



GOVERNMENT OF KARNATAKA

***DEPARTMENT OF PRINTING, STATIONERY AND PUBLICATIONS,
8TH MILE, MYSORE ROAD, R.V. COLLEGE POST,
BENGALURU-560 059***

Phone: 28484515 Fax: 28484518

**TENDER DOCUMENT FOR HIRING OF AUDITOR/AUDIT FIRM FOR
GST DOCUMENTS REGULARIZATION AND PERFORMANCE OF GST RETURNS FILING
FOR THE YEAR 2021-22 & 2022-23
(Under e-procurement)**

TENDER NOTIFICATION NO: DPS 43 CST (G) 2020-21, DATED: 01.04.2021

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SECTION-I
GOVERNMENT OF KARNATAKA

OFFICE OF THE DIRECTOR OF PRINTING, STATIONERY AND PUBLICATIONS

8th Mile, Mysore Road, R.V. College Post, Bengaluru –560 059

Phone: 080-2848 4515, Fax: 080-2848 4518

CALENDER OF EVENTS

TENDER REFERENCE AND DATE OF NOTIFICATION	:	DPS 43 CST (G) 2020-21, Dt.01.04.2021
LAST DATE FOR ONLINE SUBMISSION OF TENDERS	:	20.04.2021

TIME AND DATE OF OPENING OF BIDS

PRE-BID MEETING	:	08.04.2021
BID OPENING	:	21.04.2021
PLACE OF OPENING OF TENDERS	:	THROUGH ONLINE
ADDRESS FOR COMMUNICATION	:	THE ABOVE ADDRESS
NO OF PAGES IN THIS TEND DOCUMENT	:	59

SECTION II
GOVERNMENT OF KARNATAKA

OFFICE OF THE DIRECTOR OF PRINTING, STATIONERY AND PUBLICATIONS

8th Mile, Mysore Road, R.V. College Post, Bengaluru –560 059

Phone: 080-2848 4515, Fax: 080-2848 4518

Brief Tender Notification
(Under e-procurement)

DPS 43 CST (G) 2020-21, DATED: 01.04.2021

Online tenders are invited under KTPP Act 1999 and rules made there under, in Two Bid System from Registered Individual Auditor or Auditing Firm who's Registered Office or Head Office is located within Bengaluru who fulfill the eligibility conditions of the Tender Document for performance of GST document regularization and Monthly & Annual Returns filing of GST for the year 2021-22 & 2022-23 of the Department of Printing, Stationery and Publications, Government of Karnataka. Estimated total value of the Tender is about **Rs.2.00 lakhs. Payment of EMD has been exempted as per finance department order no. FD 675 Exp-12/2020, dt, 22.12.2020.** The detailed Tender Document may be downloaded from web site <https://eproc.karnataka.gov.in>. **The Pre-bid meeting will be held on 08.04.2021 at 12.30 pm at the above mentioned address.** The Tender shall be submitted online before 20.04.2021 17.30 hrs. The bids shall be opened online at 11.00 hrs. on 21.04.2021 as per e-procurement procedure. For any further clarification above office may be contacted.

-sd-
Director

SECTION III: INSTRUCTIONS TO TENDERERS

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SECTION III

INSTRUCTION TO TENDERERS

A. Introduction

1. Eligible Tenderers

- 1.1 Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by Government of Karnataka or shall not be declared as 'black listed' by this Department.
ALSO SEE CLAUSE 11 AND SECTION VII

2. Cost of Tendering:

- 2.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and THE DIRECTOR OF PRINTING, STATIONERY AND PUBLICATIONS hereinafter referred to as "the Purchaser", will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the tender process.

B. The Tender Documents

3. Contents of Tender Documents

- 3.1 The required, tendering procedures and contract terms are prescribed in the tender documents. In addition to the Invitation for Tenders, the tender documents include:
- (a) Instruction to Tenderers (ITT);
 - (b) General Conditions of Contract (GCC);
 - (c) Special Conditions of Contract (SCC);
 - (d) Schedule of Requirements;
 - (e) Qualification Criteria;
 - (f) Tender Form and Price Schedules;
 - (g) Contract Form;
 - (h) Performance Security Form;
 - (i) Performance Statement Form;

- 3.2 The Tenderer is expected to examine all instructions, forms, terms, and specifications in the tender documents. Failure to furnish all information required by the tender documents or submission of a tender not substantially responsive to the tender documents in every aspect will be at the Tenderer's risk and may result in rejection of its tender.

4. Clarification of Tender Documents

- 4.1 A prospective Tenderer requiring any clarification of the tender documents may notify the Purchaser in writing at the Purchaser's mailing address indicated in the Invitation for Tenders. The Purchaser will respond in writing to any request for clarification of the tender documents which it receives not later than two days prior to the deadline for submission of tenders prescribed by the Purchaser. The response will be published on the e-portal or will be sent by e-mail no other mode of correspondence will be made.

5. Amendment of Tender Documents

- 5.1 At any time prior to the deadline for submission of tenders, the Purchaser may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective tenderer, modify the tender documents by amendment.
- 5.2 Any amendments will be published only in the e-procurement portal.
- 5.3 In order to allow prospective tenderers reasonable time in which to take the amendment into account in preparing their tenders, the Purchaser, at its discretion, may extend the deadline for the submission of tenders.

C. Preparation of Tenders

6. Language of Tender

- 6.1 The tender prepared by the Tenderer, as well as all correspondence and documents relating to the tender exchanged by the Tenderer and the Purchaser, shall be written in Kannada/English language. Supporting documents and printed literature furnished by the Tenderer may be in another language provided they are accompanied by an accurate translation of the relevant passages in the English language in which case, for purposes of interpretation of the Tender, the translation shall govern.

7. Documents Constituting the Tender

- 7.1 i) The tender prepared by the tenderer shall comprise the following components

- a) Technical Bid
- b) Financial Bid

ii) **Documents that form the Technical Bid are as follows.**

- a) Registration Certificate of GST.
- b) Latest GST Returns filed for the month of February, 2021 or March, 2021.
- c) Annual/Monthly GST Returns filed for the year 2018-19 and 2019-20.
- d) Acknowledgement of IT returns filed for the assessment year 2019-20 and 2020-21.
- e) Document with related to empanelment with C & AG/State AG.
- f) Self-attested copy of certificate of ICAI.
- g) Copy of PAN Number.
- h) List of Clients and Past experience/Performance related documents as per Section-XII.
- i) Details of the address of Registered Office/Head Office with contact details.
- j) EMD declaration form as per Section-XIII.
- k) Declaration that you have read and understood the Advance Ruling dt.18.03.2020 as produced in Section-XIV.

iii) **Documents that form the Financial Bid**

- a) The rate shall have to be quoted online in the formats provided in the portal.

Note: Non submission of any of the above documents may cause the tender to be disqualified. Therefore the tenderers are requested to submit all the documents. For non-submission of any documents shall be properly justified.

8. Tender Form

- 8.1 As per e-procurement portal.

9. Tender Prices

- 9.1 The Tenderer shall indicate the price for the execution of the work as per schedule of requirements. To this end, the Tenderers are allowed the option to submit the tenders for any one or more schedules specified in the 'Schedule of Requirements'. The evaluation will be made item-wise only even within each schedule.
- 9.2 Prices indicated on the Price Column in the e-portal shall be inclusive of all charges and Taxes, etc.,
- 9.3 Prices quoted by the Tenderer shall be fixed during the Tenderer's performance of the Contract and not subject to variation on any account. A tender submitted with an adjustable price quotation will be treated as non-responsive and rejected, pursuant to ITT Clause 22.

However, any increase in the rate of taxes as a part of statutory obligation shall be paid by the purchaser provided that the relative merit and L-1 position of the Tenderer do not change. Similarly if there is any reduction the same shall be to the credit of the purchaser.

10. Tender Currency

- 10.1 Prices shall be quoted in Indian Rupees:

11. Documents Establishing Tenderer's Eligibility and Qualifications

- 11.1 Pursuant to ITT Clause 7, the documents furnished by the Tenderer shall establish the Tenderer's eligibility to tender and its qualifications to perform the Contract if its tender is accepted
- 11.2 The documentary evidence of the Tenderer's qualifications to perform the Contract if its tender is accepted, shall establish to the Purchaser's satisfaction that the Tenderer has the financial, technical, and all other capability necessary to perform the Contract and meets the criteria outlined in the Qualification requirements specified in [Section VII](#). To this end, all tenders submitted shall include the following information:
- (i) The legal status, place of registration and principal place of business of the company or firm or partnership, etc.;
 - (ii) Details of experience and past performance of the tenderer in providing such services and on those of similar nature within the past three years and details of current contracts in hand and other commitments;

12. Documents Establishing Services' Eligibility and Conformity to Tender Documents

- 12.1 Pursuant to ITT Clause 7, the Tenderer shall furnish, as part of its tender, documents establishing the eligibility and conformity to the tender documents of all services which the tenderer proposes to provide under the contract to the purchaser's satisfaction.

13 Earnest Money Deposit (payment of EMD has been exempted)

- 13.1 Pursuant to ITT Clause 7, the Tenderer shall furnish, as part of its tender, earnest money deposit in the amount as specified in [Section-VI](#) - Schedule of Requirements.
- 13.2 The earnest money deposit is required to protect the Purchaser against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to ITT Clause 13.7.
- 13.3 EMD and tender processing fee should be paid through e-payments.(credit card, direct debit(internet banking), NEFT(National Electronic Fund Transfer), OTC(Over the counter)).
- 13.4 Any tender not secured in accordance with ITT Clauses 13.1 and 13.3 above will be rejected by the Purchaser as non-responsive, pursuant to ITT Clause 22.
- 13.5 Unsuccessful Tenderer's earnest money deposit will be discharged/returned as promptly as possible, but not later than 90 days after the expiration of the period of tender validity prescribed by the Purchaser, pursuant to ITT Clause 14.
- 13.6 The successful Tenderer's earnest money deposit will be discharged upon the Tenderer signing the Contract, pursuant to ITT Clause 30, and furnishing the performance security, pursuant to ITT Clause 31.
- 13.7 The tender security may be forfeited:
- (a) if a Tenderer (i) withdraws its tender during the period of tender validity specified by the Tenderer on the Tender Form; or (ii) does not accept the correction of errors pursuant to ITT Clause 22.2; or
 - (b) in case of a successful Tenderer, if the Tenderer fails:
 - (i) to sign the Contract in accordance with ITT Clause 30; or
 - (ii) to furnish performance security in accordance with ITT Clause 31.

14. Period of Validity of Tenders and Period of Contract

- 14.1 Tenders shall remain valid for 90 days after the deadline for submission of tenders prescribed by the Purchaser, pursuant to ITT **Clause 17**. A tender valid for a shorter period shall be rejected by the Purchaser as non-responsive.
- 14.2 In exceptional circumstances, the Purchaser may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing (or by cable or telex or fax). The earnest money deposit provided under ITT **Clause 13** shall also be suitably extended. A Tenderer may refuse the request without forfeiting its earnest money deposit. A Tenderer granting the request will not be required nor permitted to modify its tender.
- 14.3 **The essence of this Contract is performance of the activities mentioned in Section-VI Schedule of Requirements and hence the contract is valid till completion of this work.**

D. Submission of Tenders

15. Method of Submission

- 15.1 The tenders shall be submitted online in accordance with the provisions of the e-portal.

16. Time for Submission of Tenders

- 16.1 Tenders are required to be submitted online within the time and date stipulated. It is impossible to submit later and therefore the Tenderers shall take all precautions to upload the information well within the stipulated time.
- 16.2 The Purchaser may, at its discretion, extend this deadline for submission of tenders by amending the tender provisions in accordance with ITT Clause 5, in which case all rights and obligations of the Purchaser and Tenderers previously subject to the deadline will thereafter be subject to the deadline as extended.

17. Late Tenders

- 17.1 E-tendering shall not provide for submission of tenders after the expiry of the deadline for the submission of tenders.

18. Modification and Withdrawal of Tenders

- 18.1 The tenders may be modified only in accordance with the provisions under e-portal.
- 18.2 No tender may be modified subsequent to the deadline for submission of tenders.
- 18.3 No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified. Withdrawal of a tender during this interval may result in the Tenderer's forfeiture of its earnest money deposit, pursuant to ITT Clause 13.7.

E. Tender Opening and Evaluation of Tenders

19. Opening of Tenders by the Purchaser

- 19.1 As per e-procurement procedure the tenders will be opened online at the stipulated time and date. The tenderers may opt to be present in the office of the Purchaser or they opt to see the opening online from their place which is possible in the E-portal.

20. Clarification of Tenders

- 20.1 During evaluation of tenders, the Purchaser may, at its discretion, ask the Tenderer for a clarification of its tender. The request for clarification and the response shall be in writing and no change in prices or substance of the tender shall be sought, offered or permitted.

21. Preliminary Examination

- 21.1 (a) The Purchaser will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed (Wherever applicable), and whether the tenders are generally in order.
- (b) The experience of the tenderer shall be accessed based on the works being executed by the tenderer.
- 21.2 The tender prices quoted in the e-portal price schedule will only be considered. Any information provided in the uploaded documents will only be for clarifications, break up etc.
- 21.3 **The Purchaser may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation, provided such a waiver does not prejudice or affect the relative ranking of any Tenderer.** However it may be noted that this clause will be invoked when there is lack of competition, when all the tenderers are at default for one reason or the other, when there is no time for retendering or any such other circumstances.

