

Ref-Nov/GST/06

Date: 25/11/2019

To  
GST Cell  
Office of PFA HQ  
G.M. Building  
West Central Railway  
Jabalpur (MP)

Subject: Levy of GST after cancellation of GST Registration by the contractor.


Ref :- JBP.WA.Bills dated 19.11.2019

Sir,

In the given case, the date of cancellation of Registration is 01.08.2019, date service completion is 01.03.2018 and date of Tax Invoice is 01.07.2018, as per section 13 of CGST act 2017, Point of Taxation will be the date of completion of service as payment was not received and Tax Invoice or payment was not issued within the time prescribed under Rule 31 of CGST Rule, 2017.

Hence on the basis of above provisions, even registration has been cancelled at the time of payment to contractor by the Railways, liability related to pay GST had occurred on date of completion of service and GST shall be leviable on 5th and Final RA bill.

For Rahul & Co.  
Chartered Accountants

  
Dhawal Shrivastava  
(Authorized Signatory)

West Central Railway  
DRM (W)'s Office  
Jabalpur

No. JBP.WA.Bills  
Date 19.11.2019

Chartered Accounts  
WCR/JBP

Su: - Levy of GST after Cancellation of GST Registration by the contractor.  
Work: - Repair and maintenance of track in the section of SSE (PW) Rewa under ADEN  
STA (North) sub division.  
CA NO: - JBPM/R/121.16/SSE(PW)Rewa/117 dated 17.02.2017  
Contractor: - Shri Rajesh Kumar Swarnkar, Chhatarpur (M.P.)

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The said contract was awarded to above named contractor vide this office letter dated 02.01.2017 with the completion period of 01.01.2018, which was extended up to 01.03.2018.

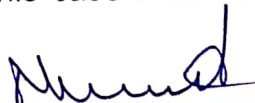
3rd & 4<sup>th</sup> on account bills were passed under GST regime. Work has been completed by the contractor on 01.03.2018, therefore ADEN STA (N) prepared 5<sup>th</sup> & final bill dated 01.07.2018 with the date of final measurement on 01.06.2018, but final bill is pending for sanction of variation, want of EPF/ESIC challons etc. After sanction of final variation Contractor has deposited EPF on 10.10.19 and submitted the challans of EPF & ESIC to this office.

Contractor, vide his application reference No AA230819013907Y dated 19.08.2019 applied GST department for cancellation of registration w.e.f. 01.08.2019. Tax authority has issued order for cancellation of Registration on 04.10.2019. Contractor vide letter dated 16.10.2019 informed to this office that since last two years no contract was awarded to him, therefore he decided to stop his contractor ship. Therefore he has cancelled GST Registration (copy enclosed). Contractor also informed that if in future any recovery towards GST worked out by GST Department for that he shall be responsible for that and also he will not issue any invoice to Railway as he has cancelled GST Registration.

05<sup>th</sup> & Final bill was passed by this office on 17.10.2019 with out GST Invoice and sent to Sr. DFM JBP for arranging payment to the contractor. Sr. DFM has returned the said final bill vide his letter No. JBP/A/C/X-I/19-20 dated 01.11.2019 and stated that " It is seen that Date of work done is 01.03.2018 & date of measurement is 01.06.2018, whereas GST cancelled date is 01.08.19, hence regarding GST you are requested to obtain clarification from GST Cell for GST"

Keeping in view of above facts, it is requested to guide in this case whether GST is applicable or otherwise.

DA: As above

  
DEN/North/JBP