परियोजना इंजीनियरिंग प्रबंधन **Project Engineering Management**	भारत हेवी इलेक्ट्रिकल्स लिमिटेड (भारत सरकार का उपक्रम) **Bharat Heavy Electricals Limited** (A Govt. of India Undertaking)	बीएचई एल BHEL

Rev00
Dt 08/09/16

SPECIAL CONDITIONS OF CONTRACT
FOR 1 X 800 MW DR. NTTPS STAGE-V, UNIT-8 VIJAYAWADA

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**	1 X 800 MW Dr. NTTPS Stage-V, Unit-8, Vijayawada
2.0	**Ultimate Customer**	Andhra Pradesh Power Generation Corporation Ltd. (APGENCO)
3.0	**Location of Plant**	**Location:** At Ibrahimpatnam, Krishna District, Andhra Pradesh near Vijaywada **Access by:** **Nearest Railway Station:** Kondapalli, 3KMs **Nearest Airport:** Vijaywada (16kms) Hyderabad (285kms). **Access by road:** 16 km on the north side of Vijaywada city 285 km from Hyderabad. **Availability of Land:** Existing Setup :- The proposed Thermal Power Plant will be installed adjacent to the existing 1x500 MW Unit-7 of Dr. Narla Tata Rao Thermal Power Station.
4.0	**Consignee Address / BHEL Site Office Address**	Construction Manager, BHEL Site Office Dr. NTTPS Stage-V Ibrahimpatnam, Krishna District, Andhra Pradesh-521456.
	Notes:	1. **Consignee address** in **LR** should be strictly as per Sl. No. 04. 2. **Consignee in Invoice** should be Divisional Engineer, (Store & Services), Dr. NTTPS Stage-V, APGENCO, Ibrahimpatnam, Krishna District, Andhra Pradesh-521456 and **Buyer** will be BHEL-PEM, NOIDA. 3. **Buyer in Invoice** will be BHEL-PEM, NOIDA. 4. Vendor to note that to effect "Sale in Transit", BHEL shall issue **"Delivery order"** in the name of Transporter for transferring the ownership from BHEL to customer (APGENCO). 5. Original Consignee LR/RR (After mentioning net & gross weight) must be submitted/handed over to BHEL site office. Delivery note shall be carried by transporter along with dispatch documents for each consignment.
5.0	**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 BHEL, PEM, Noida. 2. **BHEL-PSSR, Chennai**:- For those packages, for which PO is placed by BHEL-PSSR & LOA/LOI is issued by BHEL-PEM, Noida. **B) For Intra-state(Local) Supplies(where VAT is applicable**:-- Please refer Annexure-I
6.0	**Mode of Dispatch**	By Road, freight Pre-Paid Basis. **Rail/train freight is not available.**
7.0	**Road Permit Required**	Road Permit is applicable in A.P and will be arranged by BHEL-PEM based on details, which shall be provided by vendor.
8.0	**Transit Insurance**	In BHEL Scope. Vendor shall inform the following details of dispatches to the Underwriter (refer details below) under intimation to BHEL-PEM and BHEL Site office: (1) Policy No. (2) Consignee Name. (3) Consignment Details (items description with their weights, Qty and value (in INR)). (4) Project Name and P.O. No. (5) LR No. and date, Despatch origin and destination details, Inv. No.
	Policy No.	To be provided later.
	Name of the Insurance Company details	To be provided later.

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Signature:	Ashutosh Sharma	[illegible]	Vikas Banswal	[illegible]	[illegible]
Date:	08/09/16	8/9/16	08/9/2016	23/9/16	20/09/2016

9.0	**BHEL-PEM TIN No.**	09765702874
10.0	**APGENCO CST & VAT Nos.**	APGENCO CST No. - JT/07/1/1839/99-2000 dated 9.4.99 APGENCO TIN - 28280126964 APGENCO TAN No. - Later APGENCO PAN No. - Later
11.0	**Unloading at site, Storage at site & Movement of Material within Site**	- By BHEL site office for Supply packages. (The Vendor shall furnish LR wise Gross Wt. of the consignment for the purpose of handling the consignment by BHEL site contractor). - By Vendor for Turnkey i.e. packages wherein Erection & Commissioning is in vendor's scope.
12.0	**Inspection Agency**	Vendor shall give inspection call in line with approved QAP/Customer Hold Points to Regional BHEL-CQS center / Third Party Inspection Agency (as informed by PEM) on "BHEL CQS Website"; with a copy of inspection call to BHEL-PEM for arranging APGENCO/Third Party participation (Wherever applicable), with an advance notice of 15 days for participation in inspection/ Joint inspection on the proposed date. The MDCC shall be issued by APGENCO based on the BHEL-CQS/TPIA report OR Joint inspection report of BHEL CQS/TPIA & APGENCO (Wherever applicable).
13.0	**Documents required for payment (original+5 Sets)**	**A. For Dispatch/Supply Payment** **(i) For materials originating from Indian Territory** (a). Receipted L.R. (declaring net weight and gross weight) copy of the clean/properly visible rail/lorry receipt. (b). Supplier invoices along with documentary evidence of excise(Paying Authority along with TIN No. should be mentioned, **for VAT cases Annexure-I to be followed**). (c). Challan /Packing List (clearly showing number of packages/qty, gross weight and net weight). (d). APGENCO/BHEL MDCC. (e). CQIR / Inspection Reports, approved Test Certificates, if any. (f). Delivery order duly filled. (g). Guarantee Certificate. (h). Insurance Intimation letter (i). PVC Calculation and copy of all applicable indices, if PVC applicable. **(ii) For materials originating from non-Indian Territory apart from above** (a). Three (3) original and Seven (4) copies of clean bill of lading **or** One (1) clean Original Airway Bill & Four (4) copies, in case of air freight. (b). signed Invoices (Paying Authority along with TIN No. should be Mentioned). (d). Certificate of country of origin. (e). Six (6) copies of certificate from the vendor, to effect that drawings (final/approved) and catalogues for customs clearance purpose have been kept with the packages for shipment. (f). Shipping Specification – One (1) copy. B. **For Claiming Freight, MRC & Services Payments:-** Refer clause no. 9.0 of GCC Rev 06.
14.0	**Material Receipt Certificate (MRC).**	**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. **For Supply Packages**: - Shall be arranged by BHEL-PEM. However for items not billable to penultimate customer, Receipted LR in original shall be considered as MRC.

