

**PEM/PG-1-1 BHEL, NOIDA**  
**SPECIAL CONDITIONS OF CONTRACT (REV.04) DATED 22-01-2013**  
**3X 660 MW LPGCL LALITPUR STPP**

These Conditions shall be read and construed along with General Condition of Contract enclosed along with the tender enquiry. In case of any conflict or inconsistency, the condition given in special condition of contract shall prevail over the general condition of the contract.

- 1.0 **PROJECT NAME** **3 X 660 MW LPGCL LALITPUR STPP**
- 2.0 **CONSIGNEE Name to be mentioned in LR** **Construction Manager, Bharat Heavy Electricals Limited, VILLAGE MIRCHWARA, TAHSIL MAHRONI, DISTT. LALITPUR, U.P. – 284123**
- 3.0 **CONSIGNEE Name to be mentioned in Vendor's invoice** LALITPUR POWER GENERATION COMPANY LIMITED (UNIT HEAD)  
VILLAGE-MIRCHWARA & BURAGAON  
TEHSIL-MAHRONI  
DISTT--LALITPUR  
U.P--284403  
(Account BHEL)
- 4.0 **BUYER Name to be mentioned in Vendor's invoice** "BHARAT HEAVY ELECTRICALS LIMITED, PEM,  
NOIDA, UP—201301  
TIN No.: 09765702874
- 5.0 **Customer Site Office Address** **M/s. Lalitpur Power Generation Company Limited**  
**VILLAGE MIRCHWARA, TAHSIL MAHRONI, DISTT. LALITPUR, U.P. - 284123**
- 5.1 **BHEL Site Office Address** **BHARAT HEAVY ELECTRICALS LIMITED**  
**3x660 MW LALITPUR STPP,**  
**VILL: MIRCHWARA, PO:CHIGLUA cum BURAGAON, TEHSIL: MAHRONI, DISTT. LALITPUR (U.P.) – 284123**
- 6.0 **Mode of Dispatch** By Road on Door Delivery and freight Pre-Paid Basis
- 7.0 **Supply** **Dispatch against LPGCL/BHEL MDCC Only.**  
Immediately after completion of inspection, supplier to send BHEL-PEM, 5 sets of complete CQA-IR /joint inspection reports along with test Certificates including CHP ,if any ,for obtaining LPGCL/BHEL Acceptance/Material Dispatch Clearance.  
**Note:- Vendor has to send original consignee LR/RR along with packing list to BHEL/PEM immediately after loading of material for endorsement.**  
**Indigenous items shall be delivered on FOR Site Basis.**
- 8.0 **Road Permit Required** Yes. **Material shall not be consigned on 'self' basis under any circumstances.**
- 9.0 **Mandatory Spares (wherever applicable)** **Main Supply & Mandatory Spare shall be separate orders and dispatch shall be made separately also.**  
Box/Boxes for Mandatory Spares should be painted in Red giving a clear and distinct identity. Prior intimation to dispatch Spares through same LR & clearance from BHEL is required to be taken.

