

## **GST ANNEXURE**

This Annexure shall form integral part and parcel of Purchase/Work/Service Order Number \_\_\_\_\_ dated \_\_\_\_\_

▶ **Timely provision of invoices/Debit Note/Credit Note/Other applicable documents:**

Supplier shall immediately submit the Tax Invoice/ Debit Note/ Credit Note and / or any other applicable / requisite documents as per the prevailing GST Law and within the timeline as required under the GST Law so as to enable GNFC to claim/avail tax benefit/credit and it shall ensure that GNFC must be able to claim ITC [Input Tax Credit] as per applicable provisions & restrictions of GST Law. All necessary adjustment entries (Credit Note, Purchase Returns, and Debit Notes) shall be made within time limit as prescribed under the GST Law to ensure that no loss or damage is caused to GNFC due to such adjustment as per GST Law. Any consequence in terms of tax / loss of input tax credit, interest or penalty thereon on account of delay in raising tax invoice and/or submission of other applicable documents or adjustment documents as mentioned above shall be to the account of the Supplier and the Supplier shall indemnify and hold GNFC good against any such consequential tax, interest, penalty or any other losses / damages.

▶ **HSN/SAC:**

HSN / SAC for goods & services respectively shall be specifically included in the tax invoices as required under the applicable provisions of GST Law. The manner and digits of such HSN/SAC Code shall be compliant with applicable provisions of GST Law from time to time.

In case of receipt of advance or refund of such advance received where invoice against the said advance was not prepared, the Supplier shall raise the necessary statutory documents. Further, the Supplier shall also raise the prescribed documentation governing the movement of goods like e way bill, delivery challan etc as per applicable GST law provision from time to time.

Supplier shall ensure correct classification of HSN/SAC and it shall indemnify GNFC against any additional taxes, interest or penalty, if any, imposed on GNFC due to wrong classification of HSN.

▶ **Discounts:**

Any known post supply discount shall form part of terms of the agreement/contract i.e. it is required to be pre-agreed before any supply takes place and any discount given at the time of sale shall be recorded on invoice to enable Supplier/ GNFC to

claim tax adjustment. In case there is any pre-agreed post supply discount then the credit note to that effect shall be issued within time limit prescribed in applicable provisions of GST Law to enable supplier/GNFC to claim tax adjustments.

► **Manner of issue of invoices:**

- a) Wherever applicable, three copies of the valid tax invoices or other applicable document as per GST Law shall be issued by supplier in case of supply of goods (i.e. 'Original' for recipient (GNFC), 'Duplicate' for transporter and 'Triplicate' for supplier), 2 copies of invoice or other applicable document as per GST Law shall be issued by supplier in case of supply of services (i.e. 'Original' for recipient and 'Duplicate' for supplier). Further, the invoices for supplies shall be as per the GST Law & clearly bear the GSTIN / UID number along with Purchase Order/Work Order/Service Order number and date and wherever the law requires, an Electronic Invoice Reference Number and QR code from Invoice Registration Portal, for each invoice.
- b) Supplier shall be responsible to issue applicable documents for movement of goods (such as tax invoice, delivery challan, e-way bill, e-invoice etc) under the GST Law as may be applicable from time to time and the logistic partner as well as GNFC shall not be liable for any loss arising due to confiscation of goods by government agencies on account of lack of proper documents or any miss-declaration or any non-compliance, whatsoever, on part of the supplier.
- c) Where the supply of goods/ services are liable to GST under reverse charge mechanism, the supplier shall 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". Invoice of such RCM supply must comply with applicable provisions of GST Law. If payment of GST is received by Supplier in spite of Goods or Services supplied by said supplier is covered under RCM [Reverse Charge Mechanism] and GST is payable by GNFC, the supplier shall reimburse the amount of GST immediately to GNFC so that default on part of GNFC can be avoided. In case of supplier's failure to make appropriate declarations and / or Supplier's failure to reimburse the GST amount, the same shall be recoverable from the Supplier with interest at such rate as may be applicable under Section 50 of CGST Act 2017 from time to time. Such supplier will be required to submit invoice for supply of services within 30 days from date of invoice. In case of failure to submit invoice within 30 days from date of invoice, GNFC will be required to pay interest @ 18% or other applicable rate from time to time under GST Law for delay in discharge of GST liability under RCM. Any loss of input tax credit, penalty, interest, any other loss arising out of supplier's failure to submit invoice within 30 days from its date, will be recovered by GNFC from supplier with applicable taxes.

