

**BHEL-PEM, NOIDA****SPECIAL CONDITIONS OF CONTRACT (SCC) REV 00****2 x 800 MW NTPC KARIMNAGAR Telangana STPP, Phase-I (SG Island Package)**

These Conditions shall be read in conjunction with applicable General Condition of Contract enclosed along with the tender enquiry. In case of any conflict or inconsistency, the requirement of SCC shall prevail over the GCC.

- 141
1. **Project Name** : **2 x 800 MW NTPC KARIMNAGAR Telangana STPP, Phase-I (SG Island Package)**
2 x 800 MW NTPC KARIMNAGAR Telangana STPP, Phase-I has been located within the MGR unloading bulb of NTPC's Ramagundam Super Thermal Power Station.
Latitude: 18° 44' 47" (N) to 18° 45' 30" (N)
Longitude: 79° 28' 06" (E) East to 79° 28' 36" (E).
TnSTPP is located at about 51 km from district headquarter Karimnagar and at about 1 km near Ramagundam village. The site is well connected through NH-07 and NH-16 through (Hyderabad-Mancherla Road popularly known as Rajiv Rahadari).
Nearest railway station: Ramagundam (5 km) lies on the main Kazipet-Balarshah Broad Gauge line of South Central Railway.
Nearest commercial airport: Hyderabad (210 km)
2. **Consignee Address** : **For MAIN EQUIPMENT AND MANDATORY SPARES:-**
CONSTRUCTION MANAGER,
BHEL SITE OFFICE,
TELANGANA STPP, PHASE-I (2 X 800 MW),
DISTT. KARIMNAGAR, STATE- TELANGANA, INDIA
Notes : 1) **Consignee address in LR should be strictly as per above.**
2) **Vendor to note that to effect "Sale in Transit", BHEL shall issue "Delivery Order" to the Transporter for transferring the ownership from BHEL to the customer (NTPC).**
Delivery Order shall be carried by transporter along with other dispatch documents.
3. **Buyer and Paying Authority** : **A) For Inter-state sales (where CST is applicable):**
1) BHEL-PEM, Noida (for those packages for which PO is placed by PEM).
2) BHEL-PSWR, Nagpur (for those packages for which PO is placed by BHEL-PSWR. However, LOA for Turnkey packages (in scope of PSWR) shall be issued by BHEL-PEM).
B) For Intra-state sales (where VAT is applicable):
Paying Authority shall be same as referred above. However, Buyer will be HPEP RC Puram Hyderabad. Detail requirements are enclosed as Annexure-I which are to be followed strictly.
4. **Mode of Dispatch** : By Rail/Road.
Note : It is Vendor's responsibility to ensure availability of trucks well in advance for dispatch of material to meet contractual delivery requirement.
5. **Road Permit Requirement** : Required.
6. **Transit Insurance** : **In BHEL Scope.**
Shall be furnished later.
Prior Dispatch intimation shall be issued to Insurance agency about the value of consignment, dispatch details, along with one set of documents consisting of LR / RR copy, Packing List/ Challan indicating the items dispatched (with their weights). A copy of above should be sent to the following:
a) BHEL Site office (Address same as Consignee address)
b) BHEL-PEM, Plot no 25, Sec 16-A, Noida 201301.
c) BHEL-PSWR, Nagpur (For Turnkey package)
7. **BHEL-PEM TIN** : **09765702874** (To be used for PO issued by BHEL-PEM)
8. **BHEL-PSWR, Nagpur TIN** : **27060300130C** (To be used for PO issued by PSWR, Nagpur)
9. **Unloading at Site** : 1) **For Supply Packages:** In the scope of **BHEL Site.**
(The Supplier shall furnish LR wise Gross Wt. of the consignment for the purpose of handling the consignment by BHEL Site Contractor)
Please note that unloading of materials at Site sometimes may take 3-4 days. Transporters to be advised suitably before dispatch of materials in this regards.
2) **For Turnkey Package:** In the scope of **Vendor.**
10. **Storage at Site** : 1) **For Supply Packages:** In the scope of **BHEL Site.**
2) **For Turnkey Package:** In the scope of **Vendor.**
11. **Movement of Material Within Site** : 1) **For Supply Packages:** In the scope of **BHEL Site.**
2) **For Turnkey Package:** In the scope of **Vendor.**
12. **Provision of Facilities at Site (Applicable for Turnkey Packages)** : a) **Construction Power:-** Vendor shall be provided with free electricity at one location only for the purpose of the contract at 415 V level. Vendor shall make their own further distribution arrangement and shall maintain a minimum drawal power factor of 0.8, and all such devices for maintaining power factor of 0.8, and all such devices for maintaining power factor of 0.8 or better shall be under the scope of Contractor. All temporary wiring must comply with local regulations and will be subject to inspection and approval before connection to supply. The free supply of power will not be provided for the use in the labour and staff
b) **Water:-** Contractor shall make all arrangement themselves for supply of construction water as well as potable water for labour and other personnel at the work site/colony.

