

HIMACHAL PRADESH STATE ELECTRICITY BOARD

HPSEB.No./DDT-251 (Jyoti)/2005- 2393-2400

Dated:- 6/6/2005

To

M/S Jyoti Structures Ltd.
Valecha Chambers, 5th/6th Floor,
New Link Road, Oshiwara, Andheri (West),
Mumbai-400053
Fax: 022-56915014-15, 0175-2203621

Sub: Detailed award of contract for optimisation, design, engineering, manufacture, supply, transportation, storage, handling of all the material, for the construction of 220 KV, double circuit transmission line from Kashang to Bhaba on turnkey basis against tender specification No. DDT-251/2004. – Supply of material (First contract)

This has reference to the following:

- i) Bid document No.DDT-251/2004 for the subject cited package followed by corrigendum slip No. 1,2,3 & 4 issued vide this office letter No. HPSEB/DDT-251(Gen)/ 2004-1634-38 dated 31.5.04, 1822-27 dated 11.6.04, 1975-80 dated 21.6.04 & even No. 2049-54 dated 24.6.2004.
- ii) Your offer No. JS9/T950/151 dated 8.7.2004.
- iii) Our fax messages/letter Nos. for post bid clarifications:-
 - a) HPSEB/DDT-251(Gen)/ 2004-2669-70 dated 7.8.2004
 - b) HPSEB/DDT-251(Gen)/ 2004-2720-21 dated 13.8.2004
 - c) HPSEB/DDT-251(Gen)/ 2004-3392 dated 28.9.2004
 - d) HPSEB/DDT-251(Jyoti)/ 2005-1786 dated 17.4.2005
- iv) Clarification/confirmation furnished by you vide your letter Nos:-
 - a) No. JS9/T950/231 dated 14-08-2004
 - b) No. JS9/T950/264 dated 21-08-2004
 - c) No. JS9/T950/343 dated 29-09-2004
 - d) No. JS9/T950/359 dated 9-10-2004
 - e) No. JS9/T950/camp Shimla-1 dated 10.01.2005
 - f) No. JS9/T950/698 dated 2-03-2005
 - g) No. JS9/T950/854 dated 18-05-2005

Dear Sirs,

In continuation to this office notification of award of contract vide No. HPSEB/DDT-251(Jyoti)/2005-1184-89 dated 21.3.2005 and your acceptance vide your letter Nos. JS9/T950/784 dated 6.4.05. I have been authorized to intimate you that your above referred offer against this office Tender Specification No. DDT-251/2004 for the construction of 220 KV, double circuit transmission line from Kashang to Bhaba on turnkey basis has been accepted. The scope of this contract includes optimisation, design, engineering, manufacture, supply, transportation, storage, handling of all the material required for the construction of said line at the prices as per detailed abstract of cost (Annexure-I). We have also awarded the work for check survey, optimisation, engineering, transportation, storage, handling of all the material, foundation casting, revetments, tower erection, stringing, sagging, testing and commissioning of said line vide award No HPSEB/DDT-251(Jyoti)/2005-2401-08... dated 06-06-2005 (hereinafter referred to as the second contract). The contractor shall also be fully responsible for the works to

be executed under the 'second contract' and it is expressly understood and agreed that any breach under the second contract shall automatically be deemed as a breach of this (first contract) and vice-versa. The main abstract of cost is as under:

S.No	Description	Amount(Rs.)	Remarks
1	Tower & tower accessories	130708629.00	As per item Nos. A (1 to 8) of Annex
2	Conductor & Groundwire	78654640.00	As per item Nos. B (i to iii) of Annex
3	Disc Insulators	24634544.00	As per item Nos. C (i to iii) of Annex
4	Hardware fittings	10073627.00	As per item No. D (i to x) of Annex
	Total (Rs.)	24,40,71,440.00	
	Less discount (Rs.)	35,00,000.00	
	G. Total (Rs.)	24,05,71,440.00	

The detailed price schedule is given at Annexure-'I'

The total amount of Rs. 24,05,71,440/- is inclusive of excise duty, central sales tax, freight & transit insurance charges (detail as per Annexure-I) and taking into account the effect of discount amounting to Rs 35,00,000/- given by the firm during negotiation of rates. The amount of discount, Rs 35, 00,000/- shall be deducted from the supply bills of the firm @ Rs 5,00,000 progressively. The above amount excludes any statutory variation in excise duty, sales tax and other taxes, duties, levies and also any additional taxes and duties due to the introduction of VAT by the central/local government, the same shall be paid as per actual on the production of documentary evidence.

