

PRASAR BHARATI
(India's Public Service Broadcaster)
(Taxation Section)
Prasar Bharati Secretariat
6th Floor, Prasar Bharati House,
Copernicus Marg, New Delhi-110 001

GST Circular No.10

No.PB-7(14)(1)/2016-Fin/GST/2125-44

Dated 26.09.2018

Sub: Advisory on making GST compliances - reg.

During the course of the internal audit of two State registrations for GST compliances, some discrepancies have been noticed which need to be addressed immediately. It has been decided to circulate an advisory on the basis of the experience gained from the said audit so that GST compliances in Prasar Bharati can be ensured. Hence, it is requested to all concerned including Directorates, Zonal Offices, State Nodal Officers (SNOs), DDOs, Commercial units, Nodal units (i.e. those units which are issuing invoices on behalf of other State Registrations), Civil Construction Wing (CCW) units, etc. that they should comply with the following:

1. Prasar Bharati will not be eligible to claim Input Tax Credit (ITC) if its GSTIN is not mentioned by the supplier on the face of inward supply Invoice(s). In case of procurement of goods and/or services, the GSTINs of supplier and respective State/ UT of Prasar Bharati where supply is made must be mentioned on all inward supply invoices at the time of issue of invoice itself. The DDOs should ensure that GSTIN of Prasar Bharati is type-written by supplier and not manually written by the field unit. The concerned DDO/ Head of Office of the station who has made the procurement will be responsible for loss of ITC to Prasar Bharati if-
 - (a) The GSTIN of Prasar Bharati is not mentioned on the face of invoice; or
 - (b) The GSTIN of Prasar Bharati is mentioned by the unit without ensuring that the supplier has uploaded the data of invoice in his GSTR-1 against the GSTIN of Prasar Bharati.
2. As per Central Tax (Rate) Notification no.20 dated 22.08.2017, under Hiring of taxies two options are available. These options are:
 - (i) GST @ 5% in which case no ITC can be availed.
 - (ii) GST @ 12% in which case ITC can be availed.

Apparently it appears that hiring of vehicles with GST @5% is cheaper however, in effect, it proves 5% costlier than the hiring of taxis with GST @12% because of non-availability of ITC. Hence, it should be ensured that



the Travel agent/ agency (i.e. inward service supplier) issues invoices with GST @12%.

Similarly, there may be some other goods or services on which two types of rates available one 'Without ITC' and other 'With ITC'. At the time of procurement, the procuring authority should also consider the benefit of ITC which may be drawn by Prasar Bharati.

3. The payment of GST under Reverse Charge Mechanism (RCM) levied under Section 9(4) of CGST Act, 2017 was suspended by the Govt. of India w.e.f. 13.10.2017 however, RCM under Section 9(3) of CGST Act, 2017 is still applicable. All SNOs should ensure that the payment of GST on inward supplies under RCM levied under 9(3) of CGST Act, 2017 must have been paid on time. Vide Central Tax (Rate) Notification no. 22/2018 dated 06.08.2018, the suspension of payment of GST under RCM under Section 9(4) has been further extended upto 30.09.2019.
4. Subject to the GST Acts and the rules made thereunder, Prasar Bharati is eligible to claim ITC against the GST paid under Reverse Charge Mechanism either in the same month or subsequent month(s). The SNOs should make all efforts to claim eligible ITC in respect of GST paid under RCM at the earliest possible opportunity.
5. It has been noticed that many units are not following the instructions given by Prasar Bharati Sectt. in GST Circular no.9 dated 09.02.2018 w.r.t. Official Tours and stay in hotels while on official tour, due to which, Prasar Bharati is unable to avail maximum eligible ITC. Therefore, it is once again directed to follow the instructions conveyed through GST Circular no. 9 scrupulously.
6. Some Nodal units are issuing invoices against GSTINs of other States/ UTs of Prasar Bharati such as AIR Resources for Training & Tower business, DCD and DCS in Doordarshan for business procured centrally, Central Sales Unit (CSU) in All India Radio, etc. These units are responsible for sending timely information to the concerned SNOs. The concerned SNOs should also ensure that the invoices issued by such Nodal units have been considered at the time of filing of respective GST Returns on monthly basis positively. Further, the GST liability must also be discharged against such invoices on time.
7. Sometimes such nodal units as mentioned in para 6 above are forwarding the data again for verification and reconciliation purposes. In such cases, the SNOs should ensure that the data is considered only once for GST compliances. If data is received from such nodal units for the month prior to previous month for which GST return is due, the SNOs should check that the



