

COCHIN PORT TRUST

Amendments to General Conditions of Contract for Civil Works (GCC)

I. In 'Tender Notice' of GCC :

(i) Clause 16 : The clause is replaced by the following:

“The tenderer shall specify the PAN No. allotted to him so that Chief Engineer / Executive Engineer can ascertain his liability to the Income Tax Department.”

(ii) Clause 19 : The clause is replaced by the following:

“Tenders which do not fulfil all or any of the above conditions or which contain any other condition of any sort including conditional rebates or are incomplete in any respect shall be summarily rejected. Such tenders shall be entered in the tender opening register but their rates shall neither be read out nor entered in the register. Only a remark mentioning the reason of rejection in brief shall be appended against such entry”.

(iii) Clause 21: The clause is replaced by the following:

“Income tax/Sales Tax/ KVAT/ any other statutory taxes, as per the rules / directions of the concerned Departments, prevailing in force at the time of payment of bills (subject to the provisions in the clause 36 of Conditions of Contract) will be deducted while making payment or when crediting the amount to his account. The following procedures shall be applicable for deducting the tax under the KVAT Act 2003.

a. Value Added Tax payable by the contractor shall be deducted at source from every payment including advance payment. For deducting the tax, the contractor shall furnish to the Engineer-in-Charge the following :-

- i) A declaration in the prescribed form (Form No.20 - Rule 42 (1) of KVAT Act 2003) showing his tax liability in relation to the works under this contract by the contractor and countersigned by the assessing authority.
- ii) Quarterly certificate issued by the assessing authority in Form No.20A - Rule 42 (1) of KVAT Act 2003, showing the tax liability or tax remittance of the contractor in relation to the contract upto the end of the previous quarter of the running bill under consideration for the payment (This is not applicable in the case of 1st Running Account bill).
- iii) Liability certificate in Form No.20 B - Rule 42 (1) of KVAT Act 2003 issued by the assessing authority before making the final payment.

b. If the contractor is not opting for the declared rate of tax as mentioned above and is not furnishing necessary certificates in the prescribed form, the tax shall be deducted @ 12.50%.

c. Notwithstanding the above, in case the contractor produce certificate in Form No. 20 E - Rule 42 (5) of KVAT Act 2003 granting exemption for payment of the tax from the assessing authority, the tax shall not be deducted from the payment due to the contractor.

d. In the case of contractors not registered under the KVAT Act, the rate of the tax shall be 12.50%.

Any stipulation by a tenderer that Income tax/Sales Tax/KVAT/any other statutory taxes deductible from these bills should be borne by the Port Trust will result in the summary rejection of his /their tender”.

II. In ‘Conditions of Contract’ of GCC:

(i) Clause 9 : Payment of Final Bill -

The clause is replaced by the following:

“The final bill shall be submitted by the contractor in the same manner as specified in interim bills within three months of physical completion of the work or within one month of the date of the final certificate of completion furnished by the Engineer-in-charge whichever is earlier. No further claims shall be made by the contractor after submission of the final bill and these shall be deemed to have been waived and extinguished. Payments of those items of the bill in respect of which there is no dispute and of items in dispute, for quantities and rates as approved by Engineer-in-Charge, will, as far as possible be made within 3 months period, the period being reckoned from the date of receipt of the bill by the Engineer-in-Charge or his authorised Asst. Engineer / Asst. Exe. Engineer, complete with account of materials issued by the Department and dismantled materials.”