

TERMS AND PROCEDURES OF PAYMENT

In accordance with the provisions of GCC/SCC Clause 8.1 (Terms of Payment), the Employer shall pay the Contractor in the following manner and at the following times, on the basis of the Price Break-up given in the section on price schedules. Payments will be made in the currencies quoted by the Bidder unless otherwise agreed between the parties.

1. TERMS OF PAYMENT

In addition to the Conditions stipulated under GCC/SCC Clause 8.1, the following terms & Conditions will apply.

1.1 Supply of Services Portion

1.1A It would be mandatory for contractor to fulfill the following conditions as per terms & conditions of Contract:

- a) Signing the Contract Agreement.**
- b) Performance Securities in line with GCC Clause 9.3.1, and**

- 1.1B** 1. Progressive Payments shall be released on Monthly basis against the work done during the month shall be released upon submission of following documents.
- (i) Joint Measurement Certificate duly certified by the Engineer -In-charge.
 - (ii) Detailed GST invoice in duplicate indicating award letter no. and date and shall be raised in favour of Engineer-in-Charge for verification & processing of payment.
 - (iii) Submission of Acknowledged duplicate copy of NOA/Contract for release of first payment.
 - (iv) Submission of CPG and Statutory insurances for release of first payment.
 - (v) Submission of SLA along with respective Debit/Credit Note (if required)

Other Conditions:

- 1. The payment to the Contractor under the Contract will be made by the owner as per the guidelines and conditions specified hereunder.
- a. Payment shall be released to the contractor on monthly basis. 100% of the payable monthly bill(s) shall be released, after deduction of statutory taxes & levies, within 30 days from the date of submission of bills in proper form & certification by the Engineer-in-charge. 100% of the amount payable shall be released subject to fulfillment of below conditions stipulated herein.
- b. Contractor shall also submit a Workmen Compensation Policy within the first month of the contract. Payment towards first monthly bill shall be released to the contractor only after submission of Workmen Compensation Policy.
 - 1. List of personnel deployed for POWERGRID work (To be submitted with each Bill).
 - 2. Payment disbursement sheet for the previous month, consisting of name, total pay, deductions, and net amount paid, e-payment order No.,

date & name of bank with signatures of employee along with a certificate that the contract labors have been correctly paid.

3. Proof of EPF monthly deposit with regional Provident Fund Commissioner, in the standard format as stipulated under the relevant act along with copies of challans vide which PF contribution is deposited (To be submitted with each Bill).
 4. Proof of deposit of ESI for working personnel with concerned authorities and certificate towards compliance of other statutory provisions for the previous months along with copy of Form 12A and Form 5. However, with the bill for the first month certificates mentioned at b.2, b.3 & b.4 above shall not be applicable.
- c. The bills are required to be submitted to the Officer-in-Charge and payment will be released by F&A department at POWERGRID, after verification & certification by the officer-in-charge.
 - d. GST shall be paid by POWERGRID upon submission of invoice as per GST act on monthly basis. For payment of GST, Reverse charge, if applicable, shall be deposited by POWERGRID as applicable as per GST Rules/Act. All GST payment shall be against GST invoices/debit notes raised by the Contractor as specified under the GST Act and related Rules, Notifications, etc as notified by the Government in this regard. In the event that the Contractor fails to provide the invoice/debit note in the form and manner prescribed under the GST Act and Rules, the Employer shall not be liable to make any payment against such invoice/debit note. Payment towards taxes & duties shall be released by the Employer directly to the Contractor.
 - e. Payment shall be made as per work executed i.e. numbers of operations performed and contractor shall have no right to claim the complete BOQ.
 - f. The payment shall be regulated as per accepted rate only. Contractor shall not be entitled to any extra payment compensation or remuneration relating to work done during unfavourable weather or relating to any special arrangements made to complete the work as per schedule of items.
 - g. No extra payment shall be made to the contractor for working on the holiday and during odd hours.

2. PAYMENT PROCEDURES

2.1 Method of Payment

All invoices/claims shall be raised by the Contractors in the name of Owner.

The Employer shall make payments promptly within thirty (30) days of submission of an invoice/claim by the Contractor, complete in all respects and supported by the requisite documents and fulfillment of stipulated conditions, if any. All the payment shall be released to the Contractor directly.

All payments to be made directly to the Contractor shall be made by the Employer through electronic payment mechanism (e-payment) for which necessary details shall be tied up during execution of the Contract. However, a request for payment to be released through cheque shall be considered on case to case basis and merit of the same.

Note: Pro-rata shall refer to functionally complete part(s) of the facilities, for which unit rates are identified in the contract.

2.2 Bill Tracking System

Prior to submission of bills in physical form, the Contractor shall submit its bills using POWERGRID's Vendor Bill Tracking System as per procedure detailed herein below. Further, the Contractor may also track the status of its bills using POWERGRID's 'On-line Vendor Bill Tracking System'. To use this system the Contractor is required to get itself registered once online at POWERGRID's ERP Portal with the link URL (<https://etender.powergrid.in>). Once registered, the Contractor may track status of bills submitted, passed and paid by POWERGRID's Corporate Centre and Regional Office(s) under this Contract and other Contracts awarded on it by POWERGRID by following the method detailed herein below:

- a) Once registered, the Contractor can log-in to POWERGRID's Vendor Bill Tracking System (BTS) with Vendor Log-In ID and Password.
- b) After login as at (a) above, Contractor is required to make the entry on POWERGRID's ERP Portal under the tab "Submit New Invoice" and shall fill all details along with the MSE status. Upon submission, a 16 digit unique BTS number will be generated and the Contractor will receive an automated e-mail forwarding the unique BTS number.
- c) The physical bills alongwith printed copy of e-mail received from BTS (unique BTS number) shall be submitted by the Contractor.
- d) On receipt of physical bill, concerned POWERGRID's official shall online acknowledge the receipt of bill. This action will trigger an automated mail to the Contractor intimating that the physical copy of the bill has been received and is under verification / processing. However, on receipt of incomplete bill and/or non-receipt of physical bill by POWERGRID official, the incomplete bills/ digital entry in BTS (as the case may be) shall be returned to the

Contractor by POWERGRID, which can be viewed under the tab "Invoice Returned".

- e) The day the payment is made, a mail stating the "Bill number, net payment amount and details of the bank from where the payment has been made" will be sent to the Contractor.
- f) The status of Bill submitted by the Contractor can be checked through the BTS number under tab "Invoice Submitted".

****End of Appendix-1****