



PUNJAB STATE TRANSMISSION CORPORATION LIMITED

(Regd. Office: PSEB, Head Office, The Mall, Patiala-147001, Punjab, India)

Corporate Identity Number - U40109PB2010SGC033814,

Office ofCFO (Taxation Section), Shakti Sadan, Patiala

E-mail: ao-taxation@pstcl.org, Tel/Fax No. 0175-2203637

GST Circular no. 02/2018

To

All Addl. SEs/Sr. Xens/AOs (DDOs)

Under PSTCL

Memo No: -431-477/Taxation/38

Dated: - 09.02.2018

Sub: Exemption from leviability of GST on various services received by PSTCL w.e.f. 25.01.2018.

Government of India, Ministry of Finance amended Notification No. 11/2017- Central Tax (Rate) dated 28.06.2017 and Notification No. 12/2017- Central Tax (Rate) dated 28.06.2017 vide Notification No. 01/2018- Central Tax (Rate) dated 25.01.2018 and Notification No. 02/2018- Central Tax (Rate) dated 25.01.2018 respectively which are discussed as under:

(A) Vide Notification No. 01/2018- Central Tax (Rate) (amend the notification no. 11/2017) dated 25.01.2018 the rate of tax on the following service reduced to nil:

Sr. No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (per cent.)
16	Heading 9972	Services by the Central Government, State Government, Union territory or Local authority to government authority or government entity , by way of lease of land. Note: Definition of Govt. Entity will be same as given in Part B of this circular.	NIL

As per notification, there is no requirement to pay GST on the lease rent paid for land taken on lease from Central Government, State Government, Union territory or Local authority w.e.f. 25.01.2018.

Further, it is also clarified that, there is no requirement to pay GST on Lease rent paid to Gram Panchayat (covered under the definition of Local Authority) on land taken on lease under reverse charge basis as per Notification no. 38/2017 dated 13th Oct, 2017 Central Tax (Rate) (w.e.f. 13.10.2017). So PSTCL under no obligation to pay GST on lease rent w.e.f. 13.10.2017 under reverse charge basis.

(B) Vide Notification No. 02/2018- Central Tax (Rate) dated 25.01.2018 (amend the notification no. 12/2017) the following services are exempted from the levy of GST:

Sr. No.	Chapter, Section, Heading, Group or Service Code (Tariff)	Description of Services	Rate (per cent.)
45	Heading 9982 or Heading 9991	Services provided by- (a) an arbitral tribunal (b) a partnership firm of advocates or an individual as an advocate other than a senior advocate, by way of legal services (c) a senior advocate by way of legal services to- Central Government, State government, Union territory, local authority, Government Authority or Government Entity .	NIL
65A	Heading 9991	Services by way of providing information under the Right to Information Act, 2005 (22 of 2005).	NIL

Earlier vide Notification No. 13/2017- Central tax (Rate) dated 28.06.2017, GST was required to be deposited by PSTCL on reverse charge basis under Section 9 (3) of CGST Act, 2017 in case of Services received from Arbitral Tribunal and Legal services received from Advocates/firm of advocates (as intimated in detail vide GST circular no. 04/2017 dated 03.07.2017).

Now as per Notification No. 02/2018 dated 25.01.2018, services provided by Arbitral tribunal and legal services provided by Advocates/firm of advocates to Central Government, State government, Union territory, local authority, Government Authority or Government Entity are exempted from levy of GST.

Further definition of Government Entity for the purpose of Notification No 12/2017- Central Tax (Rate) is as follows:

“Government Entity” means an authority or a board or any other body including a society, trust, corporation:

- (i) set up by an Act of Parliament or State Legislature; or
- (ii) established by any Government, with 90 per cent. or more participation by way of equity or control, to carry out a function entrusted by the Central Government, State Government, Union Territory or a local authority.”


As per above definition PSTCL falls under the definition of Government Entity.

In view of above, w.e.f. 25.01.2018, no GST is required to be paid under reverse charge basis u/s 9(3) of the CGST Act, 2017 or otherwise by PSTCL on following services:

1. Services received from Arbitral Tribunal.
2. Legal services received from Advocates/Firm of Advocates.
3. Services by way of providing information under the Right to Information Act, 2005.

Example: No GST is required to be paid if the payment of legal services bill is paid after 25.01.2018 subject to the condition that bill is not issued prior to 60 days from dated 25.01.2018 i.e. 25.11.2017 (Also see Section 13 (3) of the CGST Act, 2017 for time of supply in case of supply of services under reverse charge).

This is for your information and further necessary action please.




Accounts Officer/ Taxation
PSTCL, Patiala.

Endst No: -478-513/Taxation/38

Dated: - 09.02.2018

Copy of the above is forwarded to the following for information and further necessary action please.

1. Engineer-In-Chief/TS, PSTCL, Patiala.
2. Chief Engineer/SLDC, PSTCL, Patiala.
3. Chief Engineer/P&M PSTCL Ludhiana.
4. Chief Engineer/HIS&D PSTCL, Patiala.
5. Financial Advisor PSTCL Patiala.
6. Company Secretary, PSTCL.
7. Chief Auditor, PSTCL, Patiala.
8. All Dy.CEs/SEs under PSTCL.
9. All Dy. CAOs / Dy. CAS / Dy. FAs under PSTCL.
10. All Addl. SEs/Sr. Xens (under PSTCL).
11. All AOs under PSTCL (other than DDOs).
12. SE/IT, PSTCL, Patiala for placing the circular on website of PSTCL.



Accounts Officer/Taxation
PSTCL, Patiala.

CC:

1. Sr. PS to CMD, PSTCL, Patiala for kind information of CMD, please.
2. Sr. PS to Director/F&C, PSTCL, Patiala for kind information of Director, please.
3. Dy. Secy. to Director/Tech., PSTCL, Patiala for kind information of Director, please.
4. Sr. PS to Director/Admn., PSTCL, Patiala for kind information of Director, please.
PSTCL, Patiala.