



# भारतीय राष्ट्रीय राजमार्ग प्राधिकरण

(सड़क परिवहन और राजमार्ग मंत्रालय)

## National Highways Authority of India

(Ministry of Road Transport and Highways)

जी-5 एवं 6, सेक्टर-10, द्वारका, नई दिल्ली-110075

G-5 & 6, Sector-10, Dwarka, New Delhi-110075

दूरभाष / Phone : 91-11-25074100/25074200

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### NHA/Policy Guidelines/ Payment of GST to the Consultants/Contractors/Service providers/other Vendors /2017

**No.3.3.18/2017, Dated the 17<sup>th</sup> November, 2017**  
(Decision taken on File No. NHA/F&A/GST/2017-18/SM)

#### Corrigendum

**Sub: Payment of GST to the Consultants/Contractors/Service providers/other Vendors - reg.**

Reference is invited to the Policy Guidelines issued vide circular dated 14.11.2017 on the above subject (copy enclosed). In this connection, it is stated that reference No. of the said circular may please be read as under:-

For	May be read as
No.3.3.17/2017	No.3.3.18/2017

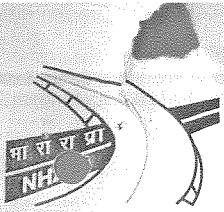
2. Rest of the contents of the said circular remain unchanged.

(A.K. Sadhu)

Chief General Manager (Coordination)

Copy to: -

- 1) All Officers & Employees of HQ/ROs/PIUs/CMUs/Site Offices
- 2) Library



# भारतीय राष्ट्रीय राजमार्ग प्राधिकरण

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### NHAI/Policy Guidelines/ Payment of GST to the Consultants/Contractors/Service providers/other Vendors /2017

No.3.3.17/2017, Dated the 14<sup>th</sup> November, 2017

(Decision taken on File No. NHAI/F&A/GST/2017-18/SM)

**Sub: Payment of GST to the Consultants/Contractors/Service providers/other Vendors - reg.**

With the implementation of GST Act, 2017 Service providers are responsible for discharging the liability of GST and the data are captured and can be tracked on GSTN portal. The following clarifications are issued regarding the payment of GST to the Consultants/Contractors/Service providers/other vendors in NHAI.

#### 2. Clarifications on GST Payment:

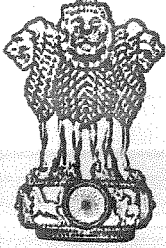
- a) GST amount as claimed in the Invoices/bills by the Consultants/Contractors in terms of provisions mentioned in Contract Agreement may be paid along with their invoices, subject to condition that Consultants/Contractors will submit the proof of deposition within 15 days of filling the statutory returns or along with the next invoice for verification of the deposition proof by NHAI, whichever is earlier. **The applicable GST rate must be confirmed.**
  - b) If there is a mismatch between the amount paid and amount deposited due to input tax credit, a declaration may be submitted in this regard duly signed by a Key Managerial Personnel with respect to Companies or by the Owner/Partner in case of any other Entities.
  - c) Further, if any clarification/complaint is received from the GST Authorities on non-deposition of GST by any of the Contractors/Consultants/vendors, it shall be appropriately addressed by NHAI to safeguard the Government Revenue.
  - d) Payment of GST should be as per Point of Taxation Rule as notified by GST Authorities (Attached as Annexure-I). Further, for verification of deposition of GST, steps may be followed as mentioned under **Annexure-II.**
3. With this, the circulars issued earlier in respect of Service Tax reimbursement shall not be applicable except in cases where Service Tax is being paid in post GST era.
4. This issues with the approval of Chairman, NHAI.

(A.K. Sadhu)

Chief General Manager (Coordination)

Copy to: -

- 1) All Officers & Employees of HQ/ROs/PIUs/CMUs/Site Offices
- 2) PS to Chairman
- 3) PS to all Members
- 4) Web Admin for hosting in GST portal
- 5) Hindi Officer for translation in Hindi
- 6) Library



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ANNEXURE - I

(GOODS AND SERVICES TAX)

# Time of Supply in GST

## Time of Supply

In order to calculate and discharge tax liability, it is important to know the date when the tax liability arises i.e. the date on which the charging event has occurred. In GST law, it is known as Time of Supply. The GST law has provided separate provisions to determine the time of supply of goods and time of supply of services. Section 12, 13 & 14 of the Central GST Act, 2017 (CGST Act) deals with the provisions related to time of supply and by virtue of Section 20 of the Integrated GST Act, 2017 (IGST Act) these provisions are also applicable for the IGST Act. Point of time when supplier receives the payment or date of receipt of payment. The phrase "the date on which supplier receives the payment" or "the date of receipt of payment" means the date on which payment is entered in his books of accounts or the date on which the payment is credited to his bank account, whichever is earlier.

