

CIRCULAR

Sub : Guidelines in respect of various issues pertaining to GST applicability from July 1, 2017.

- i) Invoices to be issued under GST regime.
- ii) Applicability of exemption under GST on various receipts received in accounts section pertaining to activities carried out in NAINA and various receipts received pertaining to Building Permission activities of ACP (NM-TPO) section.
- iii) Payment to Contractors/Consultants

With reference to abovementioned subject, it is to be noted that, in case of taxable supply of services, service provider (i.e. CIDCO Ltd.) need to issue Tax invoice to the service recipient.

i) Invoices to be issued under GST regime.

Copy of invoices to be issued under GST, duly printed and bound in book format, are kept ready at Head Office. All the concerned departments are instructed to collect the same for further necessary action.

Further, HSN Codes / SAC Codes to be mentioned while issuing Tax Invoices for services rendered by CIDCO Ltd. are as under :-

<i>Income/Receipts</i>	<i>Type</i>	<i>Current Rate</i>	<i>HSN/SAC</i>	<i>Rate under GST Regime</i>	<i>Remarks</i>
Sale of Booklet	Goods	6%	4901	5%	
Sale of Tender Form	Goods	6%	4901	5%	
Scrap Sale	Goods	6%/13.5%	7204	18%	Depend up on the nature of scrap. Entry No 7204 is for remelting scrap ingots of Iron or steel
Sale of Under Construction - Tenements	Service	4.50%	9954	12%	18% -1/3 % for the transfer of property in land
Sale of Land (Lease Premium)	Service	15%	9972	18%	
Lease Rent	Service	15%	9972	18%	
Administrative Charges	Service	15%	99859	18%	
Rent	Service	15%	99721	18%	
Supervision Charges/Consultancy	Service	15%	99839	18%	
Rental Income from Club/ Mandap	Service	15%	99721	18%	
Renting of Commercial Unit	Service	15%	99721	18%	
Rental Income-Right to use the way	Service	15%	99721	18%	
Reinstatement charges					
Lab Testing Charge	Service	15%	99834	18%	

ii) Applicability of exemption under GST on various receipts received in accounts section pertaining to activities carried out in NAINA and ACP (NM-TPO) section.

Under GST regime, exemption have been granted in respect of services provided by Governmental Authority by way of any activity in relation to any function entrusted to a municipality under article 243 W or Panchayat under article 243G of the Constitution vide entry No 4 and Entry no 5 of Notification No. 9/2017-Integrated Tax (Rate) dated June 28, 2017.

As per the inputs / explanation received from SP(BP), NAINA on July 17, 2017, it is stated that, services / activities stated in Sr. No. 1 and Sr. No. 2 of Twelfth schedule of Article 243(W) of the constitution are the duties of CIDCO being the Special Planning Authority for NAINA under the provision of MRTP Act. The collection of fees are also based on MRTP Act (Section 124A) and DCRs duly approved by the State Govt.

After taking into account views/inputs of planning department (NAINA), the following receipts collected are pertaining to activities in relation to function entrusted to a municipality under article 243 W of the Constitution are enumerated in Schedule Twelve:

1. Scrutiny Fees
2. Security Deposits
3. Fire Service Charges (Collected by CFO)
4. Revalidation Fees
5. Premium for free of FSI Components
6. Labour Cess (1% of applicable charges as administrative charges)
7. FSI linked premium
8. Development Charges
9. Environment Cess (this is still under proposal stage; under Govt. order to integrate the Environment Clearance with Development permission)
10. TDS (will be collected after acquisition of DP reservations)

In view of this, prima facie it is to be noted that above receipts are entitled for exemption under Entry No. 4 of Notification No. 9/2017-Integrated Tax (Rate) dated June 28, 2017.

Further, receipts in connection with building permission of ACP (NM-TPO) section are also prima facie entitled for exemption under Entry No. 4 of Notification No. 9/2017-Integrated Tax (Rate) dated June 28, 2017.

While accepting the said receipts by way of any activity in relation to function entrusted to a municipality under article 243 W of the Constitution in planning department (NAINA and ACP (NM-TPO) which are considered for exemption under Entry No. 4 of Notification No. 9/2017-Integrated Tax (Rate) dated June 28, 2017, undertaking should be obtained from the allottees that in case GST is applicable on impugned receipts, the same shall be recovered from the allottees.

Receipts which are not pertaining to any activity in relation to function entrusted to a municipality under article 243 W of the Constitution are enumerated in Schedule Twelve will attract GST at the rate of 18%.

iii) Payment to Contractor/Consultants

All the departments are hereby instructed to obtain on record tax invoices duly incorporating details prescribed under GST regime (which is already intimated to Engineering Department – SE(HQ)) before processing payments due to the Contractors/Consultants etc.

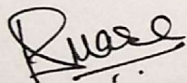
Further, HSN Codes / SAC Codes pertaining to the transactions wherein CIDCO Ltd. is liable to pay GST as Service Recipient are as under :

Nature of payment	Type	Current Rate	HSN/SAC	Rate under GST Regime	Remarks
Sponsorship (Reverse charge)	Service	15%	99839	18%	
Legal Consultancy (Reverse charge)	Service	15%	99821	18%	
Government Support Service (Reverse charge)	Service	15%	99911	18%	
Rent a Cab	Service	15%	99641	18%	If Service provider is unregistered
Works contract service	Service	11%	99542	18%	If Service provider is unregistered
Advertisement	Service	15%	99836	18%	If Service provider is unregistered

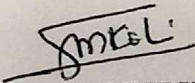
iv) Payment to Contractors in respect of work completed prior to June 30, 2017.

In respect of work completed prior to June 30, 2017, all contractors have already been advised to submit their bills on or before 31st July 2017.

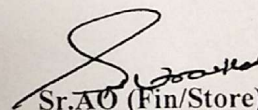
In this regard, it should be noted that, no reimbursement of additional tax will be paid to the contractor since provision of service is completed before appointed date i.e. July 1, 2017.



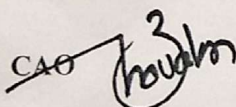
Sr.AO(NT)



Sr.AO(MKT/WS)



Sr.AO (Fin/Store)



CC : All AO's
All AAO's

CE (NM)
CE(NMIA)
CE(SP)

All HODs

c.c. for information to :

PS to VC & MD/ PS to Jt.MD-I/ PS to Jt.MD-II/ CVO

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अ.अ. (मुख्यालय)
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दिनांक 28-7-17