAIS. It has reasonably big two to three shopping centers. Houses on rents are available. Taxies for hire are available. It has got 100 beds Hospital and certain Govt. offices.

- 9.0 **Country of Origin:** Any European country, India



- 10.0 PAYING AUTHORITY (BHEL-PEM, PPEI, NOIDA):** All payments in Indian rupees for Domestic suppliers in line with the terms of payment as per condition 13.1 of this SCC applicable for SUPPLY to be made by:

**BHEL -PEM, PPEI, NOIDA  
Sr. DGM / FINANCE / BHEL PEM  
Plot No. 25, Sector- 16A,  
NOIDA (UP) – 201301.**

Also for foreign suppliers, the paying agency will be same as above. However, foreign payment in agreed currencies shall be made through LC by Sr. DGM / FINANCE / BHEL-PEM NOIDA, in line with the terms of payment as per condition 13.1 of this SCC applicable for supply. The documents for payment for Domestic supplier are indicated at clause 16.1 and for Foreign supplier documents for payment are indicated at clause 16.2.

- 11.0 CONTACT POINT FOR CORRESPONDENCE IN PEM:**

**DH – PG (MM)/ BHEL-PEM  
Plot No. 25, Sector- 16A,  
NOIDA (UP) – 201301.**

**NOTE:** All correspondence from vendor must indicate Project Name, Purchase Order No., Package etc for properly linking the correspondence with the said purchase order.

- 12.0 TAXES & DUTIES ON SUPPLY:**

- 12.1 DOMESTIC MANUFACTURER/ SUPPLIER's:**

- i) This being a Physical Export Project, the benefit of movement of goods without payment of Excise duty on your self manufactured items and NIL Sales Tax against Form-H (in case of interstate movement of goods to FOR CHA Godown-Mumbai) OR Form-14B (In case of intra-state movement of goods i.e. within Maharashtra to FOR CHA Godown-Mumbai) shall be available. The statutory changes in Taxes/ Duties and Levies, if any imposed by State/ Central Govt. during the contract delivery period on your self manufactured items, shall be covered under this exemption. The bidder to note that exemption of excise duty and taxes on bidder's sub vendor items shall be covered under the undertaking (Refer 12.1 a-II). The bidder to consider NIL Excise duties & NIL CST of their sub vendor's items in their prices to BHEL.

**In order to avail the Exemptions for payment of Excise duty, the following procedure shall be followed by the bidder.**

- a) CLEARANCE OF GOODS BY UNDERTAKING BY VENDOR:**

- 1) The bidder shall register their undertaking themselves with their local range Excise office by submission of undertaking for movement of goods without payment of Excise duty & the relevant ARE-1 Form. The ARE-1 Form shall be prepared in sextuplicate & signed by bidder & also same shall be signed by competent authority in BHEL-PEM/MM, NOIDA at the place provided as Exporter of goods to Libya



for above Expansion project. The complete responsibility of cancellations of the undertaking & ARE-1 with their local excise office, after the dispatch of materials to FOR CHA Godown-Mumbai, shall rest with the bidder without any participation by BHEL PEM. However, relevant documents for cancellation of their undertaking after completion of dispatches i.e. Bill of Lading, copy of Shipping Bill & copy of the BHEL invoice raised to customer (if required) shall be provided by BHEL to respective bidder/ supplier.

- II) PEM supplier shall cover the supplies of their sub-vendor under the above undertaking registered with their local range Excise Office, for availing the exemption in payment of excise duty at the time of movement of goods from their sub-vendor works / BOI either to BHEL's CHA Godown at Mumbai OR to their works as Physical Export for Libya Expansion Project. The requisite ARE-1 Form shall be dealt between the PEM supplier & their BOI supplier. The cancellation of the said undertaking shall remain the responsibility of the PEM's supplier without any involvement of PEM NOIDA. However, any document, if required by the PEM supplier from BHEL-PEM as main exporter for the registration of their undertaking OR for cancellation of Export Obligations shall be provided. The requisite documents shall be identified by the PEM supplier with BHEL-PEM/MM at enquiry stage under commercial clarifications OR before the price bid opening.

**The supplier has to give an undertaking in writing to PEM , NOIDA along with Price Schedule that all Export benefits as applicable for self manufactured Or their BOI have been considered in line with above Conditions of SCC while making price offer to BHEL-PEM.**

**b) EXEMPTION OF EXCISE DUTY BY BLOCK TRANSFER & ARE-1 by BHEL-PEM, NOIDA:**

Alternatively, BHEL PEM shall register the Excise Bond with Excise Commissioner NOIDA for this Project for permission to dispatch the goods without payment of Excise Duty from their vendor's works anywhere in India, by Block Transfer & ARE-1.

In this regard, BHEL-PEM, NOIDA shall issue the Block Transfer (CTI) & ARE-1 to the supplier for availing above-mentioned exemptions. In order to get the Excise duty Block Transfer & ARE-1 issued from BHEL-PEM, the bidder shall give request in writing before the dispatch of goods, to BHEL-PEM indicating the exact amount of Excise duty involved, rate of excise duty i.e. %, items descriptions, Tariff Head/ chapter etc. for issuing Block Transfer & ARE-1 to the supplier, to their respective Excise range/Office out of the Main Excise Block registered by BHEL PEM NOIDA with the office of Excise Commissioner NOIDA.