- d) In case supplier makes payment to any other person on behalf of GNFC and subsequently claims reimbursement of such payment from GNFC then such reimbursement claim is required to be submitted in same month in which such amount was paid on behalf of GNFC. Any delay in discharge of GST liability under RCM by GNFC in relation to such reimbursement claim if results into loss of input tax credit, penalty, interest, any other loss arising out of supplier's failure to submit above mentioned reimbursement claim within same month of payment, will be recovered by GNFC from supplier with applicable taxes.
- e) The invoice should clearly specify abatement, if any, claimed or otherwise from the Taxable Value while calculating the GST.
- f) Tax invoice and other tax documents like debit/credit notes etc. shall be issued by the supplier as per applicable provisions of GST Law.
- g) In case of supplier supplying Goods/Services/Both in relation to creation of immovable property, Input Tax Credit of which is blocked under applicable GST Law provision(s), Invoice(s) in relation to such Goods/Services/Both is needed to be provided separately by keeping planning, designing, execution etc. in this regard separate in consultation with GNFC. Also other requirements in relation such work such as providing Chartered Engineer's Certificate for Goods/Services/Both used in foundation and structural support of plant and machineries and any other requirement in this regard as communicated by GNFC will also be required to be complied with by such supplier. Non-compliance of supplier in relation to above if results into loss of input tax credit / additional tax liability, penalty, interest, any other loss, same will be recovered by GNFC from supplier with applicable taxes.

► **Other points:**

- a) Any Liability, whatsoever, arising out of or in connection with dispute on the tax structure, tax rate(s), HSN classification, correct disclosure in return, timely filing of applicable GST returns, raising of correct tax invoice, within statutory timelines and presenting to GNFC immediately, calculation, correct valuation and payment of GST to the Government will be to the Supplier's account;
- b) In case the value of tax invoice or GST rate on tax invoice as mentioned in tax invoice of Supplier is assessed differently by the department during assessment proceedings or any other dispute is raised by department resulting in additional tax liability on the Supplier, GNFC shall not be liable to reimburse any amount of tax or interest or penalty to such Supplier in relation to such additional liability or any other incidental expenses or liabilities, whatsoever;
- c) The tax invoice or debit note raised by supplier shall be compulsorily furnished in GST return in the manner as required under the GST Law. Further, GST in

