

Thermax Babcock & Wilcox Limited

Sagar Complex, Kasarwadi

Pune 411 034

Tel : (020) 7125745 Fax : (020) 7125533

Web Site : <http://www.tbwindia.com>



TBW/AFBC/150242/BL
10/09/2002

Bhushan Ltd
J K Millenium Centre
6th floor, 46D J L Nehru Road
Kolkata - 700 071

Kind Attention: Mr. Sanjay Singal - Director.

Subject : Your requirement of 1 x 75 TPH AFBC Boiler for
40 MW power plant.

Ref : Our Discussions at our office dated 28th Aug. 2002.

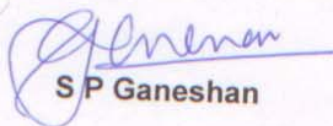
Dear Sirs,

With reference to the subject above please find attached herewith **our Price offer 1 x 75 TPH AFBC Boiler.**

We hope our offer shall be in line with your requirement. Should you require any more information please feel free to call us.

Thanking you and assuring you of our prompt services, we remain.

For THERMAX BABCOCK & WILCOX LTD


S P Ganeshan

Sales & Marketing

Regd Office : Thermax House, 4 Bombay Pune Road, Shivajinagar, Pune 411 005. India

**INDEX**

SECTION	DESCRIPTION
1.	PRICE SCHEDULE
2.	COMMERCIAL TERMS & CONDITIONS
3.	TERMS & CONDITIONS FOR SUPPLY CONTRACT



SECTION - 01

PRICE SCHEDULE

DATE:- 10/09/2002

S.NO	ITEM	PRICE (The figures are in Rupees - Lacs)
	PROJECT	
	Boiler capacity TPH	75
	Final steam pressure Kg/cm2(g)	88
	Final steam temperature Deg C	520
	No of boilers	ONE
A	SUPPLY	
1.	Ex.works / Ex.sub-vendors works Price for AFBC boiler with auxiliaries as per the technical offer submitted.	850
2.	ESP	Excluded
	Sub - Total (1 to 2)	850
B	ADD ON ITEMS	
1.	Elevator along with structures and instruments.	EXCLUDED
C	ERECTION & COMMISSIONING	
1.	Erection and commissioning for items as listed in A & B	By purchaser
2.	Insurance for erection and commissioning.	By Purchaser.
3.	Supervision of erection and commissioning	10, 000 per day / engineer.
D	OTHERS	
1.	Forwarding and Packing charges	Included above
2.	Inland transportation up to project site.	By Purchaser.
3.	Insurance for transportation up to project site.	By Purchaser.
4.	Excise duty and education cess payable on Shop	Extra at actual.

P-150242, BHUSHAN LIMITED, ORISSA
1 x 75TPH AFBC BOILER – OFFER PRICE

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10th Sept. 2002



	Made Items as well as Direct despatch Items from Vendors	
5.	Central Sales tax, Local Sales Tax and local levies etc, (sales tax against Form C) payable on Shop Made Items as well as Direct despatch Items from Vendors	Extra at actual.
6.	All Insurance including Transit	By Purchaser.
7.	Insurance during Erection and commissioning	Extra by Purchaser

DELIVERY: SAFETY VALVE FLOATING -14 MONTHS.

NOTE:

THE ABOVE MENTIONED PRICES ARE FIRM FOR THE AGREED PROJECT SCHEDULE.

TAXES AND DUTIES ARE BASED ON THE PREVALING RATES AS APPLICABLE ON THE DATE OF SUBMITTING THIS OFFER AND ON DIVISIBLE SALES CONTRACT BASIS."C" FORM TO BE FURNISHED BY PURCHASER FOR E1/E2 INTRASTATE TRANSACTION. ANY VARIATION IN TAXES DUTIES ETC. AND IMPOSITION OF NEW TAXES& DUTIES LEVIES WILL BE TO THE PURCHASERS ACCOUNT.

TAXES, WHICH SHALL BE TO CUSTOMER'S, ACCOUNT, SHALL MEAN AND INCLUDE ALL TAXES PRESENT AND TILL THE DATE OF FINAL INVOICING. VARIATIONS THEREIN WHETHER BY CHANGE IN LAW, RULE, CIRCULAR OR AS A RESULT OF ANY JUDICIAL PRONOUNCEMENT, INCLUSIVE OF SALES TAX AND EXCISE DUTY.

CENTRAL EXCISE DUTIES AND CENTRAL / STATE SALES TAXES INCLUDING SUCH OTHER LEVIES IF ANY PAID BY TBW OR THEIR SUB-SUPPLIERS OR SUB CONTRACTORS ON ITEMS DESPATCHED DIRECTLY TO THE SITE SHALL BE REIMBURSED AT ACTUALS BY PURCHASER TO TBW.

VALIDITY OF THIS OFFER

7 DAYS FROM THE DATE OF THIS OFFER.



PRICE BASIS

Shall be based on EPCG basis (Export Promotion Capital Goods benefits)

The project is covered under EPCG scheme. Purchaser shall obtain a valid EPCG license. The purchaser shall issue the invalidation certificate in favor of Thermax Babcock & Wilcox, a division of Thermax Ltd.

The following documents shall be provided by Purchaser to avail the deemed export benefits by the supplier

A certificate from the jurisdictional assistant commissioner of Customs & Excise confirming receipt of Capital goods at the EPCG license holders factory.

Copy of EPCG License.

Project Authority Certificate in the prescribed form.

Documentary evidence to the effect that the proceeds are received from the EPCG license holder through normal banking channel.

Customs Duty: Customs Duty has been considered at Deemed export benefit rates. [Customs Duty is 0 % for all the imported items like Steam Drum plates, Valves & Instrumentation) CVD is considered @ 0% (necessary MODVAT has been considered) and SAD @ 0%.

Any new duties imposed by Government of India shall be the account of purchaser.

Excise Duty: Under the EPCG scheme the excise duty is refundable and supplier shall make necessary application for refund to Government and pass on the refund to purchaser, after receiving from Government.

