GOVERNMENT OF INDIA/BHARAT SARKAR
MINISTRY OF RAILWAYS/RAIL MANTRALAYA
(RAILWAY BOARD)

No. 2017/Tk-II/22/14/2 **New Delhi, dt. 25.07.2017**

(i) Principal Chief Engineers,
All Zonal Railways.

(ii) Chief Administrative officers,
All Zonal Railways.

Sub: Goods and Service Tax

Railway Board has received numerous representations regarding clarification on various provisions of supply contract in wake of implementation of goods and Service Tax by Government of India.

(A) In view of above, following clarifications regarding sleeper contract CS-169/2016 are issued in consultation with Finance Directorate of Railway Board:

I. Sleeper manufacturer will submit request for payment of 90% advance stipulated in clause 15.2 of SCC of CS-169 & GST payable on same to Railways alongwith Inspection Certificate.

II. Railways shall make payment to sleeper manufacturer against above request subject to fulfillment of contract conditions.

III. After receipt of advance, Sleeper manufacturer will issue Receipt Voucher having following details:

(a) Name, address and GSTIN of the supplier;

(b) A consecutive serial number containing alphabets or numerals or special characters –hyphen or dash and slash symbolized as "-" and "/" respectively, and any combination thereof, unique for a financial year;

(c) Date of its issue;

(d) Name, address and GSTIN or UIN, if registered, of the recipient;

(e) Description of goods or services;

(f) Amount of advance taken;

(g) Rate of tax (central tax, State tax, integrated tax, Union territory tax or cess);

(h) Amount of tax charged in respect of taxable goods or services (central tax, State tax, integrated tax, Union of territory tax or cess);

(i) Place of supply along with the name of State or its code, in case of a supply in the course of inter-State trade or commerce;

Contd...2/-

(j) Whether the tax is payable on reverse charge basis; and

(k) Signature or digital signature of the supplier or his authorized representative.

Sleeper manufacturer will submit the aforesaid receipt voucher to Railways in the same month in which payment was made to avoid the mismatch in the GSTN accounting software. Railways shall not make further payments, if sleeper manufacturer fails to submit Receipt Voucher in same month against advance taken by him.

IV. Since sleepers are to be supplied ex-works, consignee shall be Railway supervisor/incharge of CSP. Further, movement of sleepers from CSP to any other location for Railway use shall be done on bill of supply issued by Railway supervisor/incharge of CSP. GSTIN of supplier and GSTIN of the receiver shall determine the levy of CGST/SGST/IGST.

V. Zonal Railways shall make payment of Tax Invoice (balance 10%) issued at the time of dispatch of sleepers alongwith GST after deducting advance and tax amount already paid by Railways. An undertaking from sleeper manufacturer shall also be taken that the amount of input tax credit shall be passed on to Railways by them in subsequent PV bill or by depositing the requisite amount to the Railway. In case input tax credit is not received by Railway on account of any default of supplier in contravention to GST law, the Railway will be entitled to recover this from supplier's bill or any other outstanding amount to supplier.

(B) Zonal railways have also been seeking clarification regarding PV clause provided in zonal supply contract of track fittings in wake of implementation of Goods & Service tax by Government of India. In this regard, Zonal Railways being contracting Railway are advised to take necessary action in consultation with their associate finance to make the provisions in zonal supply contracts GST compliant within the provisions of contracts and extant rules.

This issues with concurrence of Finance Directorate of Railway Board.

25/7/17

(Vinod K. Tripathi)
Director Track (M)
Railway Board
Tel/Fax – 2338 9161

No. 2017/Tk-II/22/14/2 **New Delhi, dt. 25.07.2017**

Copy forwarded for information to:-

(i) The FA&CAO., All Zonal Railways
(ii) FS-II Branch, Railway Board.
(iii) The Director General of Audit, Railway Board.

25/7/17

For Financial Commissioner/Railways