PEM / PG-II-1, BHEL, PPEI, NOIDA

SPECIAL CONDITIONS OF CONTRACT (SCC) Rev-0

1X800 MW NORTH CHENNAI STAGE-III (BTG) (Job No. 423)

TAMILNADU GENERATION & DISTRIBUTION CORPORATION LTD (TANGEDCO)

These Conditions shall be read and construed along with General Condition of Contract (GCC), enclosed along with the tender enquiry. In case of any conflict or inconsistency, the conditions given in SCC shall prevail over those on the GCC.

Sl No.	Title	Description
1.	**Project Name**	**1X800 MW NORTH CHENNAI STAGE-III (BTG)**
2.	Nature of project & Type of Bidding	Non-Mega & ICB (International Competitive Bidding)
3.	Customer Order Ref No	Lr.No. CE/Proj/SE/T&H(P)/EV/AEE/F.NCTPS Stg-III-BTG/D.13/16 DTD 29.01.2016
4.	Zero Date	29.01.2016
5.	Consignee Address	CONSTRUCTION MANAGER, BHARAT HEAVY ELECTRICALS LIMITED, NCTPP, STAGE III TANGEDCO ATHIPATTU,PUDHUNAGAR, CHENNAI ,TAMIL NADU.PINCODE-600120
6.	Customer Consultants	Fichtner Consulting Engineers (India) Private Limited,Chennai,Tamil Nadu
7.	Customer (TANGEDCO) CST Regn No./Tin No.	a. CST No.: I421/05520 b. TIN No.: 08332105465
8.	Nearest Railway station	Athipattu Pudunagar (~ 5 Km) on Chennai-Vijayawada Line
9.	Mode of Dispatch	Air, Road, Rail & Sea Transportation
10.	Road Permit Required	Road Permit is not required in Tamil Nadu state.
11.	BHEL Site Office Address:	CONSTRUCTION MANAGER, BHARAT HEAVY ELECTRICALS LIMITED, NCTPP, STAGE III TANGEDCO ATHIPATTU,PUDHUNAGAR, CHENNAI ,TAMIL NADU.PINCODE-600120
12.	BHEL CST Details	CST : ND 5341151 DATED 01/07/2006 UPTT : ND 0345307 DATED 01/07/2006 UPTIN: 09765702874
13.	Transit Insurance	By BHEL; Vendors to intimate the underwriters quoting the insurance Policy No. as per Sl no. 14
14.	Policy No. Underwriters	Shall be informed later
15.	Ultimate Consignee	TAMILNADU GENERATION & DISTRIBUTION CORPORATION LTD (TANGEDCO), Chief Engineer / Projects, 5th Floor, Western Wing, NPKRR Maaligai, 144, Anna Salai, Chennai 600 002
16.	Dispatch intimation	Within 5 days after dispatch vendors must furnish docs required as below (Soft Copy/Fax) i. Vendor's invoice, ii. LR / RR, iii. Packing List/ Challan indicating the items dispatched (with their weights) iv. Insurance intimation and letter informing the underwriters v. BHEL / TANGEDCO -MDCC as applicable vi. Photograph of packings/ boxes showing dispatch marking as per Sl No. 20

