**Annexure-II**

**Amendment No. 17:** A separate Clause regarding **Payment terms for turn key projects** as an interim measure for six months (to be reviewed in April-May 2018) has been added as clause 11B of Section-III under Payment Terms , as per below :

**Clause 11 of Section-III : Payment Terms**

## **B. For Turn-Key Projects:**

Payment shall be made in Indian Rupees. Payment Terms shall be as follows:

**11.1 (a)** The vendor shall issue invoice for supplies on actual basis as per Delivery Schedule mentioned in the APO/PO.

**(b)** The First milestone payment for each invoice along with 100% GST amount on invoice value shall be released through RTGS and the balance payment (excluding of GST) will be withheld and converted into interest free Refundable Security Deposit to ensure satisfactory performance of contract as per P.O. terms and conditions including timely delivery of goods and services and commissioning and installation.

1. Payment due on subsequent stages shall be released by way of releasing the due amount from Refundable Security Deposit on attaining the various milestones mentioned in clause 11.2(b) & (c) below subject to satisfactory performance of contract as per P.O. terms and conditions.
2. Any claim of MTNL arising out of any penalty, LD or any other claim of MTNL arising out of the contract shall be recovered from the First mile stone payment or while refund of Security Deposit in subsequent stages.

**11.2 (a)** 50% of Equipment cost(along with GST on 100% invoice value) will be paid on supply of ordered MNPGW including all associated accessories required for their successful installation & commissioning including integration in the network.

**(b)** 30% of the Equipment Cost (excluding GST) and 80% of Services Cost(along with GST on 100% invoice value) of the ordered MNPGW will be released from security deposit after deducting any penalty, L.D. or other claim of MTNL on successful installation & commissioning of ordered MNPGW along with their integration in the network and successful completion of their AT (without any critical/ major pending points).

**(c)** 20% of the Equipment Cost(excluding GST) and 20% of Services Cost(excluding GST) of the ordered MNPGW will be released from security deposit (after deducting any penalty, L.D. or other claim of MTNL) after successful completion of their AT/VT and closure of all pending AT/VT points as per due procedure.

**Note:** The actual payment conditions for new products of procurements having installation & AMC services may be decided on case to case basis and incorporated in special condition of the contract.

* 1. The AMC payment shall be invoiced quarterly in arrears and payments (including GST) shall be released subject to successful execution of work under the AMC Agreement (as per Annexure-I of Section-IV).
  2. **(i)** Necessary declaration, statutory forms (if any) shall be provided by MTNL to avail concessional rate of tax wherever applicable.
  3. No payment will be made for goods rejected at the site on testing .For goods rejected at the site on testing the credit note shall be issued by the supplier, failing which the purchaser shall adjust the amount to be recovered by issuing an invoice/debit note for the corresponding amount at the risk and cost to the supplier including applicable GST,if any.
  4. Payment of GST/Custom duty shall be released on production of necessary supporting documents i.e. GST/customs invoices etc. If the supplier fails to furnish necessary supporting documents i.e. GST invoice/Customs invoices etc., the amount pertaining to such Duties/Taxes will not be paid. Tax amount will be payable to the supplier only after supplier declares the details of the invoices in its GSTR-1 and GSTR-3 and the same is reflected in GSTR-2A of MTNL on GSTN portal.
  5. Wherever domestic reverse charge is applicable on MTNL or in case vendor is un-registered under GST Act, vendor shall not charge tax on invoice. It shall be the liability of MTNL to pay tax under reverse charge mechanism.
  6. No payment of GST shall be made to those bidders, who are either not registered for GST or who are registered under Composition Scheme of GST.
  7. If status of a bidder who was initially registered on GST under Composition Scheme at the time of submission of financial bid, subsequently his status changes to normal GST registered vendor any time before delivery of Goods (raising invoice against delivery of Goods), under such circumstance, his unit price will be discounted by the applicable Tax rate as applicable under the composition scheme. In such cases if the vendor furnishes necessary supporting documents regarding GST payment and which is also GST credit eligible amount to MTNL in such cases the GST payment will be reimbursed.
  8. Entire payment of invoice shall be paid by MTNL only after the credit of the GST portion in the invoice is selected in the GSTN portal i.e. the outward return in GSTR 1 is uploaded by the supplier by 10th of the subsequent month and duly reflected in MTNL account on GSTN portal.
  9. TDS/ TCS shall be deducted at the prescribed rate, if any (as the case may be)

**11.5** For claiming this payment the following documents are to be submitted to the paying authority.

1. Invoice clearly indicating break up Price CIF-destination and GST.
2. Delivery Challan
3. Supplier certificate for dispatch
4. Inspection Certificate of QA (Payable copy in original)
5. The E-waybill as prescribed in the GST law in case of movement of goods (for both intra-state and inter-state movement)
6. Proof of payment of GST, if applicable.
7. Consignee receipt.