The ARE-1 in Sextuplicate shall be issued by BHEL PEM NOIDA as **main Exporter** to the successful bidder (only to the supplier on whom order is placed) and bidder shall also sign on all copy of ARE-1 with their Company Seal at the respective place provided in the ARE-1 (as Co-exporter). The cancellation of such Block Transfer shall be done by BHEL-PEM, NOIDA. However, the supplier shall be responsible &

bound to forward pink copy of the ARE-1 to the BHEL PEM required as one of the enclosure for cancellation of the Excise Bond OR copy of the letter from the Local / Range Excise Office forwarding the PINK copy of the ARE-1 directly to the Office of the Excise Commissioner NOIDA, shall be given by the supplier to BHEL-PEM, NOIDA.

c) **Central Sales Tax:**

For Central Sales Tax purposes, BHEL-PEM shall provide H-Form/ 14-B Form (in case dispatches are within Maharashtra) to the respective bidder / supplier after the dispatches to avail the benefit of NIL Sales Tax. Thus, NIL Excise duty & NIL Sales Tax to be charged by bidders in their quoted prices in the BID, for their Package to the BHEL.

- ii) Before dispatch of materials, bidder shall get all Cases/ Boxes stamped by Superintendent Excise of their area/ range, so as to avoid the inspection of these boxes by Custom Authority at Port.

12.2 a) The bidder / supplier to note that No custom duties / Foreign exchange etc. on the Equipment / assemblies required by bidder for their Assemblies / finished equipment / supplies for Western Mountain GTPP Extn. shall be admissible. BHEL shall not bear any liability arising out of foreign Exchange Rate Variation (ERV) OR on account of statutory variation in custom duty for any of the items imported by the bidder for supplies to the BHEL for this Libya Extn. project.

b) In the circumstances, if supplier is importing raw material like Copper etc. for manufacturing supplies to physical export to Libya, the supplier shall pay the custom duty at Port as per Law and shall drawback duty paid to custom later by himself without involving BHEL. The supplier shall declare this raw material CIF Contents at enquiry stage separately in their prices to BHEL-PEM before price bid opening. The supplier shall declare to BHEL-PEM that nil custom duty has been considered for the identified imported raw materials in their offer to BHEL-PEM. The supplier at enquiry stage shall identify the documents required from BHEL-PEM for duty drawback. BHEL shall consider giving these documents to the supplier after physical export of finished supplies from the said supplier to Libya.

c) In the circumstances, PEM supplier is importing part finished equipment / items from the European countries & intends to bring the finished materials to Mumbai Dock and keeping it in the bonded warehouse for re-exporting to LIBYA without taking such equipment to their works for further value additions. The **HIGH SEA SALES** shall be agreed between BHEL-PEM & PEM's sub-vendors through High Sea Sales agreements. Also the Documentation/ Bonds etc. relating to storage of material in bonded warehouse in the custody of custom authorities without payment of custom duty for re-exporting to Libya by the PEM supplier, shall be signed by BHEL-PEM (Main Exporter) with the custom authorities at Mumbai Dock being the material required for Physical Export to Libya Project.

Supplier shall arrange the documentations and preparation of bond required for bonding of materials. The bonded warehouse charges shall be borne by the supplier. The Supplier shall be required to declare the break-up of CIF contents at enquiry stage before price bid opening in the manner as given below.

- I) Direct Import from 3<sup>rd</sup> country to Libya, if permitted by rules & PEM.
- II) 3<sup>rd</sup> country Import to be brought to India for consolidations under customs bonded warehouse by making High Sea sales to BHEL.

No custom duty on above items I) & II) shall be included in the price bid to BHEL-PEM. The financial liability, if any arising due to High Sea Sales agreement shall be borne by the supplier.

- 12.3 The bidder to quote their prices upto FOR Mumbai, i.e. upto BHEL CHA Godown. The N-Form at the Octroi Naka shall be arranged by BHEL. However, the Clearing House Agent (CHA) shall handle the consignment from his Godown OR at port on behalf of BHEL-PEM & custom clearance inside the port for handling the consignment from Octroi Naka to the vessel shall be arranged by BHEL appointed CHA on behalf of BHEL-PEM. The CHA charges for above activities inside the Mumbai Port shall be paid by BHEL to Clearing House Agent.

#### **Formalities in Connection with 'N' form:**

After the shipment is effected, requisite formalities for cancellation of N-Form indicating Physical Export of the goods earlier exempted from payment of Octroi at Mumbai will have to be ensured. Units/ PEM with the support of Sub-vendor to ensure the timely cancellation of N-Form i.e. within 7 days of the sailing of the vessel out of Mumbai Dock.

No N-Form is applicable if goods are shipped in containers from JNPT Port, Mumbai.

### **13.0 TERMS OF PAYMENT FOR SUPPLY:**

#### **13.1 SUPPLIES:**

- a) 85 % against dispatch / shipping documents through bank / directly.
- b) 10 % against site Material Receipt Certificate (MRC) to be issued by Construction Manager, BHEL Site at LIBYA OR 90 days from the date of Bill of Lading as Proof of dispatch, which ever is earlier, with documents to PEM/ PS NR-NOIDA as per 11.1(a).
- c) 5 % of Final supply payment on submission of final drawing (Print / CD Form), As-built drgs (Print / CD Form), O & M Manuals to BHEL PEM-MM, NOIDA and proof of cancellations of the Excise Undertaking used by the vendor / suppliers for movement of goods without payment of Excise Duty for this Libya Extn. Project.