17.	Document required for Vendor's payment.	For vendor payment following documents shall be provided to BHEL:- **For Claiming Dispatch Payments** a) Invoice – original+2 copies b) Receipted LR (signed & stamped)/ confirmation from site regarding receipt of packages/ Boxes – original/ copy- 2 Copies c) Delivery order- 2 copies d) Packing List - clearly showing number of packages, gross weight and net weight. - original+5 copies e) MDCC from BHEL/ Customer – as applicable – 2 copies f) Guarantee Certificate – Original + 1 copy g) Insurance Intimation - 2 copies h) CQIR / Inspection Reports – Original/ copy-2 Copies i) PVC Calculation and copy of all applicable indices, if PVC applicable. – 2 copies j) Duty drawback documents (original excise invoice, original disclaimer certificate, original certificate from excise authority for payment of excise duty), if applicable. – original + 1copy **For Claiming Freight Payment** a) Invoice – Original + 1 copy b) Receipted LR (signed & stamped)/ confirmation from site regarding receipt of packages/ Boxes original/ copy- 2 copies c) Transporter's document indicating the freight amount. Original money receipt to be submitted- 2 copies **For Claiming MRC Payment** a) Invoice – Original + 1 copy b) Copy of MRC- 2 copies **For Claiming Payment for Taxes & Duties** a) Invoice as per rule 4A of Service Tax Act – Original + 1 copy b) Copy of Service Tax registration certificate c) Copy of challan for Service Tax payment & undertaking d) Original excise invoice for ED/CST payment Note: Description of items in packing list shall be as per PO items or suitable correlation between PO & packing list must be furnished. **Soft copy of above shall be submitted by vendor as advance copy.**
18.	Material Receipt Certificate (MRC)	a) For Supply packages- BHEL-PEM will arrange MRC from BHEL site. b) For Turnkey (Supply + Erection & Commissioning) Packages- Original MRC duly signed by customer (TANGEDCO) & BHEL-site is to be arranged by vendor for their MRC payment
19.	Paying Authority	Concerned BHEL units placing the order.
20.	Dispatch Markings	Each box/ Drum shall be marked with Capital Letters indicating any one of the following. Supplies under each of these headings shall be packed separately. Main Supply / Mandatory Spares / Commissioning spares or Tools & Tackles Each package/Drum delivered under the Contract shall be marked by vendor as per details listed below and such markings 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 & address of the consignee 2) Project Name 3) BHEL Unit name placing the order 4) Package Name, Vendor Name & PO No and date. 5) Packing No.: (e.g. 1/10, 2/10, 3/10 when there are 10 packages for one consignment) 6) Packing Mark: (Symbols indicating "TOP" and other special markings like "TOP", "BOTTOM", "DO NOT TURN OVER", "KEEP DRY", "HANDLE WITH CARE", etc. 7) Following docs must be put inside the box: I. 1 copy of respective standard manufacturer's erection instruction/O &M manual shall be kept for immediate reference by BHEL site. II. 1 copy of Packing List/ Challan indicating the items dispatched (with their weights) **<u>Packing Illustration:-</u>** **Each box should have unique no. as mentioned at sl.no.5 above. Packing list of each box to be provided separately & correlation of items w.r.t. PO,to be provided in packing list of each box.**

		For example, 'PO Sl. No. 2,5 and 10 packed in Box no. 6' & PO Sl. No. 3,6,8 and 9 packed in Box no. 8' Above instructions are to be read in conjunction with clauses (No. 19) stipulated in the GCC rev 06. Note : Each of the spares items shall be tagged with part no. and PO item ref no/BBU ref no.
21.	Demurrage charges	Demurrage charges shall be paid by supplier/vendor to the transporter. No claim shall be acceptable in this regard.
22.	Unloading at site	a) By BHEL site office for supply packages. b) By vendors for Turnkey i.e. Supply and E&C packages
23.	Storage at site	a) By BHEL site office for supply packages. b) By vendors for Turnkey i.e. Supply and E&C packages
24.	Movement of material within Site	a) By BHEL site office for supply packages. b) By vendors for Turnkey i.e. Supply and E&C packages
25.	PVC (Price Variation clause)	PVC not applicable. The prices shall be firm and shall not be subject to price variation on account of material & labor till the completion schedule unless stated otherwise in the NIT & PO.
26.	Custom Duties, Concessional custom duty against Essentiality certificate (EC)	Vendors to note that being an ICB Non-Mega project, EC issued by TANGEDCO shall be passed on to vendors through BHEL for the items identified by BHEL at enquiry stage (Limited to CIF content indicated in P.O. or actual CIF used by vendor as per original bill of entry of the items imported whichever is lower) for availing Concessional Custom Duty (CD) as applicable for imported contents under Project Import regulations. Vendors shall indicate the list of imported items, quantity, CIF value (in Rupee and foreign currency), Amt. of CD, rate of CD along with the origin or country supplying raw material etc. in price bid which will be referred to TANGEDCO for issuing EC. Request for additional Item/ additional CIF other than the original bid submitted with enquiry shall not be entertained by BHEL during contract execution stage. List of packages for which CIF is available as per Sl No. 32. Vendors shall be solely responsible for arranging the foreign exchange release for any material, component & bought out items that may be required to be imported and no foreign exchange will be paid or arranged by BHEL. Any increase or decrease in exchange rate shall be borne by vendor. Vendor shall include the Concessional CD/CVD/SAD as a part of quoted ex-works price. Vendor shall deliver to BHEL all necessary documents required for each item of Equipment required to allow BHEL to obtain any Tax benefits/closure of bonds that the BHEL is eligible for under applicable laws existing as the effective date or that come into force thereafter. Vendor shall cooperate in good faith to minimize its liability for seller taxes under applicable laws to the extent legally permissible and pass on the benefit of any savings on account of such reduction to BHEL. Vendor shall inform BHEL and provide the necessary documentation to obtain required certificates from BHEL to avail exemption. Obtaining custom duty benefit in line with the Essentiality Certificate issued shall be vendor's scope.
27.	Excise Duty & Central Sales Tax (ED & CST)	Vendors shall quote ED & CST separately in price bid and it will be considered for evaluation purpose to arrive at the L1 bidder.
27A.	Service Tax	Vendors to quote service tax at applicable rate & amount and the evaluation criteria for the same shall be as follows: (i)For Turnkey Packages (E&C in vendor's scope): Service tax on E&C shall not be considered for evaluation but Swaach Bharat Cess will be considered for evaluation. (ii) For supply Packages: Service Tax on all jobs shall be considered for evaluation. Following information shall be provided by vendor in service tax invoice: a) Vendor Service Tax Registration No. (15 digits) b) Nature of Service & its code c) Name & Address of service provider (Vendor) d) Name & Address of service reciever (BHEL)
28.	Any Business Tax, Goods Tax, Octroi and Other Taxes and charges	Vendors shall include any Business Tax, Goods Tax, Octroi etc. and other Taxes and charges as a part of quoted ex-works price.
29.	VAT	Vendors shall indicate VAT as applicable separately in price bid and it will be considered for evaluation purpose to arrive at the L1 bidder. For payment of VAT Annexure-I (Page 5 of 5) may be referred.

