भारत सरकार Government Of India
रेल मंत्रालय Ministry Of Railways
(रेलवे बोर्ड) (Railway Board)

**No. 2016/CE-I/CT/12/GST/Pt.I** **Dated: 29.06.2017**

**As per list attached**

**Sub:** Implementation of GST Act, 2017- **Procedure for payment of Contractual bill.**

On Indian Railways presently 'work executed by contractor' is recorded in measurement books by railway, duly accepted by contractor. Railway prepares 'on account / final contract certificate' for the payable amount based on the work executed and the rates quoted by the contractor duly deducting various statutory taxes like - work contract tax/ service tax/royalties/income tax etc. as per applicable rates. Further, railways deposit the statutory deductions themselves to the concerned authorities.

2. With GST act in force, it will be the responsibility of service providers (i.e. contractors) to submit the invoice (bill) duly segregating the GST component from the Gross amount of work executed.

3. Railways are therefore advised to follow the procedure as mentioned below while dealing with contractor's payment, once GST is applicable:

(A) (i) All works contracts are to be provided with goods/service code based on the type of contract. In case contract consists of both goods & service, then interpretation regarding nature of contract shall be done as per clause 8, Chapter III of CGST Act, 2017. The goods/service code is notified by Ministry of Finance and can be downloaded from the website www.cbec.gov.in.

(ii) The 'on account / final contract certificate' shall be prepared by the Railway on the basis of quantity of work executed and agreemental rates, duly segregating the GST component as detailed in para (iii) below.

(iii) Since the agreemental rates of contracts are inclusive of all taxes as per clause 37 of GCC-2014, the calculation of 'Gross amount of work executed', 'Amount of work executed excluding GST amount' and 'GST amount' in the 'on account / final contract certificate' shall be done as under:

Let Z = Gross amount of work executed on the basis of quantum of work executed and agreemental rates.

X = Amount of work executed excluding GST amount.

Y = GST amount as per applicable GST rate for that goods/service code.

R = Percentage rate of GST for that goods/service code

**Then, Z = X+Y, Y = X*R/100**

(iv) Percentage rate of GST for various types of goods/services as finalised by GST council can be downloaded from the website www.cbec.gov.in.

(B) (i) Once the 'on account / final contract certificate' is prepared by railway and communicated to contractor, the contractor shall submit invoice (bill) on his Letter head duly segregating the 'Amount of work executed excluding GST amount' and 'GST amount' (i.e. "X" & "Y" as mentioned in para 3(A)(iii) above) along with Invoice No. (bill No.) and all other details required under GST act. The sample GST compliant invoice is annexed herewith.

(ii) In case contractor is liable to be registered under GST Act, Railway shall pay to the Contractor 'Gross amount of work executed' (i.e. "Z" as mentioned in para 3A(iii) above) duly deducting all other leviable taxes like I/Tax, labour cess, royalty etc. as applicable. Contractor shall be liable to pay 'GST amount' to respective authority himself. Whereas, railway shall deposit all other taxes deducted to concerned authority as is being done presently.

(iii) In case contractor is not liable to be registered under GST Act, contractor shall be paid ''Amount of work executed excluding GST amount" (i.e. "X" as mentioned in para 3A(iii) above) duly deducting all other leviable taxes like I/Tax, labour cess, royalty etc. as applicable. Railway shall deposit 'GST amount' as well as all other taxes deducted to concerned authority.

(iv) In case any need arises to modify the Invoice (Bill) due to any reason, contractor shall submit amended fresh invoice for processing the payment.

This is issued with the concurrence of Accounts directorate and approval of Board (ME).

Please acknowledge receipt.

