

PEM / PG, BHEL, PPEI, NOIDA

SPECIAL CONDITIONS OF CONTRACT (REV.01)

4x250MW NABINAGAR TPP (BHARTIYA RAIL BIJLEE CO. LTD.)

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 SCC shall prevail over the GCC.

1.0	<u>Project Name :-</u>	4x250MW NABINAGAR TPP (BRBCL)
2.0	Buyer's Name & Address:	BHEL-PROJECT ENGINEERING MANAGEMENT, PPEI BUILDING, HRD & ESI COMPLEX, PLOT NO. 25, SEC-16A, NOIDA -201301 (U.P.).
3.0	Consignee Name & Address to be mentioned on LR:- <u>Ultimate Consignee Address:-</u> (This consignee name to be mentioned on Invoice)	Bharat Heavy Electricals Limited NABINAGAR THERMAL POWER PROJECT NABI NAGAR, DISTT: AURANGABAD (BIHAR STATE) <u>A. FOR MAIN EQUIPMENT:-</u> PROJECT MANAGER NABINAGAR THERMAL POWER PROJECT NABINAGAR, DISTT: AURANGABAD (BIHAR STATE) <u>B. FOR MANDATORY SPARES:-</u> PROJECT MANAGER NABINAGAR THERMAL POWER PROJECT NABINAGAR, DISTT: AURANGABAD (BIHAR STATE)
4.0	<u>Site Office Address:-</u> A) BHEL B) CUSTOMER	CONSTRUCTION MANAGER BHEL, Site NABINAGAR THERMAL POWER PROJECT NABI NAGAR, DISTT: AURANGABAD (BIHAR STATE) PROJECT MANAGER NABINAGAR THERMAL POWER PROJECT NABINAGAR, DISTT: AURANGABAD (BIHAR STATE)

5.0 **Customer Order Ref. No.** CS-0270-110-2-FC-NOA-003 DT. 22.01.2008 (TG)

CS-0270-101-2-FC-NOA-001 DT. 22.01.2008 (SG)

6.0 **Mode of Dispatch:-** By Rail/Road on Door Delivery and freight Pre-Paid Basis

7.0	<u>Road Permit Required:-</u>	YES- Bihar State Road Permit
8.0	Prior Dispatch intimation to BHEL Site Office and Underwriters :-	Yes, one set consisting of LR / RR copy, Packing List/ Challan indicating the items dispatched (with their gross & net weights) and letter informing the underwriters about the value of consignment and dispatch details to be sent to: a) BHEL Site office b) BHEL, PEM, PPEI-Noida (PGIII-1)
9.0	<u>Transit Insurance</u>	By BHEL
	Policy No.	500300/44/10/04/40000051 (SCE) 500300/21/10/02/00000213 (MARINE)
	Underwriters	M/s United India Insurance co. Ltd. D-24 E-25 Second Floor, Himalaya House 23 K.G Marg. New Delhi -110001 Tel : 011-23324759 ; 23314657 email:corpcelldel@uiic.co.in
10.0	a. Customer (BRBCL) CST No	10172115103
	b. Customer (BRBCL) VAT No	10172115006
	c. TIN No	10172115295
11.0	Unloading at site	By BHEL site office for supply packages. (The Supplier shall give LR wise Gross Wt. Of the consignment for the purpose of handling the consignment by BHEL site loading/unloading Contractor)
12.0	Storage at site	By BHEL site for supply packages
13.0	Movement of Material within Site	By BHEL site for supply packages
14.0	DOCUMENT REQUIRED FOR VENDOR PAYMENT.	For Vendor Payment by PEM the supplier shall provide the following Documents to PG :- a. Supplier Invoice – 8 Copy b. Copy of Consignee copy LR. (CONSIGNOR / LORRY COPY NOT REQD) – 8 Copies c. Copies of Packing List indicating Quantity/ Gross weight/ Net weight and BRBCL approved BBU item no against each item dispatched. – 8 Copies d. NTPC/BRBCL MDCC – Original + 7 Copies e. CHP issued by BRBCL/NTPC – Original + 7 Copies

NOTE: The Supplier during inspection of Main supplies & Mandatory Spares by BHEL, CQS / BRBCL/ NTPC- IS shall obtain separate NTPC/BRBCL MDCC for Main Supplies & separate NTPC/BRBCL MDCC for Mandatory spares in line with the approved Billing Break-Up (BBU).

