

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)



SPECIAL CONDITIONS OF CONTRACT (REV 00)

FOR 4 X 270 MW MANUGURU TPS

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

1.0	Project Name	4X270 MW TSGENCO MANUGURU TPS
2.0	Ultimate Customer	TSGENCO
3.0	Location of Plant	The distance from Manuguru to Major cities in state: Hyderabad-345KM, Warangal-180km, Bhadrachalam-38km, Kothagudem-70km and Khammam-130km, Vijayawada-195km. District: KHAMMAM State : TELANGANA, Nearest Airport: The nearest airport is Vijayawada Airport but the most used airport is the Hyderabad International Airport. Nearest Railway Station: Manuguru railway station is 10KM from nearby town. However Warangal/Vijaywada railway Station is major railway station near to Manuguru.
4.0	Consignee Address / BHEL Site Office Address	Later
	Notes:	<ol style="list-style-type: none"> 1. Consignee address in LR should be strictly as per SI. No. 04. 2. Vendor to note that to effect "Sale in Transit", BHEL shall issue "Delivery Note" to the Transporter for transferring the ownership from BHEL to customer (TSGENCO). 3. It is Vendor's responsibility to ensure availability of trucks well in advance for dispatch of material to meet contractual delivery requirement. <p>Delivery note shall be carried by transporter along with other dispatch documents</p>
5.0	Buyer and Paying Authority	A) <u>For Inter-State sales (where CST is applicable):</u> <ol style="list-style-type: none"> 1. For those packages, for which PO is placed by BHEL-PEM - PEM, Noida. 2. For those packages for which PO is placed by BHEL-PSWR & LOA is issued by BHEL-PEM - BHEL-PSWR, Nagpur.

Subject

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		<p>B) FOR Intra-State sales (where VAT is applicable):</p> <p>1. For those packages, for which PO is placed by BHEL-PEM- Paying Authority shall be BHEL-PEM, Noida. However Buyer will be BHEL, RC Puram Hyderabad, Medak- 502 032. Detailed requirements are enclosed as Annexure I which are to be followed strictly.</p> <p>2. For those packages for which PO is placed by BHEL-PSWR & LOA is issued by BHEL-PEM - Paying Authority shall be BHEL-PSWR, Nagpur. However Buyer will be BHEL, RC Puram Hyderabad, Medak- 502 032. Detailed requirements are enclosed as Annexure I which are to be followed strictly.</p>
6.0	Mode of Dispatch	By Road/Rail/Sea on Door Delivery and freight Pre-Paid Basis.
7.0	Road Permit Required	Later
8.0	Transit Insurance	<p>In BHEL Scope.</p> <p>Vendor shall inform the following details of dispatches to the Underwriter (refer details below) under intimation to BHEL-PEM and BHEL Site office:</p> <p>(1) Policy No. (2) Consignee Name. (3) Consignment Details (items with their weights and value (in INR)). (4) Project Name and P.O. No. (5) LR No. and date, Despatch origin and destination details, Inv. No..</p>
	Policy No.	Later
	Underwriters	Later
9.0	BHEL-PEM TIN No.	09765702874
10.0	Customer CST & VAT Nos.	<p>TSGENCO CST No. - Later TSGENCO TIN / VAT No. - Later TSGENCO TAN No. - Later TSGENCO PAN No. - Later</p>
11.0	Unloading at site	<p>- By BHEL site office for Supply packages. (The Vendor shall furnish LR wise Gross Wt. and net weight of the consignment in attached format annex-II for the purpose of handling the consignment by BHEL site loading/unloading contractor).</p> <p>- By Vendor for Turnkey i.e. Supply and Erection & Commissioning Packages.</p>
12.0	Storage at site	<p>- By BHEL site for Supply packages.</p> <p>- By Vendor for Turnkey i.e. Supply and Erection & Commissioning Packages.</p>
13.0	Movement of Material within Site	<p>- By BHEL site for Supply packages.</p> <p>- By Vendor for Turnkey i.e. Supply and Erection & Commissioning Packages.</p>