30.	Taxes & Duties (For Order Directly to Foreign Bidders)	In case of Order on foreign supplier, the dispatches shall be C&F (Port of Dispatch) basis and the Taxes Duties in the country of dispatch and freight charges from 'Port of Despatch' to 'Port of destination' shall be borne by Foreign Bidder & to be accounted in the prices quoted to BHEL/PEM/NOIDA. The taxes duties applicable in India shall be borne by BHEL/PEM/NOIDA as port clearance/handling in India shall be done by BHEL-PEM/ BHEL ROD for the direct order placed by PEM to the foreign bidder.
31.	Freight	Vendors shall quote freight separately in price bid. Freight will be considered for evaluation purpose to arrive at the L1 bidder and will be reimbursed on actual basis by BHEL limited to value considered in price bid offer.
32.	Packages for which CIF is available	Refer package specific NIT.
33.	Inspection Agency	BHEL/ BHEL approved 3rd party inspection agencies and/or TANGEDCO/ Customer Agency as applicable.
34.	Inspection procedure for Domestic supplies	Vendor shall raise inspection call on BHEL CQS web site to applicable Inspection Agency (As mentioned in PO/LOI or to be informed later) with a copy of inspection call to BHEL-PEM for arranging Customer participation in inspection/ Joint inspection on the proposed date, as applicable, with an advance notice of 15 business days. The MDCC shall be issued by BHEL/ TANGEDCO or jointly as applicable on the basis of clear inspection report. (CQIR)
35.	Foreign supplies	In case of foreign supply, if TANGEDCO/ Customer Agency not participate in inspection then test certificates & inspection reports duly accepted by the agreed Inspection agency shall be submitted in soft copy to BHEL-PEM. Same shall be reviewed by PEM/Engineering in line with the Technical Specifications & Approved Data sheets and then reviewed by TANGEDCO for their clearance. The dispatch clearance (MDCC) by TANGEDCO /BHEL as applicable shall be given to the foreign supplier or representative in India after acceptance of above test certificates.
36.	Monthly Progress Report	Vendor to provide monthly progress report each month after placement of PO, till supply of material. Monthly progress report of vendor shall include raw material status, manufacturing, inspection & latest dispatch plan. Vendor may use their format to provide required information, however format (if any) issued by Purchaser after placement of PO shall be obligatory to vendor.

	Prepared by	Checked by	Reviewed by	Approved by
Name	Gaurav Gupta	GC Thakur	Rajiv Nirman	S Bhattacharjee
Designation	Sr. Engr.	Mgr.	AGM	DH
Department	PG-II-1	PG-II-1	PG-II-1	PG-II-1
Signature	[signature]	[signature]	[signature] 21/2/17	[signature] 28/2/2017
Date	20.02.2017	20/02/2017		

Vetted by finance wrt. taxes.

PEM / PG-II-1, BHEL, PPEI, NOIDA

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In order to avail the benefit of input tax credit available to BHEL, in case of VAT to be levied on intra-state transaction between BHEL & vendor and 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 the project is located. For the subject project nodal agency shall be:

BHEL, HPBP, TRICHY
TAMIL NADU

VAT TIN NO. 33243560005

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 the 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 required 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 are 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.

20.02.17