### 13.2 SUPERVISION OF E & C:

The SCC for vendor supervisions prepared by our PSNR Noida (Constructions Division) is enclosed at Vol-IV-B (6 pages) indicating various terms & facilities which will be provided by BHEL at project site and also the schedule of rates format, which shall be basis for quoting the prices for supervision of E&C portion of the package. The order for the supervision of E&C packages shall be placed separately by PSNR Noida. The payment for this portion shall also be released by the PSNR Noida to the bidder. In the enquiry it shall be specifically mentioned that whether the package is supply only OR supply & supervision of E&C. The Vol-IV B shall be applicable for those packages, which are indicated by BHEL-PEM as Supply & supervision of E&C. The bidder to quote accordingly to BHEL-PEM.

**NOTE : (Applicable for 13.1 & 13.2)**

**The bidder to note that the Total Prices for supplies & supervision of E&C of the package, shall be considered for evaluation purposes and arriving at L1 status.**

### 14.0 Inland Insurance upto FOB Mumbai:

- a) The inland insurance covering the vendor material from their works to the Mumbai Port shall be taken by BHEL and the details of the same shall be intimated by BHEL-PEM-MM to the successful bidder before dispatch of consignments to Mumbai port.

Vendor not to take any inland insurance for Western Mountain GTPP Extn. Project.

- b) For foreign supplies which are direct from third country to Libyan port the inland insurance upto the loading into the ship in the country of foreign supplier shall be taken by the foreign supplier. Further Marine Insurance from the port of loading in the foreign country to the Libyan Port shall be covered under Marine Insurance Policy being arranged by BHEL. These supplies are on CFR basis.

### 15.0 BILLING SCHEDULE /SHIPPING LIST FOR SUPPLY PORTION:

Billing Schedule shall be prepared by the vendor and submitted to BHEL-PEM/MM for approval (in the event order is placed by BHEL-PEM). The freezing of Billing Schedule in cat-I approved is must before commencement of dispatches. No payment shall be made in the absence of approved Billing Schedule. The Billing Schedule shall contain the following:

- a) Lists of all items of total scope of supply both manufactured at vendors works and sub-vendor's items with unit and total price (F.O.R. CHA Godown, Mumbai) along with Gross and Net weight. No item is to be made as free issue required for completion of supply scope/ system.
- b) Quantity shall be indicated only in numbers and not as Sets or Lots.
- c) The Billing Schedule for Mandatory Spares/ Recommended Spares as applicable as per the enquiry requirement shall be approved separately by BHEL-PEM/MM in consultation with Engg before the dispatches of such Spares.

**16.0 INVOICES VIS-VIS PAYMENT:****16.1 DOMESTIC SUPPLIER:**

The payment to supplier (To the successful bidder) shall be made in Indian Rupees (CLAUSE 13.1) and No LC shall be opened for the domestic vendor by BHEL for this purpose. The invoices for payment along with shipping documents (5 Sets) are to be submitted to:

**DH/PG-MM, BHEL-PEM**  
**Plot No. 25, Sector- 16A,**  
**NOIDA (UP) – 201301.**

A Copy of the same shall be submitted to Sr.DGM (F)/ BHEL-PEM, Plot No. 25, Sector- 16A, NOIDA (UP) – 201301.

**The shipping documents are given as below:**

- a) Supplier Invoice
- b) Packing List as per sl. no. 24.0 duly signed by PEM inspection agency/ supplier.
- c) ARE-1 Copy (both side after endorsement of the Custom Authority at Mumbai Port)
- d) BHEL-CQS (Region) CQ-IR indicating Code-A for all inspected items as finally accepted.
- e) Third Party Inspection (Independent Surveyor) Inspection Release Note.
- f) Third Party Packaging Inspection (Independent Surveyor) Release Note.
- g) Inspection Certificate signed by GECOL Inspector (if equipment is tested in the presence of GECOL representative)
- h) BHEL-PEM MDCC in original
- i) In case of air freighted consignment (as 3<sup>rd</sup> country import by Indian Supplier), one original of AWB is required together with 3 copies of the same.
- j) Original LR Copy duly receipted materials by BHEL-ROD Mumbai / BHEL CHA at Mumbai Dock or JNPT, Mumbai.
- k) N-Form copy, if applicable.

The requirement of any more documents, if needed for release of supplier payment shall be informed later to the successful bidder at the time of placement of LOI/PO.

**16.2 FOREIGN SUPPLIER:**

L.C. shall be opened by BHEL and Payment shall be released (85% on dispatch) to the foreign supplier in line with Terms of payment as per clause 13.1. The documents for LC payment are given as below.

- a) Signed supplier Commercial Invoices (One Original + 5 certified copies thereof).
- b) Certificate of Origin in Original to be duly attested by Popular Bureau or diplomatic Mission of Great Socialist People's Libyan Arab Jamhariya from where the supplies will be effected.



## Volume-IV-A

Rev. 2.

19 Jul., 2008.

**NOTE:** Normally, the attestation by Libyan Popular Bureau is done on Certificate of Origin prepared by Chambers of Commerce in the respective country.