The bifurcation of taxes and duties for bought out items in pursuant to clause No. 3.58 of general conditions of contract and as agreed by the firm has not been furnished by the firm, hence the same could not be mentioned in the detailed price schedule. However the payment of taxes & duties in respect of bought out items will be deducted and shall be released only on the production of documentary proof.

NOTE:

The firm has requested to waive off the condition of production of documentary evidence for taxes and duties in respect of bought out items which will be taken up separately with the Board if it is supported with authenticated documents by the firm and the amendment in the award shall be issued separately, if agreed by the SPC/WTM of the Board.

The other terms and conditions are detailed below.

TERMS AND CONDITIONS:

- CENTRAL SALES TAX (C.S.T.)**
Central Sales tax shall be paid wherever applicable as per actual on production of documentary evidence at the time of supply of material. The present rate of Central sales Tax is 4%.

The requirement of material has been worked out on the basis of detailed survey carried out by the HPSEB which is tentative. The firm shall supply the sag tension charts and sag template alongwith tower spotting data as per clause No. 1.9.7.3 of Technical specification, Part-I, Volume-II immediately after the placement of order. The exact requirement of towers shall be worked out by the firm after the check survey and shall submit final tower schedule for the approval of the purchaser in pursuant to clause 2.3 of Part-V, Volume-II of Technical specification.

The firm shall carry out the weight span calculations and tower location schedules of the line for working out the design/requirement of special structures/gantries/full body extensions/hill side extensions etc.

Left out

LIQUIDATED DAMAGES

- a) The time and dates stipulated in the tender for the delivery of the equipment/material and completion of the work entrusted to the contractor shall be deemed to be the essence of contract. Timely submission of drawings and data as well as timely delivery of embedded parts of equipment/material/Erection work required for maintaining scheduled progress of the works at site is also of equal importance. Should the contractor fail or neglect to complete the separate portion of work identified below within the periods and dates specified under the contract, the contractor shall pay to the purchaser as fixed and agreed liquidated damages and not as penalty, the sums calculated as shown below for every week (or part thereof) @ $\frac{1}{2}$ % per week in Indian Rupees on the amount payable to the contractor under the contract subject to a maximum of :
- i) 5% of the each item of work in case of delay in that individual item of work.
 - ii) 5% of the total contract value in case whole of the work is delayed.

S.No	Description of work	Time of completion* in months from the detailed award of work	Applicable amount of L.D. after completion time
A	Supply of Material:		
1	Stub, stub setting template for all type of tower i/c nuts and bolts:	7	$\frac{1}{2}$ % Per week
2	Super structures including extensions, tower accessories and nuts & bolts	10	$\frac{1}{2}$ % Per week
3.	Disc insulators and Hardware fittings :	11	$\frac{1}{2}$ % Per week
4.	Conductor and Earthwire and its accessories:	12	$\frac{1}{2}$ % Per week

In case of non-completion of supply as per delivery period stipulated as per clause 6 above, the contract shall be governed in terms of clause No. 4.13 of special conditions of Contract. Volume-I of the specifications.

8. **CERTIFICATES AND PAYMENTS**

(i) **Ninety percent(90%) of the Ex-works price and 100% freight, insurance charges & taxes shall be paid within 30 days on receipt of material in the contractor's store in full and good condition duly verified by the Engineer or his authorized representative and upon submission of the documents specified below and shall be released by the Engineer or by central payment cell of the purchaser:**

