



PUNJAB STATE TRANSMISSION CORPORATION LIMITED

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

Corporate Identity Number: U40109PB2010SGC033814

O/o Chief Financial Officer (Taxation Section), Shakti Sadan, Patiala

www.pstcl.org e-mail: ao-taxation@pstcl.org

GST Circular 03/2022

To

All Addl. SEs/Sr. Xens/AOs (DDOs) (Through website),
Under PSTCL.

Memo No: 450-492/CFO/Taxation/40

Dated: 02.08.2022

Sub: GST on inward supply of Goods Transport Agency (GTA) service.

Government of India, Ministry of Finance vide notification no. 03/2022 Central tax (Rate) dated 13.07.2022 amended Notification no. 11/2017 Central tax (Rate) dated 28th June 2017 by substituting S. No. 9 (Item iii) as under:

Sr. No.	Heading	Description of Service	Rate	Condition
9	Heading 9965 (Goods transport services)	"(iii) Services of Goods Transport Agency (GTA) in relation to transportation of goods (including used house hold goods for personal use) supplied by a GTA where,		
		(a) GTA does not exercise the option to itself 2.5% GST on the services supplied by it;	2.5%	The credit of input tax charged on goods and services used in supplying the service has not been taken.
		(b) GTA exercises the option to itself pay GST on services supplied by it.	2.5% Or 6%	(1) In respect of supplies on which GTA pays tax at the rate of 2.5%, GTA shall not take credit of input tax charged on goods and services used in supplying the service.

Further, regarding the forward charge option given to GTA service provider, Government of India, Ministry of Finance vide notification no. 05/2022 Central tax (Rate) dated 13.07.2022 amended Notification no. 13/2017 Central tax (Rate) dated 28th June 2017 by omitting and inserting Sr. No. 1, which is reproduced as follows:

(a) The words, figures and symbols "who has not paid central tax at the rate of 6%" shall be omitted:

(b) after the proviso the following proviso shall be inserted, namely:

"Provided further that nothing contained in this entry shall apply where:

- i. the supplier has taken registration under the CGST Act, 2017 and exercised the option to pay on the services of GTA in relation to transport of goods supplied by him under forward charge; and
- ii. the supplier has issued tax invoice to the recipient charging Central Tax at the applicable rate and has made a declaration as prescribed in Annexure III on such invoice issued by him;

Presently GTA service provider has the following two options:

1. GST under Reverse Charge @ 5% (2.5% CGST +2.5% SGST) without ITC.
2. GST under Forward Charge @ 12% (6% CGST +6% SGST).

Now in the view above amendments, w.e.f. 18.07.2022, GTA service provider has been given the following three options:

1. GST under Reverse Charge @ 5% (2.5% CGST +2.5% SGST) without ITC.
2. GST under Forward Charge @ 12% (6% CGST +6% SGST).
3. GST under Forward Charge @ 5% (2.5% COST+2.5% SGST) without ITC.

In the light of above amendments, in case option to pay tax under forward charge is exercised by GTA service provider and a declaration as reproduced below is made on taxable invoice, then GST on GTA inward supply is not required to be paid under Reverse charge. GST along with taxable value to be paid to GTA service provider, who will discharge his GST liability under forward charge.

"Declaration

I/we have taken registration under the CGST Act, 2017 and have exercised the option to pay tax on services of GTA in relation to transport of goods supplied by us during the Financial Year _____ under forward charge."

This is for your information and further necessary action please.

This issues with the approval of competent authority.

Harminder Singh

Accounts Officer/Taxation,
PSTCL, Patiala.

Endst No: 493-533/CFO/Taxation/40

Dated: 02.08.2022

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

1. All EICs/Chief Engineers under PSTCL.
2. CAO/F&A, PSTCL Patiala.
3. Company Secretary, PSTCL, Patiala.
4. All Dy.CEs/SEs under PSTCL.
5. All Joint/Dy. CAOs / Dy. CAs/Dy. FAs under PSTCL.
6. All AOs under PSTCL (except DDOs).

Harminder Singh

Accounts Officer/Taxation,
PSTCL, Patiala.