VERY IMP :- **IN PACKING LIST, GROSS & NET WEIGHT OF THE DESPATCHES TO BE CLEARLY INDICATED AGAINST EACH LR, OTHERWISE VENDOR INVOICE SHALL NOT BE PROCESSED.

15.0 Material Receipt Certificate (MRC):-

For Supply Packages BHEL/PEM will arrange MRC from BHEL Site, however supplier/ contractor shall provide support for verification of material at site if required.

16.0 Despatch Markings:-

Each box/ Drum shall be marked with Capital Letters in Red indicating : Main Supply OR Commissioning spare 4X250 MW, NABINAGAR TPP (BRBCL)

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 (all previous irrelevant markings being carefully obliterated) for purposes of identification.

Each and every box (package) shall be marked with following:-

- 1) Name and address of the consignee:
- 2) Project reference:
- 3) Customer Contract No.:
- 4) Vendor Name:
- 5) PEM P.O. reference No.
- 6) Packing No.: (1/10, 2/10, 3/10 when there are 10 packages for one consignment) and so on.
- 7) Ultimate Destination: 4x250 MW, NABINAGAR TPP, Distt: AURANGABAD (BIHAR)
- 8) Packing Mark: (symbols indicating "TOP" and other special marking)
- 9) Type of Equipment: "E" (for equipment supply)
"T" (for Tools & Tackles)
"S" (for Mandatory Spares)

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 manual shall be kept in each package/container for immediate reference by BHEL site.

NOTE:-

The Copy of complete Packing list for the consignment must be put inside the Box/ Boxes.

20 copies of supplier's Erection / Instruction manuals to be given to the BHEL, PEM, PPEI-Noida (PGIII-1) within 30 days of despatch for handing over to Customer/ BHEL site.

17.0 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.

18.0 Mandatory Spares:-

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 BRBCL 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 M/s BRBCL. One Copy of Packing list must be put inside the Box along with Manufacturing drawing no. reference, Catalogue reference etc. Mandatory Spares shall be handed over directly to BRBCL stores otherwise transportation charges debit from BHEL store to BRBCL stores in Vendors account.

The Supplier to note that separate BRBCL/NTPC MDCC shall be obtained for Mandatory spares from BRBCL/NTPC- IS/ QA.

19.0 Taxes & Duties:-

All Bidders to note that this is a Mega ICB (International Competitive Bidding) Project and Project Authority Certificate will be issued by BRBCL (Ultimate Customer). Under this Project Authority certificate Zero % Custom Duty shall be applicable on the Imported Contents of the supplier.

BRBCL Shall issue PAC to BHEL as main contractor for availing Zero custom duty for the imported supply applicable for this project ordered by PEM, PPEI, Noida and based on above PAC, BHEL-PEM shall issue PAC to each sub-vendor based on the imported items agreed with customer (BRBCL). The Bidder to indicate the Import contents i.e. list of the item, Currency of Import and Country of Import at the time of finalization of the bid/final prices. Bidder has to pass on the benefit of availing Zero % custom duty in price offered to BHEL and provide a certificate with a un-priced bid that zero % custom duty on the Import contents have been considered in their price offered to BHEL as per applicable PAC mentioned above.

The bidder to get confirmation from PEM at Enquiry stage if CIF is available for their supply items/ system/ package. CIF is available for BHEL/PEM supply package like Plate heat exchanger, COLTCS and Self cleaning strainers. If CIF is confirmed by PEM as not available at Enquiry stage then bidder to quote their prices as DOMESTIC. The list of imported items, quantity, CIF value (in Rupee) and Foreign currency along with the origin of country supplying raw material etc. shall be indicated in price bid.