- respect of such tax invoice shall be paid by the Supplier as required under the GST Law. In case e invoicing is applicable, debit/credit note(s) or other documents as prescribed in applicable GST Law provision must be issued in compliance of such e invoicing requirement containing all fields as prescribed in applicable provision(s) of GST Law. In case the same is not complied with then the Supplier shall make 'good' the loss suffered or potential loss that may be suffered by GNFC due to the input tax credit or other loss in that transaction (including applicable interest at such rate as may be applicable under Section 50 of CGST Act 2017 and/or other applicable provisions of GST Law from time to time and penalty in this regard).
- d) In case the tax invoice is not presented to GNFC immediately on issuance and if GNFC is not able to claim Input tax credit on account of expiry of statutory timeline then GNFC shall not make payment of any taxes to Supplier;
  - e) The PO/SO/WO shall be terminated immediately, if supplier is found to be non-compliant or any action has been taken against it by authority, in such case no payment of tax will be made and any loss or potential loss due to such non-compliance to GNFC will be recovered with applicable interest and penalty.
  - f) The Supplier/ Sub contractor shall communicate to GNFC with regard to any change in the registration details, issue of blacklisting/suspension/cancellation/receipt of notice/demand etc or any non-compliance by Supplier irrespective of the fact that whether such events are attributable to the Suppliers or not;
  - g) Any local levies and or other charges levied by any Central/state/local authorities wherever applicable shall be extra and the same shall be to the account of the supplier. GNFC shall not pay or reimburse the same to the Supplier.
  - h) Declaration/ Self Certificate stating that Taxes which have been collected/ withheld on behalf of GNFC have been duly paid/ will be paid to the Government account within the prescribed due dates specified under various Tax Laws (including GST law) in India and Rules made there under shall be submitted by the Supplier to GNFC.
  - i) In case supplier is located outside India and supplying services to GNFC whether on his own account or through intermediary acting as ultimate supplier of GNFC, GNFC will become liable to discharge GST under RCM as per India's GST Law. Such supplier or in case of intermediary such intermediary e.g. LSTK Contractor, commission agent etc. will be required to submit invoice for supply of services within 30 days from date of invoice. In case of failure to submit invoice within 30 days from date of invoice, GNFC will be required to pay interest @ 18% or at other applicable rate from time to time under GST Law for

delay in discharge of GST liability under RCM. Any loss of input tax credit, penalty, interest, any other loss arising out of supplier's failure to submit invoice within 30 days from its date, will be recovered by GNFC from supplier or in case of intermediary such intermediary.

- j) In case supplier is located outside India and supplying goods to GNFC whether on his own account or through intermediary acting as ultimate supplier of GNFC, for which GNFC is required to carry out customs clearance for home consumption by filing BoE [Bill of Entry] then such supplier or in case of intermediary such intermediary e.g. LSTK Contractor, commission agent etc. must ensure that quantity of BoE must be equal to quantity invoiced by such supplier to GNFC. If goods in BoE is not received or short received or due to misunderstanding regarding UoM [Unit of Measurement] or other point of PO between foreign supplier and GNFC BoE quantity is considered to be short received against invoice, any additional liability/loss of input tax credit, penalty, interest, any other loss arising out of supplier's failure to ensure that quantity and UoM in his invoice accurately matches with quantity and UoM of BoE and same is received by GNFC completely at its place of business under GST Law, will be recovered by GNFC from supplier or in case of intermediary such intermediary. Also such supplier or in case of intermediary such intermediary must ensure that only non-creditable portion of GST be passed on to GNFC after taking Input Tax Credit of creditable portion of GST. Loss/expense if any suffered due to passing on such creditable GST paid by supplier will be recovered with interest as decided by GNFC.
- k) In case of any dispute in relation to invoice(s) already issued, same is to be resolved amicably in consultation with GNFC at the earliest, however if it appears that such resolution will not take place until 31st October of financial year immediately succeeding the financial year in which such invoice(s) was/were issued, amount of GST will not be paid / if already paid will be recovered along with applicable interest / interest as decided by GNFC. Such supplier may choose to issue GST Credit Note under relevant provisions of GST Law within such time limit to enable both parties to claim tax adjustments and avoid any tax / Input Tax Credit / Interest / Penalty loss.
- l) In case of advance payment i.e. clean/pure advance against which services will be supplied, appropriate receipt voucher will be required to be issued and when such advance gets adjusted against supply of any services, necessary adjustment of tax already paid against advance will be required to be adjusted and net tax if any is to be claimed against such tax invoice. In case such advance is not adjusted against any supply necessary refund voucher will be issued.
- m) For GST compliance purpose DAY means a continuous period of twenty-four hours commencing from midnight 00:00:00 hours.
- n) For GST compliance purpose MONTH means a continuing period, commencing from first day in a calendar month and ending on last day of such month.