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13. Inspection Agency

: Inspection of packages shall be carried out by agency as per below Inspection category of packages:

- 1) **Cat-I:** Inspection shall be done jointly or separately by **NTPC and BHEL or BHEL's TPIA**.
- 2) **Cat-II:** Inspection shall be done by BHEL only.
- 3) **Cat-III:** Certificate of Compliance shall be furnished by Vendor.

Note: Please note, for Cat I & II items BHEL reserve the right to carry inspection by themselves or through nominated third party inspection agency (TPIA). For Inspecting Agency for various items, vendor may refer to Quality Plan. Third party inspection agency, if any, shall be informed after award of contract.

14. Material Dispatch Clearance Certificate (MDCC) Issuing Agency

: For Cat-I item, MDCC shall be issued by NTPC and it's the responsibility of vendor to arrange MDCC from them and furnish **original MDCC** to BHEL. Copy of NTPC MDCC shall be attached with Invoice by Vendor for claiming payment from BHEL.
For Cat- II & Cat-III items, MDCC shall be issued by BHEL, which shall be valid for vendor payment. However, the vendor shall furnish all requisite documents like Material Test Certificates, Inspection Reports etc. required for obtaining of NTPC MDCC by BHEL.

15. Dispatch Documents Required (to be furnished by Vendor)

: **A) For customer billing by PEM, the supplier shall provide the following documents to BHEL-PEM:**

- 1) Copy of Vendor Invoice (Original Invoice in case of VAT)
 - 2) Original LR
 - 3) Copy of Packing List indicating Quantity/ Gross weight/ Net weight and NTPC approved BBU item no. wherever applicable against each item dispatched.
 - 4) Original NTPC MDCC for Cat-I items. BHEL shall obtain NTPC MDCC for Cat-II and Cat-III items.
 - 5) Insurance intimation copy
 - 6) Test certificate/Inspection Reports- Original (for Cat II & Cat III Packages)
- B) For Vendor payments following documents are required:**
- 1) Invoice – original+1 copy (Paying Authority TIN and PAN should be mentioned in the Invoices). For VAT cases refer Annexure-I
 - 2) Receipted LR (signed & stamped)/ confirmation from site regarding receipt of packages/ Boxes original/ copy (Consignee address shall be BHEL Site, as indicated in SI. no 2)
 - 3) Packing List - clearly showing number of packages, gross weight and net weight - original+1 copy
 - 4) Insurance intimation (Intimation to Insurance Agency to be sent on the same day of dispatch)- 2 copies
 - 5) MDCC from BHEL and Customer – 2 copies
 - 6) Guarantee Certificate in line with PO terms – Original + 1 copy
 - 7) PVC Calculation and copy of all applicable indices, if PVC applicable. – 2 copies
 - 8) Duty drawback documents (original excise invoice, original disclaimer certificate, original certificate from excise authority for payment of excise duty), if applicable. – original + 1 copy
 - 9) CQIR / Inspection Reports – Original+1 copy
 - 10) Delivery order- 2 copies
 - 11) For Freight payment: Transporter's document indicating the freight amount.
 - 12) For Claiming MRC Payment: Copy of MRC
 - 13) For Claiming Payment for Services involving Service Tax
 - a. Invoice should be as per rule 4A of Service Tax Act
 - b. Copy of Service Tax registration certificate
 - c. Copy of challan for Service Tax payment
 - 14) Filled up check list duly signed by the vendor.

In addition to the above, vendor may furnish mfg clearance/drg/docs approval date for the purpose of determining contractual delivery for expeditious processing of Invoices.

16. Dispatch Markings

: 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.

- 1) Name and address of the consignee (as given in SI. no 2)
- 2) Dispatched by: (Vendor name) : **A/c BHEL PEM, Noida or BHEL-PSWR, Nagpur** as the case may be.
- 3) LR No
- 4) Package No / Total Package No eg: 1 of N, 2 of N; where N=Total no of packages in a particular consignment.
- 5) Type of Supply: **"Main equipment supply"/ "Mandatory Spares"/ "Commissioning Spares"** as the case may be.
Besides above necessary, packing shall bear a special marking "TOP", "BOTTOM", "DO NOT TURN OVER", "KEEP DRY", "HANDLE WITH CARE", etc.

17. Packing Instructions

: **For Commissioning Spares:**

The commissioning spares shall be properly packed in separate box and each spare shall be properly tagged (Tag description matching with packing list) to facilitate their proper identification. One copy of Packing list must be put inside the Box.

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For Mandatory Spares:

The Mandatory spares shall be properly packed in separate box with **separate consignment no.** Project, Package description, BHEL's PO No. and date should also be clearly mentioned on the box. **Packing of Mandatory Spares should have a Red colour band all around the box/ package and words "MANDATORY SPARES" written in red colour** 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 NTPC Ltd. One copy of Packing list must be put inside the Box along with Manufacturing drawing no. reference, Catalogue reference etc.