- 21.4 Prior to the detailed evaluation, pursuant to ITT Clause 23, the Purchaser will determine the substantial responsiveness of each tender to the tender documents. For purposes of these Clauses, a substantially responsive tender is one which conforms to all the critical parameters of the tender documents like experience, Turnover etc. without material deviations. Deviations from or objections or reservations to critical provisions such as those concerning Performance Security (GCC Clause 5), Force Majeure (GCC Clause 19), Limitation of liability (GCC Clause 23), Applicable law (GCC Clause 25), and Taxes & Duties (GCC Clause 27) will be deemed to be a material deviation. The Purchaser's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.
- 21.5 If a tender is not substantially responsive, it will be rejected by the Purchaser and may not subsequently be made responsive by the Tenderer by correction of the non-conformity.
- 22. Evaluation and Comparison of Tenders**
- 22.1 The Purchaser will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to ITT Clause 22 for each schedule separately. No tender will be considered if the complete requirements covered in the schedule is not included in the tender.
- 22.2 The Purchaser's evaluation of a tender will exclude and not take into account:
- (a) any allowance for price adjustment during the period of execution of the Contract, if not provided in the tender.
- 22.3 The Purchaser's evaluation of a tender will take into account in addition to the tender price F.O.R. DESTINATION the following factors, in the manner and to the extent indicated in ITT Clause 22.4:
- (a) delivery schedule mentioned in Schedule of Requirement;
 - (b) deviations in payment schedule from that specified in the Special Conditions of Contract;
- 22.4 Pursuant to ITT Clause 22.3, one or more of the following evaluation methods will be applied:
- (a) *Time Schedule:*
 - (i) The Purchaser requires that the Services under the Invitation for Tenders shall be delivered at the time specified in the Schedule of Requirements. Variations in the time schedule will be treated as unresponsive.
 - (b) *Deviation in Payment Schedule:*

The Special Conditions of Contract stipulate the payment schedule offered by the Purchaser. If a tender deviates from the schedule and if such deviation is considered acceptable to the Purchaser, the tender will be evaluated by calculating interest earned for any earlier payments involved in the terms outlined in the tender as compared to those stipulated in this invitation, at a rate of 14% percent per annum.
- 23. Contacting the Purchaser**
- 23.1 Subject to ITT Clause 20, no Tenderer shall contact the Purchaser on any matter relating to its tender, from the time of the tender opening to the time the Contract is awarded. If the tenderer wishes to bring additional information to the notice of the purchaser, it should do so in writing.
- 23.2 Any effort by a Tenderer to influence the Purchaser in its decisions on tender evaluation, tender comparison or contract award may result in rejection of the Tenderer's tender.

F. Award of Contract

24. Pre-qualification / Post-qualification

- 24.1 The prequalification, of the Tenderer's will be made by evaluating the technical bids as provided in KTPP Act & Rules.
- 24.2 The determination will take into account the Tenderer's financial and technical capabilities. It will be based upon an examination of the documentary evidence of the Tenderer's qualifications submitted by the Tenderer, pursuant to ITT Clause 11, as well as such other information as the Purchaser deems necessary and appropriate.

- 24.3 ***An affirmative determination will be a pre-requisite for opening the Financial bids. A negative determination will result in rejection of the Tenderer's tender***
- 24.4 Normally, the Lowest Financial bids will be considered unless the Financial bid itself is treated as Invalid for appropriate reasons such as non fulfillment of the clauses of GST etc.,
- 25. Award Criteria**
- 25.1 Subject to ITT Clause 28, the Purchaser will award the Contract to the successful Tenderer whose tender has been determined to be substantially responsive and has been determined as the lowest evaluated tender, provided further that the Tenderer is determined to be qualified to perform the Contract satisfactorily.
- 26. Purchaser's right to vary Contract Period**
- 26.1 The Purchaser reserves the right to increase or decrease the contract period by appropriate time without any change in price or other terms and conditions during the Contract Period.
- 27. Purchaser's Right to Accept Any Tender and to Reject Any or All Tenders**
- 27.1 The Purchaser reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected Tenderer or Tenderers.
- 28. Notification of Award**
- 28.1 Prior to the expiration of the period of tender validity, the Purchaser will notify the successful tenderer in writing by registered letter, e-mail or by cable/telex or fax, to be confirmed in writing by registered letter, that its tender has been accepted.
- 28.2 **The notification of award will constitute the formation of the Contract.**
- 28.3 Upon the successful Tenderer's furnishing of performance security pursuant to ITT Clause 30, the Purchaser will promptly notify the name of the winning Tenderer to each unsuccessful Tenderer and will discharge its earnest money deposit, pursuant to ITT Clause 13.
- 28.4 If, after notification of award, a Tenderer wish to ascertain the grounds on which it's tender was not selected, it should address its request to the Purchaser. The Purchaser will promptly respond in writing to the unsuccessful Tenderer.
- 29. Signing of Contract**
- 29.1 At the same time as the Purchaser notifies the successful tenderer that its tender has been accepted, the Purchaser will send the Tenderer the Contract Form provided in the tender documents, incorporating all agreements between the parties.
- 29.2 Within seven days of receipt of the Contract Form, the successful Tenderer shall sign and date the Contract and return it to the Purchaser.
- 30. Performance Security**
- 30.1 Within seven days of the receipt of notification of award from the Purchaser, the successful Tenderer shall furnish the performance security in accordance with the Conditions of Contract, in the Performance Security Form provided in the tender documents or in another form acceptable to the Purchaser.
- 30.2 Failure of the successful Tenderer to comply with the requirement of ITT Clause 30.2 or ITT Clause 31.1 shall constitute sufficient grounds for the annulment of the award and forfeiture of the earnest money deposit, in which event the Purchaser may make the award to the next lowest evaluated Tenderer or call for new tenders.
- 31. Corrupt or Fraudulent Practices**
- 31.1 The Government requires that Tenderers/Contractors observe the highest standard of ethics during the performance and execution of Government financed contracts. In pursuance of this policy, the Government:
- (a) defines, for the purposes of this provision, the terms set forth as follows :

- (i) “corrupt practice” means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution; and
- (ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Government, and includes collusive practice among Tenderers (prior to or after tender submission) designed to establish tender prices at artificial non-competitive levels and to deprive the Government of the benefits of free and open competition;
- (b) will reject a proposal for award if it determines that the Tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;
- (c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a Government financed contract if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, a Government-financed contract.

31.2 Furthermore, Tenderers shall be aware of the provision stated in sub-clause 4.4 and sub-clause 19 & 23 of the General Conditions of Contract.

SECTION-IV
GENERAL CONDITIONS OF CONTRACT
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SECTION IV – GENERAL CONDITIONS OF CONTRACT

1. Definitions

1.1 In this Contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between the Purchaser and the Tenderer, as recorded in the Contract Form signed by the parties, including all the attachments and appendices thereto and all documents incorporated by reference therein;
- (b) "The Contract Price" means the price payable to the Tenderer under the Contract for the full and proper performance of its contractual obligations;
- (c) "Services" means services ancillary to the services provided and any other incidental services.
- (d) "GCC" means the General Conditions of Contract contained in this section.
- (e) "SCC" means the Special Conditions of Contract.
- (f) "The Purchaser" means the organization procuring the services, as named in SCC.
- (g) "The Purchaser's country" is the country named in SCC.
- (h) "The Tenderer" means the individual or firm providing of the Services under this Contract.
- (i) "The Government" means the Government of Karnataka State.
- (j) "The Project Site", where applicable, means the place or places named in SCC.
- (k) "Day" means calendar day.

2. Application

2.1 These General Conditions shall apply to the extent that they are not superseded by provisions in other parts of the Contract.

3. Standards

3.1 The Services provided under this Contract shall conform to the standards mentioned in the Technical Requirements, and, when no applicable standard is mentioned to the authoritative standard appropriate to the service standards shall be the latest issued by the Tenderer.

4. Use of Contract Documents and Information; Inspection and Audit by the Government

- 4.1 The Tenderer shall not, without the Purchaser's prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Tenderer in performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only, so far as may be necessary for purposes of such performance.
- 4.2 The Tenderer shall not, without the Purchaser's prior written consent, make use of any document or information enumerated in GCC Clause 4.1 except for purposes of performing the Contract.
- 4.3 Any document, other than the Contract itself, enumerated in GCC Clause 4.1 shall remain the property of the Purchaser and shall be returned (in all copies) to the Purchaser on completion of the Tenderer's performance under the Contract if so required by the Purchaser.
- 4.4 The Tenderer shall permit the Government to inspect the Tenderer's accounts and records relating to the performance of the Tenderer and to have them audited by auditors appointed by the Government, if so required by the Government

5. Performance Security/Materials security

- 5.1 Within seven days of receipt of the notification of contract award, the Tenderer shall furnish Performance Security to the Purchaser for an amount of 3% of the Contract Value, valid up to 60 days after the date of completion of performance obligations.
- 5.2 The proceeds of the performance security shall be payable to the Purchaser as compensation for any loss resulting from the Tenderer's failure to complete its obligations under the Contract.
- 5.3 The Performance Security shall be denominated in Indian Rupees and shall be in one of the following forms:
- (a) A Bank guarantee or irrevocable Letter of Credit, issued by a Nationalized/Scheduled bank in the form provided in the tender documents or another form acceptable to the Purchaser; or
 - (b) A cashier's cheque or Banker's certified cheque, or crossed demand draft or pay order drawn in favour of the Purchaser.; or
 - (c) Specified small savings instruments pledged to the Purchaser.
- 5.4 The Performance Security will be discharged by the Purchaser and returned to the Tenderer not later than 90 days following the date of completion of the Tenderer's performance obligations, including any Warranty obligations, under the Contract.
- 5.5 In the event of any contract amendment, the Tenderer shall, within 20 days of receipt of such amendment, furnish the amendment to the Performance Security, rendering the same valid for the duration of the Contract as amended for 60 days after the completion of performance obligations including Warranty obligations.

6. Quality Evaluation of the performance

- 6.1 The Purchaser or its representative shall have the right to evaluate the quality of the work executed by the operators provided by the agency. If the quality of the work turned out is not up to the expectations of the Purchaser the agency shall have to replace the candidate.
- 6.2 If the Supplier fails to provide the services to the satisfaction of the Purchaser, such a situation may attract the penal clauses or termination and forfeiture of the EMD.

7 Working Guidelines

- 7.1 The staff of the service provider shall work as per the instruction from the purchaser.
- 7.2 The staff may also visit various divisional offices of this department for consolidation of the required information or data.

8. Performance of the Contract & submission of the Bills

- 8.1 Delivery of the Service shall be made by the Tenderer in accordance with the terms specified by the Purchaser in the Notification of Award.
- 8.2 It is responsibility of the tenderer to provide the required service as stipulated in the tender document. In the event of the tenderer failing to adhere to this condition the purchaser reserves the right to procure the required service at its own discretion from the other tenderer or open market or in whatever way it feels appropriate without notice to the tenderer & the difference in cost if any, will be recovered from the tenderer.**
- 8.3 The tenderer shall maintain all the required register as per the relevant acts & rules.
- 8.4 The bills shall be submitted once in three months after completion of the assigned work.

9. Incidental Services

- 9.1 The Tenderer may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
- (a) Inspection of the defected service at the place of performance on intimation and timely correction of the same.
 - (b) To Supervise and provide guidance about any quality problems that may arise at the time of performance.

- 9.2 Prices charged by the Tenderer for incidental services, if not included in the Contract Price for the Services, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the Tenderer for similar services.

10. Payment

- 10.1 The method and conditions of payment to be made to the Tenderer under this Contract shall be specified in the SCC.
- 10.2 The Tenderer's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Services performed, and by documents, submitted pursuant to GCC Clause 7, and upon fulfillment of other obligations stipulated in the contract.
- 10.3 Payments will be made normally in about 60 days after submission of the invoice or claim by the Tenderer if all other terms are complied with.
- 10.4 Final Payment of the last three months will be made only after completion of the annual returns filling of the respective year.
- 10.5 Payment will be made in Indian Rupees through Cheque, DD or e-payment.

11. Prices

- 11.1 Prices payable to the Tenderer as stated in the contract shall be same during the performance of the contract with the exception mentioned in clause 9.2 of ITT.

12. Change Orders

- 12.1 The Purchaser may at any time, by written order given to the Tenderer pursuant to GCC Clause 25, make changes within the general scope of the Contract in any one or more of the following:
- (a) the services to be provided by the Tenderer;
 - (b) the place of performance of the services within the city limits;
- 12.2 If any such change causes an increase or decrease in the contract price, or the time required for, the Tenderer's performance of any provisions under the Contract, an equitable adjustment shall be made in the Contract Price or time schedule, or both, and the Contract shall accordingly be amended. Any claims by the Tenderer for adjustment under this clause must be asserted within thirty (30) days from the date of the Tenderer's receipt of the Purchaser's change order.

13. Contract Amendments

- 13.1 Subject to GCC Clause 12, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

14. Assignment

- 14.1 The Tenderer shall not assign, in whole or in part, its obligations to perform under the Contract, except with the Purchaser's prior written consent.

15. Subcontracts

- 15.1 The Tenderer shall notify the Purchaser in writing of all subcontracts awarded under this Contract if not already specified in the tender. Such notification, in his original tender or later, shall not relieve the Tenderer from any liability or obligation under the Contract.
- 15.2 Subcontracts must comply with the provisions of GCC Clause 2.

