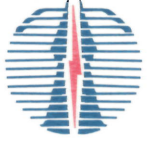


# पावर ग्रिड कारपोरेशन ऑफ इंडिया लिमिटेड

(भारत सरकार का उद्यम)

## POWER GRID CORPORATION OF INDIA LIMITED

(A Government of India Enterprise)



पावरग्रिड

केन्द्रीय कार्यालय: "सौदामिनी" प्लॉट सं. 2, सेक्टर-29, गुडगाँव-122 001, (हरियाणा) दूरभाष: 0124-2571700-719, फ़ैक्स : 0124-2571762,  
"Saudamini" Plot No. 2, Sector-29, Gurgaon-122 001, (Haryana) Tel. : 0124-2571700-719, Fax : 0124-2571762, Web.: www.powergridindia.com

CIN : L40101DL1989GOI038121

Ref: CC/CS/GST

Dated: 15/01/2018

To,

[.....The Contractors who are executing contracts in POWERGRID.....]

Kind Attention: .....

Sub: Goods and Services Tax (GST)

- Restructuring of Contracts/Bidding Documents due to implementation of GST reg.

Dear Sir/Madam,

- 1.0 This is in continuation to earlier communications issued by POWERGRID on the subject matter.
- 1.1 Further to the same, it may be mentioned that references have been received against some of the contracts wherein fixed component of the Price Variation formula of an item have been increased over and above the value originally stipulated in the bidding documents. These happened so because in such cases bidder, either did not indicate the value of the coefficient in its bid or submitted values beyond the permissible range for a particular material/labour component. As such, in line with the provisions of the respective bidding documents, value of coefficient for such component were aggregated with the fixed part (on which no variation is considered) of the PV formula, thereby ensuring that the sum of coefficients is one (1). However, since the methodology to be adopted for aligning pre-GST prices as issued by POWERGRID vide earlier communications, stipulates aligning the prices based on coefficients of different components in the PV formula as specified in the contract, it has been considered appropriate to review the methodology to the extent as above to deal with such cases.

*Dev*

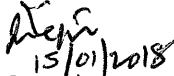
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- 2.0 In this regard it has, therefore, been decided that following methodology shall be adopted to deal with such cases for transition from pre-GST to post GST:
- a. For the purpose of aligning the price with GST, in the cases wherein the coefficients for any or all material/labour component has been clubbed in the fixed part, the co-efficient for such material/labour component as may be now indicated by the bidder/contractor within the range of the coefficient in the bidding document may be considered ensuring that sum of all the coefficients including fixed component remains one (1).
  - b. For the above purpose, the contractors shall submit the co-efficient within the range as stipulated in the bidding documents to the respective regions/project office wherein the contract is being administered.
- 2.1 Notwithstanding above, it may also be noted that aforesaid methodology including submission of revised co-efficient by the contractors shall be for the purpose of aligning pre-GST prices with GST regime only and shall not be used for any other purpose.
- 2.2 You may please also note that the methodology outlined hereinabove are for the purpose of reference only and you shall not derive any right or have any claim based on the methodology outlined above.
- 2.3 This communication is accordingly, without prejudice to POWERGRID's rights under the respective contracts.
- 3.0 You may also note that further needful regarding the above shall be done at Region/Project office wherein the same is under execution. You are therefore requested to approach the C&M deptt. of concerned Region/Project under intimation to respective GM(Proj.)/ED(Region).

Thanking you,

Yours faithfully

For and on behalf of  
Power Grid Corporation of India Limited

  
15/01/2018  
(CS Gupta)

Additional General Manager (Contract Services-P&S)