data does not get duplicated before considering it for filing GST return and consider only those invoices which were not considered earlier.

8. All DDOs/ field units should ensure that no duplicate information of the same invoice is sent to the SNOs, either in the same month or in two different months. Simultaneously, each SNO should also verify the data for any duplication by reconciling the collated information received from the concerned DDO/ field units till date for that financial year.
9. While transferring the goods to other units of Prasar Bharati falling under other State/ UT registration, the Transferor unit should ensure that GST compliant invoice has been issued and sent to the Transferee unit within the same month of issue of Invoice without fail. The Transferor unit should send the details of such Stock Transfer Invoice(s) to its SNO for discharging GST liability as well as the Transferee unit should send the details to its SNO for availing ITC.
10. All DDOs must send the details of payment made against each inward supply invoice received from the suppliers registered under GST so that the SNO may be able to check that whether the payment has been made within six month from the date of issue of invoice or not. If payment is not made by the DDO of PB unit to the supplier within six months then the ITC already claimed needs to be reversed with interest against such invoice. Thereafter, ITC will be available only on actual payment against such inward supply invoice. The SNOs should check the payment made against all inward supply invoices and should take necessary action accordingly.
11. The banks are also charging GST on bank charges. Prasar Bharati is eligible to claim ITC against such bank charges. All DDOs must collect GST compliant invoices from the bank for the charges levied by the bank and send the information in the prescribed annexure to their SNOs for claiming ITC.
12. The detailed calculation sheet(s) and invoice-wise information/ data duly reconciled with the concerned GSTRs (i.e. GSTR-1 & GSTR-3B) should be maintained by the SNOs as supporting documents. There should not be any discrepancy/ mismatch in the supporting documents and GST Returns filed.
13. The SNO should not only ensure that the full GST liability has been discharged, he/ she should also ensure that GST liability has been discharged against correct place of supply & under correct head. There should be no mismatch in information of Outward supply submitted in GSTR-1 and Total outward supply shown in GSTR-3B.



For example, Mr. X is having a GSTIN in Delhi. he has supplied the goods worth Rs.10,00,000 to the customers in Delhi and goods worth Rs.5,00,000 to the customer in UP. On total outward supply of Rs.15,00,000, he has charged Rs. 2,70,000/- as GST (i.e. CGST- Rs.90,000, SGST- Rs.90,000 and IGST- Rs.90,000 with PoS as Uttar Pradesh (09). While filing GSTR-3B return, he has paid CGST –Rs. 45,000, SGST Rs.45,000/- and IGST - Rs.180,000. In spite of the full GST liability has been paid, Delhi GST authorities may ask for making payment of balance Rs.45,000 [i.e. Rs.90,000 – 45,000] alongwith interest and penalty.

During the months from July 2017 to April, 2018, monthly GSTR-1 were required to be filed after filing GSTR-3B and there was a considerable gap in filing these two returns. There are chances that information given in the GSTR-1 and GSTR-3B do not match. The SNOs should verify that the details of invoices submitted in GSTR-1 and the liability declared & paid in GSTR-3B are matching. Any discrepancy (if noticed) shall be rectified in the GST return of the subsequent month as per the provisions of GST laws.

