

PEM/PG-I BHEL, NOIDA
SPECIAL CONDITIONS OF CONTRACT (REV.02) DATED 09.09.2011
2X 520 MW HNPCL VIZAG TPP

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 special condition of contract shall prevail over the general condition of the contract.

- 1.0 **PROJECT NAME** : 2X520 MW HNPCL VIZAG TPP
- 2.0 **CONSIGNEE ADDRESS** : CONSTRUCTION MANAGER
BHEL SITE OFFICE
2X520 MW HNPCL VIZAG TPP
PAVALAVASA VILLAGE T.DEVADA
POST- PEDAGANTAYADA MANDAL
STEEL PLANT (VISAKHAPATANAM)
ANDHRA PRADESH- 530024
- 3.0 **BHEL Site Office Address** : CONSTRUCTION MANAGER
BHEL SITE OFFICE
2X520 MW HNPCL VIZAG TPP
PAVALAVASA VILLAGE T.DEVADA
POST- PEDAGANTAYADA MANDAL
STEEL PLANT (VISAKHAPATANAM)
ANDHRA PRADESH- 530024
- 4.0 **Mode of Dispatch** : By Road on Door Delivery and freight Pre-Paid Basis
- 5.0 **Road Permit Required** : Yes
- 6.0 **Prior Dispatch intimation to BHEL Site Office and Underwriters** : Yes
NOTE:- one set consisting of LR / RR copy, Packing List indicating the items dispatched (with their gross and net weights) and letter informing the underwriters about the value of consignment and dispatch details to be sent to
a) BHEL Site Office
b) Insurance Co.
c) BHEL/PEM, PPEI Bldg. Noida(U.P)
- 7.0 **Transit Insurance** : By BHEL (Vendor to intimate the underwriters quoting the insurance policy No. as below) :-



Policy No.	: SCE – 500300/44/10/04/40000050 MARINE – 500300/21/10/02/00000210	
	<u>Underwriters</u>	
	: United India Insurance Company Limited, (A Company Owned By The Government Of India) # D-24 & E-25, 2nd FLOOR, HIMALYA HOUSE 23, K.G. MARG New Delhi - 110001 Tele-fax: + 91 11 23355307 Telephone: +91 11 23314657, 23318077, 41521760	REV- 02
	<u>CONTACT PERSON</u> SOUMYA MUKHERJEE REGIONAL MANAGER Office :- 91 11 23314657, 23318077, 41521760 Fax No :- : + 91 11 23355307 MOBILE NO: 09910012301 EMAIL- ID : soumyamukherjee@uiic.co.in; anjukochhar@uiic.co.in	
8.0 (a). BHEL/PEM TIN No. (b). VAT REGN. No of Nodal Agency.	: 09765702874 : 28360151179	REV'01
9.0 Unloading at site	: <u>By BHEL site office for supply packages</u> NOTE: - Please note that unloading of materials at site shall take at least 3-4 days minimum. As such, transporters to be advised suitably before dispatch of materials in this regard.	
10.0 Storage at site	: By BHEL site office for supply packages	
11.0 Movement of Material within Site	: By BHEL site office for supply packages after receipt of materials.	
12.0 Documents Required (For Supply payment)	: For payment, the supplier/vendor shall provide following documents to BHEL/PEM – Project group	
<u>DIRECT PAYMENT</u> (Original + 8 copies)	: <ul style="list-style-type: none"> • Supplier invoice/VAT invoice • Consignee Copy of LR shall be sent to BHEL/ PEM project group for endorsement of the same to customer and forwarding to site to effect "sale in transit". 	



- Item wise Packing List indicating Quantity/Gross weight / Net Weight/LR No. /Road Permit No.
- Original copy of BHEL MDCC (Material Dispatch Clearance certificate) for “Non CHP” items and Customer (HNPCL) MDCC (Material Dispatch Clearance certificate) for “CHP items”.
- Copy of letter addressed to Insurance Co.
- Guarantee certificates
- Test Certificate including Inspection reports by BHEL and / or by HNPCL, as applicable.