*Agan Srivastava*

10.0	<b>Prior Dispatch intimation to BHEL Site Office and Underwriters</b>	<p>Yes</p> <p><b>NOTE:-</b> one set consisting of LR / RR copy, Packing List indicating the items dispatched (with their gross and net weights) and letter informing the underwriters about the value of consignment and dispatch details to be sent to</p> <ol style="list-style-type: none"> <li>BHEL Site Office</li> <li>Insurance Co.</li> <li>BHEL/PEM, PPEI Bldg. Noida(U.P)</li> </ol> <p>It is Vendor's responsibility to ensure availability of trucks well in advance where consignment will require more number of trucks to be deployed for dispatch. No concession for non-availability of trucks, after having given dispatch clearance shall be admissible.</p>
11.0	<b>Transit Insurance</b>	By BHEL (Vendor to intimate the underwriters quoting the insurance policy No. as below) :-
	<b>Policy No. and intimation to underwriters</b>	<p><b>500300/44/11/08/500000004</b></p> <p>UNITED INDIA INSURANCE COMPANY LTD.</p> <p>LARGE CORPORATES BROKERS</p> <p>D-24 &amp; E-25, HIMALAYA HOUSE, 2nd FLOOR,</p> <p>23 KG MARG, NEW DELHI-110001</p> <p>Contact Person: Mr. SOUMYA MUKHERJEE</p> <p>Contact Number:- Office :-011-43560470/23314657</p> <p>Fax 23355307, MOB :9910012301</p> <p>Email: soumyamukherjee@uiic.co.in / anjukocchar@uiic.co.in / corpcell@uiic.co.in</p> <p>(Vendors are required to intimate underwriters immediately after dispatch along with packing list &amp; LR copy)</p>
12.0	<b>Important note for Vendors</b>	<b>No Raw Material/ component/ subassembly/ assembly/ equipment shall be sourced from China, either directly or indirectly, for manufacture or supply in this project.</b>
13.0	<b>a. BHEL/PEM TIN No</b>	09765702874
	<b>b. LPGCL TIN No.</b>	09232704640
	<b>Unloading at site</b>	<p><b><u>By BHEL site office for supply packages</u></b></p> <p><b>NOTE:</b> - Please note that unloading of materials at site shall take at least 3-4 days. As such, transporters to be advised suitably before dispatch of materials in this regard. Also, no claim on a/c of delay in unloading before this period shall be entertained. Prior intimation as mentioned in S. No. 8 above is solicited.</p>
14.0	<b>Storage at site</b>	By BHEL site office for supply packages
15.0	<b>Movement of Material within Site</b>	<ol style="list-style-type: none"> <li>By BHEL site for Supply Packages</li> <li>By vendor for Turnkey Packages (Total Scope including Supply, Erection &amp; Commissioning)</li> </ol> <p>No movement of loose materials shall be allowed. Items are to be properly packed to ensure proper and safe transportation &amp; storage at site.</p>
16.0	<b>Documents Required (For Supply payment)</b>	<p>For payment, the supplier/vendor shall provide following documents to BHEL/PEM – Project group</p> <ul style="list-style-type: none"> <li>Supplier invoice/VAT invoice</li> <li>Consignee Copy of LR shall be sent to BHEL/ PEM project group for</li> </ul>

**DIRECT PAYMENT**  
**(Original + 8 copies)**

endorsement of the same to customer and forwarding to site to effect "sale in transit".

- Item wise Packing List indicating Quantity/Gross weight / Net Weight/LR No. /Road Permit No.

Original copy of BHEL MDCC (Material Dispatch Clearance certificate) for "Non CHP" items and Customer (LPGCL) MDCC (Material Dispatch Clearance certificate) for "CHP items".

- Copy of letter addressed to Insurance Co.
- Guarantee certificates

Test Certificate including Inspection reports by BHEL and / or by LPGCL, as applicable.

**17.0 Payments against receipt of material at site (MRC)**

Suppliers invoice (linking with dispatch invoice) along with Original Material Receipt Certificate (MRC) issued by BHEL site. **(Original+6 copies)**

**18.0 Dispatch markings**

Each box shall be marked with Capital Letters in "Red" indicating the **PEM SUPPLY (Main or Commissioning spare) for 3 X 660 MW LPGCL LALITPUR STPP, District- LALITPUR, UTTAR PRADESH**

**NOTE:** Main supply item and items for commissioning spares must be packed separately.

Each package delivered under the Contract shall be marked by vendor and such marking must be distinct and in English language (all previous irrelevant markings being carefully obliterated). Such marking shall show the description and quantity of contents, the name and address of consignee, the Gross weight and Net weight of the package, the name of the Vendor, PEM P.O. reference number, with a distinctive number of mark sufficient for purposes of identification. Besides above necessary, packing shall bear a special marking 'TOP', 'BOTTOM', 'DO NOT TURN OVER', "KEEP DRY", "HANDLE WITH CARE", etc

**IMPORTANT: -**

- One copy of respective standard manufacturer's erection instruction/operation instruction manual shall be kept in each package / container for immediate reference by BHEL site and same shall be reflected in packing slip also
- The Packing list details for the consignment must be put inside the Box/Boxes.

Items like pumps, Valves, Hoists, Cranes, etc shall essentially have OM Manuals and E&C guidelines duly enclosed in the packing box. Certificate to such effect shall also be reflected in packing slip.

