

Frequently asked Questions on Stores Transactions

Treatment of outward movement of materials in GST Regime

15th July, 2017

Situation	Reply
Sale to Railway employee	Sale to Railway employee will be treated as sale to private party and GST at applicable rate will be levied.
Sale to outside parties (other than sale to scrap purchasers)	Sale to outside parties (other than sale to scrap purchasers) will be treated as sale to private party and GST at applicable rate will be levied.
Sale to Other Railways	GST not applicable on sale to other Railways within the State. Please also refer to Railway Board's letter No. 2008/RS(G)/7771 dated 11.07.2017 which is uploaded on Railway Board's website.
Sale to other Government Departments/PSUs	Will be treated as Sale and GST at applicable rate for the Goods sold shall be levied.
Inter-Depot Transfer within Indian Railways	GST not applicable on sale to other Railways within the State. Please also refer to Railway Board's letter No. 2008/RS(G)/7771 dated 11.07.2017 which is uploaded on Railway Board's website.
Issues to Railway Materials to Workshops/Sheds attached to Depots	GST not applicable on issues to Railway Materials to Workshops/Sheds attached to Depots within the State. Please also refer to Railway Board's letter No. 2008/RS(G)/7771 dated 11.07.2017 which is uploaded on Railway Board's website.
Issue of free supply items/materials for fabrication contracts	Section 143 (1) of CGST Act, 2017 stipulates that input or capital goods can be sent to a job worker for a jobwork without payment of any GST for a specified period through a Bill of Supply.
Treatment of transaction with unregistered dealers	In case the successful tenderer is not liable for registration under CGST/SGST/UTGST/IGST Acts, the railway shall deduct the applicable GST from the bill under RCM and deposit the same with the concerned Tax authority. Please also refer to Railway Board's letter No. 2008/RS(G)/7771/1 dated 6.7.2017 uploaded in Railway Board's website www.indianrailways.gov.in
If the Tenders are opened after 1 st July, 2017 what will be the rate adopted for evaluation purposes	Inter-se ranking will be done on the basis of Total Unit rate i.e inclusive of all rates.
If the consignee and paying authority are in different States then in whose name supplier will make the invoice	Invoice will be made in the name of consignee and GSTIN of consignee should be provided in the invoice