14. All SNOs should invariably reconcile the consolidated details of inward supply invoices received from all DDOs under their State registrations with GSTR 2A (auto populated GST return prepared on the basis of GSTR-1 filed by other GSTINs). Broadly, the following three scenarios may occur on reconciliation:
 - (i) Invoices shown in the details/ information received from DDOs but not in GSTR-2A: SNOs should take up the matter with the concerned DDOs/ other SNOs of Prasar Bharati who, in turn, will further take up the matter with the vendor/ supplier/ concerned DDO for reflecting the details of invoice in their GSTR-1 against the GSTIN of Prasar Bharati. The SNOs should ensure that the invoice is uploaded by the vendor/ supplier in the forthcoming GSTR-1 of the supplier, if not yet uploaded.
 - (ii) Invoices not shown in information received from DDOs but appearing in GSTR-2A: SNOs may verify the GSTINs of the supplier reflected in GSTR-2A with the Vendor Master and details received from various DDOs. SNO may check the data received, so far, from the DDOs to know about the DDO units to which goods / services are supplied. SNO may also collect the details of the field unit to which goods are supplied from the concerned vendor/ supplier. Thereafter, the SNO may take up the matter with concerned DDO to show the details of the said invoice in his/ her statement.
 - (iii) Invoices shown in information received from DDOs tallies with the details of invoices appearing in GSTR-2A: In this case no action is required.

In addition to the abovementioned three broad scenarios, there are various other discrepancies which may also be noticed by SNO such as



mismatch in GSTIN of supplier, invoice number, invoice amount, HSN/SAC, etc. The SNOs should give due attention on reconciliation of ITC details with GSTR-2A to avail the maximum eligible ITC as per rules.

15. While demanding the funds for discharging GST liability, the SNOs should adjust the excess amount paid upto the previous month which is being reflected in Cash Ledger Account and un-availed ITC available in the beginning of the month reflected in the Credit Ledger Account of GST.
16. All DDOs should invariably check and ensure that all vendors are uploading their invoices, without fail, on GST portal against GSTIN(s) of Prasar Bharati (i.e. DD & AIR). DDOs should also ensure that the vendors have submitted the GSTR-1 on GST portal of that particular month. Unless this is ensured, it is not ascertainable that GST paid to vendors has been deposited with the Government. This may also lead to reversal of eligible ITC with interest and penalty.
17. In case of Inward supplies, it is learnt that the DDOs and/ or SNOs are sending information to SNOs/ GST consultant in respect of only those inward supply invoices which, as per their view, are eligible for availing ITC. As such, they are not sending information of all inward supplies invoices. The DDOs should send the information of all inward supply invoices to SNOs as well as SNOs should also send information of all invoices to GST consultant so that he/ she may calculate the amount of ITC eligible as per prevailing rules and the amount of GST payable under Reverse Charge Mechanism (RCM), if any.
18. It should be noted that ITC under various heads accrued during a financial year is eligible to carry forward till the due date of filing of GSTR 3 under section 39 of CGST Act, 2017 for the month September of the succeeding financial year or filing of Annual Return for that particular financial year, whichever is earlier.

For the financial year 2017-18, due date of claiming ITC accrued during the financial year 2017-18 is October 20, 2018 or the actual date of filing annual return of 2017-18 for particular GSTIN, whichever is earlier. In view of the same, the SNOs should immediately reconcile GSTR 2A with the information received from all DDOs/ units in respect of Inward supplies received during 2017-18 so that it can be ensured that Prasar Bharati does not incur loss due to lapse of eligible ITC.

19. The Tax Invoices are required to be issued within 30 days from the date of supply of goods or provisioning of services. All Commercial units and other units which are issuing invoices must ensure that the invoices are issued within the prescribed limit of 30 days.