- c) Full Set (3/3) of Clean-On-Board Bills of Lading: Complete set of shipping B/L issued to the order of General Electric Company, PO BOX – 5175, TRPOLI, LIBYA showing freight pre-paid as per the rates of the regular shipping lines. B/L to be printed on the authentic B/L format of the carrier. B/L without carrier's details shall not be acceptable.
- d) In case of Air Freight consignment, one original of AWB is required together with three copies of the same.
- e) Packing List: As per sl. No. 24.0 duly signed by Third party Inspection agency/ supplier. The inspection charges by Lloyds/ BVIS for the foreign equipment/ supplier shall be to foreign supplier account and included in their quoted prices to BHEL-PEM and to be indicated separately under Inspection.
- f) Certified Inspection Certificate Approved by Customer: Either the certificate signed by GECOL inspector (if equipment tested in presence of GECOL representative) or Certificate signed by Third Party Inspection Agency is required.
- g) Age of the vessel (Lloyd certificate In original) shall not exceed 15 years on the date the materials are destined to reach port in Libya.
- h) Valid Lloyds or other authorized agency's Certificate (in original) of both the handling gear and hull of the vessel should be available prior to fixing up of the vessel.
- i) Certificate of Freight having been pre-paid as per the regular shipping lines is required on B/Ls.
- j) Subject cargo would be generally shipped under the deck. (Certificate In original).
- k) Specific confirmation/ clearance of BHEL-International Operations div./ BHEL-PEM/MM is needed for shipment on deck.
- l) LC No., Buyer's Reference (Contract No.) of GECOL / Customer will be given later and it is required to be indicated / printed on original Clean B/Ls, as well as copies of the B/L.
- m) Third Country Supplies shall be made on CFR basis. BHEL-PEM to inform the supplier to ensure the compliance to the above certificates/ requirements, which shall be reflected in the Purchase Order/LOI to the foreign supplier.
- n) Insurance Certificate : Marine Insurance Policy shall be intimated by BHEL-PEM to the foreign supplier later for covering the 110% value of the consignment from port of loading of foreign supplier upto Libyan Port and project site in Libya under the above insurance policy covering all the risks.





The Inland Insurance from foreign Supplier works in his country to the Port of Loading shall be arranged by the foreign supplier and the cost shall be included in the quoted Price.

The requirement of any more documents, if needed, shall be informed later to the successful bidder at the time of placement of LOI / PO.

**16.3 FOR 10% SUPPLY PAYMENT AGAINST RECEIPT OF MATERIALS AT SITE:**

Five sets of invoices (Linking with the original invoice for dispatch) along with Materials Receipt Certificate issued by BHEL site. This certificate will be arranged by BHEL-PEM/ MM, NOIDA from Site/ BHEL-International Operation Division, Lodhi Road Complex, New Delhi and shall be given to the vendor for claiming payment of this nature.

**16.4 LAST 5 % SUPPLY PAYMENT:**

5 sets of supplier bills along with proof of submission of final drawings (Print / CD Form), As-built drgs (Print / CD Form), O & M Manuals to BHEL PEM-MM, NOIDA.

**16.5 For payment against supervision of E&C: (refer Clause 13.2 of SCC for Supervision of E&C given at Annex. Vol-IV-B)**

**17.0 LD CALCULATIONS:**

LD to be calculated from the date of handing over of the goods at Naka to BHEL-ROD Mumbai OR appointed Clearing House Agent. Hence original LR stamped with date indicating the handing over date of consignments to BHEL to be submitted by the supplier with the dispatch invoice shall be considered as the date for delivery completion.

**18.0 GUARANTEE PERIOD :**

The supplier shall guarantee the soundness of the supplies under the contract for achieving the full relevant purpose. The supplier to give Performance Bank Guarantee for this purpose i.e. 10% of ex-works value of supplies ordered, for a period of 12 months from 31-12-2009 (being the expected cut-off date for provisional takeover by GECOL of the Unit 5&6) for unit 5&6 supplies/system OR a minimum Guarantee period of 18 months from the date of dispatch for respective unit, whichever is later.

If any defect, default/ deficiency transpires therein, the supplier shall remedy OR start the same within one week from being notified there-of. Otherwise BHEL may carryout the same at the expenses and responsibility of the supplier and may deduct the expenses to BHEL + 30% overheads incurred in this respect from the available payment of the supplier/ BG.

**19.0 TRAINING OF CUSTOMER ENGINEERS:**

Vendors for Fire Protection System, Ventilation system, DM Plant, Station Lighting System AND LV Switchgear System to quote for Optional Daily Prices for deputation of their engineers to Delhi/ NCR for training of Customer Personnel as per Purchase requirements.

## Volume-IV-A

Rev. 2.  
19 Jul., 2008.

These prices shall be inclusive of To and Fro fares, Training material (in twelve (12) hard copies as well as six (6) soft copies in CD), stay expenses at Delhi/ NCR, as required.

### 20.0 CONSUMABLES :

DM Plant vendor shall quote for chemicals/ consumables upto the guarantee period as per cl. 18.0 above.

### 21.0 SPARES, TOOLS AND TACKLES :

All vendors shall provide minimum required Commissioning Spares, Mandatory Spares (suitable for guarantee period) as per list to be furnished by Purchaser.

Any other spares, on 'As Required' basis shall be supplied by vendor forthwith within one week of demand by Purchaser.

All Special Tools and Tackles shall be listed and supplied by vendor alongwith dispatches of Main Supply of the equipment/ system ordered by PEM.

