



**SOUTH CENTRAL RAILWAY**  
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No.A/GST/Clarifications/2019

Dt. 06.04.2020

**All HODs/CAO(C)/DRMs/CWMs/IRISET/IRIFM/C-TARA/All Accounting Units**

**Sub: GST on Cost of Tender Form - reg.**

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Following guidelines are issued regarding levy of GST on Cost of Tender Form and its recording in Indian Railways GST Manual Utility Portal.

**(i)Offline Tenders** : Rate of GST on Sale of Printed Tender Booklets under HSN code : 49111090 is 12% on the "Cost of Tender Form(CTF)". Contractors/Vendors having Registration under GST should pay only the "Cost of Tender Form" to Railways and the GST is to be remitted by them directly to GST department on reverse charge basis. This is as per Item No.5 of Central Tax (Rate) Notification No.13/2017 Dt.28.06.2017 issued by Central Board of Indirect Taxes & Customs(CBIC) which states that Service Recipient is responsible for payment of GST on Reverse Charge basis if the service is provided by a Central Government, State Government/UT or Local Authority. This is to be specified clearly in the tender notice in first page itself.


In the above case, the department which has called the tender should send the details of the transaction along with the DD received (for cost of Tender Form) for encashment, to the concerned Sr.Divisional Cashier(Pay), for feeding the transaction in Reverse Charge in CRIS Manual Transactions Utility Portal(Co.No.13.5 of the invoice should be marked as "YES"). This is because Railways have to incorporate the services rendered by itself under Reverse Charge in its monthly GST Return GSTR-1.

Where the Contractors/Vendors are not having Registration under GST, they should pay the "Cost of Tender Form along with GST @ 12%" to Railways. In this case also, the department which has called the tender should send the details of the each transaction along with the DD received (for cost of Tender Form and GST ; the Break-up should be given) for encashment, to the concerned Sr.Divisional Cashier(Pay), for feeding the transaction in Forward Charge in CRIS Manual Transactions Utility Portal(Co.No.13.5 of the invoice should be marked as "NO").

It is noticed that GST Registered Vendors/Contractors in certain cases (after opening of the Tender) have submitted DD for CTF plus GST. As post-tender opening correspondence is not possible, as an exception, in such cases those DDs may be sent to the concerned Sr.DC(P) for encashment and feeding the details in CRIS Utility on forward charge basis. The concerned Registered Vendor/Contractor may be counselled to avoid this error next time.

**(ii) Online Tenders** : As per Rule 161: Advertised Tender Enquiry (Chapter - 6) of GENERAL FINANCIAL RULES 2017 of Ministry of Finance, Department of Expenditure, GOI "(iv) In order to promote wider participation and ease of bidding, no cost of tender document may be charged for the tender documents downloaded by the bidders."

Tender Document may be downloaded free of cost from Indian Railways E-Procurement System(IREPS), which is the official website( <https://www.ireps.gov.in>) of Indian Railways for procurement of Goods, Works & Services, Sale of Scrap Materials, and Leasing of Assets through the process of E-Tendering, E-Auction or Reverse Auction. As the tender form cost is Zero in online tenders, **GST is also zero** because GST is levied on the cost of sale/service. It should be stated in the first page itself of Tender Notice that "Tender Document may be downloaded from [www.ireps.gov.in](http://www.ireps.gov.in) by tenderers free of cost."

  
**(Koram Kishor)**  
**FA&CAO/F&B**  
**for PFA/SCR/SC**

Copy to : Sr.DCM/SC - w.r.t. Lr.No.C/C/Earning Contracts/SC Division dt.20.03.2020  
addressed to Sr.DFM/SC and copied to this office.