

# SPECIAL CONDITIONS OF CONTRACT (SCC)



**SPECIAL CONDITIONS OF CONTRACT**

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## SPECIAL CONDITIONS OF CONTRACT

### 1. Payment Terms

1.1	<b>Payment Schedule</b>
1.1.1	<b>Refer TCC for details of Payment Schedule.</b>
1.2	<b>Other Terms</b>
1.2.1	The Contractor shall submit his milestone RA bills with all the details required by BHEL on specified date every month covering progress of work in all respects and areas for the previous calendar month.
1.2.2	Mode of payment and measurement of work completed shall be as per relevant clauses of General Conditions of Contract.
1.2.3	Release of payment in each running bill will be 100% of the value of work admitted as per stages of progressive pro rata payments.
1.2.4	It is the responsibility of the Contractor to make his own arrangements for making timely payments towards labour wages, statutory payments, outstanding dues, and other dues, etc.in the meanwhile.
1.2.5	BHEL shall release payment through Electronic Fund Transfer (EFT)/ RTGS. In order to implement this system, Contractor to furnish details pertaining to his Bank Accounts where proceeds will be transferred through BHEL's banker, as per prescribed formats. <i>Note: BHEL may also choose to release payment by other alternative modes as applicable.</i>
1.2.6	Paying Authority shall be the Engineering Manager of BHEL. Any change in the paying Authority shall be intimated to the Contactor accordingly.

### 2. Taxes and Duties

2.1	<b>Taxes</b>
2.1.1	The quoted rates shall be exclusive of GST but inclusive of all other taxes, including any cess or surcharge or levy/tax by whatever name called, imposed under GST law or any other law at any time, for which input credit is not available to BHEL under any interpretation of the law. GST at the applicable rates shall be payable extra. However, the same shall not be paid if the input credit thereof is not available to BHEL due any reason attributable to the supplier/bidder. TDS under GST as and when applicable, shall be deducted at prevailing rates.
2.1.2	GST as applicable on the LD/Penalty shall also be recoverable in addition to LD/Penalty. applicable on delayed supplies. Bidders/Suppliers have to comply with all requirements of the GST law as may be prescribed by the Government from time to time (including provisions related to E-way bills as and when prescribed). In the event of any noncompliance to any of the requirements of the GST law by the supplier/bidder, any consequential financial implication to BHEL, including interest on delayed discharge of BHEL's GST liability, denial of input credit of GST, etc., shall be recoverable from the supplier/bidder.
2.2	<b>Services (E&amp;C, Supervision of E&amp;C, Civil Works etc.)</b>
2.2.1	Bidders have to issue GST compliant invoices showing:  BHEL, State of _____(State in which the project site is located) GSTIN of BHEL in such State (to be obtained by the bidders before raising any invoice) under "Details of Receiver (Billed To)BHEL's Customers details (mentioned in SCC/Dispatch Instructions) under "Details of Consignee (Shipped To) State in which the project is located, as the "Place of Supply".  The invoices shall be raised within the time limit prescribed under the GST law. In the event of any delay in submission of the invoice to BHEL, any consequential financial implication to BHEL, including interest loss on discharge of BHEL's GST liability, denial of input credit of GST, etc., shall be recoverable from the supplier/bidder.
2.3	<b>Payment of GST</b>

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2.3.1	<p>Bidder are required to quote their prices exclusive of GST. GST will be reimbursed in the manner specified as under: SAC code is 998338 and GST rate for the services is 18%. The GST amount on gross value of each invoice shall be claimed by the bidder with the first stage payment by submission of GST invoice as mentioned above.</p> <p>However, the amount of GST shall be paid only upon confirmation of the following:</p> <ol style="list-style-type: none"> <li>Bidder declaring the invoice in his GSTR-1 and</li> <li>Confirmation of payment of GST thereon by the bidder on GSTN Portal.</li> </ol> <p>However, BHEL, at its discretion, may release the GST amount based on undertaking by the bidders in the prescribed format, Pending the above confirmation, and in such cases, if any discrepancy is found on subsequent verification as per data available from GSTIN Portal, the entire financial implication thereof on BHEL shall be recovered from the bidder. In addition to the Penalty determined as per clause in GCC, GST on penalty is also recoverable.</p>
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### 3. Performance Monitoring

3.1	Performance of the Contractor is monitored through various reports/reviews and shall be jointly evaluated every quarter as per prescribed formats. Based on the net weighted score obtained, Contractor shall be rated 'Good' or 'Satisfactory' or 'Unsatisfactory'.									
3.2	Annual performance (Financial Year wise) and Overall Performance (for the Contract) shall be based on the averages of Quarterly net weighted scores.									
3.3	<p>In case Annual/ Quarterly performance is found 'Unsatisfactory', BHEL reserves the right to put on hold such Contractor as given below:</p> <table><tr><th>Sl. No.</th><th>Performance Status</th><th>Type of Suspension</th></tr><tr><td>1</td><td>'Unsatisfactory' in the Annual performance in the last Financial Year (if the agency is executing only one job in the Region).</td><td>Hold for a period of six months for similar Work.</td></tr><tr><td>2</td><td>'Unsatisfactory' in the Annual performance in the last Financial Year or in the 'Overall' Performances, for 2 or more Works/Contracts being executed by the Contractor in the Region.</td><td>Hold for a period of six months for similar Works for which performance is 'Unsatisfactory'.</td></tr></table> <p><i>Note: If there is any conflict between the "Overall" performance and the latest "Annual" performance, then the 'Overall' performance shall prevail. However, BHEL reserves the right on the decision of 'Hold', in case of consistent 'Annual' improvement notwithstanding the vendors 'Overall' performance being unsatisfactory.</i></p>	Sl. No.	Performance Status	Type of Suspension	1	'Unsatisfactory' in the Annual performance in the last Financial Year (if the agency is executing only one job in the Region).	Hold for a period of six months for similar Work.	2	'Unsatisfactory' in the Annual performance in the last Financial Year or in the 'Overall' Performances, for 2 or more Works/Contracts being executed by the Contractor in the Region.	Hold for a period of six months for similar Works for which performance is 'Unsatisfactory'.
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### 4. Suspension of Business Dealings