Enclosure- as Above

अनिल कुमार 29/4/17

(अनिल कुमार)
निदेशक/सिविल इंजीनियरिंग(जी)/रेलवे बोर्ड
[Phone : 011-23047598, e-mail address: padcegrb@gmail.com]

Annexure

1. Supplier Name
2. Supplier GSTIN
3. Invoice No.
4. Invoice Issue Date
5. Total Value
6. Taxable Value
7. Goods A/c HSN, Service Accounting Code
8. Goods and Services Description
9. Unit Qty Code
10. Quantity
11. Rate
12. Whether eligible for ITC — Partial / Full / NIL
13. IGST Rate
14. IGST Charged Amt:
15. CGST Rate
16. CGST Charged Amt.
17. SGST/ UGST Rate
18. SGST Charged Amount
19. Cess Rate
20. Cess Charged Amt.
21. Name/Recipient of Service/Goods
22. Place of Supply
23. Recipient GSTIN
24. Tax Payable on Reverse Charge Basis(Y/N)
25. TDS

## LIST FOR DISTRIBUTION

1. General Managers, All Indian Railways & Production Units.
1a. General Manager (Con), N.F. Railway, Guwahati.
1b. General Manager /CORE, Allahabad.
2. Principal Chief Engineers, All Indian Railways.
3. Chief Administrative Officers (Con), All Indian Railways.(Except N.F. Railway)
4. FA&CAOs/ All Indian Railways.
5. Chief Vigilance Officers, All Indian Railways.

**Copy to:**

**(A)**

1. CAO/CAO(R), COFMOW, Tilak Bridge, New Delhi.
2. CAO/CAO(R), Diesel Locomotive Works, Patiala(Punjab).
3. CAO, Rail Coach Factory/Rae Bareli Project, Kishanganj, Delhi -110007.

**(B)**

1. Director General, RDSO, Manak Nagar, Lucknow.
2. Director General, Railway Staff College, Vadodara
3. Director, IRICEN, Rail Path, Pune – 411 001 (Maharashtra).
4. Chief Commissioner of Railway Safety, Ashoka Road, Lucknow.

**(C)**

1. MD, DMRC, Metro Bhawan, 13, Fire Bridge Lane, Barakhamba Road, New Delhi- 110 001,
2. MD, CONCOR, Concor Bhawan, C-3, Mathura Road, Opp. Apollo Hospital, New Delhi- 110076.
3. IRCON International Limited, C-4, District Centre, Saket, New Delhi- 110017
4. MD, RITES Ltd., RITES Bhawan, Plot No.1, Sector-29, Gurgaon.
5. MD, RVNL, August Kranti Bhawan,Plot No.25, 1st Floor, Bhikaji Cama Place, New Delhi.
6. MD, MRVC Ltd., Churchgate Station Bldg, Mumbai- 400020
7. MD, KONKAN Railway Corporation Ltd, Rail Bhawan, New Delhi-110001.
8. MD, DFCCIL, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001
9. MD, RLDA, Near Safdarjung Railway Station, Moti Bagh, Phase-I, New Delhi- 110021
10. MD, CRIS, Chanakyapur, New Delhi.
11. CMD, RailTel Corporation of India Ltd. Plot No. 143, Institutional Area, Sector-44, Gurgaon – 122003.
12. RCF, Rae Bareilly, Kishan Ganj, Delhi-110007.
13. CME, IROAF, 12th Floor, Core-1, Scope Minar, Distt. Centre, Laxmi Nagar, Delhi- 110092
14. CAO (Workshop Projects), Chamber Bhawan, Judge's Court Road, Anta Ghat, Patna-800001, Bihar.

**Copy to:**

ME, M(Tr.), M(RS), FC, DG(S&T), DG(RS), AM(CE), AM(Works), AM(B), AM(Elec.), AM(RS), Adv(Projects), Adv.(L&A), Adv(Bridges), EDCE(G), EDCE(P), EDTK(M), EDTK(MC), EDTK(P), EDCE(B&S)-I, EDCE(B&S)-II, EDF(X)-I, EDF(X)-II, ED(Works), EDW(Plg.), ED/Project(Mon.), ED(L&A)-I, ED(L&A)-II, ED(L&A)-III, ED(PSU).