All bidders to note being a Mega Project & ICB the Excise Duty shall not be included in their prices to BHEL as per the nature of the project & BHEL will provide PAC to vendor for availing nil excise duty, however concessional sales tax presently 2 % is to be considered in their prices and same concessional sales tax shall be taken for evaluation purpose to arrive at the L1 bidder for the respective Project.

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

The vendor 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/Supplier.

Therefore, it is the sole responsibility of the bidder to obtain custom duty benefit in line with the PAC issued.

In case of Order on foreign supplier, the dispatches shall be FOB (Port of Dispatch) basis and the Taxes and Duties in the country of dispatch shall be borne by Bidder & to be accounted in the prices quoted to BHEL/PEM.

The taxes duties applicable in India shall be borne by BHEL/PEM as port clearance/handing in India shall be done by BHEL-PEM/ BHEL ROD Mumbai for the direct order placed by PEM to the foreign bidder.

**20.A Inspection Agency:-
(Domestic Supplies)**

BHEL & BRBCL

Vendor shall give inspection call on BRBCL/NTPC format in line with approved QP (with clear indication of Category of Inspection (CAT) for the items/systems as mutually agreed by BHEL and BRBCL in the main Contract) to Regional BHEL-CQS WEB SITE with a copy of inspection call to BHEL-PEM (PG) for arranging Customer participation in inspection/ Joint inspection on the proposed date with an advance notice of 15 – 20 days. The MDCC shall be issued by BRBCL/NTPC based on Joint inspection report of BHEL CQS & Customer (Wherever applicable). The MDCC issued by BRBCL/NTPC in original shall be attached by bidders for their payment from BHEL.

**20.B Inspection Agency
(Imported Supplies)**

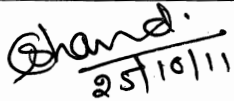
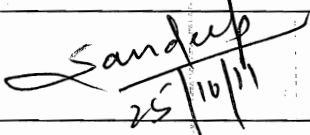
In case of imported Supplies the Test Certificate & Inspection reports duly accepted by the Foreign supplier Inspection agency shall be submitted in 5 sets to BHEL/PEM, Noida. The above Inspection reports & Test certificate shall be reviewed by PEM/ Engineering in line with the Technical Specification & Approved Data sheets and then sent to customer for Customer clearance. The dispatch clearance (MDCC) by customer shall be given to the Foreign supplier OR their representative in India after acceptance of above test certificate by ultimate Customer.

**21.0 Final Drawings / Documents
Submission:-**

Final Drawing / Documents to be submitted shall be as per Technical specifications otherwise will be intimated during kickoff meeting.

22.0 VAT Invoices

Suppliers to note that in case of local (with in state) dispatches in their VAT Invoices, address & TIN No. of Nodal agency shall be indicated instead of PEM's address & TIN no. and paying authority shall be same as BHEL/PEM Noida.-- Please refer the Annexure-I (Enclosed)

	PREPARED BY	REVIEWED BY
NAME:	Satish Chaudhary	SANDEEP KUMAR
DESIGNATION:	Asst. ENGINEER/PG 3-1	MANAGER/PG 3-1
SIGNATURE:	 25/10/11	 25/10/11

**SPECIAL CONDITIONS OF CONTRACT (REV 00)
4X250 MW NABINAGAR TPP**

In order to avail the benefit of input tax credit available to BHEL in case of VAT legible on intra-state transaction between BHEL and vendor & to fulfill the compliance as per requirement 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 compliance in the state in which project is located. For the subject project nodal agency shall be:

**PSER
BHEL SITE OFFICE,
KAHALGAON STPP (NTPC LTD)
DIST. BHAGALPUR
BIHAR – 813214
VAT RC. NO. 10521776047**

Nodal agency is defined as Buyer and BHEL/ PEM shall be paying agency in such cases, where VAT is applicable.

Vendor's original tax invoice for intra state transaction is one of the important document 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. and 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 they shall 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 reqd 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/document 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.