Thermax Babcock & Wilcox Limited

Sagar Complex, Kasarwadi

Pune 411 034

Tel : (020) 7125745 Fax : (020) 7125533

Web Site : <http://www.tbwindia.com>



TBW/AFBC/150401/BL
5/10/2002

Bhushan Ltd
J K Millenium Centre
6th floor, 46D J L Nehru Road
Kolkata - 700 071

Kind Attention: Mr. Sanjay Singal - Director.

**Subject : Your requirement of 1 x 150 / 165 TPH AFBC Boiler for
60 MW power plant.**

Ref : Our Discussions at our office dated 20th Sept. 2002.

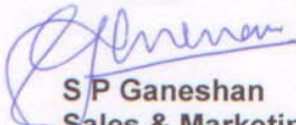
Dear Sirs,

With reference to the subject above please find attached herewith **our Price offer 1 x
150 / 165 TPH AFBC Boiler.**

We hope our offer shall be in line with your requirement. Should you require any more
information please feel free to call us.

Thanking you and assuring you of our prompt services, we remain.

For THERMAX BABCOCK & WILCOX LTD


S P Ganeshan
Sales & Marketing

Regd Office : Thermax House, 4 Bombay Pune Road, Shivajinagar, Pune 411 005. India

**INDEX**

SECTION	DESCRIPTION
1.	PRICE SCHEDULE
2.	COMMERCIAL TERMS & CONDITIONS
3.	TERMS & CONDITIONS FOR SUPPLY CONTRACT



SECTION - 01
PRICE SCHEDULE

DATE:- 5/10/2002

S.NO	ITEM	PRICE (The figures are in Rupees - Lacs)
	PROJECT	
	Boiler capacity TPH	150 /165 - AFBC
	Final steam pressure Kg/cm2(g)	88
	Final steam temperature Deg C	520
	No of boilers	ONE
A	SUPPLY	
1.	Ex.works / Ex.sub-vendors works Price for AFBC boiler with auxiliaries as per the technical offer submitted.	2080
2.	ESP	Excluded
	Sub - Total (1 to 2)	2080
B	ADD ON ITEMS	
1.	Elevator along with structures and instruments.	EXCLUDED
C	ERECTION & COMMISSIONING	
1.	Erection and commissioning for items as listed in A & B	By purchaser
2.	Insurance for erection and commissioning.	By Purchaser.
3.	Supervision of erection and commissioning	10, 000 per day / engineer.
D	OTHERS	
1.	Forwarding and Packing charges	Included above
2.	Inland transportation up to project site.	By Purchaser.
3.	Insurance for transportation up to project site.	By Purchaser.
4.	Excise duty and education cess payable on Shop	Extra at actual.

P-150401, BHUSHAN LIMITED, ORISSA
1 x 150TPH /165 TPH AFBC BOILER - OFFER PRICE



	Made Items as well as Direct despatch Items from Vendors	
5.	Central Sales tax, Local Sales Tax and local levies etc, (sales tax against Form C) payable on Shop Made Items as well as Direct despatch Items from Vendors	Extra at actual.
6.	All Insurance including Transit	By Purchaser.
7.	Insurance during Erection and commissioning	Extra by Purchaser

DELIVERY: SAFETY VALVE FLOATING -14 MONTHS.

NOTE:

THE ABOVE MENTIONED PRICES ARE FIRM FOR THE AGREED PROJECT SCHEDULE.

TAXES AND DUTIES ARE BASED ON THE PREVALING RATES AS APPLICABLE ON THE DATE OF SUBMITTING THIS OFFER AND ON DIVISIBLE SALES CONTRACT BASIS."C" FORM TO BE FURNISHED BY PURCHASER FOR E1/E2 INTRASTATE TRANSACTION. ANY VARIATION IN TAXES DUTIES ETC. AND IMPOSITION OF NEW TAXES& DUTIES LEVIES WILL BE TO THE PURCHASERS ACCOUNT.

TAXES, WHICH SHALL BE TO CUSTOMER'S, ACCOUNT, SHALL MEAN AND INCLUDE ALL TAXES PRESENT AND TILL THE DATE OF FINAL INVOICING. VARIATIONS THEREIN WHETHER BY CHANGE IN LAW, RULE, CIRCULAR OR AS A RESULT OF ANY JUDICIAL PRONOUNCEMENT, INCLUSIVE OF SALES TAX AND EXCISE DUTY.

CENTRAL EXCISE DUTIES AND CENTRAL / STATE SALES TAXES INCLUDING SUCH OTHER LEVIES IF ANY PAID BY TBW OR THEIR SUB-SUPPLIERS OR SUB CONTRACTORS ON ITEMS DESPATCHED DIRECTLY TO THE SITE SHALL BE REIMBURSED AT ACTUALS BY PURCHASER TO TBW.

VALIDITY OF THIS OFFER

7 DAYS FROM THE DATE OF THIS OFFER.

PRICE BASIS

P-150401, BHUSHAN LIMITED, ORISSA
1 x 150TPH /165 TPH AFBC BOILER – OFFER PRICE

Page 4 of 18
5th Oct. 2002



PRICE BASIS

Shall be based on EPCG basis (Export Promotion Capital Goods benefits)

The project is covered under EPCG scheme. Purchaser shall obtain a valid EPCG license. The purchaser shall issue the invalidation certificate in favor of Thermax Babcock & Wilcox, a division of Thermax Ltd.

The following documents shall be provided by Purchaser to avail the deemed export benefits by the supplier

A certificate from the jurisdictional assistant commissioner of Customs & Excise confirming receipt of Capital goods at the EPCG license holders factory.

Copy of EPCG License.

Project Authority Certificate in the prescribed form.

Documentary evidence to the effect that the proceeds are received from the EPCG license holder through normal banking channel.

Customs Duty: Customs Duty has been considered at Deemed export benefit rates. [Customs Duty is 0 % for all the imported items like Steam Drum plates, Valves & Instrumentation) CVD is considered @ 0% (necessary MODVAT has been considered) and SAD @ 0%.

