

Special conditions arising out of implementation of GST

(which is to be signed and submitted along with the offer)

Tax Indemnity Clause

- 1. The supplier of goods/services shall comply with all the procedural requirements and relevant provisions under GST Law so as to enable BEML Limited (BEML) to avail input tax credit (ITC) in a timely manner. BEML has the right to recover tax loss along with consequential interest and a penalty suffered by BEML due to any non compliance of tax laws by the supplier. Any GST liability arising on the supplier on account of loss of GST credits for reasons such as failure of the supplier to provide the details for raising invoice with necessary particulars, delay in payment of consideration beyond stipulated time period and the interest thereon would be on the suppliers themselves and BEML shall not be liable to compensate the same.**
- 2. The supplier shall ensure that the taxes which have been collected/ with held on behalf of BEML have been duly paid/ will be paid to the government account within the due dates specified under various tax laws in india and rules made there under. It may please be noted that if BEML is not able to avail any tax credit due to any short comings on the part of the supplier (which otherwise should have been available to BEML in the normal course), then the supplier at his own cost and effort will get the shortcoming rectified. If for any reason the same is not possible than the supplier will make good the laws suffer by BEML due to tax credit lost in the transaction.**
- 3. Under the GST law, any economic or Tax benefit arising out of implementation of GST is mandatory and required to be passed on to BEML by the supplier. Similarly the benefits enjoyed by the supplier and another players in the supply chain are also required to be passed on to the supplier by them which in turn shall be passed on to BEML by way of price reductions. The suppliers shall indemnify BEML against any direct or indirect clause arising out of not passing on the aforesaid benefits. As responsible suppliers of BEML, the responsibility to pass on the such benefits is passed on to BEML.**
- 4. Any amount paid to the suppliers including job workers/sub contractors shall be first attributable to the GST tax charges in the invoice and the balance shall be considered towards the value of supplies of goods/services.**
- 5. Timely provision of invoices/debit note/credit note: the supplier has to timely provide invoice/debit note/credit note to enable BEML to claim tax benefit on or before stipulated time period as per GST law. All necessary adjustment enters (credit note, purchase returns, debit note) shall be made before September of the succeeding financial year.**
- 6. HSN for goods shall be specifically included to avoid this agreement on classification at a later stage.**
- 7. BEML shall identify the place of supply to enable to avoid the GST credit at right location.**
- 8. Advance payment if any made before supply of goods/services or raising of invoices, would attract GST. In case of receipt of advance, the supplier undertakes to rise the necessary**

statutory document. Further the supplier declares to raise the prescribed documentation governing the movement of goods.

9. Any known discount shall form part of terms of the agreement to enable supplier/ BEML to claim tax adjustment.
10. Three copies of invoices are mandatory and need to be provided the supplier and wherever the laws requires an electronic reference number for each invoice should be provided further the invoices for suppliers shall clearly bear the GSTIN No./UID No. along with purchase order number and date accompanied by depatch advice and date of packing list.
11. Wherever applicable, BEML has the right to deduct "tax deducted at source" at the rate prescribed under the GST law and remit to the government of india.
12. Any local levies and or other charges levied by any central/state/local authorities wherever applicable shall be extra and supplier shall be liable to discharge the same.
13. The supplier shall be responsible to issue documents required for movement of goods and the logistics partner shall not be liable for any loss arising due to confiscation of goods by government agencies on account of lack of proper documents, deficiencies in documentation or any wrong declaration.
14. Any liability arising out of dispatch on the tax structure, computation, payment to the government and filing of returns will be to the suppliers account.
15. Where the supplier of goods /services are liable to GST under reverse charge mechanism then the suppliers should clearly mention the category under which it has been registered and also that the liability of payment of GST is on the Recipient of Service.
16. The Invoice should be clearly specify with any abatement, if any claimed or otherwise from the Taxable value, while calculating the GST.
17. The Bid Evaluation criteria will include but not limited to GST Compliance rating when introduced and operational by GSTN. The Purchase order shall be void, if at any point of time the supplier is found to be blacklisted dealer as per GSTN rating system and further no payment shall be entertained.

PLACE :

FOR M/s.

DATE :

SIGNATURE