

Ref.-SEP/GST/15

Date: 14/09/2017

To,
GST CELL,
HQ, FA & CAO Office
G.M. Building
West Central Railway
Jabalpur (MP)

Subject: Reverse charge on Outward supply made by the Central Government
Ref: - Notification No. 13/2017- Central Tax (Rate) Dated 28/06/2017

Sir,

This has to reference to Entry No. 5 of the Notification No. 13/2017- Central Tax (Rate) Dated 28/06/2017

1. Whether Reverse Charge will be applicable on outward supplies made by the Indian Railways?

GST shall be applicable under Reverse Charge for the services supplied by the Central Government, State Government, Union territory or local authority to a business entity excluding :-

- (1) Renting of immovable property, and
- (2) Services specified below-
 - a) services by the Department of Posts by way of speed post, express parcel post, life insurance, and agency services provided to a person other than Central Government, State Government or Union territory or local authority;
 - b) Services in relation to an aircraft or a vessel, inside or outside the precincts of a port or an airport;
 - c) Transport of goods or passengers.

Hence it can be drawn from above provision, that outward supplies of services, other than that of transport of goods or passengers and renting of immovable property, provided by Indian Railways to any business entity shall attract Reverse Charge Mechanism (RCM) and GST shall be paid by the recipient of service.

Thanks and regards
For, Rahul & Co.
Chartered Accountants


Dhawal Shrivastava