### 22.0 DESPATCHES:

All consignments are to be made to the Consignee as per the address given at (Sl. No. 5.0) by road upto FOR CHA Godown-Mumbai on Freight Prepaid basis to the transporters. The supplies from CHA Godown to FOB Vessel Mumbai shall be handled by BHEL-ROD, Mumbai through their Clearing Agent on behalf of PEM and beyond FOB Vessel Mumbai upto project site Libya shall be handled by BHEL-ROD, Mumbai/ IO (P).

PEM shall appoint Third Party independent Surveyor/ agency, i.e. BVIS/ Lloyds, which shall carry out the inspection along with BHEL-CQS (Region) as applicable, of supplies at supplier's works as well as at their sub-vendor works & Packaging Inspection also.

The dispatches shall be made only after BHEL inspection & Third Party Inspection of supplies, as applicable & Third Party packaging inspections and MDCC issued by BHEL-PEM/MM. All items covered in the MDCC to be dispatched together in the identified despatchable units with descriptions, BBU No./ Billing Ref. No. and Box No./ Package Nos., so as to identify these items easily on Receipt at Site. The case/ box No. as per instructions given at sl. No. 23.0 and Name Plate as per instructions at sl. No. 47.0 of this SCC shall have to be strictly followed by PEM's supplier for the dispatches of their ordered scope by PEM.

### 23.0 Packing Instructions Prior to Dispatch by BHEL-PEM's Sub-Vendors:

Following Package/ Box Numbering System shall be complied with by the PEM's Suppliers:

Each package/consignment shall have total 25 character numbers in 5 barrels.

<u>WMUX</u>	<u>XXX</u>	<u>XXX/XXX</u>	<u>XXXXX</u>	<u>XXX of XXX</u>
I	II	III	IV	V

**Barrel I:** Indicates supplies for Western Mountain GTPP-Extn., Power Station. U shall stand for Unit-5 or 6 as supplies shall be made for 5 & 6 together. X shall be indicated as S for Main Supply, M for Mandatory Spares.

**Barrel II:** Indicates short name of system in three characters for which equipment are supplied e.g. ACS (Air Conditioning System), FPS (Fire Fighting System etc.) (BHEL-PEM shall develop the barrels nomenclatures and indicate this barrel to the PEM's supplier for their package and also intimate to IO (P) for perusal and control).

**Commissioning Spares, mandatory spares to be categorized as CMS/MDS respectively and packed separately and not to be mixed up with main equipment. Such boxes to be identified with Red Colour Markings as described later at sl. No. 43.0. below.**

**Barrel III:** Indicates 7 characters for Unit/Sub-vendor's names in 3 characters each. (PEM New Delhi shall develop the barrel i.e. sub-vendor's 3 digit nomenclatures and indicate this barrel to the PEM's supplier for their package and also intimate to IO (P) for perusal and control). Unit's characters are classified below:

PEM: Project Engineering Management, NOIDA. (The first 3 digit of this barrel shall indicated by PEM)

**Barrel IV:** Package numbers in five characters. **No duplication of box numbers is permitted.** Following box numbers block applicable for PEM NOIDA shall be used.

PEM: 30001 to 40000

BHEL-PEM shall further split the numbers supplier-wise and intimate to the supplier as required and inform IO (P) for perusal and control.

**Barrel V:** Permits Number of boxes in a system to be supplied as one lot e.g. Oil Drums, Cable Drums, and Cable Trays etc. **If 100 drums were supplied for 6.6 kV cables, the boxes would be 001 of 100 to 100 of 100.** This will be discussed by PEM-MM, NOIDA with the supplier and accordingly allot this barrel for further implementation.

#### 24.0 **Packing List:**

**Copy of the format (To be given by PEM to supplier later).** This format is to be strictly followed by the supplier/ bidder (applicable for those bidder on whom order shall be placed by PEM). The format corresponds to requirement of export packing list of Indian customs. The format is unified and its completeness with regard to measurement, quantities, item numbers, marks and numbers by the supplying units/their sub-vendors and their inspection agencies has to be ensured prior to packing and authorizing dispatch clearance (MDCC) by PEM/MM.

#### 25.0 **Completeness of Contents of each packing case:**

Concerned CQA / Third Party Inspection Agency for PEM NOIDA scope (ordered on PEM supplier) will verify the completeness of contents of each package w.r.t packing list both in terms of quality and quantity before authorizing dispatch of the consignment after obtaining MDCC from PEM/MM, NOIDA.

**26.0 Routing of Packing Lists:**

Packing list is an extremely important document, which forms a part of Export Documentations in connection with the processing of customs formalities. **Packing List has to be generated by units/Unit vendors and sent to IO-Projects at Lodi Complex, New Delhi and ROD, Mumbai (both at the same time), sufficiently in advance, for processing and obtaining shipping bills' clearances and avoiding octroi payment through 'N' form at Mumbai.** All PEM's suppliers to note that Mumbai would be the major port of shipment from India apart from Kandla, which would be the port of export essentially for heavy weight cargo covering Turbine, Combustion chambers (if dispatched with Turbine) and Generator Stator/ Rotor.

