

PEM / COMMERCIAL, BHEL, PPEI, NOIDA

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SPECIAL CONDITIONS OF CONTRACT (REV03)

4 X 600MW O. P. JINDAL STPP RAIGARH

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 SCC shall prevail over the GCC.

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|------|--|--|
| 1.0 | <u>Project Name :-</u> | <u>4 X 600MW O. P. JINDAL STPP RAIGARH</u> |
| 2.0 | <u>Consignee Address :-</u> | CONSTRUCTION MANAGER,
BHEL SITE
JINDAL STPP RAIGARH
VILL & PO :- TAMNAR
TAHSIL :- TAMNAR
DIST :- RAIGARH-496107
CHHATTISGARH |
| 3.0 | <u>BHEL Site Office Address :</u> | CONSTRUCTION MANAGER
BHEL-SITE
JINDAL STPP RAIGARH
VILL & PO :- TAMNAR
TAHSIL :- TAMNAR
DIST :- RAIGARH-496107
CHHATTISGARH |
| 4.0 | <u>Customer Order Ref No:-</u> | <u>LOA No. AB/JPL/BHEL/2400MW/SUPPLY/001</u> |
| 5.0 | <u>Mode of Dispatch:-</u> | ROAD & RAIL TRANSPORTATION |
| 6.0 | <u>Road Permit Required:-</u> | No. |
| 7.0 | <u>LOA Date:-</u> | <u>27.12.2008</u> |
| 8.0 | <u>Zero Date:-</u> | <u>27.12.2008</u> |
| 9.0 | <u>Synchronization:-</u> | 27.03.2012 FOR UNIT#1.PHASE SHIFT OF 4 MONTHS EACH FOR UNIT#2,UNIT#3 & UNIT#4. |
| 10.0 | <u>COD</u> | 27.05.2012 FOR UNIT#1.PHASE SHIFT OF 4 MONTHS EACH FOR UNIT#2, UNIT#3 & UNIT#4. |

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11.0	Prior Dispatch intimation to BHEL Site Office and Underwriters :-	<p>Yes, one set consisting of LR / RR copy, Packing List/ Challan indicating the items dispatched (with their weights) and letter informing the underwriters about the value of consignment and dispatch details to be sent to:</p> <p>a) BHEL Site office b) BHEL, PEM, PPEI-Noida (MM)</p>
12.0	<u>Transit Insurance</u>	By BHEL (Vendor to intimate the underwriters quoting the insurance Policy No. As below) :-
	Policy No.	SCE INSURANCE POLICY NO. 500300/44/09/04/400000
	Underwriters	MARINE INSURANCE POLICY NO. 500300/21/09/02/00000159
13.0	Customer (O.P. JINDAL) CST	RGH/G/2883 DATED 24/11/2003
14.0	TIN NO.	22105100672
15.0	Unloading at site	<p>By BHEL site office for supply packages. (The Supplier shall give LR wise Gross Wt. Of the consignment for the purpose of handling the consignment by BHEL site loading/unloading Contractor)</p>
16.0	Storage at site	By BHEL site for supply packages
17.0	Movement of Material within Site	<p>a) By BHEL site for supply packages b) By vendor for Turnkey i.e. supply and Erection & Commissioning packages</p> <p><i>N. K. Gupta</i> 02/07/10</p>

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**DOCUMENT REQUIRED FOR
VENDOR PAYMENTS.**

For payment by PEM the supplier shall provide the following Documents to PG :-

7 SETS – (1 Set consisting of following documents):-

1. Invoice
2. LR
3. Packing List
4. BHEL MDCC – where inspection only by BHEL.
5. Customer MDCC- where customer involved in inspection.
6. CQIR Report
7. Test certificate and Guarantee certificates

3 SETS - (1 Set consisting of following documents):-

1. Invoice – Original + 2 copies
2. LR – Original + 2 copies / receipted LR as applicable
3. Packing list - clearly showing number of packages, gross weight net wet
4. BHEL MDCC – where inspection only by BHEL.
5. Customer MDCC- where customer involved in inspection.
6. Guarantee certificates
7. Insurance intimation
8. CQIR Report
9. PVC Calculation and copy of all applicable indices , if PVC applicable.
10. Duty drawback documents (original excise invoice, original disclaimer certificate, original certificate from excise authority for payment of excise duty)
11. Proof of approval of drawing and document from engineering department to establish contractual delivery date for the purpose of LD & for claiming initial 5% payment.
12. Proof of submission of final documents including as built drawings, O&M Manual as applicable.

**DOCUMENTS FOR CLAIMING MRC & FREIGHT
PAYMENT**

- a. Invoice in duplicate
- b. Copy of MRC
- c. Original money receipt from transporter for freight payments (if required).

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19.0 **Material Receipt Certificate (MRC)**

- a) For Supply Packages BHEL/PEM will arrange MRC from BHEL Site, however supplier/ contractor shall provide support for verification of material at site if required.
- b) For Turnkey i.e. Supply and Erection & Commissioning packages, Original MRC duly signed by customer & BHEL-Site is to be arranged by vendor for their MRC payment.

