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Amendment in General Condition of contract (GCC) for O&M Works

Clause no 22 of General Condition of contract (GCC) for O&M Works may be read as follows:

22.0 Taxes, Duties, Levies etc.

- 22.1 Except as otherwise specifically provided in the Contract, the Contractor shall be liable and responsible for the payment of all taxes, duties, levies and charges imposed on the Contractor, its Sub- Contractors and those imposed on the Contractor's equipment, materials, supplies and services to be used in the performance of the Contract or furnished under the Contract.
- 22.2 The Contractor shall be responsible for payment of any tax levied on the transfer of property and goods involved in the 'Composite/Works Contract' in accordance with the applicable Act or Notification (s) by the State or Central Government or other authorities and rules made thereunder including amendments, if any. The liability on account of such tax as per the rates of tax prevailing as on seven (7) days prior to the date of bid opening is to the account of the Contractor. In case of any variation in the rates of the tax after seven (7) days prior to date opening, the same shall be paid/ reimbursed to the Contractor subject to submission of documentary evidence and proof of having made the payment at the revised rate.
- 22.3 It shall be incumbent upon the Contractor to obtain a registration certificate as required under any law (s) relating to levy of tax, duty, cess etc. and necessary evidence to this effect shall be furnished by the Contractor to the Employer.
- 22.4 The Contract Price shall also be inclusive of GST as applicable on services such as Construction Services / Works Contract Services etc. as per the rates prevailing as on seven (7) days prior to the date of bid opening. In case of any variation in the rate of GST during the period of Contract, an equitable amount shall be payable to / recoverable from the Contractor to fully take into account any such change on production of satisfactory documentary evidence. The Contract Price shall also be inclusive of any Seigniorage Fee of Royalties or cess or other charges payable on the quarried or mined metal, minerals or minor minerals, as the case may be, at the rates prevailing within seven (7) days prior to the date of bid opening. In case of variation in the rate of Seigniorage Fee or royalties during the period of contract, an equitable amount shall be paid to / recovered from the Contractor, upon the submission of satisfactory documentary evidence.
- 22.5 Where Employer as a service receiver is liable to pay GST, in such case the Contractor shall also include in the price GST payable by Employer as a service receiver in order to ascertain the amount of GST payable by Employer. GST quoted to be inclusive of the tax component to be deducted by the Employer and deposited with the concerned authorities.
- 22.6 If a new tax, duty or levy is imposed under statute or law in India after the date seven (7) days prior to date of bid opening and the Contractor becomes liable there under to pay and actually pays the said new tax, duty or levy for bonafide use on the works contracted, the same shall be

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reimbursed to the Contractor against documentary evidence of proof of payment, provided that the amount thus claimed is not paid/ payable under price variation provision of the Contract.

If an existing tax is abolished, or any change in interpretation or application of any tax occurs in the course of the performance of contract, which was or will be assessed on the bidder in connection with performance of the contract, an equitable adjustment of the contract price shall be made to fully take into account any such change by addition to the contract price or deduction there from as the case may be.

- 22.7 The payment/reimbursement of statutory variation in the rates of tax and /or of new tax, duty or levy imposed under statute or law in India as per GCC Sub-Clauses 22.2, 22.3, 22.4, 22.5 and 22.6 above, would be restricted only to direct transactions between the Employer and the Contractor.
- 22.8 The Employer shall be entitled to make necessary tax deduction at source as per the prevalent laws. The Contractor shall be required to submit the PAN details to the Engineer-In-Charge before the submission of the first bill/ invoice under the Contract.
- 22.9 The Contractor shall himself be informed of all the applicable laws, notifications, rules, circulars and other communications of the State or Central or other authorities with regard to levy of any tax, duty, cess, levy or fee etc, which in any manner may impinge upon him in performance of any obligations/responsibilities under or arising out of the Contract.

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