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14.0	Provision of facilities at Site (Applicable for Turnkey Packages)	<p>Construction Power: Later</p> <p>Construction Water: Later</p>
15.0	Inspection Agency (Domestic & Imported supply supplies)	Later
16.0	Dispatch Documents required (to be furnished by Vendor for payment)	<p><u>For Despatch Payment</u></p> <p>For materials originating from Indian Territory</p> <p>(a). One (1) original and Six (6) copies of the clean rail/lorry receipt.</p> <p>For payment Receipted LR (signed & stamped)/ confirmation from site regarding receipt of packages/ Boxes original / copy.</p> <p>(b). One (1) original and Six (6) copies of signed Invoices (Paying Authority along with TIN No. should be mentioned, for VAT cases Annexure-I to be followed).</p> <p>(c). One (1) original and Seven (7) copies of Challan and Packing List (clearly showing number of packages, gross weight and net weight).</p> <p>(d). Eight (8) copies of Customer/BHEL MDCC.</p> <p>(e). Delivery order- Two (2) copies.</p> <p>(f). Guarantee Certificate – One (1) Original + One (1) copy.</p> <p>(g). Insurance Intimation - Two (2) copies.</p> <p>(h). CQIR / Inspection Reports – One (1) Original + Six (6) copy.</p> <p>(i). PVC Calculation and copy of all applicable indices, if PVC applicable. – Two (2) copies.</p> <p>(j) LR wise gross weight and net weigh as per annex-II</p> <p>For materials originating from non-Indian Territory</p> <p>(a). Three (3) original and Seven (7) copies of clean bill of lading or One (1) clean original Airway Bill & Four (4) copies, in case of air freight.</p> <p>(b). One (1) original and Six (6) copies of signed Invoices (Paying Authority along with TIN No. should be Mentioned).</p> <p>(c). One (1) original and Seven (7) copies of Packing List (clearly showing number of packages, gross weight and net weight).</p>

Sujeet

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		<p>(d). Six (6) copies of certificate of country of origin.</p> <p>(e). Eight (8) copies of Customer/BHEL MDCC.</p> <p>(f). Six (6) copies of inspection certificate, if any, issued by the customer/his authorised representative.</p> <p>(g). Six (6) copies of certificate from the vendor to the effect that drawings and catalogues for customs clearance purpose have been kept with the packages for shipment.</p> <p>(h). Six (6) copies of certificate from the vendor to the effect that the contents in each case are not less than that entered in the invoices and guaranteed as new and as per the relevant technical specifications.</p> <p>(i) Shipping Specification – One (1) copy.</p> <p>(j). Quality Certificate – One (1) copy.</p> <p>(k). Approved Test Certificates if any. - Six (6) copies.</p> <p>(l). Guarantee Certificate – One (1) Original + One (1) copy.</p> <p>(m). Inspection Reports – One (1) Original + One (1) copy.</p> <p>(n). PVC Calculation and copy of all applicable indices, if PVC applicable. – Two (2) copies.</p> <p>For Claiming Freight, MRC & Services Payments refer GCC.</p>
17.0	Material Receipt Certificate (MRC).	<p>FOR Packages wherever E&C is in the scope of Vendor, The vendor shall arrange Material Receipt Certificate from the project site, duly signed by Customer and BHEL-Site after receipt & physical verification of the material at site.</p> <p>FOR Supply Packages, Material Receipt Certificate shall be arranged by BHEL-PEM. Vendor to provide copy of receipted LRs to enable BHEL-PEM to obtain MRC from site.</p>
18.A	Taxes & Duties (For Domestic Bidder)	<p>All bidders/vendors to note that this project is a Non-Mega power Project. However Essentiality certificate shall be issued by TSGENCO (customer) for availing concessional custom duty under Project Import Regulations.</p> <p>Essentiality certificate shall be issued by TSGENCO through BHEL for the items to be imported by the vendor for specified items, limited to CIF content mentioned in the offer/order, for availing concessional custom duty.</p> <p>The bidder has to indicate in their offer, the import contents (if any) i.e. list of items along with qty., currency of import, country of import & CIF value.</p> <p>This list will be later on used as reference list for getting the Essentiality Certificate from customer (TSGENCO) for this project.</p> <p>Availability of CIF for packages, if any, shall be intimated in NIT.</p>