Any new duties imposed by Government of India shall be the account of purchaser.

Excise Duty: Under the EPCG scheme the excise duty is refundable and supplier shall make necessary application for refund to Government and pass on the refund to purchaser, after receiving from Government.

Commercial Offer No. G2/3/2064
September 09, 2002

M/s. BHUSHAN LTD.
J.K. MILLENIUM CENTRE,
6th FLOOR, 46D, J.L. NEHRU ROAD,
KOLKATA – 700 071

Kind Attn : Mr. Sanjay Singhal

Dear Sir,

Sub: Commercial Offer for Waste Heat Recovery Boiler downstream of Sponge Iron Kiln

Ref: 1) Technical Offer No. G2/3/2064


Further to your enquiry for Waste Heat Recovery Boiler downstream of Sponge Iron Kiln for Bhushan Ltd., we are pleased to enclose herewith our Commercial offer for your kind perusal.

We trust you will find our offer in line with your requirement and to your satisfaction. However should you need any clarification / assistance please feel free to contact us.

Thanking you and assuring you the best of our services at all times.

Yours truly,

For THERMAX LIMITED,


S. V. Pendse
Senior Manager
Energy Systems Division
Thermax Limited
Pune

COMMERCIAL OFFER

FOR

**WASTE HEAT RECOVERY SYSTEM IN
SPONGE IRON PLANT**

Commercial Offer No. G2/3/2064

Ref.Tech. Offer No. : G2/3/2064

Date : 10/09/2002

SUBMITTED TO

**BHUSHAN LTD.
KOLKATA**

SUBMITTED BY



**ENERGY SYSTEMS DIVISION
THERMAX LIMITED
PUNE 411 019
INDIA**

TABLE OF CONTENTS

WASTE HEAT RECOVERY BOILER

1. PRICE BID.....	4
2. COMMERCIAL TERMS FOR SUPPLY.....	5
3. GENERAL COMMERCIAL TERMS AND CONDITION.....	7

1. PRICE BID

PRICE :

The price towards Design, Engineering, Procurement, Manufacture, Supply and Supervision of Erection & Commissioning of **Waste Heat Recovery Boiler downstream of Sponge Iron Kiln for Bhushan Ltd.**, shall be as per the following Price Schedule:


Price Schedule		
Sl. No.	Description	Price (Ex-Works) per Boiler
A)	<u>Supply :</u>	Rs. Lacs
	Waste Heat Recovery Boiler (51TPH each)	675.00
B)	Erection & Commissioning	Excluded
C)	Supervision of Erection & Commissioning	Excluded
	GRAND TOTAL (A+C)	675.00
	GRAND TOTAL (IN WORDS) Rs. Six Crores Seventy Five Lacs only.	
* Note : Above price is Ex-works and excludes all and any applicable taxes and duties, levies etc..Transportation charges and comprehensive insurance is excluded from our scope.		

All applicable taxes extra.

However, above price is based on the following:

- Customer to provide local conveyance for site engineers at site.
- Furnished Site Office shall be provided by customer for site engineers.

For THERMAX LIMITED,

4 
S. V. PENDSE

2. COMMERCIAL TERMS FOR SUPPLY

A. BASIS OF PRICE:

EPCG Licence : Since the project is covered under EPCG scheme, client shall submit a valid EPCG License for the WHR Boilers. Client shall also issue the invalidation certificate in Thermax Ltd.'s favour.

Customer shall provide all the necessary documents required to avail the deemed export benefits under EPCG scheme.

Customs Duty: Customs Duty has been considered at Deemed Export Benefit rates. Any variation in the rate of Customs Duty or any other import duties applicable at the time of clearance of the imported items at the port of entry shall be to the Purchaser's account. Any additional duties/ levies applicable on the imported items at the time of clearance at the port of entry shall be to the Purchaser's account.

Excise Duty: The Excise Duty shall be considered as per EPCG scheme. Any variation in Excise Duty applicable at the time of dispatch shall be to the Purchaser's account.

Sales Tax: CST against form "C" or at the prevailing rate during dispatch shall be applicable extra.

On direct dispatches of goods the reimbursement of taxes & duties shall be done. Imposition of any statutory levies, duties or taxes during the purchase order delivery period shall be to the Purchaser's account.

Insurance: Insurance during domestic transportation & during storage at site for all goods is excluded.

Transportation: For all equipment & components to site is excluded from Thermax scope.

B. TERMS OF PAYMENT:

For Supply & Supervision of Erection & Commissioning

- **10%** of the order value along with LOI.
- **15%** payment against approval of GA drawing, P&I diagram.
- **15%** payment against proof of order on sub-vendors (unpriced PO copies) for major items like pumps, tubes and BQ plates or within six months of order placement.
- **60%** of the order value including 100% taxes and duties on pro-rata basis against proforma Invoice prior to dispatch. Thermax shall submit a bank guarantee against performance, along with last major dispatch, for a value equivalent to 5% of the order value valid for a period of 12 months from the date of commissioning or 18 months from the date of first

THERMAX LIMITED

dispatch whichever is earlier.

C. VALIDITY:

This offer is for a period of 15 Days from offer date.

For THERMAX LIMITED,



S. V. PENDSE

THERMAX LIMITED ENVIRO DIVISION, REGD. OFFICE: D13, MIDC INDUSTRIAL
AREA, R.D. AGA ROAD, CHINCHWAD, PUNE-411 019, INDIA
□ Website : www.thermaxindia.com.



ENV/UC/BL/02-03/RO
Oct 15th, 2002

BHUSHAN LTD
New Delhi- 110019

Kind Attention: - 1, **Mr. Sanjay Singal.**, (Director)

Dear Sir,

Subject: - Your enquiry for Supply of ESP for AFBC Boiler at Rengali.,
Sambalpur, Orissa

At the outset, we thank you for subject enquiry. Based on the information provided enclosed find our commercial offer for your kind perusal & favorable action .

We trust our offer meets your expectation & request you to call us incase you require any clarifications.

