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(भारत सरकार) GOVERNMENT OF INDIA
(रेल मंत्रालय) MINISTRY OF RAILWAYS
(रेलवे बोर्ड) RAILWAY BOARD

RBA No. 100 /2018
GST Circular No. 35 /2018

No.2018/AC-II/1/46 Dated 19.9.2018

Pr. Financial Advisors,
Zonal Railways and Production Units

Sub: Accounting of deductions and deposits of GST TDS by the Railways.
Ref: Board's letter no.2018/AC-II/1/46 dated 14.9.2018(RBA No.97/2018).

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Please connect Board's letter ibid wherein a copy of MOF's Gazette Notification no. 50/ 2018- Central Tax date 13.9.2018 has been circulated for information and compliance. The notification ibid provides for implementation of Section 51 of CGST Act 2017 (12 of 2017) w.e.f 1.10.2018, which contemplates deduction of tax by the Government Agencies (Deductor) or any other person notified in this regard, from the payment made or credited to the supplier (Deductee) of taxable goods or services or both, where the total contract value of such supply exceeds two lakh and fifty thousand rupees. The amount deducted as tax under this section is to be paid to the Government by deductor within ten days after the end of the month in which such deduction is made along with a return in Form GSTR-7 giving the details of deductions and deductees. Further, the deductor has to issue a certificate to the deductee mentioning therein the contract value, rate of deduction, amount deducted etc.

2. Accordingly, Indian Railways, as recipient of goods and services, shall be liable to deduct TDS towards GST @ 2% (CGST 1% and SGST/UTGST 1%) of total value of such supply, and remit the same to the concerned State Government and also file GSTR–7 as per stipulated schedule. The amount of GST TDS so deducted and paid shall be reflected in credit ledger of the supplier. **The above TDS provision shall not be applicable in case of IGST, as on date.**

3. The following accounting procedure shall be followed by the Accounts Officer in case of recovery from supplier bills:

i. On deduction from bill at the time of payment-in the books of TDS deducting Railway

Expenditure Head	Dr.
Misc. Advance GST (as per existing allocations)	Dr.
Dep. Misc. GST TDS	Cr

(New allocations being introduced in IPAS -00844541 CGST, 00844542 SGST, 00844543 UTGST. Similar allocation may be introduced by non-IPAS units in their FMIS)
Cheques and Bills (For Cost +GST minus GST TDS) Cr.

ii. **On payment of GST TDS to Govt. by the Nodal Railway-** for this CRIS shall provide the detail of GST TDS State wise to concerned Nodal Railways by 5th of the following month

(a) On payment of GST TDS:
Dep. Misc GST TDS Dr.
(00844541 CGST, 00844542 SGST, 00844543 UTGST)
Cheques & Bills Cr.

(b) On transfer of debits by Nodal Railway to concerned Railways/Divisions who recovered TDS (based on CRIS data) for clearance of Deposit Misc GST TDS from its books:
Transfer Other Railway/ Transfer Divisional Dr.
Dep. Misc. GST TDS Cr.
(00844541 CGST, 00844542 SGST, 00844543 UTGST)

iii. **Accounting in Books of Railway/Division who recovered GST TDS:**
Transfer Other Railway Cr
Transfer Divisional (-)Dr.
Dep. Misc GST TDS Dr.
(00844541 CGST, 00844542 SGST, 00844543 UTGST)
(This will clear the deposit lying on this account in books of GST TDS deducting Railway/ Division)

4. As per rules, a TDS certificate to be issued to the supplier mentioning therein the contract value, rate of deduction, amount deducted, amount paid to Govt etc within five days of crediting the amount so deducting to Govt. **A late fee of Rs 100 per day will be payable after expiry of the five days period (subject to maximum of Rs.5000-).**

5. CRIS shall ensure generation of TDS certificate as per stipulated format and electronic transmission thereof to the concerned party through IRePS. Necessary system integration and software changes may be ensured immediately. Similar arrangement may be made by non-IPAS units in association with CRIS.

Kindly acknowledge receipt and ensure compliance.

(Anjali Goyal)
Pr. Executive Director/ Accounts
Railway Board

Copy for information and necessary action to:
MD/CRIS, DF/CRIS, Gm/ Fin/CRIS, GM/AIMS/CRIS, GM/VIMS, GM/IRePS