**27.0 ADVANCE INTIMATION ABOUT DESPATCHES TO BHEL-ROD Mumbai, BHEL IO Project, New Delhi & BHEL-PEM NOIDA:**

An advance fax intimation of dispatch of materials / Equipments and expected date to reach at Octroi Naka at Port Mumbai, shall be intimated by the supplier to DH / MM/ PEM NOIDA, BHEL IO (P) Lodi Complex, New Delhi and BHEL-ROD Mumbai (The contract person & Tel. no. & address of ROD Mumbai etc. is given as below.

**All materials to be dispatched to Mumbai on door Delivery basis, freight pre-paid under intimation to:**

**Sr. Dy. General Manager (Exports),  
Bharat Heavy Electricals Limited  
Regional Operations Division,  
14<sup>th</sup> Floor, World Centre-1, Cuffe Parade  
Mumbai-400005.**

**Attention: 1. Mr. Tej Prakash  
2. Mr. S. K. Mishra/ Mr. V. M. Boricha**

**Telephone Nos. : 22180740 (Mumbai)  
: 22180749 (Mumbai)**

**Fax No. : 22180748/ 22187850.**

All PEM's suppliers will give at least **one month advance intimation** to ROD, Mumbai & IO-Projects along with package details/ Packing List before actual dispatches to arrange for the storage/shipping arrangements by ROD Mumbai and customs invoicing by IO-Projects. **Information must be sent to consolidate the details and arrange for shipments in time.**

**28.0 Excise Attestation at Works:**

To avoid opening of big cases for examination by customs at Port of Shipment, the supplying unit/ PEM's sub-vendors may arrange to get the packing cases sealed by local excise authorities and the relevant invoices and packing lists will be got endorsed from Superintendent, Central Excise. For this purpose, Units / PEM's sub-vendors should send the packing lists to IO-Projects **at least 2 weeks in advance** to enable prepare Shipping Invoices for furnishing to the units /PEM's sub-vendor for requisite attestations and

sending to ROD Mumbai through fastest means for a smoother and faster customs clearance under intimation to PEM/MM, NOIDA.

#### 29.0 Provision of Inspection Windows on Packages:

Unit/supplier should provide inspection window for customs examination for all such packages involving Panels of any kind. Care would be taken to ensure that all packages are properly sealed to avoid ingress of moisture, rodents etc.

#### 30.0 Drawings for Heavy Weight/ODC consignment:

Detailed engineering documents (at least 4 sets) for all items of the above category will be furnished by respective units /PEM to issue shipment enquiries in a proper manner. The drawing has to include center of gravity of the item clearly. Units / PEM's sub-vendors to identify such items and notify to IO-Projects group through BHEL-PEM/MM as soon as the Engineering Documents are released.

#### 31.0 Lifting Beams:

All heavy lifts for which safe handling is essentials at the port of dispatch shall be accompanied by lifting beam on non-returnable basis and sufficient number of sleepers.

#### 32.0 Proper Capacity of Trailers for inland Transport in India:

The PEM's suppliers making arrangements for inland transport in India for the goods ordered by BHEL-PEM, should ensure that the trailers would be able to carry the actual weight (not designed weight) of the equipment. No overhanging of the cases should be permitted. This is essential to avoid any damage to the consignment en-route to the port of dispatch.

The truck carrying the cargo shall be covered with a Tarpaulin to meet the weather vagaries in inland transport.

#### 33.0 Shipping Documentation including those covered by customs requirements:

Customs Invoices: Values to be allocated by IO-Projects (Alternatively, Excise attested invoices where the package is sealed and dispatched by the units / PEM's sub-vendors)

- Packing Lists
- ARE-1 Forms/Excise Gate pass corresponding to Unit invoice values and Delivery challans.
- DEEC Original License, wherever duty free facility for import is availed. DEEC book to be retained by ROD Mumbai till project supplies are complete.
- Chartered Engineer's Certificate, wherever entries in DEEC license is required. Care should be taken to ensure that usage of the materials shown in C.E. certificate out of DEEC goods is not disproportionate.
- Catalogues/ literature/ write-up in case of customs endorsement for discharging exports obligation in case of DEEC imports to be made available to ROD before arrival of goods in the city of port of dispatch.

#### 34.0 Guidelines for Dispatches from Units/ Indian Vendors:

- Vehicle drivers shall carry excise gate pass in original / ARE-1 (White + Buff in original as applicable). Each consignment carried by the vehicle shall have a

separate gate pass / ARE-1 and it must be ensured that materials under one gate pass / ARE-1 gets transported in the same truck/trailer.

- In order to avoid any problems at port of dispatch from the point of view of i) shipping bill preparation and passing thereof ii) 'N' form at Octroi check post and iii) control and movement of cargo within Mumbai Port and iv) physical examination of cargo by customs, the materials under the category, i.e. a) DEEC cargo, b) Free shipping bill cargo, c) DEPB (duty entitlement pass book scheme) and d) duty drawback, must be sent in the same truck/ trailer & v) **Physical Export**.

*Units/ PEM's sub-vendors to ensure that ROD is communicated very clearly the type of shipping bills to be prepared, well before the materials are dispatched from the works.*

**35.0 Clearing Agents:**

Name and address of Clearing agent arranged by BHEL shall be informed later.

**36.0 Octroi Clearance:**

Drivers/Escorts carrying the export cargo for this project on behalf of the units to be advised to contact the following agents at Octroi Naka:

M/s. Jai Yogeshwar Octroi Services,  
H/o Shop-4, Nayan Co-operative Hsg. Society,  
Near Maa Bal Ketan School,  
Eastern Express Highway, THANE (MAH).  
Contact person : Mr. Prashant, Ph.: 022-25329652.