Thanking you & awaiting your valued order at the earliest.

Yours Faithfully,
For **Thermax Limited**,

Unmesh Chandran
Asst. Manager (Sales & Proposal)
Enviro Division

Enclosures: As above

PRICE SCHEDULE

SR. NO.	ITEM DESCRIPTION	
1.	Supply of Flange to Flange ESP including supervision (Per ESP)	Rs. 82,00,000-00 (Eighty two lacs rupees Only) Ex-works pune/Vendors place

TERMS OF PAYMENT

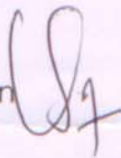
- 1, 10% advance along with techno commercially clear PO.
- 2, 10 % against receipt of GA drawings.
- 3, 80% against Proforma Invoice Prior to dispatch.

TAXES AND DUTIES:

All applicable taxes & duties extra at actual to your account.

For **Thermax Limited**

Unmesh Chandran



THERMAX LIMITED ENVIRO DIVISION, REGD. OFFICE: D13, MIDC INDUSTRIAL
AREA, R.D. AGA ROAD, CHINCHWAD, PUNE-411 019, INDIA
□ Website : www.thermaxindia.com.



ENV/UC/BL/02-03/R0
Sept. 29th, 2002

BHUSHAN LTD.,
New Delhi- 110019

Kind Attention: - 1, **Mr. Sanjay Singal ., Director**

Dear Sir,

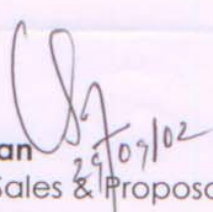
Subject: - 'Erection & Commissioning' of 2 nos. ESP for WHRB boiler on 40MW
CPP -(Kiln1 &2.)

At the outset, we thank you for subject enquiry. Based on the information
provided enclosed find our commercial offer for your kind perusal &
favorable action .

We trust our offer meets your expectation & request you to call us incase
you require any clarifications.

Thanking you & awaiting your valued work order at the earliest.

Yours Faithfully,
For **Thermax Limited**,


Unmesh Chandran
Asst. Manager (Sales & Proposal)
Enviro Division

Enclosures: As above

PRICE SCHEDULE

SR. NO.	ITEM DESCRIPTION	
1.	Erection & Commissioning of ESP including all consumables & services including scaffoldings & labour charges (Per ESP)	Rs. 8,50,000-00 (Eight Lacs fifty thousand Rupees Only)

TERMS OF PAYMENT (Erection)

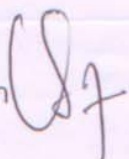
- 1, 10% advance one month prior to start of Erection activities.
- 2, 10 % after 15 days of start of erection.
- 3, 80% on progressive erection & commissioning against mutually agreed mile stone . The mile stone shall be submitted by us with in 7 days of Order.

TAXES AND DUTIES:

All applicable taxes & duties extra at actual to your account.

For **Thermax Limited**

Unmesh Chandran



THERMAX LIMITED ENVIRO DIVISION, REGD. OFFICE: D13, MIDC INDUSTRIAL
AREA, R.D. AGA ROAD, CHINCHWAD, PUNE-411 019, INDIA
□ Website : www.thermaxindia.com.



ENV/UC/BL/02-03/R0
Sept 29th, 2002

BHUSHAN LTD
Kolkatta – 700 071

Kind Attention: - 1, **Mr. Sanjay Singal., (Director)**

Dear Sir,

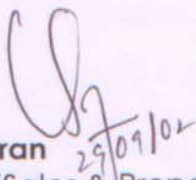
Subject: - Your enquiry for Supply of 2nos. ESP for sponge Iron Project for 500
TPD WHRB at Rengali., Sambalpur, Orissa.

At the outset, we thank you for subject enquiry. Based on the information
provided enclosed find our commercial offer for your kind perusal &
favorable action .

We trust our offer meets your expectation & request you to call us incase
you require any clarifications.

Thanking you & awaiting your valued order at the earliest.

Yours Faithfully,
For **Thermax Limited**,


Unmesh Chandran
Asst. Manager (Sales & Proposal)
Enviro Division

Enclosures: As above

PRICE SCHEDULE

SR. NO.	ITEM DESCRIPTION	
	No. of units	2
1.	Supply of Flange to Flange ESP including supervision	Rs. 170,00,000-00 (One Hundred & Seventy lacs rupees only) Ex-works pune/Vendors place

TERMS OF PAYMENT

1, 10% advance along with techno commercially clear PO.

2, 10 % against receipt of GA drawings.

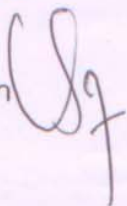
3, 80% against Proforma Invoice Prior to dispatch.

TAXES AND DUTIES:

All applicable taxes & duties extra at actual to your account.

For **Thermax Limited**

Unmesh Chandran



THERMAX LIMITED ENVIRO DIVISION, REGD. OFFICE: D13, MIDC INDUSTRIAL AREA, R.D. AGA ROAD, CHINCHWAD, PUNE-411 019, INDIA

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ENV/UC/BL/02-03/R0

Oct 15th, 2002

BHUSHAN LTD

Kolkatta – 700 071

Kind Attention: - 1, **Mr. Sanjay Singal., (Director)**

Dear Sir,

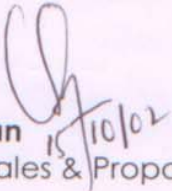
Subject: - Your enquiry for Supply of ESP for WHRB boiler on 60MW CPP,
Rangali, Sambalpur , Orrisa.

At the outset, we thank you for subject enquiry. Based on the information provided enclosed find our commercial offer for your kind perusal & favorable action .

We trust our offer meets your expectation & request you to call us incase you require any clarifications.

Thanking you & awaiting your valued order at the earliest.

