



**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](mailto:ao-taxation@pstcl.org)

**GST Circular 02/2023**

To

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

Memo No: 529-571/CFO/GST-38

Dated: 06-09-2023

**Subject: Regarding GST under Reverse Charge Mechanism (RCM) on the charges paid towards compensatory afforestation PV, CAMPA fund etc. as Services supplied by Government.**

This office has already issued GST circular No. 4/2017 dated 03-07-2017 in respect of Taxability of Services under Reverse Charge Mechanism (RCM) as per CGST Act 2017 keeping in view of the CGST Notification No. 13/2017 (as amended from time to time). As per Sr. No. 5 of the table in the above said circular "Services supplied by the Central Government, State Government, Union territory or local authority to a business entity" are taxable under Reverse Charge Mechanism (RCM) as per section 9(3) CGST Act, 2017 (except few services as list out in the said notification).

Further, office of CFO, PSTCL has received the notice from office of The Commissioner, CGST Commissionerate, Jalandhar to deposit the GST in respect of the charges paid towards compensatory afforestation PV, CAMPA fund etc. (primarily by TLSC divisions) as the said services are covered under supply of service by the government and liable to pay GST under RCM by virtue of entry 5(e), IInd Schedule, CGST Act 2017.

This office (the office of AO/CPC/GST) has taken the expert opinion of Kakaria and Associates, Advocates and Tax Consultants, Panchkula on this issue and decided to pay the GST along with interest as per the opinion received.

So all the DDOs are requested to timely deposit of GST under RCM for the above said services and also on the amount deposited as fees for obtaining any other services from the Central Government, State Government, Union territory or local authority (keeping in view of the CGST Notification No. 13/2017-as amended from time to time) to avoid demand of tax, interest and penalty etc. in future.

This issues with the approval of competent authority.

*Harminder Singh*

Accounts Officer/Taxation,  
PSTCL, Patiala.

Endst No: 572-612/CFO/GST-38

Dated: 06-09-2023

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.