

BHEL/PEM/PG-1**SPECIAL CONDITIONS OF CONTRACT**

- 1.0 **Project Name** : Kakatiya Thermal Power Project, Stage - II, 1 X 600 MW, APGENCO, Warangal District Andhra Pradesh
- 2.0 **Consignee Address** : Construction Manager, BHEL Site Office, Kakatiya Thermal Power Project (1x 600 MW), Warangal Dist. – 506 169 Andhra Pradesh
- 3.0 **BHEL Site Office Address** : Construction Manager, BHEL Site Office, Kakatiya Thermal Power Project (1x 600 MW), Warangal Dist. – 506 169 Andhra Pradesh
- 4.0 **Mode of Despatch** : Road
- 5.0 **BHEL clearance for road transport required** : No
- 6.0 **Road permit required** : No
- 7.0 **Freight** : PREPAID
- 8.0 **Prior despatch intimation to BHEL Site.** : Yes (Despatch document one set to be sent to:
a) BHEL Site office at s. no. 3 above
b) Purchaser
c) Insurance company
d) Consignee at s. no. 2 above
- 9.0 **Transit Insurance** : By BHEL
- 10.0 **Details of Insurance Policy and intimation to underwriters.** : Marine Policy 500300/21/09/02/00000137
SCE Policy 500300/44/09/04/40000054
Mr. Soumya Mukherjee,
Corporate Cell, New Delhi,
United India Insurance Company Limited,
(A Company Owned By The Government Of India)
D-24 & E-25, 2nd FLOOR, HIMALYA HOUSE
23, K.G. MARG, New Delhi - 110001

Telefax: + 91 11 23355307
Telephone: +91 11 23314657, 23318077, 41521760
(Vendors are required to intimate underwriters immediately after dispatch along with packing list & LR copy)

Handwritten signature
05/07/2010

11.0 Sales Tax Registration No. (VAT Registration No.) : TIN No. 28280126964 dated 27.03.05
CST No. PJT/07/1/1839/99-2000

12.0 Taxes & Duties : No taxes & duties are reimbursable from customer. Hence ED, CST/VAT as quoted by bidder on vendor's self manufactured items shall be reimbursed against documentary evidence & shall be considered in evaluation. No credit for VAT shall be applicable to bidders in evaluation. For intra state transition ref ANX-1

**13.0 Document Requirement:
(For vendor Payment)**

- a) Supplier invoice along with documentary evidence of excise duty paid
- b) Copy of LR (Consignee copy)
- c) Packing List indicating Gross & Net weight
- d) Copy of Customer MDCC.

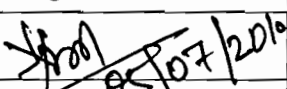
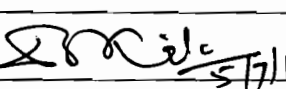
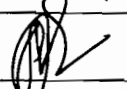
Note:

Eight (8) sets of above documents are required by PEM for customer billing in addition documents required for vendor payment shall be as per G.C.C. of PEM.

14.0 Final Drawings / Documents submission: : Final Drawing / documents to be submitted as per annexure II enclosed.

15.0 As per the contract with customer, equipments are to be warranted for a period of one year for the unit, commencing from the date of trial operation of the unit.

16.0 Concessional Custom Duty facility for imported items is applicable @ 5% for the project. As it is a domestic project covered under project import facility, customer shall issue a Essentiality certificate to avail this facility. Packages where CIF is applicable are PHE, APRDS, Control Valves, Angle Valves, Power cycle (Non Trichy) valves.

| | PREPARED BY | CHECKED BY | REVIEWED BY |
|---------------------|---|--|---|
| Name: | M.C.SWAIN | D K KATE | SATINDER BEDI |
| Designation: | Engineer /PG-1 | SR.MGR/PG-1 | AGM(PG-1) |
| Signature: |  |  |  |
| Date: | 05/07/2010. | 05/07/2010. | 05/07/2010. |

SPECIAL CONDITIONS OF CONTRACT (REV 03)

1X600 MW KAKATIYA TPP

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 :

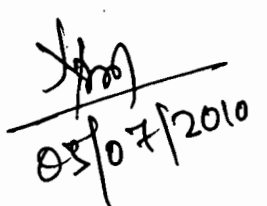
BHEL R. C. PURAM, HYDERABAD - 502032


VAT TIN NO. 28360151179

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 complaint 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.


03/07/2010.


5/7/10