Yours Faithfully,
For **Thermax Limited**,


Unmesh Chandran
Asst. Manager (Sales & Proposal)
Enviro Division

Enclosures: As above

PRICE SCHEDULE

SR. NO.	ITEM DESCRIPTION	
	No. of units	2
1.	Supply of Flange to Flange ESP including supervision	Rs. 197,00,000-00 (One Hundred & Ninty seven lacs rupees only) Ex-works pune/Vendors place

TERMS OF PAYMENT

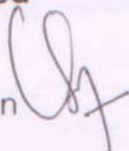
- 1, 10% advance along with techno commercially clear PO.
- 2, 10 % against receipt of GA drawings.
- 3, 80% against Proforma Invoice Prior to dispatch.

TAXES AND DUTIES:

All applicable taxes & duties extra at actual to your account.

For **Thermax Limited**

Unmesh Chandran



TBW/AFBC/150401/BL
5/10/2002

Bhushan Ltd
J K Millenium Centre
6th floor, 46D J L Nehru Road
Kolkata - 700 071
Tel NO. 033 2288 1710 (5 Lines)

Kind Attention: Mr. Sanjay Singal - Chairman & Managing Director.

**Subject : Your requirement of 1 x 150 / 165 TPH AFBC Boiler for
60 MW power plant.**

Ref : Our Discussions at our office dated 20th Sept. 2002.

Dear Sirs,

With reference to the subject above please find attached herewith **our Price offer 1 x 150 / 165 TPH AFBC Boiler.**

We hope our offer shall be in line with your requirement. Should you require any more information please feel free to call us.

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**For THERMAX BABCOCK & WILCOX,
A Division of THERMAX LIMITED,**

**S P Ganeshan
Sales & Marketing**

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1.	PRICE SCHEDULE
2.	COMMERCIAL TERMS & CONDITIONS
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SECTION - 01
PRICE SCHEDULE

DATE:- 5/10/2002

S.NO	ITEM	PRICE (The figures are in Rupees - Lacs)
	PROJECT	
	Boiler capacity	TPH
	Final steam pressure	Kg/cm2(g)
	Final steam temperature	Deg C
	No of boilers	ONE
A	SUPPLY	
1.	Ex.works / Ex.sub-vendors works Price for AFBC boiler with auxiliaries as per the technical offer submitted.	2080
2.	ESP	Excluded
	Sub – Total (1 to 2)	2080
B	ADD ON ITEMS	
1.	Elevator along with structures and instruments.	EXCLUDED
C	ERECTION & COMMISSIONING	
1.	Erection and commissioning for items as listed in A & B	By purchaser
2.	Insurance for erection and commissioning.	By Purchaser.
3.	Supervision of erection and commissioning	10, 000 per day / engineer.
D	OTHERS	
1.	Forwarding and Packing charges	Included above
2.	Inland transportation up to project site.	By Purchaser.
3.	Insurance for transportation up to project site.	By Purchaser.
4.	Excise duty and education cess payable on Shop	Extra at actual.

P-150918, BHUSHAN LIMITED, ORISSA
1 x 150TPH /165 TPH AFBC BOILER – OFFER PRICE

	Made Items as well as Direct despatch Items from Vendors	
5.	Central Sales tax, Local Sales Tax/VAT and local levies etc, (sales tax against Form C) payable on Shop Made Items as well as Direct despatch Items from Vendors	Extra at actual.
6.	Service tax for transportation	By Purchaser.
7.	Service tax on erection	By Purchaser
8.	All Insurance including Transit	By Purchaser.
9.	Insurance during Erection and commissioning	Extra by Purchaser

DELIVERY: SAFETY VALVE FLOATING –14 MONTHS.

NOTE:

THE ABOVE MENTIONED PRICES ARE FIRM FOR THE AGREED PROJECT SCHEDULE.

TAXES AND DUTIES ARE BASED ON THE PREVALING RATES AS APPLICABLE ON THE DATE OF SUBMITTING THIS OFFER AND ON DIVISIBLE SALES CONTRACT BASIS.“C” FORM TO BE FURNISHED BY PURCHASER FOR E1/E2 INTRASTATE TRANSACTION. ANY VARIATION IN TAXES DUTIES ETC. AND IMPOSITION OF NEW TAXES& DUTIES LEVIES WILL BE TO THE PURCHASERS ACCOUNT.

TAXES, WHICH SHALL BE TO CUSTOMER’S, ACCOUNT, SHALL MEAN AND INCLUDE ALL TAXES PRESENT AND TILL THE DATE OF FINAL INVOICING. VARIATIONS THEREIN WHETHER BY CHANGE IN LAW, RULE, CIRCULAR OR AS A RESULT OF ANY JUDICIAL PRONOUNCEMENT, INCLUSIVE OF SALES TAX AND EXCISE DUTY.

CENTRAL EXCISE DUTIES AND CENTRAL / STATE SALES TAXES INCLUDING SUCH OTHER LEVIES IF ANY PAID BY TBW OR THEIR SUB-SUPPLIERS OR SUB CONTRACTORS ON ITEMS DESPATCHED DIRECTLY TO THE SITE SHALL BE REIMBURSED AT ACTUALS BY PURCHASER TO TBW.

VALIDITY OF THIS OFFER

7 DAYS FROM THE DATE OF THIS OFFER.

PRICE BASIS

Shall be based on EPCG basis (Export Promotion Capital Goods benefits)

The project is covered under EPCG scheme. Purchaser shall obtain a valid EPCG license. The purchaser shall issue the invalidation certificate in favor of Thermax Babcock & Wilcox, a division of Thermax Ltd.

The following documents shall be provided by Purchaser to avail the deemed export benefits by the supplier

A certificate from the jurisdictional assistant commissioner of Customs & Excise confirming receipt of Capital goods at the EPCG license holders factory.

Copy of EPCG License.

Project Authority Certificate in the prescribed form.

Documentary evidence to the effect that the proceeds are received from the EPCG license holder through normal banking channel.

Customs Duty: Customs Duty has been considered at Deemed export benefit rates. [Customs Duty is 0 % for all the imported items like Steam Drum plates, Valves & Instrumentation) CVD is considered @ 0% (necessary MODVAT has been considered) and SAD @ 0%.

Any new duties imposed by Government of India shall be the account of purchaser.