- (a) Original and 4 copies of the invoices showing P.O. number, goods description, quantity, unit price and total amount.
 - (b) Packing list (4 copies).
 - (c) Railway receipt/receipted L.R.
 - (d) Manufacturers/ contractors guarantee certificate of quality.
 - (e) Material inspection clearance certificate for dispatch issued by the purchaser's representative and the contractor's factory inspection report, transit insurance certificate and a Indemnity bond as per form-VII for full value of material valid till the taking over of said transmission line by the purchaser.
 - (f) 100 % Taxes & duties shall be paid against documentary evidence.
 - (g) The type test charges shall be paid on successful completion of the type test/ proto type test specified and on approval of the test results by the purchaser.
- (ii) **The balance 10% of the Ex-works price of each item as per price schedule shall be made within 30 days of the certificate by the purchaser's Engineers that the item(s) have been received and provided and on submission of Bank Guarantee for 10% of full amount valid till completion of testing and issuance of taking over certificate.**
- (iii) **However, in case payment is delayed beyond 30 days due to one or the other reason no interest for the delayed period shall be admissible.**

The other terms and conditions for payments shall be governed as per clause 4.15 of special conditions of Contract, Volume-I and for the purpose of payment in respect of fabricated tower material and bolts & nuts shall be made in accordance with clause No. 1.16 of Part-I, Volume-II of the specifications.

Payment shall be made after deducting discount of Rs. 35.0 Lac given by the firm @ Rs. 5.0 Lac from supply bills progressively.

9. **GUARANTEED WEIGHT**

The guaranteed weights and ceiling volumes of excavation/concrete for all types of towers, extensions, leg extensions, stub and stub setting templates, nuts & bolts shall be considered on composite basis for all types of towers/structures taken together for payment purpose. In case of any increase or decrease in overall weights of fabricated members and Bolts & Nuts for all type of towers, extensions, leg extensions, stubs and stubs setting templates and their foundation volumes, the contract shall be governed in terms of clause no. 1.16 of the Technical conditions of Contract Part I, volume -II of the specifications. The payment for special towers/structures shall be made as per actual weight and as per actual volume of excavation and concrete.

10. DESIGN AND PROTOTYPE TESTING OF TOWERS

As per offer, the firm has offered fresh design & testing of towers instead of pre designed and tested towers, hence before proceeding with mass fabrication of towers, proto of each type of tower shall be inspected as per clause 1.33 and tested in accordance with clause No. 1.37 of technical specifications, Part-I, volume-II. The proto testing of each type of un-galvanised tower shall be carried out with 6.0 Mtrs. full body extension up to destruction test. No tower testing charges shall be paid as the same are included in the quoted prices of material.

11. SPECIAL STRUCTURES.

Special towers/structures shall be used, for long spans/river crossing/power line crossings and where level difference is high and normal towers are not suitable. The scope of supply of these towers includes design of foundations, towers, template and supply of towers and their accessories etc. The Bidder shall submit the most economical design for these towers.

The unit rate per tonne for design, fabrication, supply of special towers and sets of stub (including stub setting templates) shall be same as quoted for Normal tower in appropriate schedules. The payment for special towers/structures shall be based on actual weight of towers as per most economical design. The special structures shall be designed in accordance with section-II volume-II of technical specifications.

12. FOUNDATIONS

The firms is required to furnish designs, layout specifications and construction drawings for various types of foundations likely to be involved during the erection as per Cl. No 1.29 of the technical specifications (Volume-II) No: extra payment shall be made to the firm for these designs.

13. SPECIFICATIONS

The towers, tower accessories, conductor, GSS wire, disc insulators, hardware fittings and other material required to be supplied shall comply and confirm to technical specifications volume-II.

14. TESTS

All type of tests i.e. type tests, routine tests and acceptance tests etc for complete material shall be governed as per relevant clauses of Volume-II of the specifications. The test charges shall be paid as per Annexure - B of this P.O. in case the tests are conducted as per requirement of the purchaser, however no charges shall be paid for already type tested material. The material should be type tested as per relevant clauses of the tender specifications.

15. INSPECTION AND DESPATCH OF MATERIAL:

The contractor shall afford all facilities to the purchaser to inspect and satisfy himself that the work in hand is in all respect according to the specifications. The Bidder shall make all necessary arrangements so that material may be inspected and tested as desired by the authorised inspecting officer. No material is to be dispatched till it has been inspected and approved by the Purchaser's authorised Inspecting Officer. The inspection and despatch of material shall be governed as per relevant clauses of Volume-II of the specifications.