IMPORTANT:-

One copy of packing list in each packet and one set of of approved standard manufacturer's erection instruction/operation manual shall be sent along with Consignment for immediate reference by BHEL site.

18. Taxes & Duties

- a) The project has been qualified through Project Import route. Accordingly the benefits applicable to PI project would be granted for this project. In this regard applicable documents such as Essentiality certificate will be issued by NTPC (ultimate customer). Under this, Concessional rate of Customs Duty shall be applicable on the Import Contents of the supplier respectively. Based on the above EC, Customs Duty Benefits will be passed on to the vendor. The Bidder to indicate the Import contents i.e. list of the item, Currency of Import and Country of Import including CIF value in their offers. BHEL shall inform, the availability of CIF value for a particular package, if any, at the time of NIT. The benefits availed in Concessional Customs Duty must be passed on to BHEL in their offer.
- b) All bidders to note being a PI Project, Excise Duty is applicable. Vendor shall quote ED separately in the price bid at applicable rate and ED will be reimbursed to vendor by BHEL For Main Supply and for Mandatory Spares, consideration of quoted ED in evaluation shall be intimated during techno-commercial evaluation of the bid.
- Vendor shall quote CST/ VAT (whichever applicable) separately in the price bid and CST/VAT shall be reimbursed to vendor by BHEL. For Main Supply and for Mandatory Spares, consideration of quoted CST/ VAT in evaluation shall be intimated during techno-commercial evaluation of the bid.

Form-C for claiming concessional sales tax (CST) shall be provided by BHEL against E I/ E II Forms, which shall be submitted by Vendor. VAT on intra -state dispatches shall be paid subject to conditions specified in Annexure -I.

Service Tax: Vendor to quote Service Tax at applicable rate & amount and the evaluation criteria for the same shall be as follows:

- For Turnkey Package (E&C in vendors scope): Service Tax on E&C shall not be considered for evaluation but Swachh Bharat Cess will be considered for evaluation.
- For Supply (in PEM scope) packages: Service Tax on all jobs shall be considered for evaluation.

Following information shall be provided by vendor in the Service Tax Invoice:-

- Vendor Service Tax Registration No. (15 digits)
- Nature of Service and its code
- Name and address of Service provider (Vendor)
- Name and address of Service receiver (BHEL)

CENVAT Credit: Wherever cenvat credit, if applicable could not be availed by BHEL within statutory time limit of six months (as per cenvat credit rule, 2014) due to delay in submission of invoices or for any other reason attributable to bidder/contractor, liability towards loss of such cenvat credit(Excise duty/service tax etc.) should be passed on to bidders/contractors.

Entry tax -If any, shall be payable by ultimate customer(NTPC) directly to tax authority. Hence the same should not be considered in the offer.

- 19. Submission of E1/E2 forms** : Submission of E1/E2 forms shall be ensured by Vendor within the time specified in sales tax act OR before claiming MRC payment, whichever is earlier.
- BHEL PEM shall issue Form C to vendor on the basis of acceptance of E1/E2.

- 20. Final Drawings / Documents Submission** : As per requirements given in Technical specifications

	Prepared by	Reviewed by	Reviewed by	Vetted by Finance	Issued by
Name:	Nitin Kumar	Manisha Gupta	P.K. Gautam		Deepak Gupta
Designation:	Sr. Executive/PGIII	Dy. Manager/PGII	SDGM/PGIII		DH & AGM/PGIII
Signature:	<i>Nitin</i>	<i>Manisha</i>	<i>P.K. Gautam</i>	<i>vetted for taxes & duties on 24/12/16</i>	<i>Deepak</i>
Date:	24.12.16				29/12/16

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**ANNEXURE - I****BHEL-PEM, NOIDA****2 x 800 MW NTPC Telangana STPP, Phase-I (SG Island Package)****Requirements to be fulfilled for Intra-State Sales**

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, HPEP RC Puram Hyderabad,

Medak- 502 032

VAT TIN NO. 36360151179

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:

- 1) 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**, (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.
- 2) Please note that BHEL's address and TIN to be mentioned in vendors tax invoice shall be **principal place of business & applicable TIN of nodal agency of BHEL, as given above. In no case the vendors, invoices shall be addressed to BHEL PEM nor shall they contain PEM TIN.** However for payment purposes, the invoice must mention BHEL PEM/BHEL PSWR, Noida as paying authority (as applicable).
- 3) As original tax invoice of vendors is to be furnished to nodal unit for assessment/VAT audit purposes, another one Original invoice is required to be submitted by vendors for retaining with PEM bank payment voucher.
- 4) Where the supplies are made from within the same state where the project is located, the vendor has to provide VAT invoice for such supplies even if the price quoted is all inclusive.
- 5) 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.
- 6) 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.
- 7) 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.
- 8) 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.
- 9) 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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