Excise Duty: Under the EPCG scheme the excise duty is refundable and supplier shall make necessary application for refund to Government and pass on the refund to purchaser, after receiving from Government.

SECTION – 2

COMMERCIAL TERMS AND CONDITIONS

The Commercial offer is based on DIVISIBLE SALES SUPPLY CONTRACT basis for supply of boiler for subject power plant.

We shall like to clarify the following points:

1. Customer will place a direct order to TBW sub contractor for erection and assistance in commissioning.
2. Erection , transportation, transit and comprehensive insurance are in customer's scope.
3. Construction Power, water and compressed air at one point in boiler house shall be provided by customer to TBW erection contractor free of cost.
4. A communication line shall be provided by customer in the TBW supervising engineer's office at the erection site.
4. Accommodation for TBW official for construction / commissioning.
5. Site office and site stores shall be provided to TBW engineers and for storing the critical boiler components, free of cost.
6. All the entry tax, octroi and any other local taxes etc shall be to purchaser's account.

7.0 PAYMENT TERMS :

10% (Ten per cent) of the Order value as advance along with the detailed purchase order.

15% (Fifteen Percent) of the Order value against submission of following drawings
General Arrangement Drawing, P & I diagram.

15% (Ten percent) of the Order value against proof of Orders (unpriced copies) for major items like

Tubes

Drum Plates

Boiler feed pumps

Or within six months of Boiler order placement on us.

d) 60% (Sixty percent) of the Order value including 100% taxes & duties shall be paid on prorata basis against proforma invoice prior to despatch. TBW shall provide a performance bank guarantee (before claiming the last 5 % value) equivalent to 5% of the supply price and same shall be valid till warranty period.

e) A detailed billing schedule shall be submitted 1 month before the start of despatches.

PAYMENT TERMS : Erection

ADVANCE:-

10% of the order value as advance along with the work order, against reducing type Advance bank Guarantee of equal amount valid till erection completion period.

MILESTONE PAYMENTS

10% of the order value on site mobilization.

5% of the order value on drum lifting.

5% of the order value on main boiler hydro test.

BALANCE PAYMENTS:

70% of the Order value along with 100% taxes on prorata basis against a mutually agreed billing schedule on monthly basis through an irrevocable / confirmed Inland Letter of credit payable at sight to be opened in favour of erector within 30 days from the Effective Date (Receipt of first full advance).

8. LIQUIDATED DAMAGES FOR SHORTFALL IN PERFORMANCE:

The performance guarantee parameters shall be as listed in Performance parameters.

Boiler efficiency is guaranteed. For any fall in this value, penalty shall be levied at rate of 0.5% of the boiler ex. works price for every 1% fall in the boiler efficiency subject to maximum of 5.0 % of boiler ex. Works price.

Total Power consumption (subject to IS tolerance for fans, pumps and motors) for the equipments as listed in guarantee schedule is guaranteed. For any increase in this value, penalty shall be levied at the rate of Rs. 25,000/- per kW increase subject to maximum of 5.0% of boiler ex. works supply price.

TBW shall guarantee for steam output at 100% MCR on guaranteed fuel. For any fall in this value, penalty shall be levied at the rate of 1.0% of the boiler ex. works price for every shortfall in steam output by 1.0% subject to a maximum of 5.0% of boiler ex. Works price.

Performance trial shall be as per ASME PTC 4. 0.

All LD' S to non-performance would be calculated on prorata basis and shall be applied on boiler ex. works price and the overall liability on account of shortfall in performance will be limited to 5% of the boiler ex. works price.

9. LIQUIDATED DAMAGES FOR DELAY IN DELIVERY:

Should there be delay in commissioning of boiler due to delay in supply of equipments by TBW, TBW shall pay as liquidated damages @ half percent (0.5%) of the undelivered boiler components ex. Works supply price for each week delay up to a maximum of 5% of the boiler ex. Works price subject to customer fulfilling their contractual obligation in time

OVERALL LIABILITY:

The total liability on account of delay in delivery and shortfall in performance will be limited to 5.0% of the boiler ex. Works supply price.

DELIVERY SCHEDULE:

Boiler supply will be made in such a fashion so as to erect and commission (safety valve floating) the boilers within 14 Months from the date of receipt of first full advance payment.

SECTION – 3

TERMS & CONDITIONS FOR SUPPLY CONTRACT

PACKING AND FORWARDING

Packing and forwarding charges are already included in our EX. works price. All equipment shall be packed as per our standard practice.

TAXES, DUTIES AND NEW TAXES

The prices are exclusive of terminal taxes & duties, excise duty, sales tax [as applicable under the Sales Tax rules of your State], insurance etc. We shall claim all such taxes and duties from you at the rates applicable.

If any new taxes, levies, duties are imposed during the execution of this project, the same shall be to Purchaser's account at actual.

OCTROI DUTY/LOCAL TAXES

The price quoted by us does not include Octroi duty if any payable to the local authorities at the destination. You will either pay such duties directly while receiving the equipment or will reimburse the same to us at actual if we are called upon to pay these.

FREIGHT

The price quoted by us does not include transportation cost. In case, we indicate transportation cost extra, it is based on the present rates of freight quoted by carriers. Should they impose a general increase in the freight till the supply of equipment, we shall be entitled to claim such increase on the basis of actual.

VARIATION/ADDITION IN SCOPE OF WORK

The scope of our work is restricted to the supply of equipment as specified in the contract and erection and commissioning of the equipment. Any subsequent addition or alteration will be acceptable to us provided it is convenient to do so and the price and delivery period is suitably revised. Unless such revision is authorized within 15 days of our intimation, we shall be at liberty to suspend further work and recommence it only after a fresh negotiation on prices and delivery period. The same will be the case if we are forced to suspend work for more than 15 days at your specific instructions or lack of instruction.

CHANGES IN WORK/LAW

If there is any change in the scope and/or nature of work, during the execution of this project because of change in Indian Government's ruling/regulations/order an adjustment in terms including, but not limited to prices, deliveries etc. shall be negotiated.