16. **EXECUTION OF CONTRACT:**

The successful bidders shall have to execute a Contract Agreement on the terms and conditions envisaged in these specifications and the detailed purchase order or as has been mutually agreed to after negotiations, within 30 calendar days from the detailed award of work. It is a legitimate obligation of the successful bidder to execute and to stamp the contract, in accordance with the Indian stamp Act and to supply six copies of contract drawings, technical particulars as finally approved by the purchaser and other literature and instruction books regarding handling, use and maintenance of equipments/material. The cost of all these and such other items will be deemed to have been included in the tendered prices and the bidder will not be entitled to any extra payment on these accounts. However, non-execution of the contract agreement by the successful bidder shall not absolve him of the responsibility of the faithful execution of the contract.

17. **WARRANTY/GUARANTEE:**

Against any defect in material/services or faulty workmanship, the Contractor shall guarantee the satisfactory performance of the Transmission line(s) for a period of eighteen months from the date of actual taking over or twelve months after its commissioning which ever expires earlier. The other terms of warranty/guarantee shall be governed as per clause No. 3.56 of commercial conditions, Volume-I.

18. **PERFORMANCE SECURITY:**

- a) Within 30 days after the contractor's receipt of notification of detailed award of the contract, the contractor shall furnish contract performance security to the purchaser. The performance security shall be in the amount of 10% of the contract price considering both the contracts together (i.e. supply contract and erection contract) and should be valid up to end of warranty period as per contract
- b) The proceeds of the contract performance security shall be payable to the purchaser as compensation for any loss resulting from the contractor's failure to complete its obligations under the contract.
- c) The performance security shall be denominated in the currency of the contract and shall be in the form of a bank guarantee issued by a Nationalised bank located in India and in the form provided in the Bidding Documents or another form acceptable to the purchaser
- d) The contract performance security will be discharged by the purchaser and returned to the contractor promptly following the completion of the contractor's performance obligations, including any warranty obligations under the Contract. No interest will be paid on the performance security

19. **SETTLEMENT OF DISPUTES BY ARBITRATION:**

Except where otherwise provided in the contract, all questions & disputes arising out of or relating to the contract shall be referred to the Sole Arbitrator i.e. Chief Engineer(Arbitration), HPSEB. The settlement of disputes shall be governed as per clause No. 3.44 of commercial conditions, Volume-I

20. **FORCE MAJEURE:**

The Contractor shall not be liable for any loss or damage due to delay in manufacture or delivery resulting from any causes beyond the Contractor's reasonable control, including but not limited to compliance with regulations, orders or instructions of any Federal State

21. VARIATIONS/OMISSIONS

22. TERMINATION FOR CONVENIENCE

- ### 23. INDEMNITY BOND

24. OTHER TERMS AND CONDITIONS:

Please acknowledge the receipt

- Yours faithfully

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Copy forwarded to the following alongwith enclosures for information and necessary action.

1. The Chief Engineer (MM), HPSEB, Shimla -4 with reference to his letter No HPSEB:CE(MM): DDT-251/04/254-30247-48 dated 10.03.2005
2. The Chief Engineer (Trans.) HPSEB, Anu, Hamirpur (HP) with reference to his endorsement No. HPSEB:CE(T)/SP-22(a)/2005-16256 dated 11.3.2005.
3. The Managing Director H.P. Jal Vidyut Vikas Nigam, Vidyut Bhawan, Shimla-4 for information and necessary action.
4. The Chief Accounts Officer HPSEB, Vidyut Bhawan, Shimla-171004 alongwith three copies for Finance /Banking /CPC sections.
5. The Superintending Engineer, Trans. Const. & Mtc. Circle, HPSEB, Totu, Shimla-171011 requested that suitable directions be imparted to the concerned field officers to ensure that material supplied and used by the contractor for construction of line is the same which is inspected, tested and approved by this office.
- ✓ 6. The Sr. Executive Engineer, Trans. Division, HPSEB, Bhabanagar, Distt. Shimla (HP). Requested to ensure that the material inspected, tested and approved by this office should be used.
7. The Asstt. Executive Engineer, Transmission Sub-Division., HPSEB, Bhabanagar Distt. Shimla (HP).

Encl: As above


Director Design (Trans.),
HPSEB, Anu, Hamirpur (H)