OR

Through Bank
(Original + 8 copies)

- Supplier invoice/VAT invoice
- Consignee Copy of LR shall be sent to BHEL/ PEM for endorsement of the same to customer and forwarding to site to effect “sale in transit”.
- Item wise Packing List indicating Quantity / Gross weight / Net weight.
- Original copy of BHEL issued MDCC (Material Dispatch Clearance certificate) for “Non CHP” items and CUSTOMER (HNPCL) MDCC (Material Dispatch Clearance certificate) for “CHP items”
- Copy of letter addressed to Insurance Co.
- Guarantee certificates
- Test Certificate including Inspection reports by BHEL and / or by HNPCL, as applicable.

13.0 **Payments against receipt of material at site (MRC)**
(Original+6 copies)

- : Suppliers invoice (linking with dispatch invoice) along with Original Material Receipt Certificate (MRC) issued by BHEL site.

14.0 **Dispatch markings**

- : Each box shall be marked with Capital Letters in “Red” indicating the **PEM SUPPLY (Main or Commissioning spare) for 2 X 520 MW HNPCL VIZAG TPP, District-VISAKHAPATANAM, ANDHRA PRADESH- 530024**

NOTE: Main supply item and items for commissioning spares must be packed separately.

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Each package delivered under the Contract shall be marked by vendor 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 address of consignee, the Gross weight and Net weight of the package, the name of the Vendor, PEM P.O. reference number, with a distinctive number of mark sufficient for purposes of identification. Besides above necessary, packing shall bear a special marking 'TOP', 'BOTTOM', 'DO NOT TURN OVER', "KEEP DRY", "HANDLE WITH CARE", etc

IMPORTANT: -

- One copy of respective standard manufacturer's erection instruction/operation instruction manual shall be kept in each package / container for immediate reference by BHEL site and same shall be reflected in packing slip also
- The Packing list details for the consignment must be put inside the Box/Boxes.

15.0 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.

16.0 TAXES & DUTIES

: **This project is classified as" Project with Deemed Export Benefits".**

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Bidder to ascertain the availability of Deemed Export Benefits and shall be solely responsible for obtaining such benefits, which they have considered in their bid and in case of failure to receive such benefits the purchaser will not compensate the bidder. However bidder shall provide all informations required for issue of Project Authority certificate in terms of Foreign Trade Policy 2009-2014 of Government of India along with the bid. The Project Authority Certificate will be issued on this basis and no subsequent charge will be permitted. In this regard chapter8 – Deemed Export in the Foreign Trade Policy 2009-2014 and Hand Book of procedures shall be referred to for ascertaining the



above. Quotation of the bidders shall be in line with this project status.

CUSTOM DUTY

Bidder to note that this is a Mega ICB (International Competitive Bidding) project and **Project Authority Certificate** shall issued by customer (HNPCL). Under this **Project Authority Certificate**, **Zero %** custom duty shall be applicable on the imported contents of the items supplied by bidder.

Based on Customer (HNPCL) **PAC**, BHEL/PEM shall issue PAC to each vendor/Sub-Vendor for **availing zero % custom duty** for the imported supply. Customer's original PAC shall not be issued/parted with by BHEL/PEM to the vendor.

List of imported contents, quantity, CIF value (in Rupees) and exchange rate of foreign currency etc. shall be indicated by bidder in their price bid.

NOTE: - CIF shall be applicable for items like APRDS, ANGLE DRAIN VALVES, COLTCS, DEBRIS FILTERS, control valves & SCS, and PAC shall be issued for these items only.

EXCISE DUTY & VAT

Bidder to note that being a **Mega Project**, the **excise duty payable is exempted** and shall not be included in the prices while submitting the price bid to BHEL, however concessional **sales tax (presently 2%) / VAT** are to be considered in their prices and same shall be taken for evaluation purpose to arrive at the L1 status.

NOTE: - (1) BHEL shall issue Mega Certificate (Issued for this project) to the vendors for excise duty exemption.

(2) Service tax shall not be considered for evaluation.

No credit of VAT shall be given to the bidders during tender evaluation.