Vetted w.r.t. to payment terms & dates

	Prepared By	Checked & By	Reviewed By	Vetted By Finance	Approved By
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Signature:	Ashutosh Sharma	[signature]	Vikas Banswal	[signature]	[signature]
Date:	08/09/16	8/9/16	08/9/2016	23/9/16	28/09/2016

15.0	**Taxes & Duties** **(For Domestic Bidder)**	All bidders/vendors to note that this project is a **NON-Mega** Power Project • If mentioned in NIT, the bidder has to indicate in their offer, the import contents/raw material (if any) for the package i.e. list of items along with qty., currency of import, country of import & CIF value. • Concessional Customs duty, against Essentiality Certificate (As applicable) for project imports is to be included in the offer subject to maximum CIF component. Same shall be considered for evaluation. If mentioned in NIT, Essentiality certificate will be provided for concessional custom duty on PI basis. Availability of CIF for the packages, if any, shall be intimated in NIT. • Concessional Sales Tax against issuance and exchange of form 'C' & 'E1/E2' / VAT, as applicable, are to be quoted by the bidder in their offer. Same shall be considered for evaluation. Bidders has to note that in order to derive the total Landed Cost to BHEL at project site, following pricing elements shall be considered in evaluation: i. ED (as applicable on self-manufactured items), ii. CST/VAT (as applicable), iii. Freight (including service Tax), iv. Service tax(as applicable for supply packages) • Service Tax quoted in case of Turn-Key packages shall not be considered in evaluation. • VAT for Intra-state despatch shall be paid as specified in Annexure I. Wherever cenvat credit is applicable and 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 supplier/bidder/contractor, liability towards loss of such cenvat credit(Excise duty/service tax etc.) shall be passed on to bidders/contractors.
16.0	**Taxes & Duties** **(For Order Directly to Foreign Bidders)**	In case of order on foreign Vendor, the dispatches shall be **on C&F/ CIF basis (Indian Port)** 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. 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. Evaluation shall be done as per provisions of GCC Rev-06.
17.0	**Commissioning spares**	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.
18.0	**Mandatory Spares**	**Supply of spares will be separate from main supplies/items. Mandatory Spares will be required after synchronization of plant and same shall be supplied within 3 months from manufacturing clearance. The dates for supply of Mandatory Spares shall be provided** Separately. 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 Ultimate Customer Contract & Number per item (to match the description given in the packing slip/P.O) to facilitate their proper identification by ultimate customer M/s APGENCO. Three copies of packing list along with Manufacturing drawing no. Reference, Catalogue reference etc. is to be kept inside the box and one copy in a special packet at the outer side of the Box.
20.0	**Submission of Final Drawing / Documents along with O&M Manual, Type Test Certificates (if any)**	As per GCC/ Technical specification/ Kickoff meeting/BHEL Email.

Vetted w.r.t to taxes & duties

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Signature:	Ashutosh Sharma	[signature]	Vikas Banswal	Swati	[signature]
Date:	08/09/16	08/9/16	08/9/2016		26/09/2016

21.0 | **Dispatch marking Packing & Identification.**

- 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.

  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 bundle 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.

- 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:

  (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: Vishakhapatnam Sea Port.
  (viii). Packing Mark : [symbols indicating "TOP" and other special markings as per clause 10.10.(4) & 10.10.(6) above]
  (ix). Type of Equipment :
  "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).
- 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).

Vetted w.r.t to taxes & duties

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Date:	08/09/16	08/09/16	08/9/2016		26/09/2016

Annexure-I

SPECIAL CONDITIONS OF CONTRACT (REV 00)

FOR 1 X 800 MW SDTPS Krishnapattnam,Stage-II STPP, Job No. 419

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 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 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.
- Where the supplies are made from within the same state where the project is located, the vendor has to provide VAT tax invoice for such supplies even if the price quoted is all inclusive.

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Date:	08/09/16	8/9/16	08/9/2016	22/09/16	26/09/2016

SCC
VIJAYWADA STAGE –V

1. As per SCC, in case of foreign vendors, the dispatches shall be on FOB basis. This may be reviewed in line with Corporate MM circular no 15 (15-16).

2. As per SCC concessional rate of Custom duty rate is applicable for this project. The same is against project import or power certificate, this may be clarified.

Swati 12/07/2016

Swati Rastogi
Sr.AO

REPLY TO FINANCE OBSERVATIONS DT. 12/07/16

1) Correction made.

2) Concessional rate of custom duty is against PI route for which EC will be issued by APGENCO!

19/7/16.