16. Delays in the Tenderer's Performance

- 16.1 Providing of the Services shall be made by the Tenderer in accordance with the time schedule specified by the Purchaser in the Schedule of Requirements.
- 16.2 If at any time during performance of the Contract, the Tenderer or its sub-contractor(s) should encounter conditions impeding timely delivery and performance of Services, the Tenderer shall promptly notify the Purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Tenderer's notice, the Purchaser shall evaluate the situation and may, at its discretion, extend the Tenderer's time for performance with or without liquidated damages, in which case the extension shall be ratified by the parties by amendment of the Contract.

- 16.3 Except as provided under GCC Clause 15, a delay by the Tenderer in the performance of its delivery obligations shall render the Tenderer liable to the imposition of liquidated damages pursuant to GCC Clause 17, unless an extension of time is agreed upon pursuant to GCC Clause 15 without the application of liquidated damages.

17. Liquidated Damages

- 17.1 If the Tenderer fails to provide the required service or to perform the Services within the period(s) specified in the Contract, the Purchaser shall, without prejudice to its other remedies under the Contract, deduct from the Contract Price, as liquidated damages.

18. Termination for Default

- 18.1 The Purchaser may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the Tenderer, terminate the Contract in whole or part:

- (a) if the Tenderer fails to provide any or all of the Services within the period(s) specified in the Contract, or within any extension thereof granted by the Purchaser pursuant to GCC Clause 15;
or
- (b) if the Tenderer fails to perform any other obligation(s) under the Contract.
- (c) If the Tenderer, in the judgment of the Purchaser has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of this Clause:

"Corrupt practice" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.

"Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Borrower, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Borrower of the benefits of free and open competition.

- 18.2 In the event the Purchaser terminates the Contract in whole or in part, pursuant to GCC Clause 20.1, or in the event of a failure or delay in providing the services, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, or Services similar to those not provided, and the Tenderer shall be liable to the Purchaser for any excess costs for such similar Services. However, the Tenderer shall continue the performance of the Contract to the extent not terminated.

19. Force Majeure

- 19.1 Notwithstanding the provisions of GCC Clauses 16, 17, 18, the Tenderer shall not be liable for forfeiture of its performance security, liquidated damages or termination for default, if and to the extent that, its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

- 19.2 For the purposes of this Clause, "Force Majeure" means an event beyond the control of the Tenderer and not involving the Tenderer's fault or negligence and not foreseeable. Such events may include, but are not limited to, acts of the Purchaser either in its sovereign or contractual capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, labour strikes and freight embargoes.

- 19.3 If a Force Majeure situation arises, the Tenderer shall promptly notify the Purchaser in writing of such conditions and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Tenderer shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

20. Termination for Insolvency

- 20.1 The Purchaser may at any time terminate the Contract by giving written notice to the Tenderer, if the Tenderer becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Tenderer, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Purchaser.

21. Termination for Convenience

21.1 The Purchaser, by ONE MONTHS written notice sent to the Tenderer, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of the Tenderer under the Contract is terminated, and the date upon which such termination becomes effective. The term convenience will include the – obsolescence of the technology, recruitment of staff on permanent basis, lack of works etc.

22. Settlement of Disputes

22.1 The Purchaser and the Tenderer shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the Contract.

22.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Purchaser or the Tenderer may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.

- (a) Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be finally settled by arbitration. Arbitration may be commenced prior to or after delivery of the Services under the Contract.
- (b) Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

22.3 Notwithstanding any reference to arbitration herein,

- (a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and
- (b) the Purchaser shall pay the Tenderer any money due to the Tenderer.

23. Limitation of Liability

23.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 5,

- (a) The Tenderer shall not be liable to the Purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Tenderer to pay liquidated damages to the Purchaser; and
- (b) The aggregate liability of the Tenderer to the Purchaser, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price

24. Governing Language

24.1 The contract shall be written in Kannada/English language. Subject to GCC Clause 24, English language version of the Contract shall govern its interpretation. All correspondence and other documents pertaining to the Contract which are exchanged by the parties shall be written in the same language.

25. Applicable Law

25.1 The Contract shall be interpreted in accordance with the laws of the Union of India.

26. Notices

26.1 Any notice given by one party to the other pursuant to this Contract shall be sent to other party in writing or by cable, telex or facsimile and confirmed in writing to the other Party's address specified in SCC.

26.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

27. Taxes and Duties

27.1 Tenderers shall be entirely responsible for all taxes, duties, license fees, octroi, road permits, etc., incurred until delivery of the contracted Services to the Purchaser.

SECTION V: SPECIAL CONDITIONS OF CONTRACT

TABLE OF CLAUSES

Item No.	Topic	Page Number
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2	Quality Evaluation of the Performance (GCC Clause 6)	20
3	Performance of the Contract & Submission of the Bills (GCC Clause 8)	20
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5	Settlement of Disputes (GCC Clause 22)	20
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SECTION V

SPECIAL CONDITIONS OF CONTRACT

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract. The corresponding clause number of the General Conditions is indicated in parentheses.

1. **Definitions (GCC Clause 1)**

- (a) The Purchaser is The Director, Dept. of Ptg., Stationery and Publications, Govt. of Karnataka
- (b) The Tenderer is

2. **Quality Evaluation of the Performance (GCC Clause 6)**

The effectiveness and the quality of services shall be inspected by the Officers nominated by the Purchaser or by a 3rd party approved by the purchaser.

3. **Performance of the Contract & Submission of the Bills (GCC Clause 8)**

Upon providing of the Services, the tenderer shall submit the bill in triplicate. The payment shall be made only after completion of the assigned work.

- (i) Three Copies of the Tenderer invoice showing contract number, services' description, quantity, unit price, total amount;

4. **Payment (GCC Clause 10)**

The payment shall be made normally in about 60 days from the date of receipt of the bill and after fulfillment of all the terms and conditions stipulated in the Contract.

5. **Settlement of Disputes (GCC Clause 22)**

The dispute settlement mechanism to be applied shall be as follows:

- (a) In case of Dispute or difference arising between the Purchaser and a domestic Tenderer relating to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Arbitration and Conciliation Act, 1996, by a Sole Arbitrator. The Sole Arbitrator shall be appointed by agreement between the parties; failing such agreement, by the appointing authority namely the Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Dispute Resolution (India). A certified copy of the appointment Order shall be supplied to each of the Parties.
- (b) Arbitration proceedings shall be held at Bengaluru Karnataka, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.
- (c) The decision of the arbitrators shall be final and binding upon both parties. The cost and expenses of Arbitration proceedings will be paid as determined by the Arbitrator. However, the expenses incurred by each party in connection with the preparation, presentation etc. of its proceedings shall be borne by each party itself.

6. **Notices (GCC Clause 26)**

For the purpose of all notices, the following shall be the address of the Purchaser and Tenderer.

Purchaser :

OFFICE OF THE DIRECTOR OF PRINTING, STATIONERY AND PUBLICATIONS
Government Central Press, R.V. College Post, 8th Mile, Mysore Road, Bengaluru – 560 059.
Ph: 080- 2848 4544, Fax: : 080-28484518

Tenderer: (To be filled in at the time of Contract signature)

.....

7. **Progress of Services Provided:**

Tenderer shall regularly intimate details of service provided, in writing, to the Purchaser as under:-

- Details of incidental services have been satisfactorily completed with date;
- Date of completion of entire Contract including incidental services, if any;
- Date of receipt of entire payments under the Contract;
- Any complaints received against the service being provided;

8. **Tenderer Integrity:**

The Tenderer is responsible for and obliged to conduct all contracted activities in accordance with the Contract using state-of-the-art methods and economic principles and exercising all means available to achieve the performance specified in the Contract.

9. **Tenderer's Obligations:**

- a. The Tenderer is obliged to work closely with the Purchaser, act within its own authority and abide by directives issued by the Purchaser and implementation activities.
- b. The Tenderer will treat as confidential all data and information about the Purchaser, obtained in the execution of his responsibilities, in strict confidence and will not reveal such information to any other party without the prior written approval of the Purchaser.

SECTION -VI
SCHEDULE OF REQUIREMENTS
No. DPS 43 CST (G) 2020-21, DATED: 01.04.2021

This department needs to maintain records and comply with the filing of returns with respect to Goods and Service Tax Act and Rules as per latest amendments and advance ruling no. KAR ADRG 11/2020, dt. 18.03.2020 as produced in Section-XIV. Due to shortage of qualified hands and trained staff it was decided to hire an auditor firm or individual auditor for regularization of records and filing of GST monthly and annual returns of period from 01.04.2021 to 31.03.2023. Government in this regard has accorded sanction through its letter no. ED 30 ESW 2018, dt.07.07.2018 and hence this tender.

Estimated Value for execution of this tender is Rs.2.00 lakhs. Payment of EMD has been exempted as per finance department order no. FD 675 Exp-12/2020, dt. 22.12.2020. Empanelled C & AG/State AG chartered accounts can only apply to this tender. An auditor or audit firm whose Head Office/Registered Office is located within Bengaluru is eligible to participate in the tender. The firm has to analyze all the required/relevant documents of this department and has to file GST monthly and annual returns from the period starting 01.04.2021 and has to carry out below listed activities any other related activities:-

Particulars of the service which shall be provided are as hereunder:-

1. Verification of Purchase and sales invoices to ensure proper payment and collection of GST respectively, compliance of statutory requirements as to the format and content of the purchase and sales invoices. Written reports to be issued for deviations, if any in this regard.
2. Verification and reporting of deviations, if any in accounting of purchases, sales, GST Input Credit, GST Output credit, GST liability knock off entries, GST TDS Deductions, GST TDS remittances, etc.
3. Preparation and submission of month-wise workings in MS-Excel format for GSTR-3B, GSTR-1 and Annual Returns, all data will be provided by management in excel format or similar format which can be easily convertible in excel format for preparation and submission of all return or specific rights will be provided to service provider in software used by company for the purpose of accounting to take the extract from the software for preparation of GST returns.
4. Timely filing of monthly GSTR-3B, monthly GSRT-1 and Annual returns GSTR-9.
5. Preparation and submission of month-wise workings in MS-Excel format for GSTR-7 and the certificates issued / to be issued.
6. Timely filing of monthly returns as tax deductor for GST TDS deductions done in Form GSTR-7.
7. Generation and Issue of GST tax deduction certificates for each months for each customers.
8. Preparation and submission of month-wise liability of GST to be remitted as taxpayer and tax deductor, separately along with interest and penalty, if any payable.
9. Ensure filing of GSTR-3B and GSTR-1 up-to March 31, 2021 and before the stipulated time so that department does not end up paying any interest and penalties, At least two working days will be provided to service provider to preparation and submission of monthly return. In case of unavoidable situation service provider will provide extra efforts to prepare and submit the monthly return in schedule time.
10. Identify & provide the list of purchases, if any, done without providing department GST nos. take necessary actions to ensure that department does not loose out on input credit on these purchases, and do the necessary liaison with the vendors.
11. Identify & provide the list of sales if any done without providing customer GST nos. take necessary actions to ensure that customer don't lose out on input credit & do the necessary liaison with the customers.

12. Issue of Report for each month on the level of compliances, your observations, deviations, if any done by department along with your recommendations.
13. All the above compliances to be done for HO and all the divisions and branches separately of the department.
14. Any penalties and interest, if any payable to the Govt. due to lack of quality of service and or delay in providing the services by you shall be deducted from the fees payable to you.
15. Issue of summary report on all the applicable provisions of GST Act, Rules, Notifications, Circulars, etc along with due date calendar for compliances to be done both as GST Tax payer and GST Tax Deductor.
16. Timely updating to department on applicable changes and amendments.
17. Supervision of all the works done by your juniors by a Chartered Accountant or a Partner and final review and discussion with management of the department by the signing partner.
18. To carry out the activities and to guide or bring to the notice of the Purchaser about various ways in which records to be maintained so as to simplify the procedures for filing of GST returns in time visit on weekly basis is mandatory.
19. Has to guide in proper maintenance of books of accounts as per GST Act.
20. Has to reconcile the monthly GST accounts and credit and cash ledgers in GST.
21. Has to file the returns with compliance of advance ruling no. KAR ADRG 11/2020, dt. 18.03.2020 produced in Section-XIV.
22. This department has been planning to create separate entity for handling of chargeable and non-chargeable works. Hence the participants should consider this aspect in performing all the duties as mentioned above for both the entities in the future if this comes to effect within the contract period.

In order to obtain more information on the work to be executed, it is considered desirable that a representative of the participating firm shall visit the office of The Director, Department of Printing Stationery & Publications, Government Central Press, 8th Mile, R.V. College Post, Mysuru Road, Bengaluru-560 059 for pre-bid meeting which is scheduled to be on 08.04.2021 at .30 pm before the tender is submitted.

SECTION VII

QUALIFICATION CRITERIA

(Referred to in Clause 11.2(b) of ITT)

- (1) Participating firm or auditor needs to be empaneled with C & AG/State AG and shall produce the relevant document along with past experience and list of clients.
- (2) The Participating tender shall have the turnover of atleast Rs.5.00 lakhs in each of the previous two years and produce relevant document to this effect.
- (3) For the convenience of the Purchaser Audit firm whose Head Office/Registered Office located within Bengaluru are only eligible to participate in the tender.
- (4) Since majority of the records maintained in this department are in Kannada language it is preferred that the participating firm shall be well versant in Kannada language.

