

पूर्व तट रेलवे / EAST COAST RAILWAY

Office of the
Pr. Chief Commercial Manager
1st Floor, North Block, Rail Sadan
Bhubaneswar – 751017

Commercial Circular No:339(GC)/2023

Date: 24.11.2023

Sub: Instructions regarding applicability of GST under forward charge Mechanism for all Outward supplies with effect from 20.10.2023.

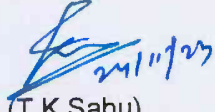
Ref: (i)PFA/ECOR's letter No.ECOR/Accts/BBS/GST/Circular/02/2421 dtd.16.11.2023
(ii)Railway Board's Circular No.RBA No.35/2023(GST Circular No.13/2023 dtd.09.11.2023)

Enclosed please find herewith a copy of the PFA/ECOR's letter No.ECOR/Accts/BBS/GST/Circular/02/2421 dtd.16.11.2023(Railway Board's Circular No.RBA No.35/2023(GST Circular No.13/2023 dtd.09.11.2023) regarding "**Instructions regarding applicability of GST under forward charge Mechanism for all Outward supplies with effect from 20.10.2023**", which is self explanatory for information and necessary action.

All concerned to please note and act accordingly

Encls: As above (04 Pages)

Authority: Railway Board's Circular No.RBA No.35/2023(GST Circular No.13/2023 dtd.09.11.2023)


(T.K.Sahu)
Asst.Commercial Manager (FS)
Date. 24.11.2023

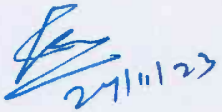
No.PCCM/443 /GST/Pt./Policy

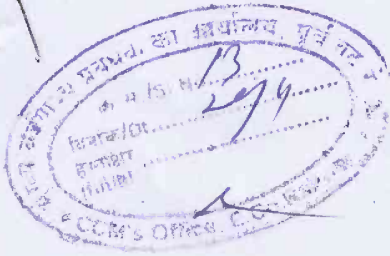
Copy to:-

All SMs/Goods Supervisors/ Comm. Supervisors/Siding clerks/Booking Clerk in charges/Parcel Clerk/ weigh Bridge clerks/City Booking Agencies.

Copy for information and necessary action to the:-

PCOM, PFA, CFTM,SDGM,FA & CAO(T),Chairman/RCT, Dy CVO(T), DY CCO, Dy COM(FOIS),PO/RCT, Audit Officer/ECOR/BBS. Rates Section/CCM/ECOR/BBS, DRM/KUR, WAT& SBP/ECOR, Sr DOM/KUR, WAT&SBP/ECOR, SrDCM/KUR,WAT&SBP/ECOR,Traffic Manager/Visakhapatnam Port trust (VZP), Paradeep Port Trust/PRDP.


(T.K.Sahu)
Asst.Commercial Manager (FS)



EAST COAST RAILWAY

Office of the
Principal Financial Advisor
Bhubaneswar

No.ECoR/Accts/BBS/GST/Circular/02/ 2421

Dt.16/11/2023

To

PCCM, CAO/Con, PCE, PCEE, PCSTE, PCME, PCPO, PCSC, PCMD, PCMM,
CPRO, CTPM, CWM/MCS, FA&CAO, Con)/BBS, FA&CAO(Con)/VSKP
DRM/KUR, SBP, WAT
Sr.DFM/KUR, SBP, WAT
Sr.DCM/KUR, SBP, WAT
Dy.FA&CAO(G), Dy.FA&CAO(S&W)
Sr.AFA(CRW)/MCS, Sr.AFA(Con)/SBP

Sub: Instructions regarding applicability of GST under Forward Charge
Mechanism for all Outward supplies with effect from 20.10.2023.
Ref: Railway Board's Lr.No.2017/AC-II/1/6/GST/ Main Vol.IV
Dt.09.11.2023 (RBA No.35/2023)

It was communicated vide Railway Board's letter No.2017/AC-II/1/6/GST
Main/Vol.IV Dt.20.10.2023 (RBA 32/2023) circulated earlier to all Divisions/Units that
w.e.f. 20th October 2023 all outward supplies (goods and services) made by Ministry
of Railways that were earlier covered under Reverse charge is converted to Forward
charge in terms of Department of Revenue Notification No.14/2023 Central Tax
(Rate) dt.19.10.2023 and Notification No.19/2023- Central Tax (Rate)
dtd.19.10.2023.

In this connection, Railway Board vide Lr.No.2017/AC-II/1/6/GST/ Main
Vol.IV Dt.09.11.2023 (RBA No.35/2023) has communicated necessary amendments
to earlier instructions issued vide previous Railway Board Accounts Circulars, the
copy of which is enclosed herewith for information and necessary action please.

The matter may please be treated as URGENT.

Encl: As above

16/11/2023
AFA(T-II)
For PFA/ECoR

Government of India
Ministry of Railways
Railway Board

RBA No. 35/2023
GST Circular No. 13/2023

No. 2017/AC-II/1/6/GST/Main Vol IV

New Delhi, dated 09.11.2023

General Manager

All Zonal Railways/Production Units

Sub: Instructions regarding applicability of GST under Forward Charge Mechanism for all Outward supplies with effect from 20.10.2023.

