(भारत सरकार) GOVERNMENT OF INDIA)

(रेल मंत्रालय) MINISTRY OF RAILWAYS)

(रेलवे बोर्ड RAILWAY BOARD

Commercial Circular No. 61 of 2018

No.TC-II/2910/2017/GST-Passenger fare New Delhi, dated 22 .10.2018

The Principal Chief Commercial Managers,
All Zonal Railways

Managing Director,
CRIS, Chanakyapuri,
New Delhi

SUB: Tax deducted at source on GST transactions.

REF: CRIS letter no. 2011/CRIS/NDLS-HQ/UTS/TZXES/253/0003 dated 20.09.2018.

Vide RBA no. 98 of 2018 (GST circular no. 34/2018) dated 17.09.2018, instruction has been issued regarding GST tax deducted at source on transaction. In this letter who will deduct the TDS has already been mentioned. Further, it has already been mentioned that TDS shall be deductible on passenger transportation service by rail subject to the following conditions:-

(i) If the contract value for supply of service by Indian Railways (AC class and first class) exceeds Rs. 2.5 lakhs.

(ii) The provision of TDS is applicable only when the recipient of passenger transportation service are the following specified persons: Central Government, State Government, Local authority, Government agencies, Government entity, societies established under Society Registration Act, Public sector Undertakings and Authority or Board set up any of Parliament or a state legislature.

2. To illustrate, TDS deduction by the recipient of passenger transportation service from Indian Railway shall be applicable, if bulk booking by public sector undertakings like SAIL, NTPC, ONGC etc., for taking their employees on tour for longer distance in AC coaches like Rajdhani train etc., wherein the contract value exceeds Rs. 2.5 lakhs.

In this example it is presumed that invoice shall be raised in the name of PSU indicating the details of passengers and the corresponding total train fare alongwith applicable GST. In such cases, PSU's while releasing payment to Indian Railways, must deduct TDS at applicable rates and release the balance payment to Indian Railways. PSU will comply with TDS return formalities by filing GSTR-7 by 10^{th} of the following month. Thereafter Indian Railways gets credit in its electronic cash ledger and the concerned PSUs shall issue the TDS certificate in favour of railways concerned.

2/-

3. As regards rounding off of fare CGST and SGST/UTGST shall be calculated and rounded off to two decimal places separately.

4. Whether total GST charged to be printed with TDS or without TDS in UTS the instruction no. TC-II/2910/2017/GST/2 dated 09.06.2017 should be followed.

This issues in consultation with Accounts Directorate and Finance (Commercial) Directorate.

(Shelly Srivastava)
Director Passenger Marketing
Railway Board

No.TC-II/2910/2017/GST-Passenger fare New Delhi, dated 22.10.2018

Copy forwarded for information to:

1. The Dy. Comptroller & Auditor General of India (Railways), Room No.224, Rail Bhavan, New Delhi.
2. The PFA, All Indian Railways.
3. The Principal Director of Audit, all Indian Railways.

22.10.18
for Financial Commissioner/Railways

No.TC-II/2910/2017/GST-Passenger fare New Delhi, dated 22.10.2018

Copy forwarded for information & necessary action to:

1. CCM (PM)s, Eastern Railway/Kolkata
2. GM/UTS, Centre for Railway Information System (CRIS), Chanakyapuri, Near National Rail Museum, New Delhi, for making necessary changes in the PRS and UTS softwares.