

**V.O. CHIDAMBARANAR PORT TRUST
FINANCE DEPARTMENT
AAB SECTION**

Circular No: 03/2017-18

No. A-16/1/2017-AAB

Dated: 29.06.2017

Sub: Tender Conditionalities.

The Goods and Service Tax (GST) is a Value added Tax (VAT) proposed as a single indirect tax levy on manufacture, sale and consumption of goods as well as services excluding customs duty and levy on select goods and services. It will replace all indirect taxes levied on goods and services by the Central and State Governments. The Government aims to achieve the targeted GST implementation with effect from 1 July 2017.

2. V.O. Chidambaranar Port Trust (VOCPT) is registered in GST. As part of the implementation of GST provision in order to avail cenvat credit of tax paid on Goods and Services under GST regime to suppliers and service providers, the following conditionalities are to be incorporated in the Tender Conditions so as to avail the input tax credit (ITC) in respect of CGST, SGST, IGST .

" Goods and Services Tax :

a).As per GST Act, invoice in the prescribed format has to be issued by a registered dealer on or before the time when goods are removed for supply (where supply involves movement) and on or before the time when delivery is received by the recipient (where movement of goods is not involved).


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b).The law has laid down conditions to avail GST input tax credit on supply of goods or services. All of the following conditions need to be satisfied to avail GST Input credit:

- The dealer should be in possession of Tax Invoice / Debit or Credit Note / Supplementary Invoice issued by a supplier registered under GST Act.
- The said goods/services have been received.
- Returns (GSTR-3) have been filed.
- The tax charged has been paid to the Government by the supplier.

c).As a service provider, contractors / professionals etc shall issue the invoice within 60 days to the port from the date of providing service. If the invoice is not issued within the time limit, then penalty and/or interest shall be applicable. If any of the contractors / professionals do not issue invoices as aforesaid and do not file tax return by due date, Port cannot avail the ITC. Further, Port has to pay the said ITC availed with Interest and penalty as applicable under the GST rule. Therefore, in the event of default of the contractor on the above grounds, the said amount paid/ payable to the Government by Port shall be recovered from any money due to the contractor or adjusted against the performance security/ security deposit.

d). Similarly the claim of GST at a later stage i.e. in the next Financial Year shall not be admitted by Port as time limit has been fixed for availing tax credit.

e).For any correction in Invoice claimed, it shall be through Debit note/Credit note/ supplementary invoice only, as all the invoices are to be uploaded in the GSTN portal.

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The above amendment may be incorporated in all the future tenders effective from 01 July 2017. Further, all suppliers and contractors including professionals are to be requested to comply with the above provisions without any omission in respect of on going contracts. If the existing suppliers/ contractors/ professionals do not comply with the above provisions payment will not be released and Port will not be liable on any account to the aforesaid.

The above comes in to force with effect from 01.07.2017 and is issued with the approval of Chairman.


FINANCIAL ADVISOR AND
CHIEF ACCOUNTS OFFICER

TO
ALL HEADS OF DEPARTMENT/ VOCPT

NO ..A-16/1/2017-AAB

DATE: 29.06.2017

copy to :

1. All officers of finance department / VOCPT.
2. PA to Chairman for kind information Chairman
3. PA to Deputy Chairman for kind information of Deputy Chairman.
4. Resident senior Audit Officer VOCPT
5. Chief Vigilance Officer VOCPT for kind information.
6. Sr. Deputy Director