SPEED POST
REMINDER

HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED
(A state Govt. undertaking)
Registered office: Vidyut Bhawan, HPSEBL, Shimla-171004
CIN: U40109HP2009SGC031255
GST No. 02AACCH4894EHZB
Phone No. 0177-2801762 (Office), 0177-2658908 (FAX)
Website: www.hpseb.com

No.HPSEBL/F&A/CPC/Misc.(Insructions/2019- — 1863-2062 Dated 9/10/19

To

All the Chief Engineer in HPSEBL
All the Dy. Chief Engineers/ Superintending Engineers , in HPSEB Ltd.
All DDO's in HPSEB Ltd.

Sub: Deduction of GST on Liquidated Damages.

Sir,

Kindly refer to this office letter No.HPSEBL/F&A/CPC/Misc.(Instructions/2019-465-564 dated 31.5.2019 vide which it has been informed that GST is leviable on all the purchase orders/bills of suppliers/contractors which are passed on or after 1-07-17 and according to GST rules if liquidated damages are deducted from the suppliers/contractors bills, the GST @ 18% should be deducted on the amount of Liquidated Damages from the bills. As per the terms and conditions mentioned in purchase order, Liquidated Damage Clause has been incorporated for delay in supply of material/completion of work and the bills are passed accordingly but there is no mentioin regarding GST on LD. The Liquidated Damages if due, are required to be deducted from the bills of the suppliers/contractors and invoice has to be raised for GST on LD to concerned firm/contractor/supplier accordingly. It has been observed that GST invoice on Liquidated Damages is not being raised by some of the DDO's to concerned supplier/contractor of GST.

You are therefore, requested to direct all the accounting units under your control to raise the invoice of Liquidated Damages deducted and the GST @18% thereon through concerned firm/supplier/contractor and also supply the copy of invoice alongwith SMB page to this office for processing the bills. If SMBs/bills are received without LD/GST invoice the same shall not be entertained and returned for doing the needful. Liquidated Damage, if any raised at unit level be informed/intimated to Head Office in Annexure-4 of GST return being supplied on monthly basis to Head Office. Further, the consignee store/DDO of the division while sending the bills to Accounts Officer(CPC) shall ensure that copy of the invoice of LD and GST should be attached with the bills and accordingly the GST applicable on the amount of LD should be shown in Annexure-IV of the return. Any further clarification in the matter may also be obtained from the Retainer Consultant Sh.Ravi Awasthi, CA (Mob.93188-10630), & Sh. Sunil Khanna, CA (Mob.93188-10515). Any delay i.e. non-raising of GST invoice on LD to supplier/contractor on and penalty if any, imposed due to submission of incorrect GST return shall be placed in the PLA of concerned Drawing & Disbursing Officer.

Yours faithfully,

Chief Accounts Officer,
F&A Wing, HPSEB Ltd.,
Shimla-171004.
9/10/2019

Copy of above is forwarded to the following for information:

1. The Sr. Private Secretary to the Managing Director/Director (F&A)/(OP)/(Tech.) HPSEB Ltd. Shimla for kind information of Worthy Managing Director/Directors please.
2. All the Sr. Accounts officers/Accounts Officers, F&A Wing, HPSEBL, Shimla.
3. The Superintending Engineer (IT), HPSEBL, Vidyut Bhawan Shimla-4 for uploading the instruction in HPSEBL website.
4. All the AAO's of accounting units for information and necessary action. They have to ensure proper implementations of these instructions and the monitoring of the same.
5. All the Supdt.(D/A) in divisions for strict compliance.

Chief Accounts Officer,
F&A Wing, HPSEB Ltd.,
Shimla-171004
9/10/2019

T.R.No.274

dt.10-10-2019