**Commissioning Spares**

The commissioning spares shall be properly packed separately in separate box and each spare shall be properly tagged giving details i.e. dispatch (to match the description given in the packing slip) to facilitate their proper identification. One Copy of Packing list must be put inside the Box.

**Mandatory Spares**

The Mandatory spares shall be properly packed separately in separate box

Painted in Red, indicating Mandatory Spares in bold letters and each spare shall be properly tagged giving details i.e item number of the equipment in line with the CUSTOMER approved BBU for Mandatory spares & Number per item (to match the description given in the packing slip) to facilitate their proper identification by ultimate customer LPGCL. One Copy of Packing list must be put inside the Box along with Manufacturing drawing no. reference, Catalogue reference.

- The Supplier to note that separate **CUSTOMER MDCC** shall be obtained for Mandatory spares from **LPGCL**.

#### 19.0 Warranty Period



Warranty period shall be 24 months from the date of successful trial operation of the respective unit.

Expected dates successful completion of trial run for the three units are:

Unit # 1: 20-Oct-2014 ✓

Unit # 2: 20-Feb-2015 ✓

Unit # 3: 20-Jun-2015 ✓

#### 20.0 Latent Defects Liability



The liability for latent defects for each unit shall be limited to a period of 60 months from the date of successful completion of Trial Operation of the respective unit. For the purpose of this clause, the latent defects shall be the defects inherently lying within the material or arising out of design, manufacturing and material deficiency which do not manifest themselves during the defect liability period, but later.

Expected dates of successful completion of trial run for the three units are:

Unit # 1: 20-Oct-2014

Unit # 2: 20-Feb-2015

Unit # 3: 20-Jun-2015

#### 21.0 Taxes and Duties

**Customer has issued PAC in line with para 8.6.2 of Foreign Trade Policy (2009-2014)**

Bidder to ascertain the availability of benefit of Project Authority Certificate and shall be solely responsible for obtaining such benefits, which they have considered in their bid and in case of failure to receive such benefits the purchaser will not compensate the bidder. However bidder shall provide all information required for issue of Project Authority certificate in terms of para 8.6.2 of Foreign Trade Policy (2009-2014) of Government of India along with the bid. The Project Authority Certificate will be issued on this basis and no subsequent change will be permitted. In this regard chapter 8 – Deemed Export in the Foreign Trade Policy 2009-2014 and Hand Book of procedures shall be referred to for ascertaining the above. Quotation of the bidders shall be in line with this project status.

##### **CUSTOM DUTY**

Customer has issued PAC in line with para 8.6.2 of Foreign Trade Policy (2009-2014)

Under this **Project Authority Certificate**, **Zero %** custom duty shall be applicable on the imported contents of the items supplied by bidder.

Based on Customer (LPGCL) **PAC**, BHEL/PEM shall issue PAC to each vendor/Sub-Vendor for **availing zero % custom duty** for the imported supply. Customer's original PAC shall not be issued/parted with by BHEL/PEM to the

vendor.

List of imported contents, quantity, CIF value (in Rupees) and exchange rate of foreign currency etc. shall be indicated by bidder in their price bid.

**NOTE:** - CIF shall be applicable for items like Aux. PRDS, Plate Heat Exchangers, COLTCS, Self-Cleaning strainers, Spring Loaded Bypass Valve and PAC shall be issued for these items only.

**EXCISE DUTY & VAT**



Bidder to note that being a **Provisional Mega Project**, the **excise duty on self-manufactured items shall be NIL** & necessary documents for NIL Excise Duty shall be furnished. Sales Tax, Service Tax & VAT are payable **extra at actual**. **Vendors to Quote NIL Excise Duty. Applicable CST/ VAT is to be included by bidders in their offer.** However bidders to note that Sales Tax, Service Tax & VAT shall **not** be considered in price evaluation for arriving at L1 status

**NOTE:** -

(1) For more details on VAT please refer Annexure-I attached with SCC. To effect sale in transit, bidder shall have to obtain format of Delivery Order document (attached with SCC) duly filled in by purchaser at the time of issue of MDCC. The filled in delivery order document shall form part of LR issued and shall be carried by the transporter to the destination along with consignment.