SECTION VIII TENDER FORM

Date :.....

IFT No :.....

TO: (Name and address of purchaser)

Gentlemen and/or Ladies :

Having examined the Tender Documents including all sections, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to..... *(Description of Services)* in conformity with the said tender documents for the sum of*(Total tender amount in words and figures)* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this tender.

We undertake, if our tender is accepted, to provide the service as specified in the Schedule of Requirements.

If our tender is accepted, we will obtain the guarantee of a bank in a sum equivalent to percent of the Contract Price for the due performance of the Contract, in the form prescribed by the Purchaser.

We agree to abide by this tender for the Tender validity period specified in Clause 14.1 of the ITT and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal contract is prepared and executed, this tender, together with your written acceptance thereof and your notification of award, shall constitute a binding Contract between us.

We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will strictly observe the laws against fraud and corruption in force in India namely "Prevention of Corruption Act 1988".

We understand that you are not bound to accept the lowest or any tender you may receive.

We clarify/confirm that we comply with the eligibility requirements as per ITT Clause 1 of the tender documents.

Dated this day of 2021

(signature) (in the capacity of)

Duly authorized to sign Tender for and on behalf of _____

SECTION - IX
PRICE SCHEDULE
No: DPS 43 CST (G) 2020-21, Dt.: 01.04.2021

Schedule No.	Work Particulars	Total Amount inclusive of all taxes and charges (in Rs.)
1	Regularization of GST Documents and filing of GST monthly and annual returns for the year 2021-22 and 2022-23	

Pl note:

1. The above Format is given only-for reference. Actual rates are required to be quoted online in the web site in the formats provided therein.
2. Rates quoted shall be inclusive of all taxes and charges for the performance of all the duties/services mentioned in Section-VI, Schedule of Requirements. The total amount or accepted price will be divided by total no. of months of returns to be filed for the convenience of payment and bill submission.
3. Please refer Section-III clause 8.4 and 10.4 with regard to bill submission and payment clauses.

SECTION X CONTRACT FORM

THIS AGREEMENT made theday of..... between. The Director, Printing and Stationery and Publications, Bengaluru (*Name of purchaser*) (hereinafter called "the Purchaser") on the one part and M/s..... (herein after called "the Tenderer") of the other part :

WHEREAS the Purchaser is desirous of and has accepted a tender by the Tenderer for providing of (herein after called "the services").

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) the Tender Form and the Price Schedule submitted by the Tenderer/Tenderer;
 - (b) the Schedule of Requirements;
 - (c) the General Conditions of Contract;
 - (d) the Special Conditions of Contract; and
 - (e) the Purchaser's Notification of Award.
3. In consideration of the payments to be made by the Purchaser to the Tenderer as hereinafter mentioned, the Tenderer hereby covenants with the Purchaser to provide the Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the Tenderer in consideration of the provision of the services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

Brief particulars of the Service which shall be supplied /provided by the Tenderer are as under:

SL. NO.	BRIEF DESCRIPTION OF SERVICES	SERVICES TO BE PROVIDED	UNIT PRICE	TOTAL	TERMS
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IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written.

Witnesses: 1)

Director,
Department of Ptg. Sty. & Publns. Bengaluru-59
for and on behalf of Governor of Karnataka

2)

Contractor/Tenderer
(Sign and Seal)

SECTION XI

PERFORMANCE SECURITY BANK GUARANTEE FORM

To: (Name of Purchaser)

WHEREAS (Name of Tenderer) _____ hereinafter called "the Tenderer" has undertaken, in pursuance of Contract No..... dated 2019, to provide (Description of and Services) hereinafter called "the Contract".

AND WHEREAS it has been stipulated by you in the said Contract that the Tenderer shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with the Tenderer's performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Tenderer a Guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Tenderer, up to a total of (amount of the guarantee in words and figures) and we undertake to pay you, upon your first written demand declaring the Tenderer to be in default under the Contract and without cavil or argument, any sum or sums within the limit of (Amount of Guarantee) as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until theday of.....2021

Signature and Seal of Guarantors

.....

.....

Date.....

Address:

.....

SECTION XII

Proforma for Performance Statement

(Please see Clause 11.2 (ii) of the Instructions to Tenders)

IFT No..... Date of Opening..... Time Hours

Name of the Firm:

Orders placed by (Full address of Purchaser)	Order No and Date	Description of Service	Value of contract	Date of Completion as per contract	Remarks indicating reasons for late delivery, if any	Have the services have been rendered to the satisfaction of the Purchaser. (Attach a Certificate from the Purchaser)
1	2	3	4	5	6	7
Completed						
Current						

Signature and Seal of the Tenderer _____

SECTION XIII

EMD Declaration

(as per government order no. FD 675 EXP-12/2020, dt.22.12.2020)

I, hereby submit a declaration that the tender submitted by the undersigned, on behalf of the tenderer(Name of the Tenderer), shall not be withdrawn or modified during the period or extended period of validity.

I, on behalf of the tenderer(Name of the Tenderer), also accept the fact that in case the tender is withdrawn or modified during the period of its validity/extended validity period or if we fail to sign the contract in case the contract is awarded to us or we fail to submit a Performance Security and Additional Performance Security, if any, before the deadline fixed in the Tender Document, then(Name of the Tenderer) will be debarred for participation in the tendering process for the Procurement of this Procurement Entity for a period of **one year** from the date of default.

(Signature of the Authorized Signatory,
Official Seal)

SECTION XIV

T, No-388/2019-20

**THE AUTHORITY FOR ADVANCE RULINGS
IN KARNATAKA
GOODS AND SERVICES TAX
VANIJYA THERIGE KARYALAYA, KALIDASA ROAD
GANDHINAGAR, BENGALURU - 560 009**

Advance Ruling No. KAR ADRG 11 / 2020

Date : 18-03-2020

Present:

1. **Dr. Ravi Prasad M.P.**
Additional Commissioner of Commercial Taxes Member (State Tax)
2. **Sri. Mashhood ur Rehman Farooqui,**
Joint Commissioner of Central Tax Member (Central Tax)

1.	Name and address of the applicant	M/s Department Of Printing, Stationery and Publications, 8 th Mile, Mysore Road, R.V. College Post, Bengaluru-560059, Karnataka.
2.	GSTIN or User ID	29AAAGD1421R1Z9
3.	Date of filing of Form GST ARA-01	27/08/2019
4.	Represented by	Sri Y.C. Shivakumar, Authorised Representative
5.	Jurisdictional Authority - Centre	The Principal Commissioner of Central Tax, Bangalore West Commissionerate.
6.	Jurisdictional Authority - State	LGSTO- 60, Bengaluru.
7.	Whether the payment of fees discharged and if yes, the amount and CIN	Yes, discharged fee of Rs.5,000/- under CGST Act vide CIN SBIN19082900288016 dated 20/08/2019 and Rs.5,000/- under KGST Act vide CIN SBIN19082900392411 dated 22/08/2019.

ORDER UNDER SUB-SECTION (4) OF SECTION 98 OF CENTRAL GOODS AND SERVICES TAX ACT, 2017 AND UNDER SUB-SECTION (4) OF SECTION 98 OF KARNATAKA GOODS AND SERVICES TAX ACT, 2017

1. M/s Department Of Printing, Stationery & Publications, 8th Mile, Mysore Road, R.V. College Post, Bengaluru-560059 bearing GSTIN: 29AAAGD1421R1Z9 have filed an application for Advance Ruling under Section 97 of CGST Act, 2017, KGST Act, 2017 & IGST Act, 2017 read with Rule 104 of CGST Rules 2017 & KGST Rules 2017, in form GST ARA-01 discharging the fee of Rs.5,000/- each under the CGST Act and the KGST Act.

2. The applicant, (The Govt. Press) is an organization, established by Govt. of Karnataka under the control and supervision of the Primary and Secondary Education Secretariat to cater to the Printing and Stationery requirements of the



Dept of Printing

D.D (ASA) / Sri. Dominick

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20/3/2020

requirements of the State Government offices namely Governor's Office, Legislature, Government Secretariat, High Court, and Other Government Departments.

3. The printing and stationery requirements of Government owned bodies are also taken care of by the Applicant on chargeable basis. Applicant also engaged in selling of the Government Publications to General Public through a network of Book Depots. The Applicant has also extended its technical assistance to various other Departments whose printing works, are being executed by the private printers. Besides this they also undertake the Printing works and supply of Stationery to Government of India Departments namely Chief Election Commissioner Office, Census Department etc., on chargeable basis.

4. The Applicant also executes the printing and sale text books as per the indents placed by the Karnataka Text Book Society. The sale of text books are being executed on chargeable basis while the free text books are printed and supplied at free of cost. Steps are being taken for the printing & sale of Pre-University Text Books of smaller quantity through the Book Depots. This department is headed by the Director who is also the Compiler of Karnataka Gazette. The Gazettes are being published regularly and the Extraordinary Gazettes are also published as and when the necessity arises and these Gazettes are made available in print version manually and also published electronically in the web site www.gazette.kar.nic.in.

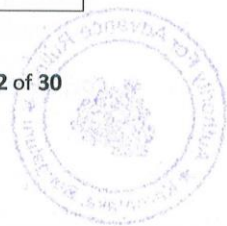
5. The following goods are printed and supplied by the Applicant to various Government Departments and Government undertakings in the State of Karnataka on their request for supply. The details, as furnished by the applicant are as under:

SL. NO.	NATURE OF SUPPLY	Applicants facts of the case
1	Printing & Supply of State Budget Documents	We are claiming exemption on Printing & Supply of Budget documents to Government of Karnataka.
2	School Text Books	<p>We are claiming exemption on the Sale of text books to various Government Departments and claiming exemption on the grounds that it is a sale of text books through Book Depots, Karnataka Text Book society & PU Board. However, we are paying taxes on the sale of Text books to Recognized Book sellers @12%.</p> <p>a) Free Text Books:- Since we supplying the textbooks to Government Departments, we are not raising invoice to the Department but the same is supplied through delivery challan, hence we are claiming exemption.</p> <p>b) Sale of Text Books to Public:- In this case we are raising an invoice, hence we are charging tax @12% & Paying it.</p>
3	Karnataka State Gazette and Extra-Ordinary Gazette	We are supplying these goods to different Government Departments and a small portion is sold to the General public who have subscribed for it. We are collecting tax on the Printed materials sold to the Public @12%.



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4	Proceedings and other publications of Karnataka Legislative Assembly and Karnataka Legislative Council.	We are claiming exemption on printing & supply of proceedings and publications supplied to Karnataka Legislative Assembly and Legislative Council of Government of Karnataka.
5	Annual Reports, Annual Administrative Reports & Performance Budget Reports to Government & Government undertakings	We are charging & paying tax @12% on the supply of Annual Reports to the Government organization and also supplies as Printed material to Autonomous bodies like BRTS Company, Hubli-Dharwad Karnataka Electricity Regulatory Commission, Chamundeshwari Electricity Supply Company, Power Company of Karnataka Limited, BESCOM / HESCOM / MESCOM / KPTCL, Udupi / Bellary Nagarabhivrudu Pradhikara, Higher Education Council. These items are charged and hence paying GST @ 12%.
6	Supply of IAS, KAS Civil lists	We are supplying to DPAR of the Government of Karnataka, hence, we are claiming exemption as we are not charging for the supplies Made.
7	Supply of RTO challan and security forms of Transport Department.	We are claiming exemption as we are not charging for the supplies made.
8	Supply of different kinds of Modules pertaining to Department of State Educational Research and Training.	These Printed materials are supplied to one of the Government Departments and tax is charged at the rate of 12% on the supplies made.
9	Handbooks related to Election work	It is supplied to the Election Commission in Karnataka. We are charging and paying tax at the rate of 12% on the supplies made to the Election Commission.
10	Supply of Various Forms/Registers to ESIS Medical Services, Kidwai Cancer Institute, General Hospital, Community Health Centre as per their requirements.	These goods are supplied to various Government organizations. We are charging and paying tax at the rate of 12% on the supplies made.
11	Training Manuals, Journals, Flags & Posters, Karnataka Examination information Book, Award Certificates, MB Books, Employment Cards, Compendiums, Manuals, Reports of RTI, Annual performance & compendium, Audit accounts, Receipt Books, Challans and paper testing Reports.	These goods are also supplied to many Government Departments and also to autonomous bodies. We are charging and paying tax at the rate of 12% on the supplies made to autonomous bodies. However, we are claiming exemption on the supplies made to Government Departments.