Copies of the dispatch documents must be sent to ROD Mumbai by i) Fax, ii) e-mail through scanning of the documents with copy to IO-Projects.

**37.0 Transportation of Heavy Lifts/ODC Packages:**

Keeping in mind the need to avoid multiple handlings of the consignments of the above nature with a view to avoid either ship detention or trailer detention resulting into costs to the company and avoidable inconvenience, the ships availability at the port of dispatch and reaching of the trailers at the port of dispatch has to be synchronized in such a manner that the trailer should reach maximum 48 to 72 hours prior to the berthing of the vessel. Towards this, each consignment shall be escorted by the units / PEM's sub-vendors by a responsible executive and is recommended to be provided with a mobile for monitoring & control on movement of the cargo.

*Parallely, IO-Libya Project located at BHEL Lodi Complex, New Delhi is also considering option to engage contractor for taking complete responsibility of picking up the materials (Heavy consignments) from works and deliver the same to site at Ruais for heavy cargo. This arrangement, if implemented by BHEL-IOP FOR HEAVY LIFTS / ODC CONSIGNMENTS shall be communicated by PEM/MM to their supplier, much in advance before the commencement of their dispatches (since PEM supplier scope is upto FOR Vessel Mumbai). The amount of expenditure upto FOB Vessel Mumbai incurred by BHEL-IOP / ROD Mumbai shall be recoverable by BHEL-PEM (Based on the IOP / ROD Mumbai debit for specific vendor supplies) from supplier payment by PEM.*

Items shipped from Mumbai require the goods to pass through Octroi check post. Exemption from payment of Octroi duty against 'N' Form is subject to the conditions that the goods are shipped within 7 days of their clearance from Octroi check post

**38.0 Telephonic Intimation by PEM's Sub-vendors to ROD Mumbai regarding the Movement of Vehicles:**

Vehicle drivers to be instructed by the units, the contact point of ROD Mumbai, regarding movement of vehicles on daily basis, especially 2 days before arrival at Mumbai, so that suitable directives can be given to the driver of the vehicle for further transportation of the goods either to dock or godown

**39.0 Customs formalities Period:**

Packages arriving at the port shall have a minimum time of 3 working days for customs examination and other related formalities in respect of the cargo under shipment. The goods received after arrival of the ship may not be loaded if either sufficient time does not exist or space available in the ship is booked by the carrier for other exporters due to lack of availability of the goods at the port in time for shipment from BHEL. In cases, where the committed cargo to the carrier based upon information received from all the units does not reach in time of scheduled shipment at the port of dispatch, IO-Projects would be within its right to decide the priority of loading as per the project schedule requirements given the condition that adequate space in the ship is not available to accommodate the cargo.

**40.0 Duplicate ARE-1 Forms for Cancellation of Bonds:**

It is necessary that the units / PEM's sub-vendors ensure that ARE-1 Forms (White & Buff as original) are sent to ROD Mumbai. After ROD Mumbai effects the shipment, endorsement of customs on White & Buff colour of ARE-1 Form would be obtained by ROD Mumbai and return to the concerned unit / PEM-MM at the earliest for cancellation of the Excise Bond taken by PEM for this project.

**41.0 Shipping Procedures and ROD Responsibilities:**

**Consolidation of Packages and Storage in Warehouse:** ROD Mumbai either themselves or through their CHA would ensure the following:

- Proper storage of goods at an elevated level if stored in open to avoid damages to the consignments during rainy season (All the packages to be covered with a proper tarpaulin in open storage).
- All Electrical and C&I items to be stored indoors.
- Consolidation of the goods as per summary packing lists.
- Check marks and numbers on packages. Carry out the corrections, if necessary.



- Label the packages linking to the proposed shipping carrier to ensure that package does not get left out.

**42.0 Terms for Deploying Vessel for domestic supplies to Libya:**

ROD Mumbai /IO-Projects will make shipping arrangements for shipping cargo from Mumbai upto Libyan port as per INCOTERMS 1990 on hook-to-hook basis.

Shipping vessels are not to be older than 15 years and would be used only after ensuring that valid certificate of hull of the vessel or handling gears by Lloyds or such other authorized agencies exist

**43.0 THIRD PARTY INSPECTION:**

The bidder shall note that the equipment shall conform to International Standard in line with the technical requirement of the Technical Specification. The equipment supplied should be new and of best Quality manufactured in line with the PEM approved drgs/ data sheet & QP in Cat-I. Apart from BHEL inspection, the equipment shall be inspected by an independent agency (3<sup>rd</sup> party inspection) for which detail shall be notified to the supplier at a later date. **The charges for independent Surveyor / agency shall be borne by BHEL.**

BHEL-PEM shall confirm to the bidder at Enquiry stage whether his package / system/ item / items at their sub-vendor works shall be inspected by BHEL-CQS alone OR BHEL-CQS & Third Party independent surveyor both and accordingly the vendor has to arrange inspection by above identified inspection agencies.

