

Joint Procedure Order regarding payment of taxes under GST regime on account of
enhancement of GST rate for items with HSN CODE 86

In view of recent modifications in GST rates w.e.f.01/10/2019, certain category of items covered under Chapter 86 pertaining to railway uses read in conjunction with IRS condition 3300 and as an anti-profiteering measure, following JPO is hereby issued for effecting firms' payment for stores' purchase orders (both stock and non-stock).

- 1) This JPO is applicable for purchase orders with 5% GST under chapter 86. The supply made after 01.10.2019 will be eligible for payment of GST at 12% as per notification No.- 14/2019 Dtd.30.09.2019.
- 2) Purchase Orders released without SVC clause shall not be covered under this revised procedure. GST at increased rate of 12% shall be allowed for cases without SVC in such a way that the all-inclusive price in the P.O. remains unchanged.
- 3) Supplying firm must submit the GST invoice for the %age of GST claimed in the bill.
- 4) Firms shall submit invoices/bills clearly mentioning the latest GST rate admissible on goods alongwith their HSN CODE/s and with documentary evidences thereof.
- 5) All contracts must have SVC clause to enable the payment of bills beyond the PO value owing to change in tax structure.
- 6) Before availing any benefit of increase in tax rate, firm shall give a declaration as per Annexure - B that all additional input tax credit as available to them has been passed on to the purchaser and any additional ITC if becomes available to supplier in future, the same shall be passed on to the purchaser without any undue delay.
- 7) No bill shall be passed with 12% GST unless accompanied with the declarations as provided in Annexure - B for Input Tax Credit accrued as account of enhanced GST duly certified by a Chartered/Cost Accountant as per Annexure – A.
- 8) TDS being recovered at 2% of the taxable value (GST) will continue to be deducted as being done at present.
- 9) All other conditions mentioned in JPO circulated vide Bd's letter 2008(RS)/G/777/1 Dtd 21/07/2017 shall continue to be applied in this regard.
- 10) Supplier should comply GSTR-1 and GSTR-3B in due time, Eastern Railway can avail ITC complying the Notification No. 49/2019 C.T. dated 09/10/2019 read with Board's Circular No 123/42/2019-GST dated 11/11/2019 in due Return otherwise Eastern Railway shall deduct GST while making payment of the bill and release the same after submission of proof of payment of GST and reflection in GSTR-2A.

L. Chand. Gupta 28/11/19
Dy FA&CAO/B&B

me
28-11-19
Dy CMM/Crane

Format for certificate by Chartered Accountant/Cost Accountant :

We have examined the information, records and books of accounts including the information from GSTN Portal presented before me/us by our client (M/s.) Address:.....GSTN.....) and certify the following :

- 1) Total accumulated Input Credit since 01.07.2017 Rs.....
- 2) Total Turnover since -1.07.2017
 - a) Under Chapter 86 Rs.....
 - b) Under Chapters other than 86 Rs.....
- 3) Output GST liability since 01.07.2017:
 - a) Under Chapter 86 Rs.....
 - b) Under Chapters other than 86 Rs.....

It is certified that an amount of Rs..... is available as additional input credit against the list of Purchase Orders placed by PCMM/E.Rly./Kolkata on the above firm due to revision of GST rate from 5% to 12% after utilizing the input credit under chapters other than 86.

(Or)

It is certified that the additional input credit due to change in GST from 5% to 12% is "NIL" against the list of Purchase Orders placed by PCMM/E.Rly./Kolkata on the above firm as the unabsorbed input credit due to differential GST rate (between input and output) has not been included in the quoted basic rate and the same was utilized under chapters other than 86.

We understand that this certificate is being produced by our client named above, for the purpose of availing revised GST of 12% as per the GST Notification No. 14/2019 dt. 30.09.2019. We are aware that any false declaration in this respect will be in breach of the code of integrity under Rule 175(1)(i)(h) of the General Financial Rule for which our client or its successors can be debarred for up to two years as per 151(iii) of the General Financial Rules along with such other actions as may be permissible under law. We also undertake that we/our client shall indemnify the Administration against loss suffered due to any false declaration.

I/We are also aware that I am/We are liable to be taken up under Chartered Accountant Act, 1949/Cost Accountants Act, 1959 along with such other actions as may be permissible under the Company and other relevant laws in case of any false/incorrect certification by us with respect to input credit and other parameters for availing input credit.

CA/CWA's Signature :	Firm's authorized Signatory :
CA/CMA Regn. No.	
Seal	Seal
Date	Date

Format for Self Declaration regarding additional ITC benefits :

No -

Dated:

Sub: Passing on ITC benefits to the purchaser on account of increase in GST rate from 5% to 12% and declaration thereof.

Ref: PCMM/ER's P O No - Dtd for

With reference to the above purchase order, in the instant case, due to increase in GST rate from 5% to 12% w.e.f. 01/10/2019 for goods supplied under Chapter 86, suppliers will be benefitted by way of increased amount of utilizable ITC balance which is required to be passed on to the Railways.

GST Law stipulates anti-profiteering provisions which mandate suppliers to pass on the benefit of ITC due to change in GST rate on outward supply to customers by reduction in prices.

In view of above, we have re-worked our price and hereby confirm to pass on the benefits to the Railways as below, alongwith the detailed justification and documentary evidences enclosed.

It is declared that I/We have not availed any additional Input Tax Credit in respect of all the inputs used for the manufacture of the final product since the date of notification No - 14/2019 of Ministry of Finance dated 30/09/2019.

(or)

I/We have availed additional Input Tax Credit of Rs ----- in respect of all the inputs used for the manufacture of the final product since the date of notification No -14/2019 of Ministry of Finance dated 30/09/2019 and the same is passed on to Railways.

I/We also confirm that I/we shall pass on any additional credits, duties and set offs as may become available in future in respect of all the inputs used for the manufacture of the final product on the date of their supply, to the Railways.

(Firm's authorised signatory)

M/s

Seal

Date