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12	Legislative Assembly & Council Debates, lists, Bills & Brouchers, KCSRs	The Printed materials are supplied to Legislative Assembly and Legislative Councils. We are claiming exemption on the supplies made to them.
13	Supply of Government of Karnataka Calendars Engagement Pads, Diary to Government Departments & High Courts.	We are claiming exemption on the supplies made. But a Small Portion of Calendars, Ordinary Diaries and Engagement Pads are Sold through Book Depots to the General Public and collecting tax @12% on the sales made.
14	Envelops, various forms, Visiting cards, Letter heads, coves, file wrappers, invitation cards, Scribbling pads, Rubber stamps and Calendars	On these supplies we are collecting tax at12% and paying it to the Government at the time of filing returns. On the supplies made to High Court, Raja Bhavans, and Secretariat Departments as we are not raising an invoice hence we are not charging for these supplies & also claiming exemption.
15	Main Answer Booklets, Additional Answer Sheets & Practical Answer Sheets	These goods are supplied to PU Board against their orders. On these supplies we are calculating the cost incurred on the booklets and collecting CGST & SGST at 12%.
16	Sale of waste paper, old sweepings, old & obsolete forms & books unusable articles as waste and sale of plates & old machinery	These goods are sold through public auction as scrap and tax @ 5% is collected from the successful bidders and paid to the Department.
17	Transportation Charges	Transportation of text books & other printed forms/PUC answer booklets are supplied to various Departments as per the requirements.. These goods are supplied by us and we are Paying Transportation Charges along with the GST @5%.
18	Calendars to Specific Departments as per their Requirements	Supplied to Library, RDPR and Legal Service Authority-we are charging and paying tax on the supplies made at 12%. High Courts -We are not charging for the supplies made hence we are claiming exemption
19	Economic Survey of Government of Karnataka	Supplies are made on non-chargeable bases A small portion is sold through Book Depots to the General Public and tax is charged at 12%.
	Receipt Books, Measurement Books, File Wrappers, Log Books, Registers, Bill Forms, etc.	We are charging tax @ 12% GST on these supplies made to Autonomous Bodies sold through our Book Depots. We are claiming exemption on these materials supplied to Government Departments. We are also selling the same to the public and collecting tax @ 12% GST
	Receipt Book (KFC-1)	Printed and supplied to Chamundeshwari Electricity Supply Company, Universities, Hospitals, Davanagere Smart City, Electronic City Industrial Township Authority, Legal Services Authority, Technical Service Centre etc. and collecting tax at 12% under GST.
22	Measurement Book	Printed and supplied to Karnataka Neravari Nigama, PWD, Zilla Parishad, Panchayat Raj Engineering Division, Gramena Drinking Water and Nyrmalya, NIMHNS, Shishu Abhivrudhi Yojane, Karnataka Maha Risha Valamiki Parishishta Pangadagala Abhivrudhi Niyamitha & collecting tax

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		at 12%.
23	Indian Law Reports High Court of Karnataka	We are Claiming Exemption on these Supplies as they are Supplied at Free of Cost.
24	Karnataka Gazette	We Issue NOC'S to Private Person's for Change of Name at Rs100 for which we do not charge GST hence claiming Exemption.
25	Text Books	Printed and supply to KTBS for which we are charging GST @ 12%.
26	Bus Tickets	Printed and supply to Bangalore Metro Transport Corporation for which we are charging GST @ 12%.
27	Log Books	Printed and supplied to Karnataka, PWD, at free of cost. However, tax at 12% is collected on the supplies made to Karnataka Kolageri Abhivruddi mandali, Karnataka State Aids Prevention Society, Karnataka Vasathi Shikshana Samsthe, Karnataka Sarvajnika Arogya Samsthe.

6. In view of the above, the applicant sought for advance ruling in respect of the following questions along with their Interpretation of Law to the said questions.

Sl. No	Nature of Supply	Recipient	Content provider	Questions & interpretation of Law
1	Printing & Supply of State Budget Documents. Printing of Text books to Government departments, Training manuals, other books, calendars, Journals, Flags & posters, Karnataka Examination Authority Information Book, other Forms, Award certificates, Measurement Book, Employment Cards, Compendium, manuals, Reports(RTI, Annual & Performance & Compendium) Audit accounts, Annual & Performance, Compendium, Receipt Books, Challans, Paper Testing Reports, Legislative Assembly & Council Debates, Lists, Bills & Brouchers, Various Types of Registers & Forms, Karnataka Civil Service Rules.	Government Department, Recognised Book sellers	Recipient	1) The Applicant is engaged in rendering the services of Printed materials & printing of text books to various Government Departments. The contents of the printed material is provided by recipients. As per the circularNo.11/11/2017 dated 20th Oct 2017 it is clarified in para 4 that " where the supply of printing [if the content is supplied by the recipient of supply] is the principal supply and therefore such supplies would constitute supply of service falling under heading 9989 of the scheme of classification of services ". As per entry No.8 of the notification No.12/2017 dated 28/06/2017, the printing & supply of text books by one Government Department to another Government Department is exempted under the CGST Act and KGST Acts. Hence, it requested to clarify whether this activity is exempt under the CGST & KGST Acts or not. 2) If the text books are supplied to public or recognised book stalls, whether it is treated as taxable /exempted goods or services. If it is goods, can we claim exemption under Sl. No.119 of the Notification No.2/2017 3) If these services are taxable services, what is the rate of tax?
2	Karnataka Kaipidi, Karnataka Gazette	Karnataka Government Departments & Karnataka Gazetter Department	Recipient	1) The applicant is engaged in printing of Karnataka Kaipidis/Karnataka Gazzettes from the contents provided by the recipient to whom the supply is to be made. This service is provided by one Government Department to another Government Department. Hence, it is exempted as per



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				<p>entry No. 8 of the notification No. 12/2017 dated 28/06/2017. It may be clarified.</p> <p>2) If the said Kaipidis are sold to public or recognised bookstalls whether it is treated as printed books falling under SL.No.119 of Notification No.2/2017 and claim exemption on such sales.</p> <p>3) If Karnataka Gazettes are sold to public as goods whether it is taxable under entry No.201 of the schedule I of Notification No.1/2017 dated 29/06/2017 or exempt under SL.No.119 of notification No.2/2017 dated 28/06/2017 under the KGST & CGST Acts. Please clarify.</p>
3	Annual Reports	Government Departments & Autonomous bodies like Karnataka Electricity Regulatory Commission & other Corporations	Recipient	<p>1) The applicant is engaged in printing of Annual Reports to Government Departments, Autonomous undertakings and Zilla Panchayats. The content is provided by the recipients. When such annual reports are sold to Government Departments is it an exempted service under SL.No.8 of notification 12/2017. Pl clarify.</p> <p>2) If such annual reports are sold to Government undertakings and autonomous bodies, can we claim such sales as exempted sales under entry No.8 of notification No.12/2017.</p> <p>3) The supply of annual reports to Zilla Panchayaths by the applicant is considered as services provided by one state Government Departments to another state Government Departments falling under SL.No.8 of the notification No.12/2017. Pl clarify.</p> <p>4) If these are considered as goods, under which entry these goods are taxable and at what is the rate of tax of these goods under GST.</p>
4	Answer booklets, Visiting cards, Letter heads, Forms, Covers, File wrappers, Invitation cards, Scribbling pads, Rubber stamps	PU Board & Various Government Department, CM office & other Ministers offices Secretariats, High Courts, Government entities and other Government Departments	The contents given by the recipient is quite insignificant compared to the contents of goods involved.	<p>1) These goods are supplied by the Government Press (applicant) to various Government Departments against the orders given by them. In the circular No.11/11/2017 dt.20th Oct.2017, it is clarified in para 5 that "supply of printed envelopes, letter cards, printed boxes, tissues, napkins, wallpaper etc falling under Chapter 48/49 printed with design, logo etc., supplied by the recipient of goods but made using physical inputs including paper belonging to the printer, predominant supply is that of goods and the supply of printing of the content is ancillary to the principal supply of goods". Since these supplies are made by one Government Department to another Government Department, whether they are exempted under SL. No. 150 of the Notification 2/2017 dated 28/06/2017. Pl clarify.</p> <p>2) If they are taxable, pl clarify under which</p>



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				entry and notification the said goods would fall?
5	Sale of waste paper, old sweepings, old & obsolete forms & books unusable articles as waste and sale of old machinery	Public	The goods are sold through public auction	The applicant being a Government organisation sells the paper waste as is where condition through the public auction is. Whether the understanding of the rate of tax is correct or not may please be clarified.
6	Sale of old machinery	Public	sold through public auction	If the old machinery is sold as scrap, what is the rate of tax and the entry and notification may please be clarified
7	All stationery Articles	Government Departments	Purchased from Registered dealers & sold to Government Departments	Since the stationery articles are purchased from the registered dealers and supplied as it is to the Government Departments against the orders at no profit or no Loss, such transactions are exempted as the applicant is acting like a pure Agent. Therefore, it is requested to clarify whether it is pure Agent transaction and eligible for exemption. Pl clarify whether this transaction is liable for tax under which entry?
8	Transportation charges paid	Private person		We are paying tax @5% on the transportation paid to the private party. 1) Are we liable to pay tax on the transportation charges paid to the service provider or 2) Can we deduct the tax element on the transportation paid as TDS and deposit at the time of filing returns.
9	Economic Survey Government of Karnataka	Government Departments	Recipient	The Finance Department designated this work to us. We prepare the Economic Survey books as per the requirements of the Finance Department. The contents of the material is provided by the Government. Hence, this product is categorised as Service of printed materials. 1) Are we eligible to claim exemption vide Entry 8 of the Notification No.12/2017 dated 28th June 2017. Pl clarify. 2) If these printed materials are sold to the public directly by the Applicant, whether, the same is exempted or taxable under the GST Act.
10	Receipt Book (KFC-1)	Chamundeshwari Electricity Supply Company, Universities, Hospitals, Davanagere Smart City, Electronic City Industrial Township	Recipient	The contents of the receipt books is provided by Recipients and the printed Receipt books are supplied to Government Departments and autonomous bodies. Hence, the same is treated as supply of service and eligible for exemption vide entry no. 8 of the Notification No.12/2017 dated 28/06/2017. 1) Whether this item is eligible for exemption under the GST Act or not? Pl clarify.



		Authority, Legal Services Authority, Technical Service Centre etc		
11	Measurement Book	Karnataka Neravari Nigama, PWD, Zilla Parishad, Panchayat Raj Engineering Division, Gramacna Drinking Water and Nyrmalya, NIMHNS, Shishu Abhivrudhi Yojane, Karnataka Maha Risha Valamiki Parishishhta, Pangadagala Abhivrudhi Niyamitha	Receipient	The content is provided by the Government Departments and the supply of printed materials is treated as service vide entry No.8 of the Notification No.12/2017 Dated 28/06/2017. Is it exempted from the levy of GST as the same is supplied by one Government Department to another Government Departments? Pl clarify.
12	Indian Law Reports	High Court of Karnataka	Receipient	The contents of the Law reports are provided by the High Court of Karnataka. These materials are provided to them at Free of cost. Whether we are eligible for exemption on the supply of these services vide entry No.8 of the Notification No.12/2017 dated 28/06/2017. Pl clarify
13	Karnataka Gazette	NOC'S to Private Person's for Change of Name at Rs.100/-		Since we are giving the NOC to private persons at a price of Rs.100-00 we are not charging any GST at present. In this case the contents are provided by the recipient. Pl clarify 1) whether these are goods / services exempted under the Act 2) If these are goods under what entry the goods are taxable and at which rate? 3) If these are services under what entry these services are taxable and at which rate?
14	Text Books	KTBS	Receipient	The contents of the text book is provided by the Government. Since the text books are supplied to Karnataka Text Books suppliers to sell them on behalf of the Government, we are charging GST @ 12%. As per entry No.8 of the notification No.12/2017 dated 28/06/2017, the printing & supply of text books by one Government Department to another Government Departments is exempted under the CGST Act and KGST Acts. 1) Hence, it requested to clarify

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				<p>whether this activity is exempt under the CGST & KGST Acts or not.</p> <p>2) The text books are supplied to Recognised book stalls to sell them to the public on behalf of the Government whether it is treated as taxable or /exempted goods or services. If it is goods, can we claim exemption under Sl. No.119 of the Notification No.2/2017?</p> <p>3) If these services are taxable services, what is the rate of tax? Pl. clarify.</p>
15	Bus Tickets	Bangalore Metro Transport Corporation	Recipient	<p>The Logo and the content of bus tickets is provided by the recipient. Since the contents are negligible compared to materials, it is treated as goods and the tax is collected @12% under GST Act.</p> <p>1) Pl clarify whether it is taxable goods or service?</p> <p>2) At what rate and under which entry these goods/services are taxable?</p>
16	Log Books	Karnataka, PWD, Karnataka Kolageri Abhivruddi mandali, Karnataka State Aids Prevention Society, Karnataka Vasathi Shikshana Samsthe, Karnataka Sarvajnika Arogya Samsthe.		<p>The Log books are supplied to various Government Departments and the contents are provided by Government Departments. Since the contents are negligible compared to the materials used, these are treated as goods. We are claiming exemption on the supply of these goods KPWD. However, we are collecting tax @12% on the sale made to Autonomous bodies.</p> <p>1) Pl clarify whether these are taxable or exempted goods/services?</p> <p>2) If these are taxable under which entry these are taxable?</p> <p>3) Since these materials are supplied by one Government Department to another Department or autonomous bodies controlled by the Government, can we claim exemption on the supply of these materials?</p>

PERSONAL HEARING

7. Sri. Y C Shiva Kumar, Advocate and duly authorised representative of the applicant appeared for personal hearing proceedings held on 21.11.2019 & reiterated the facts narrated in their application.

8. FINDINGS & DISCUSSION:

8.1 We have considered the submissions made by the Applicant in their application for advance ruling as well as the submissions made by Sri. Y C Shiva Kumar, duly authorised representative of the applicant during the personal hearing. We have also considered the issues involved, on which advance ruling is sought by the applicant, and relevant facts.

8.2 At the outset, we would like to state that the provisions of both the CGST Act and the KGST Act are the same except for certain provisions. Therefore, unless



a mention is specifically made to such dissimilar provisions, a reference to the CGST Act would also mean a reference to the same provisions under the KGST Act.