## Time of issue of invoice for supply

As per section 31 of the CGST Act, an invoice for supply of goods needs to be issued before or at the time of removal of goods for supply to the recipient, where the supply involves movement of goods. However, in other cases, an invoice needs to be issued before or at the time of delivery of goods or while making goods available to the recipient. Similarly an invoice for supply of services needs to be issued before or after the provision of service but not later than thirty days from the date of provision of service.

## Time of supply of goods (Default Rule)

### Earliest of the following dates:

- Date of issue of invoice by the supplier. If the invoice is not issued, then the last date on which the supplier is legally bound to issue the invoice with respect to the supply
- Date on which the supplier receives the payment

## Time of supply of services (Default Rule)

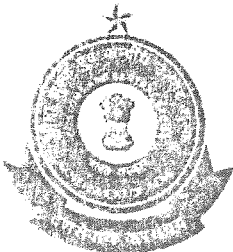
### Earliest of the following dates:

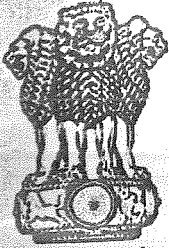
- Date of issue of invoice by the supplier (If the invoice is issued within the legally prescribed period under section 31(2) of the CGST Act) or the date of receipt of payment, whichever is earlier
- Date of provision of service (If the invoice is not issued within the legally prescribed period under section 31(2) of the CGST Act) or the date of receipt of payment, whichever is earlier
- Date on which the recipient shows the receipt of service in his books of account, in case the aforesaid two provisions do not apply

The supply of goods or services shall be deemed to have been made to the extent it is covered by the invoice or by the payment, as the case may be. For example, Firm 'A' receives an advance of Rs. 2500/- on 29.07.17 for goods worth Rs. 10000/- to be supplied in the month of September, then it is deemed that firm 'A' has made a supply of Rs. 2500/- on 29.07.17 and tax liability on Rs. 2500/- is to be discharged by 20.08.17.

Although tax is payable on any advance received for a supply of goods or services, however for the convenience of trade, it is provided that if a supplier of taxable goods or services receives an amount upto Rs. 1000/- in excess of the amount indicated on the tax invoice, then the supplier has an option to take the date of issue of invoice in respect of such supply as the time of supply. For example, if a supplier has received an amount of Rs. 1500/- against an invoice of Rs. 1100/- on 25.07.17 and the date of invoice of next supply to the said recipient is 14.08.17, then he has an option to treat the time of supply w.r.t Rs. 400/- either as 25.07.17 or 14.08.17.

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(GOODS AND SERVICES TAX)

# Time of Supply in GST

Time of supply of goods when tax is to be paid on reverse charge basis

Earliest of the following dates:

- Date of receipt of goods
- Date on which the payment is entered in the books of accounts of the recipient or the date on which the payment is debited in his bank account, whichever is earlier
- Date immediately following 30 days from the date of issue of invoice or any other legal document in lieu of invoice by the supplier

However, if it is not possible to determine the time of supply in aforesaid manner, then the time of supply is the date of entry of the transaction in the books of accounts of the recipient of supply.

Time of supply of services when tax is to be paid on reverse charge basis

Earliest of the following dates:

- Date of payment as entered in the books of account of the recipient or the date on which the payment is debited in his bank account, whichever is earlier
- Date immediately following 60 days from the date of issue of invoice or any other legal document in lieu of invoice by the supplier

However, if it is not possible to determine the time of supply in aforesaid manner, then the time of supply is the date of entry of the transaction in the books of accounts of the recipient of supply.

Time of supply of services in case of supply by Associated Enterprises located outside India

In this case, the time of supply is the date of entry in the books of account of the recipient or the date of payment, whichever is earlier.