- o) GNFC has a right to recover any amount in the nature of liquidated damages, penalty, fine, etc., from the Contractor (i.e., supplier), on account of non-performance or breach of any of the clauses and/or conditions stipulated in the agreement. GNFC will issue a commercial invoice for the purpose of recovering the said amount.
- p) In case any amount payable by the Contractor (i.e., supplier) to the Owner (i.e., GNFC) other than covered by clause o) above is deducted from the Contract Price or any other amounts owed by the Owner (i.e., GNFC) to the Contractor (i.e., supplier), such deduction of amount may be treated as consideration towards independent supply of service/ goods, or in such other manner, as may be mutually agreed upon between Owner (i.e., GNFC) and Contractor (i.e., supplier). The Owner (i.e., GNFC) may raise GST tax invoice and charge appropriate GST against the supply of goods and/or services for such deduction from the contract price, as the case may be. In no event, the said deduction shall be considered as discount or reduction in the Contract price as agreed in this Agreement unless specifically agreed mutually between Owner (i.e., GNFC) and Contractor (i.e., supplier).
- q) Any reference to GST compliances or GST, interest, penalty, levy, etc., in any of the clauses of this contract shall be referred to and read in consonance with this GST Annexure. In the event of a conflict or inconsistency between the terms of contract and the terms of this GST Annexure, the terms of this GST Annexure shall prevail over the terms mentioned in contract for GST compliances as well as all matters related to GST, interest, penalty etc.

► **Clause on anti-profiteering:**

Any economic or tax benefit arising out of the implementation of GST is mandatorily required to be passed on to GNFC by the Supplier. Similarly, the benefits enjoyed by Supplier's Suppliers and other players in the supply chain are also required to be passed on to the Supplier, which in turn shall be passed on to GNFC by way of price reductions. Accordingly, Suppliers are expected to pass on any direct or indirect benefits arising thereon.

All benefits due to change in rate of tax of outward supply or availability of Input Tax Credit to supplier even post implementation of GST will be required to be passed on to GNFC.

The responsibility to pass on the above benefits vests with the Suppliers as our 'Responsible Suppliers' and GNFC shall have a right to understand and seek details of the manner/ mechanism in which such benefits shall be passed on to it.

► **Tax Indemnity clause:**

If GNFC is not able to avail Input Tax Credit due to any short coming / failure on part of the Supplier in compliance of provisions of GST Law applicable from time to time, including but not limited to mismatch of ITC between Invoice and GST return uploaded by supplier (which otherwise should have been available to GNFC in the normal course) and issuance of valid tax invoice compliant with e invoicing and / or any other applicable requirements under the GST Law, the Supplier shall at his own cost and effort get the short coming rectified. If, for any reason, said rectification is not possible, the Supplier shall make 'good' the loss suffered or potential loss that may be suffered by GNFC due to or on account of short coming / failure on part of the Supplier in compliance of provisions of GST Law and consequent tax credit loss caused to GNFC in that transaction. When any shortcoming is communicated by GNFC to Supplier, the Supplier shall take prompt action to rectify the same at the earliest. GNFC reserves right to recover from outstanding dues of Supplier without prejudice to above mentioned obligation of Supplier to make 'good', the loss suffered or potential loss that GNFC may suffer.

The Company shall not be liable for or in respect of any liabilities, whatsoever, arising out of or in connection with the non-compliance [examples like but not limited to non-payment of tax to Government, non-filing of GST returns, delay in filing of GST returns, non-reporting of invoices pertaining to supplies made to GNFC, breach of conditions specified in GST law for payment of output tax liability as well as availment of input tax credit etc.] of any of the applicable provisions of GST Law by the Supplier and the Supplier shall indemnify & keep indemnified the Company against all such liabilities including but not limited to additional tax liability/ loss of input tax credit, penalty, interest thereon, all direct and incidental expenditures in relation to litigation cost being borne by company damages, costs, charges & expenses whatsoever in respect thereof or in relation thereto.

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**Sign & Seal of Supplier**

**Note:** Wherever required amendments may please be proposed in clauses of GST Annexure as per requirement(s) of agreement and user to GST Cell.