8.3 The applicant is a printing press under the Government of Karnataka, catering to the printing needs of various departments of Karnataka Government, Government of India, High Court of Karnataka and other autonomous bodies / corporations. The applicant seeks advance ruling in respect of the questions mention at para 6 supra. It could be seen that the applicant's activities are predominantly concerned with printing. In this regard we draw attention to the Circular No.11/11/2017-GST dated 20.10.2017, wherein clarification on taxability of printing contracts has been issued.

8.4 Para 2 of the circular clarifies that *supply of books, pamphlets, brochures, envelopes, annual reports, leaflets, cartons, boxes etc., printed with logo, design, name, address or other contents supplied by the recipient of such printed goods, are composite supplies and the question, whether such supplies constitute supply of goods or services would be determined on the basis of what constitutes the principal supply.*

8.5 The principal supply, in terms of Section 2(90) of CGST Act 2017, is supply of goods or services which constitutes the predominant element of composite supply and to which any other supply forming part of that composite supply.

8.6 Para 4 of the circular specifies that in the case of printing of books, pamphlets, brochures, annual reports, and the like, the supply of printing [of the content supplied by the recipient of supply] is the principal supply and therefore such supplies would constitute supply of service, falling under heading/SAC 9989, subject to the following conditions namely

a) The content is supplied by the publisher or the person who owns the usage rights to the intangible inputs.

b) The physical inputs including paper used for printing belong to the printer.

8.7 Para 5 of the circular specifies that in the case of supply of printed envelopes, letter cards, printed boxes, tissues, napkins, wall paper etc., falling under Chapter 48 or 49, printed with design, logo etc., supplied by the recipient of goods but made using physical inputs including paper belonging to the printer, predominant supply is that of goods and the supply of printing of the content [supplied by the recipient of supply] is ancillary to the principal supply and therefore such supplies would constitute supply of goods falling under respective headings of Chapter 48 or 49 of the Customs Tariff.

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8.8 In the light of the aforesaid circular, we proceed to examine the issues and related questions, one at a time. The Applicant submits that they are engaged in rendering the services of printing the printed materials & printing of text books to various Government departments. The contents of the printed material are provided by recipients. The nature of supply, as admitted by the applicant, includes Printing & Supply of State Budget Documents, Printing of Text books to Government departments, Training manuals, other books, calenders, Journals, Flags & posters, Karnataka Examination Authority Information Book, other Forms, Award certificates, Measurement Book, Employment Cards, Compendium, manuals, Reports(RTI, Annual & Performance & Compendium) Audit accounts, Annual & Performance, Compendium, Receipt Books, Challans, Paper Testing Reports, Legislative Assembly & Council Debates, Lists, Bills & Brouchers, Various Types of Registers & Forms, Karnataka Civil Service Rules.

8.9 Issue No.1

The applicant raised the following 3 questions with regard to printing of text books & printed material.

1. Whether the activity of printing & supply of text books & printed materials, provided by the applicant to various Departments of Government of Karnataka, is entitled to exemption under entry No.8 of the Notification No. No.12/2017 Central Tax (Rate) dated 28/06/2017, read with para 4 of the Circular No. 11/11/2017-GST dated 20.10. 2017?
2. If the text books are supplied to public or recognised book stalls, whether it is treated as taxable /exempted goods or services. If it is goods, can we claim exemption under Sl. No.119 of the Notification No.2/2017?
3. If these services are taxable services, what is the rate of tax?

8.10 Issue No.2

This issue is related to printing of Karnataka Kaipidi / Karnataka Gazzettes, of the contents provided by the recipient. This transaction is between the applicants (one Government Department) to another Government Department. The applicant raised the following 3 question in this regard.

4. Whether the service of printing & supply of Karnataka Kaipidi / Karnataka Gazzettes, provided by the applicant amounts to be services provided by one Government Department to another? If so, whether the said supply is exempted as per entry No. 8 of the notification No. 12/2017-Central Tax (Rate) dated 28/06/2017?
5. Whether the supply of said Karnataka Kaipidis to public or recognised bookstalls be treated as supply of printed books and qualifies for exemption under Sl.No.119 of Notification No.2/2017-Central Tax (Rate) dated 28.06.2017?



6. If Karnataka Gazettes are sold to public as goods whether it is taxable under entry No.201 of the schedule I of Notification No.1/2017 dated 29/06/2017 or exempt under SL.No.119 of notification No.2/2017 dated 28/06/2017 under the KGST & CGST Acts?

8.11 Issue No.3

This issue is related to printing of Annual Reports to Government departments, autonomous undertakings and Zilla panchayats. The content is provided by the recipients. In this regard the applicant raised the following 4 questions.

7. When such annual reports are sold to Government departments is it an exempted service under SL.No.8 of notification 12/2017?
8. If such annual reports are sold to Government undertakings and autonomous bodies, can we claim such sales as exempted sales under entry No.8 of notification No.12/2017?
9. Whether the supply of annual reports to Zilla Panchayaths by the applicant is considered as services provided by one state Government Department to another state Government Departments & exempted under SL.No.8 of the notification No.12/2017?
- 10.If these are considered as goods, under which entry these goods are taxable and at what is the rate of tax of these goods under GST?

8.12 Issue No.4:

This issue is related to printing & supply of Answer booklets, Visiting cards, Letter heads, Forms, Covers, File wrappers, invitation cards, Scribbling pads, and Rubber stamps. The applicant raised the following 2 questions, in this regard.

- 11.Whether the aforesaid items that are supplied by the Government Press (applicant) to various Government departments, against the orders given by them, amounts to supply of goods, in terms of para 5 of circular No.11/11/2017 dated 20.10.2017? If so, whether the said supply is entitled for exemption under Sl. No. 150 of the Notification 2/2017-Central Tax (Rate) dated 28/06/2017?
12. What is the relevant notification & entry number therein, if the aforesaid goods are taxable?



Issue No.5:

This issue is related to sale of waste paper, old sweepings, old & obsolete forms & books, unusable articles as waste and sale of old machinery. The applicant being a Government organisation sells the paper waste in as is where condition through public auction. In this regard the applicant raised the following question.

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13. Whether the applicant's understanding of rate of tax (GST) of 5% is correct or not, on sale of waste paper?

8.14 **Issue No.6:**

This issue is related to sale of old machinery as scrap. The applicant further states that the old machinery, if sold in the same form, is taxable @ 18% GST, in terms of Sl.No.335 of Schedule III of CGST Act 2017. The applicant raises the following question, with regard to sale of old machinery as scrap.

14. What is the rate of GST applicable, if old machinery is sold as scrap & what is the relevant notification number and entry number therein?

8.15 **Issue No.7:**

This issue is related to stationery articles, purchased by the applicant from the registered dealers and supplied as it is to the Government departments against the orders, at no profit or no Loss. The applicant claims that such transactions are exempted as the applicant is acting as a pure Agent. Thus the applicant raised the following question in this regard.

15. Whether the aforesaid transaction / activity qualifies to be a Pure Agent transaction and eligible for exemption? If not, what is the rate of tax & relevant entry & Notification under which this transaction is liable for tax?

8.16 **Issue No.8:**

This issue is related to the transportation charges paid by the applicant. The applicant pays the transportation charges for supply of text books to various Government Departments & also to the recognised book sellers. At present the applicant is paying tax @5% on the transportation paid to the private party. In this regard the applicant raised the following 2 questions.

16. Is the Applicant liable to pay tax on the transportation charges paid to the service provider?

17. Can the Applicant deduct the tax element on the transportation paid as TDS and deposit at the time of filing returns?

8.17 **Issue No.9:**

This issue is related to printing of Economic Survey of Government of Karnataka. The Finance Department designated this work to the applicant & they prepare the Economic Survey books as per the requirements of the Finance Department. The contents of the material is provided by the Government of Karnataka & hence, this product is categorised as Service of printed materials. In this regard, the applicant raises the following 2 questions.



18. Whether the aforesaid transaction of printing & supply of Economic Survey books to Government of Karnataka is entitled for exemption vide Entry 8 of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017.

19. If the aforesaid printed materials are sold to the public directly by the Applicant, whether, the same is exempted or taxable under the GST Act?

8.18 **Issue No. 10:**

This issue is related to printing & supply of receipt books (KFC-1) to Chamundeshwari Electricity Supply Company, Universities, Hospitals, Davanagere Smart City, Electronic City Industrial Township Authority, Legal Services Authority, Technical Service Centre etc.,. The contents of the receipt books is provided by recipients and the printed receipt books are supplied to Government Departments and Autonomous bodies. The applicant contends that the supply of receipt books is treated as supply of service and eligible for exemption vide entry no. 8 of the Notification No.12/2017 dated 28/06/2017 and raises the following question.

20. Whether the aforesaid supply of receipt books, to Government Departments & Autonomous bodies, is eligible for exemption under the GST Act or not?

8.19 **Issue No. 11:**

This issue is related to printing & supply of measurement books to Karnataka Nerayari Nigama, PWD, Zilla Parishad, Panchayat Raj Engineering Division, Grammeena Drinking Water and Nyrmalya, NIMHNS, Shishu Abhivrudhi Yojane, Karnataka Maha Risha Valamiki Parishishta Pangadagala Abhivrudhi Niyamitha, for which the content is provided by the Government Departments. The applicant raises the following question in this regard.

21. Whether the supply of printed materials (measurement books) qualifies to be supply of service & is exempted vide entry No.8 of the Notification No.12/2017-Central Tax (Rate) dated 28/06/2017, when the same is supplied by one Government Department to another Government Department?

8.20 **Issue No. 12 :**

This issue is related to printing & supply of Indian Law Reports to the Hon'ble High Court of Karnataka. The contents of the Law reports are provided by the Hon'ble High court of Karnataka. The applicant supplies the said printed material (Law Reports), at free of cost. In this regard, the applicant raises the following question.

22. Whether the aforesaid supply qualifies to be supply of service & is entitled for exemption under entry No.8 of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017?



8.21 **Issue No. 13 :**

This issue is related to issuance of No Objection Certificates (NOCs) to Private Persons for Change of Name, at Rs.100, for notifying the said change of name in the Karnataka Gazette. The applicant states that at present they are not charging any GST, on the said amount collected and the contents are provided by the recipient. In this regard, the applicant raises the following 3 questions.

23. Whether the aforesaid activity amounts to supply of goods or services & are exempted under the Act?

24. If the activity amounts to supply of goods & the said supply is taxable then what is the rate of tax of GST and the relevant Notification & entry number?

25. If the activity amounts to supply of services & are taxable then what is the rate of tax of GST and the relevant Notification & entry number?

8.22 **Issue No. 14:**

This issue is related to supply of text books, printed by the applicant under the orders of Government of Karnataka, to the Karnataka Text Books Suppliers. The contents of the text book is provided by the Government of Karnataka. The applicant states that at present they are charging GST @ 12%, as the text books are supplied to Karnataka Text Books suppliers to sell them on behalf of the Government. Further as the applicant contends that per entry No.8 of the notification No.12/2017-Central Tax (Rate) dated 28/06/2017, the printing & supply of text books by one Government Department to another Government Department is exempted under the CGST Act and KGST Acts. In this regard the applicant raised the following 3 questions.

26. Whether the aforesaid activity is exempted under the CGST & KGST Acts or not?

27. The text books are supplied to recognised book stalls to sell them to the public on behalf of the Government whether it is treated as taxable or exempted goods or services. If it is goods, can we claim exemption under Sl. No.119 of the Notification No.2/2017?

28. If these services are taxable services, what is the rate of tax?

8.23 **Issue No. 15 :**

This issue is related to printing & supply of bus tickets to the BMTC, Bengaluru. The Logo and the content of bus tickets is provided by the recipient. The applicant contends that the contents are negligible compared to materials, the activity qualifies to be treated as goods and states that they are collecting GST @12%, at present. In this regard, the applicant raises the following 2 questions.

29. Whether the aforesaid supply qualifies to be supply of taxable goods or services?



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30. What is the rate of tax & under which entry these goods/services are taxable?

8.24 **Issue No. 16 :**

This issue is related to printing & supply of Log Books to Karnataka PWD, Karnataka Kolageri Abhivruddi mandali, Karnataka State Aids Prevention Society, Karnataka Vasathi Shikshana Samsthe, Karnataka Sarvajanika Arogya Samsthe. The Log books are supplied to various Government Departments and the contents are provided by Government Departments. The applicant contends that since the contents are negligible compared to the materials used, the activity amounts to supply of goods and also states that, at present, they are claiming exemption on the supply of these goods to KPWD. However, they are collecting tax @12% on the sale made to Autonomous bodies. In this regard, the applicant raises the following 3 questions.

31. Whether these are taxable or exempted goods/ services?

32. If these are taxable under which entry these are taxable?

33. Since these materials are supplied by one Government Department to another department or Autonomous bodies controlled by the Government, can we claim exemption on the supply of these materials?

9. It could be seen from above that some questions are repetitive in nature as they are in relation with different printed materials such as text books & other printed material, Karnataka Kaipidis, Karnataka gazettes, Annual reports, Economic Survey of Government of Karnataka, etc., Therefore we examine and divide the questions into the following categories.

Supply to Various Departments of Government of Karnataka

- a. Printing & supply of Text books/ Karnataka Kaipidis/ Karnataka Gazettes/ Annual Reports & Economic Survey of Government of Karnataka to various Departments, where the content is provided by any of the department of Government of Karnataka. (Service)
- b. Printing & supply of Answer sheets/visiting cards/ letter heads/ forms/covers/file wrappers/invitation cards/ scribbling pads / rubber stamps/ receipt books/ measurement books & log books to various Departments, where the content is provided by any of the department of Government of Karnataka (goods).