Time of supply in case of supply of vouchers

A voucher has been defined in the CGST Act as an instrument where there is an obligation to accept it as consideration or part consideration for a supply of goods or services or both, and where the goods or services or both to be supplied or the identities of their potential suppliers are either indicated on the instrument itself or in related documentation, including the terms and conditions of use of such instrument. Vouchers are commonly used for transaction in the Indian economy. A shopkeeper may issue vouchers for a specific supply i.e. supply which is identifiable at the time of issuance of voucher. In trade parlance, these are known as single purpose vouchers. For example, vouchers for pressure cookers or television or for spa or haircut. Similarly a voucher can be a general purpose voucher which can be used for multiple purposes. For example a Rs. 1000/- voucher issued by Shopper's Stop store can be used for buying any product or service at any Shopper's Stop store. The time of supply is different in case of single purpose voucher and in the case of general purpose voucher.

Time of supply in the case of single purpose voucher i.e. case where supply is identifiable at the time of issuance of voucher is the date of issue of voucher. However, in all other cases of supply of vouchers, the time of supply is the date of redemption of voucher.

Time of supply of goods or services (Residual provisions)

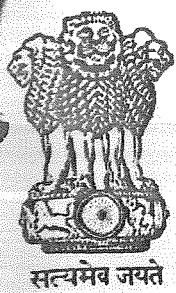
In case it is not possible to determine the time of supply under aforesaid provisions, the time of supply is:

- Due date of filing of return, in case where periodical return has to be filed
- Date of payment of tax in all other cases.

Time of supply of goods or services related to an addition in the value of supply by way of interest, late fees or penalty

Time of supply related to an addition in the value of supply by way of interest, late fee or penalty for delayed payment of any consideration shall be the date on which supplier receives such addition in value. For example, a supplier receives consideration in the month of September instead of due date of July and for such delay he is eligible to receive amount of Rs. 1000/-

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# (GOODS AND SERVICES TAX)

## Time of Supply in GST

and the said amount is received on 15.12.17. The time of supply of such amount (Rs. 1000/-) will be 15.12.17 i.e. the date on which it is received by the supplier and tax liability on this is to be discharged by 20.01.18.

### Change in Rate of Tax in respect of supply of goods or services

The normal time of supply rules changes if there is a change in the rate of tax of supply of goods or services. In this scenario, time of supply has to be determined in the following manner:

#### Supply is completed before the change in rate of tax

Invoice issued before the date of change in tax rate	Payment received before the date of change in tax rate	Time of supply	Applicable rate of tax
No	No	Earliest of the date of invoice or payment	New rate of tax
Yes	No	Date of issue of invoice	Old tax rate
No	Yes	Date of receipt of payment	Old tax rate

Invoice issued before the date of change in tax rate	Payment received before the date of change in tax rate	Time of supply	Applicable rate of tax
No	Yes	Date of issue of invoice	New rate of tax

#### Date of receipt of payment in case of change in rate of tax

Normally the date of receipt of payment is the date of credit in the bank account of the recipient of payment or the date on which the payment is entered into his books of account, whichever is earlier. However, in cases of change in rate of tax, the date of receipt of payment is the date of credit in the bank account if such credit is after four working days from the date of change in rate of tax.

#### Supply is completed after the change in rate of tax

Invoice issued before the date of change in tax rate	Payment received before the date of change in tax rate	Time of supply	Applicable rate of tax
Yes	Yes	Earliest of the date of invoice or payment	Old rate of tax
Yes	No	Date of receipt of payment	New rate of tax

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Annexure-IISteps for verification of deposition of GST from GST portal:

- Step 1: Obtain the Challan through which the liability of GST has been discharged.
- Step 2: Open URL [www.gst.gov.in](http://www.gst.gov.in)
- Step 3: Under the tab Services, click on Payments and then onto Track Payment Status.
- Step 4: The Dialog Box will appear.
- Step 5: Fill in the required details.
- Step 6: The Results Shall be displayed.
- Further for verifying whether the payment of GST has been made in respect of invoices issued to NHAI, the Contractors/Consultants/vendors should be asked to submit the copies of their GSTR-1 Return (respective page only), wherein their invoice wise details shall be available or the Contractors/Consultants/vendors should be asked to submit the copies of their Electronic Credit Ledger.
- If GST amount is deposited considering B2C (Business to Customer/Client) i.e. NHAI to be treated as end customer/client, then details may be verified under the column-7-B2C (Others).

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