BHEL-PEM, NOIDA
SPECIAL CONDITIONS OF CONTRACT (SCC) REV 00
1x500 MW FIROZ GANDHI UNCHAHAR TPP , STAGE-IV

These Conditions shall be read in conjunction with General Condition of Contract(GCC) Rev 06, enclosed along with the tender enquiry. In case of any conflict or inconsistency, the requirement of SCC shall prevail over the GCC.

1. **Project Name** : 1x500 MW FIROZ GANDHI UNCHAHAR TPP , STAGE-IV
2. **Consignee Address** : For MAIN EQUIPMENT AND MANDATORY SPARES:-
   CONSTRUCTION MANAGER/BHEL SITE,
   1x500 MW UNCHAHAR TPP , STAGE-IV
   P.O. UNCHAHAR, DISTT-RAEBARILLI, (UP),

   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 Note" to the Transporter for transferring the ownership from BHEL to the customer (NBPPL).
   Delivery Note 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-PSNR, Noida for those packages for which PO is placed by BHEL-PSNR. However, LOI for PSNR packages shall be issued by BHEL-PEM.
   B) For Intra-state sales (where VAT is applicable):
   1) BHEL-PEM, Noida for those packages for which PO is placed by PEM.
   2) Buyer: BHEL PEM Noida, Paying Authority: BHEL-PSNR, Noida for those packages for which PO is placed by BHEL-PSNR. However, LOI for PSNR packages shall be issued by BHEL-PEM.
   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 responsibilty to ensure availabilty 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.
   POLICY NOS.: SCE - 500300/44/13/04/40000023
   Marine - 500300/21/13/02/00000063 Policy period : 30.12.2013 - 29.04.2017
   Underwriter and its contact person Details:
   M/s. United India Insurance Co. Ltd (UIIC)
   (A Company Owned By The Government Of India)
   Sh. Vijay Sharma
   Chief Regional Manager, Corporate Cell, New Delhi,
   (A Company Owned By The Government Of India)
   D-24 & E-25, 2nd FLOOR,
   HIMALYA HOUSE, 23, K.G. MARG
   New Delhi – 110 001
   Handphone: +91 9818863455
   Telefax: + 91 11 23355307
   Telephone:+91 11 46016861
   e-mail: vijaysharma@uiic.co.in

Prior Dispatch intimation shall be issued to Insurance Company about the value of consignement, 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.

7. **BHEL-PEM TIN**	: 09765702874 (To be used for PO issued by BHEL-PEM)
8. **BHEL-PSNR, Noida TIN**	: 09365800914 (To be used for PO issued by BHEL-PSNR, Noida)
9. **NTPC-Unchahar TIN No**	: Shall be informed later (To be used for Delivery to site)
10. **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 regard. 2) **For Turnkey Package**: In the scope of **Vendor.**
11. **Storage at Site**	: **1) For Supply Packages**: In the scope of **BHEL** Site. **2) For Turnkey Package**: In the scope of **Vendor.**
12. **Movement of Material Within Site**	: **1) For Supply Packages**: In the scope of **BHEL** Site. **2) For Turnkey Package**: In the scope of **Vendor.**
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 .** 2) **Cat-II:** Inspection shall be done by BHEL only. 3) **Cat-III:** Certificate of Compliance shall be furnished by Vendor. Please note, for Cat I & II items BHEL reserve the right to carry inspection by themselves or through nominated third party. For Inspecting Agency for various items, vendor may refer to Quality Plan.
14. **Material Dispatch Clearance Certificate (MDCC) Issuing Agency**	: For Cat-I item, MDCC shall be issued by NTPC and it's the responsibilty of vendor to arrange MDCC from them, and **original 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
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 in 4 sets :** 1) Copy of Vendor Invoice (Original VAT Invoice required 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) MDCC (Original NTPC MDCC, if applicable) 5) CHP issued by NTPC – Original (if applicable) 6) Insurance intimation copy 7) Test certificate/Inspection Reports- Original (for Cat II & Cat III Packages) **B) For Vendor payments following documents are required in 4 sets :** 1) Original Vendor Invoice for non VAT cases. (Paying Authority TIN should be mentioned in the Invoices). For VAT related cases refer Annexure-I 2) LR copy (Consignee address shall be BHEL Site, as indicated in Sl. no 2) 3) Original Packing List 4) Copy of Insurance intimation letter/email. (Intimation to Insurance Agency to be sent on the same day of dispatch) 5) Guarantee certificate in line with PO terms- Original

6) MDCC - Copy

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

16. **Material Receipt Certificate (MRC)** : 1) **For Supply Packages:** BHEL-PEM will arrange MRC from Site and same shall be used for processing vendor's MRC payment.

2) **For Turnkey Packages:** Original MRC to be arranged by vendor for their MRC payments.

17. **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 Sl. no 2)
2) Dispatched by: (Vendor name) : **A/c BHEL PEM, Noida** or **BHEL-PSNR, Noida** 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 "/ "Commisioning 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.

18. **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.

For Mandatory Spares:

The Mandatory spares shall be properly packed in separate box. Boxes shall be **painted with red colour bands,** 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 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.

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 Main supply Consignment for immediate reference by BHEL site.

19. **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 including ceiling limit, if any, during evaluation of offer. Also, bidder has to indicate amount of concessional custom duty in the price offered to BHEL as it will be considered for evaluation.

b) All bidders to note being a **PI** Project, **Excise Duty** is applicable and will be considered for evaluation. Bidder to quote the prices accordingly.
Concessional CST presently 2 % against Form 'C' & E1/E2 is to be considered in quoting the prices. Concessional CST/ VAT shall be considered for evaluation of offers to arrive at the L1 bidder.
The benefits availed in Concessional Customs Duty and concessional CST must be passed on to BHEL in their offer.

VAT on your intra-state dispatch shall be paid subject to conditions specified in Annexure-I.

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

	Prepared by	Checked by	Reviewed by	Vetted by Finance	Approved by
Name:	**Niyati Goyal**	**Sandeep Kumar**	**A K Gupta/C K Nimesh**		**K K Khurana**
Designation:	Sr. Engr./PGIII	Sr. Mgr./PGIII	DGM/SDGM-PGIII	Checked w.r.t. taxes & duties	GM/PG-II &III
Signature:	Niyati	Sandeep			
Date:	28/04/14	28/04/14	28/4/14 29/4/14	29/04/14	06.05.14

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ANNEXURE - I

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 :

Name of BHEL Unit :-	BHARAT HEAVY ELECTRICALS LIMITED (PEM Noida)
Address:-	Plot No.25, Sector 16A, Noida-201301 (U.P.)
TIN No. :-	09765702874

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**, (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.** 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 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 compliant 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.