20.0 **Despatch Markings:-**

Each box/ Drum shall be marked with Capital Letters in Red indicating **Main Supply OR Commissioning spare**

Each package/Drum delivered under the Contract shall be marked by Supplier as per details listed below and such marking must be distinct and in English language (all previous irrelevant markings being carefully obliterated) for purposes of identification.

Each and every box (package) shall be marked with following:-

- 1) Name and address of the consignee:
- 2) Project reference:
- 3) Customer Contract No.:
- 4) Vendor Name:
- 5) PEM P.O. reference No.
- 6) Gross Weight/ Net Weight (Without Gross Weight/ Net Weight mention on LR, Vendors invoice can not be processed)
- 7) Packing No.: (1/10, 2/10, 3/10 when there are 10 packages for one consignment)
- 8) Packing Mark: (symbols indicating "TOP" and other special marking)
- 9) Type of Equipment: "E" (for equipment supply)
"T" (for Tools & Tackles)
"S" (for Mandatory Spares)

Besides above necessary, packing shall bear a special marking "TOP", "BOTTOM", "DO NOT TURN OVER", "KEEP DRY", "HANDLE WITH CARE", etc.

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IMPORTANT:-

One copy of respective standard manufacturer's erection instruction/operation manual shall be kept in each package/container for immediate reference by BHEL site.

NOTE:-

The Copy of complete **Packing list** for the consignment must be put inside the Box/ Boxes.

20 copies of supplier's Erection / Instruction manuals to be given to the BHEL, PEM, PPEI-Noida (MM) within 30 days of despatch for handing over to Customer/ BHEL site.

Each box/ Drum shall be marked with Capital Letters in Red indicating

Ultimate Destination:

4 X 600MW O.P. JINDAL, RAIGARH

21.0 **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.

22.0 **Mandatory Spares:-**

The Mandatory spares shall be properly packed separately in separate box 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 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 JPL. One Copy of Packing list must be put inside the Box along with Manufacturing drawing no. reference, Catalogue reference etc. **Mandatory Spares shall be handed over directly to customer stores** otherwise transportation charges shall be debited against transportation of materials from BHEL store to **customer** stores in Vendors account.

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22.0 **Taxes & Duties:-**

All Bidders to note that this is a Mega ICB (International Competitive Bidding) Project and Project Authority Certificate/ Essentiality Certificate will be issued by JPL (customer). Under this Project Authority certificate (or EC) **Zero % Custom Duty** shall be applicable on the Imported Contents of the supplier.

JPL Shall issue PAC to BHEL as main contractor for availing zero custom duty for the imported supply applicable for this project ordered by PEM, PPEI, Noida and based on above PAC BHEL, PEM shall issue PAC to each sub-vendor based on the imported items agreed with customer (JPL). The Bidder to indicate the Import contents i.e list of the item, Currency of Import and Country of Import at the time of finalization of the bid/final prices. Bidder has to pass on the benefit of availing **Zero % custom duty** in price offered to BHEL and provide a certificate with a un-priced bid that zero % custom duty on the Import contents have been considered in their price offered to BHEL as per applicable PAC mentioned above.

All bidders to note being a Mega Project & ICB, **the Excise Duty (NIL) shall not be included** in their prices to BHEL as per the nature of the project. Though concessional sales tax presently 2% is to be considered in their prices, however CST/VAT will not be considered for evaluation. (Also refer Annexure-I to avail the benefit of taxes.)

In case BHEL/Customer fails to issue PAC, Custom duty, Countervailing duties, Excise duties, Cess on ED paid by bidder on imported items & local dispatches will be reimbursed on merit basis against submission of necessary documents. **The bidders may clearly specify the rate of custom duty, amount of custom duty on their quoted CIF, if any to be reimbursed by BHEL in case PAC is not issued.**

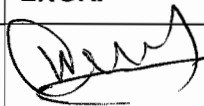
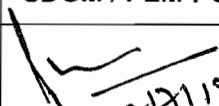
23.0 **Inspection Agency:-**

BHEL & JPL

Vendor shall give inspection call on JPL format **in line with approved QP** to Regional BHEL-CQS WEB SITE with a copy of inspection call to BHEL-PEM (PG) for arranging Customer participation in inspection/ Joint inspection on the proposed date **with an advance notice of 15 – 20 days**. The MDCC shall be issued by BHEL based on Joint inspection report of BHEL CQS & JPL/ Customer Agency (as nominated by JPL). **The MDCC issued by BHEL in original shall be attached by bidders for their payment from BHEL.**

24.0 **Final Drawings / Documents Submission:-**

Final Drawing / Documents to be submitted shall be as per Technical specifications otherwise it will be intimated during kickoff meeting.

	PREPARED BY	ISSUED BY
Name:	VIJAY SARODE	PERMINDER SINGH
Designation:	ENGR.	SDGM / PEM-PG-II
Signature:	 2/7/10	 2/7/10
Date:	02 nd July, 2010	02 nd July, 2010

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,

PSWR SITE OFFICE, 2X250 MW BESCL,

Expansion Site, Purena, P.O. Bhilai-3,

Disstt. Durg - 490021, Chhattisgarh.

VAT TIN NO: - 22173202974

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.

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