Ref. No. RBA No. 32/2023 & GST Circular No. 12/2023 dtd. 20.10.2023.

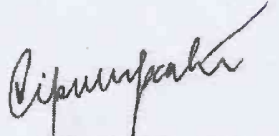
In the above referred Railway Board Accounts Circular, it was communicated that with effect from 20th October 2023 all the outward supplies (goods and services) made by IR that were earlier covered under reverse charge is converted to forward charge by virtue of CBIC Notification No. 14/2023 - CT (R) and Notification No. 19/2023 - CT (R). The said change requires amendment in earlier instructions issued vide previous Railway Board Accounts Circulars and the same are hereunder:

S. No.	RBA No	Amendment
1.	RBA No. 67/2017 dated 07.06.2017	In Annexure-2, description of item at S. No. 26 "whether taxes paid on reverse charge mechanism", will be marked as "No" w.e.f. 20.10.2023 as all outward supply by IR are under forward charge mechanism.
2.	RBA No. 152/2017 dated 23.10.2017	Notwithstanding anything contained in the said RBA, w.e.f. 20.10.2023 on outward supply of <u>used vehicles, seized and confiscated goods, old and used goods, waste, and scrap</u> , IR is required to charge GST on the tax invoice (subject to any exemptions under GST provisions), collect the same from its customers and is also liable to pay it to the government exchequer under forward charge. The said invoices shall also be reported under forward charge in the monthly returns.

3.	RBA No. 06/2018 dated 02.02.2018	Notwithstanding anything contained in the said RBA, w.e.f. 20.10.2023 on outward supply of services by way of <u>renting of immovable property to a person registered under CGST Act, 2017</u> , IR is required to charge GST on the tax invoice(subject to any exemptions under GST provisions), collect the same from its customers and is also liable to pay it to the government exchequer under forward charge. The said invoices shall also be reported under forward charge in the monthly returns.
4.	RBA No. 27/2018 dated 26.03.2018	<p>The RBA discusses flagging of inward supplies as T1, T2, T3, T4 or C2.</p> <p>Outward supplies covered under RCM is treated as "exempt supply" for the flagging of ITC. Prior to 20.10.2023, tax paid on inward supplies used for the purpose of outward supply under RCM were flagged either as:</p> <ul style="list-style-type: none"> - "T2" if used exclusively for effecting outward supplies which were covered under reverse charge, or - "C2" if used for effecting taxable outward supplies and outward supplies covered under reverse charge <p>However, with effect from 20.10.2023, as all the outward supplies have been converted to forward charge hence, the tax paid on inward supplies will be flagged as under:</p> <ul style="list-style-type: none"> - "T4" if used exclusively for effecting taxable supplies and zero-rated supplies or - "C2" if used partly for effecting exempt supplies, and partly for effecting taxable supplies or - "T3" if ITC is ineligible u/s 17(5) of the CGST Act, 2017. <p>Note: It shall be the responsibility of all the zonal railways/production units to correctly flag the tax paid on inward supplies as T1, T2, T3, T4 & C2 in consultation with their respective local GST consultants.</p>
5.	RBA No. 26/2021 dated 31.03.2021	Notwithstanding anything contained in the said circular, all the outward supply of services by IR have been converted to forward charge mechanism. Hence, IR is required to charge GST on the tax invoice(subject to any exemptions under GST provisions), collect the same from its customers and is also liable to pay it to the government exchequer under forward charge. The said invoices shall also be reported under forward charge in the monthly returns.
6.	RBA No. 19/2023 dated 26.05.2023	Supplies of works contract services on deposit works basis by IR to the depositing firm is now converted to forward charge. Accordingly, IR is required to charge GST on the tax invoice (subject to any exemptions under GST provisions), collect the same from its customers and is also liable to pay it to the government exchequer

		under forward charge. The said invoices shall also be reported under forward charge in the monthly returns. Inward supplies received by IR for further supplying works contract services on deposit works basis shall be flagged as per the instructions given in S. No. 4.
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All the zonal railways and production units shall ensure the compliance of above in consultation with their local GST consultants. In case of any specific issues in implementing the above instructions may be brought to the notice of Railway Board.


(Vipul Tripathi)
Director/Accounts
Railway Board

Copy to: -

1. All EDs, ED level empowered Committee, Railway Board
2. All Directors, Director level GST Cell, Railway Board
3. PFAs, All Zonal Railways and Production Units
4. MD/IRFC
5. GM/Finance/GSTM, GM/AIMS, CRIS, GM/IRePS, CRIS.
6. Chief Executive Officer, Ministry of Commerce and Industry, Government eMarketplace, 2nd Floor, Jeevan Tara Building, Sansad Marg, New Delhi 110 001 with a request to give effect to the above in GeM portal as requested in Ministry of Railway's letter dated 27.11.2020, to ensure GST compliance.