The inspection by BHEL-CQS & independent agency shall be carried out on the basis of BHEL-PEM Cat-I approved Quality Plan, Drawing / Data Sheets etc. **At any time, the GECOL, LIBYA (Customer) reserve the right to have the goods inspected whilst under production at supplier plant.** Such inspection does not relieve the supplier of their responsibility, as regards bad workman ship or any other defects. The release note by independent surveyor & accepted CQ-IR from BHEL-CQS OR a joint report of CQS & Independent surveying agency, as applicable shall be forward by the PEM's supplier to the SR. DGM/MM, NOIDA for issue of MDCC by PEM NOIDA.

The bidders to note that on the basis of BHEL inspection, accepted CQ-IR from BHEL-CQS & 3<sup>rd</sup> party inspection and Release Note issued by independent surveyor confirming the conformity of goods to contractual conditions and acceptance by Packaging agency, then BHEL-PEM / MM shall issue the Material Dispatch Clearance Certificate (MDCC) for dispatch of goods to Mumbai Dock. Supplier to note that NO dispatch of goods, is permitted without obtaining MDCC from BHEL PEM-MM.

**44.0 EXPORT PACKING / PACKAGING INSPECTION:**

The packing shall conform to the packaging procedure given along with the technical specification and should be SEA worthy & to withstand the Sea & Salt laden conditions. The timber used shall be of best quality as laid down in PEM approved packaging procedure. The



packages shall be made in line with the packaging Drg. & procedures approved in Cat-I by BHEL PEM New Delhi. The packaging procedure approved by PEM in cat-I must be available with PEM's supplier before making of the boxes and commencement of the packaging inspection for their ordered scope. All the bidders to note that -

- a) If the main supplies is/ are inspected by BHEL-CQS alone only, there the packaging inspection shall be done by BHEL-CQS only.
- b) In case, the main supplies inspection is carried out by BHEL-CQS & Third Party Independent Surveyor independently OR jointly, there, the packaging inspection shall be undertaken by **Third Party independent surveyor only** based upon PEM approved packaging procedure without calling BHEL-CQS for packaging inspection. It may be noted that NO package shall be sealed /nailed without the acceptance of packaging agency (Independent third party inspection agency appointed by PEM, who shall undertake packaging inspection also) as listed at a) OR b) above for clearance to obtain the MDCC from PEM/MM to move the goods.
- c) **The charges of independent Packaging agency shall be borne by BHEL.**
- d) The bidders to give a check list to BHEL-PEM as well as Packaging Inspection agency, indicating the despatchable identified goods under his scope of supply, size & dimension of the box /packages & its weight for the purpose of shipment on to the vessel and also handling at Port.
- e) The independent packaging agency Release Note OR BHEL-CQS Packaging Inspection clearance certificate as applicable shall be necessary & submitted to BHEL-PEM/MM for obtaining MDCC.

Packing commensurate with international standards and accepted norms will be ensured by CQA/ Third Party Inspection Agency. As far as possible, the packing has to be rectangular in shape for optimum space utilization in the ship and economize on shipping costs. **Projections on packages are prohibited.**

The packing list has to be checked and certified by the Inspection agency(ies) with due signatures. In case, it is impractical to obtain such signatures for any reasons whatsoever, a certificate with regard to the completeness of packing list has to accompany the shipping documents,

**Container, as a means of packing cases would only be limited to items which are difficult to pack in a proper manner e.g. cable trays, small structure materials, Insulation etc.** This is essential as site space for keeping hundreds of containers is unavailable.

#### 45.0 SEQUENTIAL DELIVERY:

All bidders to give list of sequential delivery of the equipment to facilitate the smoothness of Erection and Commissioning of the equipment at site. The description of items for the equipment /system shall be quoted exactly in line with BHEL Tech. Specifications by the supplier, to facilitate the proper linking of the supplies with the items listed for sequential despatches.

**46.0 BANNED COUNTRY FOR SUPPLY TO LIBYA:**

The bidder to note that & observe the provisions of Libyan laws for boycotts of Israel OR any other state (to be intimated by PEM later before placement of order). Bidder shall ensure such observations for supplies from their sub-vendor also. In case of contravening of this condition, BHEL shall have the right to cancel the contract without prejudice his right for any compensation. Bidder to note that NO supplies OR their sub-vendor supplies is made from the banned countries (Presently Israel) for this GECOL Libya project.

**47.0 Marks & Numbers on Packing Cases :**

Following marking and numbering must be done in black indelible ink on all sides of packing cases except Mandatory and Commissioning Spares (which should be marked in red ink) :

Consignee:	General Electric Company P.O BOX 5175 Tripoli Libya
Destination:	Al Jabal Al Gharbi Power Station, Western Mountain GTPP Extension, Libya.
Phone No.:	00218- 214813266 & 00218- 214808917
Contract No. :	27/2007 dtd. 02/09/2007
LC No.:	GI/34735 dated 7/01/2008
Consignor	Bharat Heavy Electricals Limited International Operations Division Lodhi Road, New Delhi 110003
Case No.:	(Numbering scheme as per SI No. 19 of this SCC above)
Size in Cms. (LXBW) :	
Net Weight in Kgs.:	
Gross Weight in Kgs.	
Volume in CBM :	
Port of Discharge :	Tripoli/ Al Khums

**48.0 Marking for Safe Handling:**

To ensure safe handling, packing cases will be marked to show the following:

- Upright position.
- Sling position and Centre of Gravity position.
- Storage category.
- Fragile components (to be marked properly with a clear warning for safe handling).

-----\*\*\*\*\*-----

  
R/7/08