We are not obliged to proceed with the changes until we have received the Purchaser's written approval of the proposed changes as well as adjustments, if any, in terms of the contract.

DELAY IN COMPLETION

If the completion of work is delayed beyond the contractual date for reasons under your control as listed out hereunder but not limited to them we shall be entitled to suitable readjustment in the period of completion, by mutual consent and the contract will stand amended to that extent:

- a] delay in approval of final drawings beyond a period of 10 days from the date of submission by us,
- b] delay in inspection beyond the appointed date or delay in approval of test certificates, wherever required, beyond a period of 7 days from the date of submission by us,
- c] Delay in release of despatch clearance or hold up of work due to your specific instructions or lack of instruction,
- d] delay in release of advance or progress payments due to us beyond 7 days from the due date,
- e] delay attributable to Force Majeure conditions, more particularly detailed under appropriate clause hereunder.

COMMISSIONING

It will be the responsibility of the Purchaser to make all arrangements and provide all facilities and materials for carrying out pre commissioning tests before the date of readiness for such tests.

" **COMMISSIONING** " means floating of safety valve in front of purchaser's operating staff.

OPERATING PERSONNEL

The purchaser will ensure that his operating personnel is made available before pre commissioning to enable them witness all commissioning tests and satisfy themselves about all guarantee parameters.

SITE SUPERVISION

For proper co-ordination, you will nominate a single representative at site who will have full authority to take all decisions concerning day to day work. All instructions, approvals and certificates issued by such representative will be binding on you.

ACCEPTANCE OF THE PLANT

The plant shall be considered as accepted immediately on successful commissioning or when the plant is put into commercial operation, whichever is earlier.

WARRANTY FOR EQUIPMENT

Our liability in respect of any defect in or failure of equipment supplied and commissioned by us or any loss, injury or damage attributable thereto, is limited to making good by replacement or repairs, defects which under proper use appear therein, provided the equipment is operated and maintained in accordance with our instructions, and arise totally from proved faulty design, materials or workmanship, within a period of 12 months from the date of commissioning of the equipment or 18 months from the date of last invoiced despatch, whichever is earlier, at the termination of which period all liability on our part will cease.

This warranty is applicable under the following conditions:

- a] Any replacements/repairs required to be made under the provisions of the above warranty will be carried out at our option either at site or at our works.
In the latter case you will arrange to promptly return the defective parts to us.
- b] After repairs/replacement, the period of warranty for the entire equipment including replaced/repaired parts will limit itself to the unexpired portion of the total warranty period.
- c] For accessories and fittings not manufactured by us, but which form an integral part of the equipment, the warranty will be co-terminus with the main equipment irrespective of the warranty extended by their suppliers.

- d] In respect of the equipment where despatch after readiness is delayed due to specific instructions or lack of instructions from you, the warranty will be limited to 18 months from the date of readiness for despatch of equipment as notified by us.
- e] Any other party on our equipment during the warranty period, unless authorized by us in writing, will carry out no repairs or replacements.
- f] The warranty obligations will be honored by us provided you have fulfilled your obligations under the contract relating to release of due payments etc.

The warranty period does not cover the following:

- a. Normal wear and tear
- b. Damages/defects arising out of mal-operation of the plant by the purchaser and accidents.
- c. Accidents.

DELAYS IN PAYMENT

Any delay in release of payment due to us beyond the due dates mentioned above will entitle us to suspend further work under the contract without any liability for delay in delivery/completion. We are entitled to receive interest on the outstanding amount if any. For the period of delay, the rate of interest shall be two percent higher than the bank lending rate prevailing at that time.

WAREHOUSING CHARGES

Should despatches be suspended on Purchaser's instructions warehousing expenses shall be payable by the Purchaser @ 2% of the consignment value per month or part thereof.

EXCESS MATERIALS

Since we shall be sending to site a number of items in spare for smooth and uninterrupted erection and commissioning, such items which remain unused will be our property and will be removed by us. Similarly scrap generated during construction shall remain a property of Thermax and Thermax shall be permitted to dispose off the same.

SUPPLY OF FREE ISSUE MATERIALS

In the event shortages or any miss-outs in supplies are made good by a free of cost supply by Thermax, Thermax will provide necessary excise invoices to the buyer for

claiming Cenvat. Buyer will claim Cenvat and reimburse the same to Thermax. This also covers free replacements made under warranty.

GENERAL LIEN

We shall have a lien on the equipment supplied by us as well as the work carried out by us till our final payments due to us are released. No part of the work will be put in commercial use without our written permission till our lien is removed.

CANCELLATION

You will not unilaterally cancel the order once accepted by us. In the event of the order being cancelled by you with our consent, you will be liable to pay to us the cancellation charges, either proportional to the contract period already over up to the date of cancellation or the actual cost of work completed, whichever is higher, subject to the minimum of 20% of the value of contract.

Under no circumstances you shall be consent to cancellation after expiry of 75% of contract period, nor you will have any claim over designs, drawings and materials lying with us, which, after cancellation of order, will become our property.

CANCELLATION OF WORK:

Incase the contract is suspended/ cancelled/ terminated for the reasons not attributable to supplier; the purchaser shall make the payments as given below.

Until end of 1st month from the date of contract – 20% of the contract value.

Until end of 4th month from the date of contract – 50% of the contract value.

Until end of 6th month from the date of contract – 75% of the contract value.

Until end of 8th month from the date of contract – 90% of the contract value.

Beyond 10th month from the date of contract – 100% of the contract value.

INTERRUPTIONS

Should we be subjected to interruption during the execution of this project on account of non-fulfillment of the Purchaser's obligations or due to reasons attributable to the purchaser, the terms and conditions of this order shall be re-negotiated and mutually agreed upon. We are not obliged to resume the work until we have received the Purchaser's written approval of the re-negotiated terms and conditions.

