

HIMACHAL PRADESH STATE ELECTRICITY BOARD Ltd.

(A State Govt. Undertaking)

Registered office: Vidyut Bhawan, HPSEBL, Shimla -171004(HP)

CIN :U40109HP2009SGC031255 Phone No.0177-2803600

(Office) 0177-2801762 (Fax)2801762 website; www.hpseb.com,

No. HPSEBL/F&A/A&R/GST/ Vol-IV/2018-19 - 1962 - 2092 Dated:- 15/01/2020

To

All the Drawing & Disbursing Officer,
In HPSEB Ltd.

Subject: - GST on renting of motor vehicles under Reverse Charge Mechanism (RCM) --reg.

Sir,

The Central Board of Indirect Taxes and Customs, GOI. vide Notification No 29/ 2019 dated 31.12.2019 and circular No 130/ 49/2019-GST dated 31.12.2019 makes the further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No.13/2017- Central Tax (Rate), dated the 28th June, 2017, Section 3, Sub-section (i), vide number G.S.R. 692(E), dated the 28th June, 2017. In the said notification, in the Table, for serial number 15 and the entries relating thereto, the following shall be substituted, namely: -

Sr. No	Category of Supply of services	Supplier of service	Recipient of service
(1) "15	(2) Services provided by way of renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient, provided to a body corporate.	(3) Any person; other than a body corporate who supplies the service to a body corporate and does not issue an invoice charging central tax at the rate of 6 per cent. to the service recipient	(4) Any body corporate located in the taxable territory."

Though a supplier providing the service to a body corporate under RCM may still be charging GST @ 5% on the services supplied to other non body corporate clients, to bring in greater clarity, serial No.15 of the notification No. 13/2017-CT (R) dated 28.6.17 has been further amended vide notification No. 29/2019-CT (R) dated 31.12.19 to state that RCM shall be applicable w.e.f 1.10.2019 on the service by way of renting of any motor vehicle designed to carry passengers where the cost of fuel is included in the consideration charged from the service recipient only if the supplier fulfils all the following conditions:-

- (a) is other than a body-corporate;
- (b) does not issue an invoice charging GST @12% from the service recipient; and
- (c) supplies the service to a body corporate.

In view of the above services of renting of motor vehicles provided by other than body corporate including unregistered person to a body corporate, GST under RCM @5% is applicable to HPSEBL w.e.f. 1.10.2019. Further, HPSEBL is paying GST from HO, as per details provided by the units on prescribed format (Annexure-5) on monthly bases as per detailed guidelines circulated by this office vide letter No. HPSEBL/F&A/A&R/GST/2017-18- 1326-1525 dated 3.8.2017, and in this case the aforesaid information may also be supplied to this accordingly. Any lapse in this regards shall be responsibility of the concerned Drawing & Disbursing Office.

The above instruction may kindly be brought to the notice of all concerned officers/officials under your control for strict compliance. Further, any queries & assistance in this regards you may contact our Retainer Consultants S/Sh. Ravi Awasthy & Sunil Khanna, CAs (Mob. No. 9318810630 & 9318810515).

Yours faithfully,

**Chief Accounts Officer,
F&A wing, HPSEB Ltd.,
Shimla -171004** 2/14/1/20

Copy of above is forwarded for information & necessary action to:-

1. All the Chief Engineers in HPSEB Ltd.
2. All the Superintending Engineers, Op. Circles in HPSEB Ltd.
3. All the Sr. Accounts Officers/Accounts Officers, F&A Wing, HPSEB Ltd. Shimla-4.
4. ✓ The Superintending Engineer (IT), HPSEBL, Shimla for uploading the same on website of HPSEBL

**Chief Accounts Officer,
F&A wing, HPSEB Ltd.,
Shimla -171004** 2/14/1/20