4.1	BHEL reserves the right to take action against CONTRACTORS who either fail to perform or Tenderers/CONTRACTOR who indulge in malpractices, by suspending business dealings with them in line with BHEL guidelines issued from time to time.
4.2	Suspension could be in the form of 'Hold', 'De-listing' or 'Banning' a Contractor.
4.3	<p>A bidder may be put on HOLD for a period of 1 year, for future tenders for specific works on the basis of one or more of the following reasons:</p> <ol style="list-style-type: none"> <li>Bidder does not honour his own offer or any of its conditions within the validity period.</li> <li>Bidder fails to respond against three consecutive enquires of BHEL.</li> <li>Bidder fails to settle sundry debt account, for which he is legitimately liable, within one year of its occurrence.</li> <li>Bidder's performance rating falls below 60% in specific category (more fully described in chapter 'Performance Monitoring')</li> <li>Bidder works are under strike/ lockout for a long period.</li> <li>Two consecutive delays, for delays attributable to the bidder, in execution of the contracts where delay occurs such that, <ol style="list-style-type: none"> <li>Prescribed maximum LD time limits of the contract is exceeded.</li> </ol> </li> </ol>

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	ii) Delay period has equaled/exceeded half the original delivery period specified in the contracts whichever among above is earlier.
4.4	<p>A Bidder may be de-listed from the list of registered Bidders of the region for a period of 2 year on the basis of one or more of the following reasons:</p> <ol style="list-style-type: none"> <li>Bidder tampers with tendering procedure affecting ordering process or commits any misconduct which is contrary to business ethics.</li> <li>Bidder has substituted, damaged, failed to return, short returned or unauthorizedly disposed off materials/ documents/ drawings/ tools etc of BHEL.</li> <li>After placement of order, Bidder fails to execute a contract.</li> </ol> <p>Bidder no longer has the technical staff, equipment, financial resources etc. required to execute the orders/ contracts.</p>
4.5	<p>A Bidder can be banned from doing any business with all Units of BHEL for a period of 3 years on the basis of one or more of the following reasons:</p> <ol style="list-style-type: none"> <li>Bidder is found to be responsible for submitting fake/ false/ forged documents, certificates, or information prejudicial or misrepresentation/wilful suppression of facts, or has resorted to unethical, illegal means.</li> <li>After price bid opening but before placement of the order, the bidder withdraw their offer or varies it in any manner within its validity period.</li> <li>In spite of warnings, the Bidder persistently violates or circumvents the provisions of labour laws/ regulations/ rules or other statutory requirements.</li> <li>Bidder is found to be involved in cartel formation or any other act so as to influence the bidding process or influence the price.</li> <li>The Bidder has indulged in malpractices or misconduct such as bribery, corruption and fraud, pilferage, coercion, etc.</li> <li>The Bidder is found guilty by any court of law for criminal activity/ offences involving moral turpitude in relation to business dealings.</li> <li>The Bidder is declared bankrupt, insolvent, has wound up or been dissolved; i.e ceases to exist for all practical purposes.</li> <li>Bidder is found to have obtained Official Company information/ documentation by unauthorized means.</li> <li>Bidder has substituted, damaged, failed to return, or unauthorizedly disposed off free issue materials/tools, etc. of BHEL.</li> </ol> <p>Communication is received from the administrative Ministry of BHEL to ban the Bidder from business dealings.</p>
4.6	Contracts already entered with a Contractor before the date of issue of order of 'HOLD' or 'DE-LISTING' shall not be affected.
4.7	All existing contracts with a 'BANNED' Contractor shall normally be short Closed.
4.8	Once the order for suspension is passed, existing offers/new offers of the Contractor shall not be entertained.
4.9	The above guidelines are not exhaustive but enunciate broad principles governing action against Contractors.

## 5. Order of Precedence

5.1	<p>In the event of any ambiguity or conflict between the Tender Documents, the order of precedence shall be in the order below:</p> <ol style="list-style-type: none"> <li>Amendments/ Clarifications/ Corrigenda/ Errata etc. issued in respect of the tender documents by BHEL</li> <li>Notice Inviting Tender (NIT)</li> <li>Price Bid Specification –Volume-2</li> <li>Technical Conditions of Contract (TCC)—Volume-1A</li> <li>Special Conditions of Contract (SCC) —Volume-1B</li> <li>General Conditions of Contract (GCC) —Volume-1C</li> <li>Forms and Procedures —Volume-1D</li> </ol>
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