Signature

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		<p>All bidders to note that excise duty on self-manufactured items, CST/VAT on direct sale, service tax, entry tax, octroi and any other levies including taxes & duties are to be quoted separately. Taxes & duties shall be reimbursed to vendor against documentary evidence.</p> <p>Excise duty paid by purchaser on inputs, bought out items, raw materials and component consigned directly to site from sources other than seller/contrator's factory/works shall be included by bidders in the ex-works price.</p> <p>Freight including service tax shall be quoted separately by the bidders and must not be included in ex-works price.</p> <p>Regarding central sales tax vendor to quote actual central sales tax (without form-C & E-1/E-2) as well as concessional sales tax (against issuance and exchange of form-C & E1/E2). However, BHEL PEM will consider the tax in evaluation whichever is applicable for this project.</p> <p>In case the ultimate customer i.e. TSGENCO will reimburse the taxes and duties & freight then the same shall not be considered in evaluation. The same shall be informed to vendor before Part-2 opening. Any other taxes and duties applicable on the date of bid but not quoted by the bidders shall be to the bidder account.</p> <p>In order to derive the total landed Cost to BHEL, evaluation criteria shall be informed before part-2 opening.</p> <p>VAT for Intra-state despatch shall be paid subject to conditions specified in Annexure I.</p> <p>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) shall be passed on to bidders/contractors.</p>
18.B	Taxes & Duties (For Order Directly to Foreign Bidders)	<p>In case of Order on foreign Vendor, the dispatches shall be on FOB (Port of Dispatch) basis and the Taxes Duties in the country of dispatch (origin) shall be borne by Foreign Bidder & to be accounted in the prices quoted to BHEL/PEM/NOIDA.</p> <p>Evaluation shall be done as per provisions of GCC.</p>
19.0	Packing, Identification & marking	<ul style="list-style-type: none"> The supplier shall include and provide for securely protecting and packing the materials so as to avoid loss or damage during handling & transport by air, sea, rail and road. All packing shall allow for easy removal and checking at site. Special precaution shall be taken to prevent rusting of steel and iron parts during transit by sea. Gas seals or other materials shall be adopted by the Contractor for protection against moisture during transit. The number of each package in a shipment shall be shown in fraction, numerator showing number of the package and the denominator showing total number of packages in a lot / consignment. The packages number shall be generally prepared in the sequence in which they will be required for erection. Each package delivered under the Contract shall be marked by and at the expense of the supplier 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

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		<p>address of consignee, the gross weight and net weight of the package, the name of the Contractor with a distinctive number of mark sufficient for purposes of identification. All markings shall be carried out with such materials as to ensure quickness of drying, fastness and indelibility. Each equipment or parts of equipment shall, when shipped or railed or otherwise dispatched be tagged with reference to the assembly drawings and corresponding part numbers. Each bale or package shall contain a packing note quoting specifically the name of the Contractor, the number and date of contract and the name of the office placing the contract, nomenclature of the stores and include a schedule of parts for each complete equipment giving the part numbers with reference to the assembly drawing and the quantity of each part, drawings nos. and tag numbers.</p> <ul style="list-style-type: none"> • Rotor bearings should not be used as a support while packing. • Besides wherever necessary, packing shall bear a special marking "TOP", "BOTTOM", "DO NOT TURN OVER", "KEEP DRY", "HANDLE WITH CARE", etc. • All packing cases, containers (excluding marine container), packing and other similar materials shall be new. • Notwithstanding anything stated in this clause, the Contractor shall be entirely responsible for loss, damage or depreciation or deterioration to the materials & supplies due to faulty and/or insecure packing. • One copy of respective standard manufacturer's erection instruction/operation instruction manual shall be kept in each package/container for immediate reference. • Each and every package box shall be marked with the following, as a minimum: <ul style="list-style-type: none"> (i). Name and address of Consignee : (ii). Project reference : (iii). Contract No.: (iv). Packing No.: (1/10, 2/10, 3/10 when there are 10 packages For one consignment) (v). Net Weight/Gross Weight : (vi). Port of Loading : (vii). Destination Port : Chennai (viii). Packing Mark : [symbols indicating "TOP" and other special markings as per clause 10.10.(4) & 10.10.(6) above] (ix). Type of Equipment : <ul style="list-style-type: none"> "E" (for Equipment supply) "T" (for Tools & Tackles) "S" (for Mandatory Spares) • Two copies of packing list should be kept in case/package No. 1 of each consignment of the goods and four copies in each case (three inside the box and one copy in a special packet at the outer side of the Box).
20.0	Commissioning spares	<p>The commissioning spares shall be properly packed separately in separate box and each spare shall be properly tagged giving details (to match the description given in the packing slip) to facilitate their proper identification. Three copies of packing list is to be kept inside the box and one copy in a special packet at the outer side of the Box.</p>

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21.0	Mandatory Spares	Later			
22.0	Submission of Final Drawing / Documents along with O&M Manual, Type Test Certificates (if any)	As per GCC/ Technical specification/ Kickoff meeting.			
	Prepared By	Checked By	Review by	Vetted By Finance	Approved By
Name:	SUJEET KUMAR	ANIL KUMAR PAL	ANUJ KUMAR	SWATI NAIR	PERMINDER SINGH
Designation:	SR. ER./PG-II-2	MGR/PG-II-2	DGM/PG-II-2	SR. A.O.	DH/PG-II-2
Signature:	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>
Date:	16/12/14	16/12/14	16/12/14	checked w.r.t. taxes & duties w/o any reference documents of customer. <i>[Signature]</i> 16/12/14	16/12/14

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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, RC Puram Hyderabad, Medak- 502 032
TIN NO. 36360151179

Nodal agency is defined as Buyer 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 as buyer.
- 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 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.

Buyer

[illegible]

W. J. H. J.