Supply to Autonomous bodies

- c. Printing & supply of Annual Reports to Autonomous bodies, where the content is provided by the recipient. (service)
- d. Printing & supply of Receipt books & Log books to Autonomous bodies, where the content is provided by the recipient (Goods)

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Supply to Public & Recognised Book Stalls

- e. Printing & supply of Text books/ Karnataka Kaipidis/Karnataka Gazettes & Economic Survey of Government of Karnataka to Public & recognised book stalls, where the content is provided by any of the department of Government of Karnataka. (Goods)

Miscellaneous Supplies

- f. Supply of waste paper, old sweepings, old & obsolete forms and books, unusable articles as waste.
- g. Supply / sale of old machinery as scrap
- h. Supply of Stationery articles to Government Departments
- i. Taxability of Transportation charges paid by the Applicant
- j. Printing & Supply of "Indian Law Reports" to the Hon'ble High Court of Karnataka
- k. Issuance of No Objection Certificate (NOC) to private persons, for change of name
- l. Printing & Supply of Bus Tickets to BMTC, Bengaluru.

10. We proceed to examine & take up each category, one at a time, in the following paras.

a. Supply of Service to Various Departments of Government of Karnataka:

This category covers the questions bearing numbers 1,4,7,9,18,20,21,26,31,32 & 33 as mentioned above. In all these questions the applicant is engaged in printing of text books & printed material / Annual Reports / receipt books/ measurement books & log books; content is provided by any of the Department of Government of Karnataka; physical inputs including paper belong to the applicant.

The printing of books / annual reports and like, where content is supplied by the persons who owns the usage rights to the intangible inputs, while the physical inputs including paper used for printing belong to the printer would constitute a composite supply, where the principal supply is that of supply of printing service and merits classification under SAC 9989, in terms of Para 4 of the Circular No. 11/11/2017-GST dated 20.10. 2017.

In the instant case the applicant being Government Press, established by the Government of Karnataka, under the control and supervision of Primary & Secondary Education Secretariat and since does not have an independent existence, what so ever, from the Government of Karnataka becomes part of Government of Karnataka. Further the provider



of the content is also another Department of same Government of Karnataka. Therefore the activity is between the two/more departments of the same Government of Karnataka and hence there is no distinct supplier / recipient, either real or deemed, involved in the transactions, as contemplated under the GST Acts.

Now proceed to examine whether the instant activity of printing and supply of text books & printed material / Annual Reports / receipt books/ measurement books & log books to other departments of same Government of Karnataka, who have not obtained separate registration under the GST Act, amounts to supply in terms of Section 7(1)(a) of the CGST Act 2017 or not.

Section 7(1)(a) of the CGST Act, 2017 stipulates that any transaction must consist of following three components to get qualify as 'supply'.

- i. The transaction must involve a supply of goods or services or both, such as sale, transfer, barter, exchange, licence, rental, lease or disposal made or agreed to be made.
- ii. The transaction must be for a consideration by a person
- iii. The transaction must be in the course or furtherance of business

In the instant case, the first condition is undoubtedly satisfied as the applicant is involved in the aforesaid service. The second condition being receipt of consideration. In this regard we refer section 15 of the CGST Act, 2017 which deals with the value of supply i.e. consideration

Section 15 (1) of the said Act read as under:

"The value of a supply of goods or services or both shall be the transaction value, which is the price actually paid or payable for the said supply of goods or services or both where the supplier and the recipient of the supply are not related and the price is the sole consideration for the supply"

It could be inferred from the above that for the transaction to qualify as a supply, a supplier and recipient are required, whether real or deemed. In the instant case the applicant as well as the recipient are both different parts of the Government of Karnataka, which is a single entity. Therefore in the absence of distinct supplier and recipient, the instant transaction does not qualify to be a supply in terms of Section 7(1)(a) of the CGST Act, 2017.

Further, the third condition is not required to be discussed as the second condition is not satisfied.

However, If the activity of printing and supply is done to the Departments of same Government of Karnataka who have obtained separate



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registration under the GST Act, then the said activity amounts to supply in terms of Section 7(1)(a) of the CGST Act 2017 and exigible to tax.

The applicant claims exemption for the above said activity under entry No.8 of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017. This entry exempts only the services provided by the State Government to another State Government and hence the said entry is not relevant to the instant issue.

b. Supply of Goods to Various Departments of Government of Karnataka:

This category covers the question number 11. In all these questions the applicant is engaged in supply of printed material i.e. answer sheets/visiting cards/ letter heads/ forms/covers/file wrappers/invitation cards/ scribbling pads/ rubber stamps; content is provided by any of the Department of Government of Karnataka; physical inputs including paper belong to the applicant.

Para 5 of the circular specifies that in the case of supply of printed envelopes, letter cards, printed boxes, tissues, napkins, wall paper etc., falling under Chapter 48 or 49, printed with design, logo etc., supplied by the recipient of goods but made using physical inputs including paper belonging to the printer, predominant supply is that of goods and the supply of printing of the content [supplied by the recipient of supply] is ancillary to the principal supply and therefore such supplies would constitute supply of goods falling under respective headings of Chapter 48 or 49 of the Customs Tariff.

In the instant case, the applicant is engaged in printing & supply of Answer sheets/visiting cards/ letter heads/ forms/covers/file wrappers/invitation cards/ scribbling pads / rubber stamps to various Government Departments, where the content is provided by any of the department of Government of Karnataka and hence supply of the said items amounts to supply of goods, in terms of para 5 of the aforesaid circular.

The applicant claims exemption, in relation to supply of items of this category, under Sl.No.150 of Notification 2/2017-Central Tax (Rate) dated 28.06.2017, which exempts supply of goods by a Government Entity to the State Government i.e. Government of Karnataka. In the instant case the applicant is not a Government Entity and hence the said entry is not relevant to the instant issue.

Thus the impugned activity of printing and supply of Answer sheets/visiting cards/ letter heads/ forms/covers/file wrappers/invitation cards/ scribbling pads / rubber stamps to other Departments of same Government of Karnataka who have not obtained separate registration under the GST Act does not qualify as supply in terms of Section 7(1)(a) of the CGST Act 2017, as explained in para 10(a) supra. However, if the said



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supply is done to the other Departments of Government of Karnataka who have obtained separate registration under the GST Act, said transaction qualify as supply in terms of Section 7(1)(a) of the CGST Act 2017 and liable to tax under GST.

c. **Supply of Service to Autonomous bodies:**

This category covers questions bearing numbers 8 & 20, which deals with printing & supply of Annual Reports / Receipt Books respectively, to autonomous bodies i.e. BRTS Company, Hubli-Dharwad Karnataka Electricity Regulatory Commission, Chamundeshwari Electricity Supply Company, Power Company of Karnataka Limited, BESCOM / HESCOM / MESCOM / KPTCL, Udupi / Bellary Nagarabhivrudhi Pradhikara, Higher Education Council; content is provided by autonomous bodies; physical inputs including paper belong to the applicant.

The printing of books / annual reports and like, where content is supplied by the persons who owns the usage rights to the intangible inputs, while the physical inputs including paper used for printing belong to the printer would constitute a composite supply, where the principal supply is that of supply of printing service and merits classification under SAC 9989, in terms of Para 4 of the Circular No. 11/11/2017-GST dated 20.10.2017.

The applicant states that they are charging @12% on the supply of Annual Reports & Receipt Books to Autonomous bodies, at present. However, they contend that the impugned supply is entitled for exemption under entry No.8 of the Notification No.12/2017-Central Tax (Rate) dated 28.06.2017, which exempts only the supply of services provided by the State Government to another State Government etc., but not to the autonomous bodies. Thus the said entry is not relevant to the instant issue & the exemption is not available to the applicant and hence the impugned supply is exigible to tax.

The impugned supply is that of services, classified under SAC 9989 and attracts 12% GST, in terms of Sl.No.27 of Notification No.11/2017-Central Tax (Rate) dated 28.06.2017.

d. **Supply of Goods to Autonomous bodies :**

This category covers questions bearing numbers 31,32 & 33, which deals with Printing & supply of Log Books to autonomous bodies i.e. Karnataka Kolageri Abhivruddi mandali, Karnataka State Aids Prevention Society, Karnataka Vasathi Shikshana Samsthe, Karnataka Sarvajanika Arogya Samsthe; content is provided by Government of Karnataka; physical inputs including paper belong to the applicant.

In the instant case, the applicant is engaged in supply of Log Books to autonomous bodies, where the content is not provided by the recipient but

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provided by any of the department of Government of Karnataka. The applicant supplies the Log Books itself out of the readily available stock and hence supply of the said items amounts to supply of goods.

Log book is nothing but a register to maintain the details of movement of the vehicle; merits classification under Chapter Heading 4820 and gets covered under entry No.154 of Schedule III to Notification 01/2017-Central Tax (Rate) dated 28.06.2017 and thereby attracting GST @ 18%.

e. Supply to Public & Recognised Book Stalls

This category covers questions bearing numbers 2,5,6,19 & 27, which deals with printing & supply of Text books/ Karnataka kaipidis/Karnataka gazettes & Economic Survey of Government of Karnataka to Public & recognised book stalls, where the content is provided by any of the department of Government of Karnataka and physical inputs including paper belong to the applicant. In this case, the applicant supplies the aforesaid items out of the readily available stock, for which the content does not belong to the recipient and hence supply of the said items amounts to supply of goods.

All the items in the instant issue, i.e. Text books/ Karnataka kaipidis/Karnataka gazettes & Economic Survey of Government of Karnataka, are nothing but printed books and merits classification under Chapter Heading 4901. Entry No.119 of Notification 02/2017-Central Tax (Rate) dated 28.06.2017 exempts the printed books i.e. goods falling under heading 4901. The impugned items are squarely covered under the said entry and hence are exempted.

f. Supply of waste paper etc.,

This category covers question number 13, which deals with supply of waste paper, old sweepings, old & obsolete forms and books, unusable articles as waste. The applicant has not provided any relevant information with regard to unusable articles as to whether they are of paper only or not. Hence it is considered that the unusable articles & old sweepings are of paper only as the question raised in this regard is "Whether the applicant's understanding of rate of tax of 5% is correct or not, on sale of waste paper?"

"Recovered (waste and scrap) paper or paper board" is classified under Tariff Heading 4707 of Customs Tariff Act 1975. Entry No.198 B of Schedule I to Notification No.1/2017-Central Tax (Rate) dated 28.06.2017 as amended by the notification 34/2017 Central Tax (Rate) Dated 13/10/2017 covers the goods Recovered (waste and scrap) paper or paper board, falling under heading 4707 and in terms of the said entry the applicable rate of GST is 5% (CGST 2.5% & KGST 2.5%)



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In the instant case it could be inferred from the question that the applicant seeks advance ruling with regard to rate of GST applicable on the sale/supply of waste paper. Waste & scrap paper is classified under heading 4707 and attract 5% GST, as discussed above.

g. Supply / sale of old machinery as scrap

This category covers question number 14, which deals with supply of old machinery as scrap. The applicant seeks the rate of tax along with the relevant entry/ Notification number, if the old printing machinery is sold as scrap. The applicant has not furnished information as to whether the said machinery is of ferrous or non-ferrous material and hence the impugned machinery is considered as old printing machinery of ferrous material.

"Ferrous waste and scrap" is classified under Tariff Heading 7204 of Customs Tariff Act 1975. Entry No.199 of Schedule-III to Notification 1/2017-Central Tax (Rate) dated 28.06.2017 covers the goods "Ferrous waste and scrap", falling under heading 7204 and in terms of the said entry the applicable rate of GST is 18% (CGST-9% & KGST-9%).

In the instant case, the old printing machinery of ferrous material is intended to be sold/supplied as scrap and the said old machinery, if sold as scrap, is considered as Ferrous Waste and Scrap. Thus the rate of GST applicable on the said Ferrous Waste and Scrap is 18% in terms of the aforesaid notification/entry number.

h. Supply of Stationery articles to Government Departments

This category covers question number 15, which deals with supply of stationery articles that are purchased from the registered dealers and supplied, as it is, to the Government departments, against the orders, at no profit or no Loss. The applicant contends that such transactions are exempted as the applicant is acting like a pure Agent. Thus the applicant raised question as to whether it is **pure agent** transaction and eligible for exemption or not and if taxable, the relevant entry / notification number.

"Pure agent", in terms of Rule 33 of CGST Rules 2017, means

- a) a person who enters into a contractual agreement with the recipient of supply to act as his pure agent to incur expenditure or costs in the course of supply of goods or services or both;
- b) neither intends to hold nor holds any title to the goods or services or both so procured or supplied as pure agent of the recipient of supply;
- c) does not use for his own interest such goods or services so procured; and



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- d) receives only the actual amount incurred to procure such goods or services in addition to the amount received for supply he provides on his own account.

It could be seen from the above that for a person to act as a pure agent he must be a supplier of goods or services or both and then he must procure certain goods or services for the said supply, for which, he incurs expenditure, under the agreement, and collects the said expenditure in addition to the value of his supply, from the recipient. The amounts so collected are called reimbursable expenses and the person is called pure agent.