**2.0 Delivery Order document submission**

	PREPARED BY	CHECKED BY	VETTED BY FIN	APPROVED BY
Name:	ARJUN SRIVASTAVA	D. Saha		Alka Tuteja
Designation	ENGINEER / PEM (PG 1-1)	AGM / PEM (PG 1-1)	/ PEM (FIN)	DH PEM (PG 1-1)
Signature	<i>Arjun Srivastava</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
Date	22/01/2013	22/01/13	24/1/13	28/1/13

src verified with respect to Taxes & duties  
(No changes in Taxes & duties)  
Compare + 20/02  
*[Signature]* 24/1/13

## ANNEXURE - I

In order to avail the benefit of input tax credit available to BHEL in case of VAT leviable on intra-state transaction between BHEL and vendor, & to fulfill the compliances as per requirements of applicable State's VAT law, the following modality shall be applicable:

BHEL has identified a nodal agency in each State to take care of VAT compliances in the State in which project is located. For the subject project nodal agency shall be:

BHARAT HEAVY ELECTRICALS LIMITED (PEM DIVISION),

PPEI BUILDING, PLOT NO. 25, SECTOR-16A,

NOIDA (U.P.)

PEM TIN NO. 09765702874

Nodal agency is defined as Buyer and BHEL/ PEM shall be paying agency in such cases, where VAT is applicable.

Vendors' original tax invoice for intra State transactions is one of important documents for availing Input Tax credit. In this regard the following may be noted by all vendors for strict compliance:

- As a general rule, a tax invoice must be original, must contain vendor's TIN No with full address, invoice no & date, product description with unit rate, quantity, value, VAT rate, VAT amount, gross value of bill, **buyer i.e. BHEL's address with TIN No.** (as given above) special marking like "Original" and/or "valid for input credit"/ Buyer can take credit against this" etc as per applicable State VAT law.
- Please note that BHEL's address and TIN to be mentioned in vendors tax invoice shall be **principal place of business & applicable TIN No. of nodal agency of BHEL, as given above.** In no case the vendors, invoices shall be addressed to BHEL PEM nor shall they contain our TIN. However for payment purposes, the invoice may mention BHEL PEM as paying authority.
- As original tax invoice of vendors are to be furnished to nodal unit for assessment/VAT audit purposes, extra copy of Original invoice is reqd to be submitted by vendors for retaining with PEM bank payment voucher.
- Original tax invoice along with extra copy of Original Tax invoice in line with respective state VAT law shall be essential document to be submitted by vendor for claiming payment.
- Vendor shall also furnish a certificate/statement/document as prescribed under applicable State VAT law. Please note that some of the States requires additional certificate/documents e.g. Haryana requires certificate in form C-4 in addition to original tax invoice.
- Please note that reimbursement/payment of VAT shall be subject to furnishing of Vat compliant tax invoice and other certificate/document as per applicable State VAT law.
- Tax invoice must show Vat rate & VAT amount separately and in no case all inclusive prices is to be shown in the tax invoice since input credit is not admissible in case VAT is not indicated separately.
- In case vendor is unable to furnish Vat compliant tax invoice & other certificate/document, VAT shall not be reimbursed by BHEL.
- Where the supplies are made from within the same state where the project is located, the vendor has to provide VAT Tax Invoice for such supplies even if the price quoted is all inclusive



*Ajwan Sinastav*

Project Engineering  
Management

**Bharat Heavy Electricals Limited**  
(A Govt. Of India Undertaking)  
**POWER SECTOR, PROJECT ENGINEERING MANAGEMENT**  
Power Project Engg. Institute, Plot No. 25, Sector 16 - A,  
HRDI & ESI Complex, NOIDA 201 301 (UP)



No.: Our Po ref no.  
Date: (To be filled by  
Vendor/supplier)

To,

The------(Transporter)  
-----  
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**M/s** ------(supplier). has despatched goods through you covered by RR/LR  
No.-----dated -----.

Under contract goods are to be delivered to **M/s**------(customer)  
since the same has been sold by us to them as subsequent sale.

We authorise you to deliver the said goods to **M/s**-----  
------(customer) or to his order.

We indemnify you against any loss, claim or whatsoever that may accrue to you in delivering the  
aforesaid goods to **M/s** ------(customer)

---(Sign & stamp)-----BHEL

Date --(To be mention by vendor)-- Time-----