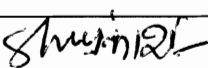
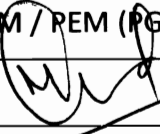
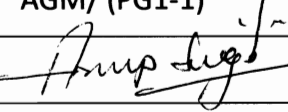
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For more details on VAT please refer annexure-II attached with SCC.

- 17.0** Final drawings/documents submission : Final drawings/documents submission shall be as per attached annexure -1.
- 18.0** Delivery Order document submission : To effect sale in transit, bidder shall have to obtain format of Delivery order document (attached with SCC) duly filled in by purchaser at the time of issue of MDCC. The filled in delivery order document shall form part of LR issued and shall be carried by the transporter to the destination along with consignment.

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	PREPARED BY	CHECKED BY	APPROVED BY
Name:	S.P.YADAV	M. PRASAD	ANUP SINGH
Designation:	ENGINEER / PEM (PG1-1)	SR. DGM / PEM (PG1-1)	AGM/ (PG1-1)
Signature:			
Date:	09.09.2011	09.09.2011	09.09.2011

ANNEXURE-I

DESCRIPTION	DOCUMENT SUB / DISTRIBUTION SCHEDULE					
	HNPCL	Consultant	PMG	SITE	BHEL	PEM/UNITS/ PSER
A CORRESPONDENCE	MUM BAI	SITE				
	SC	SC	SC	\$	SC	SC
	SC	SC	\$	SC	SC	SC
	\$	SC	SC	SC	SC	SC
	SC	SC	SC	SC	SC	\$
B TECHNICAL DOCUMENTATION						
1 Preliminary -Till final approval	SC	NIL	SC + 2	*	NIL	\$
2 Return with comments	SC	NIL	\$	*	NIL	SC
3 Return with approval	SC	NIL	\$	*		SC
4 Final Distribution	SC + 2	SC + 2	SC + 1	*	SC + 6	\$
C DRAWINGS						
1 For Approval	SC	NIL	SC	*		\$
2 Return with comments/Approval	SC	NIL	\$	*		SC
3 Release for Const/ approved (Cat I & II)	SC +	SC + 2	SC + 1	*	SC + 6	\$
4 Final distribution	SC + 1	SC + 2	SC + 1	*	SC + 6	\$
5 As Built Digs	SC + 2	SC + 2	SC + 1	*	SC + 6	\$
6 Erection Digs.	SC	SC + 3	SC + 1	*	SC + 6	\$
D Monthly Progress Report	SC	SC	SC	\$	SC	SC
E QUALITY PLANS	Submission & Approval on soft copy, after approval SC alongwith hard copies 2 sets each to HNPCL & HNPCL CONSULTANT (M/s Mott MacDonald).					
F TEST & INSPECTION REPORTS						
G O & M manuals, Data Books, Catalogue	SC + 2	SC + 5	SC + 1	*	SC + 6	\$

S -- SOURCE SC -- SOFT COPY VIA EMAIL

*--TRANSMITTAL NOTE ONLY **pertaining to site activities only

2X520 MW VIZAG TPP SCC – VAT CLAUSE

(ANNEXURE-II)
Sheet no. 1 of 1.

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 R. C. PURAM, HYDERABAD - 502032
VAT RC No. 28360151179

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**, 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 invoice as indicated above shall be essential document to be submitted by vendor for claiming payment duly verified shall be attached with original copy of payment advice by BHEL and sent to Fin Section for payment purposes. Original shall be forwarded by Finance to concerned nodal unit while extra copy of original invoice shall be retained with Bank voucher.
- 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 (the project located), the vendor has to provide VAT invoice for such supplies even if the price quoted is all inclusive.



Project Engineering
Management

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)



DELIVERY ORDER

No.:
Date:

To,

The _____ (Transporter)

M/s _____ (supplier). has despatched goods through you covered by RR/LR
No. _____ dated _____.

Under contract goods are to be delivered to M/s _____ (customer)
since the same has been sold by us to them as subsequent sale.

We authorise you to deliver the said goods to M/s _____
_____ (customer) or to his order.

We indemnify you against any loss, claim or whatsoever that may accrue to you in delivering the
aforesaid goods to M/s _____ (customer)

—(Sign & stamp)——BHEL

Date —(To be mention by vendor)— Time _____