In the instant case the applicant, being the part of Government of Karnataka, procures the required stationery and distributes the same to various departments, but does not procure any other services or goods or both for the supply / distribution of the stationery items and hence the applicant does not qualify to be a pure agent.

Thus the impugned activity of supply of stationary items to other Departments of same Government of Karnataka who have not obtained separate registration under the GST Act does not qualify as supply in terms of Section 7(1) (a) of the CGST Act 2017, as explained at para 10(a) supra. However, if supply of stationary items is done to the other Departments of Government of Karnataka who have obtained separate registration under the GST Act, then the transaction qualify as supply in terms of Section 7(1)(a) of the CGST Act 2017 and liable to tax under GST.

i. Taxability of Transportation charges paid by the Applicant

This category covers question number 16 & 17, which deals with transportation services received by the applicant. The Applicant supplies the text books & other printed forms/PUC answer booklets to various Departments, as per the requirements, located at different parts of the state. During this process applicant receives the transportation service from the service provider. At present applicant is paying transportation charges along with the GST @5% to the service provider.

The applicant seeks advance ruling on the issue that whether they are liable to pay GST on the transportation charges paid to the service provider, in relation to transportation of the text books & other printed forms/PUC answer booklets. The applicant has not clearly specified whether the service provider is a Goods Transport Agency or otherwise. Therefore two situations arise out of the question. The first being the service provider is GTA, a registered person and the other being a non GTA.

We consider the first situation i.e. the service provider is the GTA and also the applicant is receiver of the service of Transport of Goods by Road. In this case the applicant, being the receiver of the service, if falls under the



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specified 7 categories mentioned at column 4 of the Notification No. 13/2017 Central Tax (Rate) dated 28-06-2017, then the applicant is liable to pay GST on the service of GTA, under Reverse Charge Mechanism, in terms of the said Notification. The applicable rate of GST, on the said service is as per item (iii) of entry no 9 of the notification 11/2017 Central tax (Rate) dated 28/06/2017 as amended by the notification 20/2017 Central tax (Rate) dated 22/08/2017.

The applicant, in the second situation, if receives the service of transportation of goods [the text books & other printed forms/PUC answer booklets] by road from other than the GTA and Courier agency, such transportation service is exempted from payment of GST as per entry no. 18 of the notification 12/2017 Central Tax (Rate) dated 28/06/2017.

The applicant also seeks advance ruling on the issue that whether they can deduct TDS on the transportation charges paid. The applicant has to pay GST, under RCM, in the first situation and not required pay in the second situation. Therefore in either of the situation the applicant not paying the tax (GST) to the provider of the service and hence the question of deduction of TDS on the transportation charges paid does not arise.

j. Printing & Supply of "Indian Law Reports" to the Hon'ble High Court of Karnataka:

This category covers the question number 22, which deals with printing & supply of Indian Law Reports to the Hon'ble High Court of Karnataka, Bengaluru at free of cost; content is provided by Hon'ble High Court of Karnataka; physical inputs including paper belong to the applicant.

The printing of books / annual reports and like, where content is supplied by the persons who owns the usage rights to the intangible inputs, while the physical inputs including paper used for printing belong to the printer would constitute a composite supply, where the principal supply is that of supply of printing service and merits classification under SAC 9989, in terms of Para 4 of the Circular No. 11/11/2017-GST dated 20.10. 2017.

In the instant case the applicant being a Government press, established by the Government of Karnataka, under the control and supervision of Primary & Secondary Education Secretariat and hence becomes part of Government of Karnataka. Applicant printing & supply the Indian Law Reports to the Hon'ble High Court of Karnataka, Bengaluru; content is provided by Hon'ble High Court of Karnataka; physical inputs including paper belong to the applicant. Therefore, in the instant activity, the principal supply is that of supply of printing service and transaction becomes supply of service.

The entry no 6 of the notification 12/2017 Cenrtal Tax (Rate) dated 28/06/2017 provides that the services by the Central Government, State



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Government, Union territory or local authority are exempted from GST excluding the following services;

- a. services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services provided to a person other than the Central Government, State Government, Union territory;
- b. services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport;
- c. transport of goods or passengers; or
- d. any service, other than services covered under entries (a) to (c) above, provided to business entities

Therefore from the said entry it is observed that any service provided by the Government of Karnataka to business entity is excluded from exemption. Now we proceed to determine whether the Honourable High Court is business entity or not. The term 'business entity' is defined under the GST Act, means any person carrying out business. However, Honourable High Court is not included in the definition of the 'person' as defined under section 2(84) of the GST CGST Act 2017 and hence Honourable High Court Karnataka is not a business entity. The definition of 'person' as per section 2(84) of the CGST Act, 2017 is as under;

2 (84) "person" includes— (a) an individual; (b) a Hindu Undivided Family; (c) a company; (d) a firm; (e) a Limited Liability Partnership; (f) an association of persons or a body of individuals, whether incorporated or not, in India or outside India; (g) any corporation established by or under any Central Act, State Act or Provincial Act or a Government company as defined in clause (45) of section 2 of the Companies Act, 2013; (h) any body corporate incorporated by or under the laws of a country outside India; (i) a co-operative society registered under any law relating to co-operative societies; (j) a local authority; (k) Central Government or a State Government; (l) society as defined under the Societies Registration Act, 1860; (m) trust; and (n) every artificial juridical person, not falling within any of the above;

From the above, the printing & supply of Indian Law Reports to the Hon'ble High Court of Karnataka, Bengaluru by the applicant is exempted from GST in terms of entry no 6 of the notification 12/2017 Central Tax (Rate) dated 28/06/2017.



k. Issuance of No Objection Certificate (NOC) to private persons, for change of name

This category covers the questions bearing number 23, 24 & 25, which deals with issuance of No Objection Certificate (NOC) to private persons, for change of name. Private individual who intended to change

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their name approach the applicant for publishing their present and proposed name in the official Gazette. Since the private individual name is not published in the official Gazette, applicant issues No Objection Certificate to the private individual which enable them to publish their name in the newspapers. Presently applicant is charging Rs.100/-, for each NOC and not paying GST on this amount.

The applicant being the Department of Government of Karnataka, issues the No Objection Certificate to the private individuals and collects an amount of Rs.100/-. This activity of the applicant amounts to provision of service by the State Government to an individual. The services provided by the State Government, where the consideration for such service does not exceed five thousand rupees are exempted from GST, in terms of entry number 9 of the Notification No.12/2017 Central tax (Rate) dated 28/06/2017. Thus impugned activity of issuing NOC to the private individuals for the consideration of Rs.100/- is exempted from GST.

1. Printing & Supply of Bus Tickets to BMTC, Bengaluru.

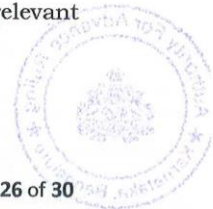
This category covers the questions bearing number 29 & 30, which deals with printing & supply of bus tickets to BMTC, Bengaluru; Logo & Content of the bus tickets are provided by the BMTC; physical inputs including paper belong to the applicant.

The printing of books / annual reports and like, where content is supplied by the persons who owns the usage rights to the intangible inputs, while the physical inputs including paper used for printing belong to the printer would constitute a composite supply, where the principal supply is that of supply of printing service and merits classification under SAC 9989, in terms of Para 4 of the Circular No. 11/11/2017-GST dated 20.10.2017.

In the instant case the applicant is involved in printing & supply of bus tickets; content is provided by the BMTC (recipient); physical inputs including paper belong to the applicant and hence the impugned activity amounts to supply of service, in terms of para 4 of the circular supra. The impugned supply is that of services, classified under SAC 9989 and attracts 12% GST, in terms of Sl.No.27 of Notification No.11/2017-Central Tax (Rate) dated 28.06.2017.

11. The applicant raised the questions bearing numbers 3, 10, 12 & 28, which are related to different issues. In all these questions the applicant raises same type of question whether the activity in these different issues amounts to supply of goods or services. These questions have been already answered in the relevant issues and hence they are redundant.

12. In view of the foregoing, we pass the following



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RULING

The rulings in respect of all the questions raised by the applicant have been given & tabulated which are as under:

SIN o	Items involved in the supply	Supplied to	Supply amounts to	Whether supply is Taxable /Exempted	Rate of Tax applicable	Relevant Notifn. & Entry No.
1	Printing and supply of Text books and Printed Materials, Karnataka Kaipidi, Annual Reports, Receipt Books, Measurement Books and Log books	Government Departments not registered under GST Act.	Service	Exempted as this transaction does not qualify as supply under section 7(1)(a) of the CGST/KGST Act 2017	Not applicable	Not applicable
		Government Departments registered under GST Act.		Taxable	6% CGST and 6% SGST	Classified under SAC 9989 covered under entry No.27 of Notification No.11/2017-Central Tax (Rate) dated 28.06.2017
2	Printing & supply of Answer booklets, Visiting cards, Letter heads, Forms, Covers, File wrappers, invitation cards, Scribbling pads, Rubber stamps	Government Departments not registered under GST Act.	Goods	Exempted as this transaction does not qualify as supply under section 7(1)(a) of the CGST/KGST Act 2017	Not applicable	Not applicable
		Government Departments registered under GST Act.		Taxable	9% CGST and 9% SGST	Classified under HSN 4817 and 4820 covered under entry No. 152 and 154 of Schedule III to Notification 01/2017-Central Tax (Rate) dated 28.06.2017



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3	Printing and supply of Annual Reports and Receipt Books	Autonomous bodies i.e. BRTS Company, Hubli-Dharwad Karnataka Electricity Regulatory Commission, Chamundeshwari Electricity Supply Company, Power Company of Karnataka Limited, BESCOM / HESCOM / MESCOM / KPTCL, Udupi / Bellary Nagarabhivrudhi Pradhikara, Higher Education Council	Service	Taxable	6% CGST and 6% SGST	Classified under SAC 9989 covered under entry No.27 of Notification No.11/2017-Central Tax (Rate) dated 28.06.2017
4	Supply of Log Books	Autonomous bodies i.e. BRTS Company, Hubli-Dharwad Karnataka Electricity Regulatory Commission, Chamundeshwari Electricity Supply Company, Power Company of Karnataka Limited, BESCOM / HESCOM / MESCOM / KPTCL, Udupi / Bellary Nagarabhivrudhi Pradhikara, Higher Education Council	Goods	Taxable	9% CGST and 9% SGST	Classified under HSN 4820 and covered under entry No.154 of Schedule III to Notification 01/2017-Central Tax (Rate) dated 28.06.2017
5	Printing & supply of Text books/ Karnataka kaipidis/Karnataka gazettes & Economic Survey of Government of Karnataka	Public & recognised book stalls	Goods	Exempted	Exempted	Classified under HSN 4901 covered under entry No.119 of Notification 02/2017-Central Tax (Rate) dated 28.06.2017



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6	Supply of waste paper	Public	Goods	Taxable	2.5% CGST and 2.5% SGST	Classified under HSN 4707 covered under entry No.198 B of Notification 01/2017-Central Tax (Rate) dated 28.06.2017 as amended by the notification 34/2017 Central Tax (Rate) Dated 13/10/2017
7	Supply of old Machinery as Scarp	Public	Goods	Taxable	9% CGST and 9% SGST	Classified under HSN 7204 covered under entry No.199 of Schedule III of Notification 01/2017-Central Tax (Rate) dated 28.06.2017
8	Supply of stationary Articles	Government Departments not registered under GST Act.	Goods	Exempted as this transaction does not qualify as supply under section 7(1)(a) of the CGST/KGST Act 2017	Not applicable	Not applicable
		Government Departments registered under GST Act.	Goods	Taxable	As applicable to those goods supplied	As applicable to those goods supplied
9	Transportation service received by applicant from GTA	Applicant is the recipient	Service	Taxable	2.5% CGST and 2.5% SGST through reverse charge mechanism	Notification 13/2017 dated 28-06-2017
10	Transportation service received by applicant from service provider other than GTA and courier agency	Applicant is the recipient	Service	Exempted	Exempted	Classified under SAC 9965 covered under entry No.18 of Notification No.12/2017-Central Tax (Rate) dated 28.06.2017



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11	Printing and supply of Law reports	Honourable High Court of Karnataka	Service	Exempted as this transaction does not qualify as supply under section 7(1)(a) of the CGST/KGST Act 2017, as there is no consideration involved.	Not applicable	Not applicable
12	Issue of NOC	Public	Service	Exempted	Exempted	entry no.9 of the notification 12/2017 Central tax (Rate) dated 28/06/2017
13	Printing and supply of Bus tickets	BMTC	Service	Taxable	6% CGST and 6% SGST	Classified under SAC 9989 covered under entry No.27 of Notification No.11/2017-Central Tax (Rate) dated 28.06.2017



[Signature] 18/3/2020
(Dr. Rav Prasad.M.P.)

Member

Karnataka Advance Ruling Authority

Place: Bengaluru
Date: 18-03-2020

[Signature] 18.03.2020
(Mashhood ur Rehman Farooqui)

Member

MEMBER

Karnataka Advance Ruling Authority
Bengaluru - 560 009

To,

✓ The Applicant

Copy to:

The Principal Chief Commissioner of Central Tax, Bangalore Zone, Karnataka.
The Commissioner of Commercial Taxes, Karnataka, Bengaluru.
The Principal Commissioner of Central Tax, Bangalore West Commissionerate, Bengaluru.
The Asst. Commissioner, LGSTO-60, Bengaluru
Office Folder

Dept of Printing

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