FORCE MAJEURE

We shall be under no liability for delay in delivery/completion of work if we or our sub-contractors/suppliers are prevented from discharging our respective obligations under

the contract for causes beyond our reasonable control including but not limited to war [whether declared or not], invasion, acts of enemies, hostilities, riots, civil commotion, labour disturbance, strikes, lockouts, layoffs, mutiny, insurrection, rebellion, revolution, epidemics, accidents, sabotage, fire, earthquake, floods, Government orders and restrictions, legal enactments, delay or inability to obtain materials due to change in Import Policy or other statutory restrictions, lack of transport facilities, interruptions/restrictions in power supply, damage to or breakdown of plant, machinery and equipment etc.

CONSEQUENTIAL DAMAGES

Neither party shall at anytime be liable to the other for any loss of profits or any similar indirect damages, howsoever described, incurred or suffered by either party in respect of the project.

ARBITRATION

In the event of any difference in the interpretation of these terms or dispute arising in executing the contract, the same will be resolved by reference to two arbitrators under provision of Indian Arbitration & Reconsilation Act, 1996.

JURISDICTION

Any contract arising out of our present offer will be subject to Jurisdiction of Law Courts in Mumbai.

SECRECY

All data, specifications and drawings submitted by us as a part of the contract are proprietary in nature and will not be passed on by the purchaser to any third party without our written consent, for whatever reason.

GOVERNING LAWS

Execution of this project shall be governed by Indian Laws and Regulation.

GENERAL

Any condition or other matters pertaining to this offer not expressly stipulated will be a matter of mutual discussions and agreement at the time of accepting the order.

DRAFT BANK GUARANTEE FOR PERFORMANCE OF EQUIPMENT

This Guarantee made on _____, _____, _____ at Pune, by _____ (Name of the Bank along with address of the issuing branch), (hereinafter referred to as the 'Bank' which expression unless repugnant to the context or meaning thereof shall mean and include its successors, executors, administrators and assigns)

In favour of _____, a Company incorporated under the provisions of the Companies Act, 1956, having its Office at _____ (hereinafter referred to as the "Purchaser" which expression unless repugnant to the context or meaning thereof shall mean and include its successors, executors, administrators and assigns).

WHEREAS

- a) The Purchaser above named has placed a Purchase Order bearing No. _____ dated _____ (hereinafter referred to as the 'said Purchase Order') with Thermax Limited, a Company incorporated under the provisions of the Companies Act, 1956, having its Registered Office at D-13, MIDC Industrial Area, R. D. Aga Road, Chinchwad, Pune 411 019, (hereinafter referred to as the "Supplier" which expression unless repugnant to the context or meaning thereof shall mean and include its successors, executors, administrators, and assigns), for supply, erection, commissioning (Please insert whatever applicable) of _____ (hereinafter referred to as the 'said equipment') for a total / basic (Please insert whatever applicable) price of Rs. _____/- (Rupees _____ only) including / excluding taxes and duties (Please insert whatever applicable) and the Supplier has accepted the said Purchase Order on terms and conditions contained in the said Purchase Order.
- (b) In terms of the provisions of the said Purchase Order, the Supplier is required to secure its obligations of giving performance of the said equipment as per parameters specified in the said Purchase Order by way of a Bank Guarantee for an amount of Rs. _____ (Rupees _____ only) representing ____% of the total / basic (Please insert whatever applicable) price of the said Purchase Order.

- (c) The Supplier has approached the Bank to give this Bank Guarantee for the said purpose and the Purchaser has agreed to accept this Bank Guarantee on terms and conditions contained hereinafter.

NOW THESE PRESENTS WITNESSETH AS UNDER:

- 1) In consideration of the aforesaid premises and subject to the terms and conditions appearing hereunder, we, the Bank, do hereby undertake to pay to the Purchaser upon receipt of demand in writing from the Purchaser, without demur and without protest or without recourse to the Supplier, such a sum as may be quantified by the Purchaser under this Bank Guarantee not exceeding Rs. _____/- (Rupees _____) in the aggregate as the Purchaser may demand in consequence of loss or damage caused to or suffered by the Purchaser as a result of failure of the Supplier to achieve the performance of the said equipment as per parameters specified in the said Purchase Order.
- 2) Any demand under this Bank Guarantee shall be issued by the Purchaser under the signatures of its Director and duly Constituted Attorney accompanied by a Claim Statement that the Supplier has failed to achieve the performance of the said equipment as per parameters specified in the said Purchase Order.
- 3) This Bank Guarantee shall come into force only upon receipt of the balance payment / retention money amount (Please insert whatever applicable) of Rs. _____/- (Rupees _____ only) by the Supplier from the Purchaser under the said Purchase Order.
- 4) The Supplier and the Purchaser shall be at liberty to mutually vary or alter any of the terms and conditions of the said Purchase Order without affecting any provisions of this Bank Guarantee.
- 5) This Bank Guarantee shall not be affected in any manner by any change in constitution of any of the parties hereto.
- 6) This Bank Guarantee shall be in addition to any other securities or guarantees to the credit of the Purchaser.
- 7) This Bank Guarantee shall remain valid for a period upto _____(date).

- 8) This Bank Guarantee shall not be revoked during the period of its validity mentioned hereinabove unless prior discharge is given by the Purchaser.
- 9) The Bank's liability under this Bank Guarantee shall automatically expire on the expiry of the validity period mentioned hereinabove or upon prior discharge of this Bank Guarantee given by the Purchaser, irrespective of whether the Purchaser returns the original Bank Guarantee to the Bank or not.
- 10) The Bank undertakes to extend this Bank Guarantee beyond its validity period mentioned hereinabove as required by the Supplier upon receipt of request to that effect in writing from the Supplier.
- 10) NOTWITHSTANDING anything contained herein above,
- a) The liability of the Bank under this Bank Guarantee shall not exceed Rs. _____/- (Rupees _____ only)
- b) This Bank Guarantee shall remain valid till _____
- c) The Bank shall be liable to pay to the Purchaser to the extent of this Guarantee amount or any part thereof under this Bank Guarantee only and only if the Bank receives a written claim or demand as aforesaid from the Purchaser under this Bank Guarantee on or before _____.