20. The Commercial units should ensure that in case of Govt. business, instruction given in GST Circular no.8 dated 15.12.2017 must be followed. Vide GST Circular no. 8 dated 15.12.2017, this office had circulated the Integrated Tax Notification no.12 dated 15.11.2017 which specifies the methodology of payment of GST against business secured from Ministries / Govt. Departments of Central or State Governments where no agreement exists and place of supply of service (i.e. dissemination of broadcasting services) is not restricted to any specific State(s).
21. Sometimes Commercial wings are cancelling the invoices (either in part or full) due to wrong billing. The concerned Commercial unit which is cancelling the invoice(s) should issue credit note to that effect and send the details of the same on monthly basis to the concerned SNO so that he may reduce his GST liability on outward supply accordingly. Simultaneously, each SNO should ensure that such commercial units are sending details of credit notes issued every month. In case, there is no credit note issued during a particular month, a NIL report must be sent by the concerned Commercial unit.
22. The Commercial units should maintain proper record of each debit and credit note issued by them. They should forward the details of the same to the concerned SNOs, on monthly basis within the timeline prescribed in this regard. The SNOs should ensure the payment of GST on debit notes and reduce the GST liability for outward supply to the extent of the GST levied on Credit notes.
23. As per rulings of GST, GST is applicable on the amount of advance received also. Vide Central Tax Notification no. 66/2017 dated 15.11.2017 GST on advance received against supply of goods has been exempted w.e.f 15.11.2017 but it is still applicable in case of supply of services including works contracts. The Commercial wings, CCW units and other field units should charge the GST on advance amount received and send the details of advances received to their SNOs in the Annexure 3(v) of GST circular no.5 dated 03.08.2017. It may be noted that only those advances which are received from third parties will be considered under this clause. The advance received by CCW units from other units of Prasar Bharati will not attract GST.

The commercial units are also required to send the details of all invoices issued by it to the concerned SNOs. However, at the time of sending details of invoice issued in Annexure 3(i) of GST circular no.5, the commercial units/ field units should mention the advance receipt number against the invoices issued & adjusted against such advance amount so that the SNOs can reflect the details of that invoice under adjustment of advances head in



GSTR-1 as well as reduce the GST liability to avoid duplicate payment of GST on such invoice.

24. Sometimes the clients/ customers/ agencies are asking for consolidated bill in respect of multiple Tax Invoices issued by the Commercial units of Prasar Bharati. It may be noted that in the GST regime, the detail of each valid Tax invoice is being uploaded on GSTN portal under GSTR-1. Therefore, the commercial units should avoid issuing Consolidated Invoices.
25. It was instructed to the CCW units that while doing works for field units of Prasar Bharati, they should mention GST number of the concerned State/UT registration under which that field unit falls. The SNOs should ensure that the CCW units are receiving invoices of inward supplies for that particular work in the name of that field unit with C/o Name of CCW unit.
26. The works done by CCW for third parties including Ministries, Government Departments and PSUs also attract GST and therefore all CCW units should issue the GST compliant invoice(s) and send the details of the same to the concerned SNO. The SNOs should ensure that CCW units are sending the details of all works done for third parties too. The GST is required to be charged on full amount of taxable consideration including departmental charges collected from third parties.
27. The CCW units should ensure that the details of invoices issued (in case of outward supplies) or received (in case of inward supplies) by them are sent to the concerned SNO on regular basis. The SNOs should ensure the receipt of the same. Otherwise, there are chances that Prasar Bharati may miss either to pay the due GST on outward supply or to claim the due ITC which was supposed to be claimed.
28. For the purpose of claiming GST, the expenditure incurred by CCW units against works can be divided into the following two categories:
 - (i) Expenditure incurred on works executed for any unit of Prasar Bharati
 - (A) New Construction work
 - (B) Repair & Maintenance work
 - (a) For Staff Quarters
 - (b) Other than Staff Quarters
 - (ii) Expenditure incurred on works executed for third party including Ministry, Government Departments, PSUs, etc..

Out of the expenditure incurred by CCW on works as mentioned above, Prasar Bharati is eligible to claim ITC against expenditure mentioned against item nos. 28((i)(B)(b) and 28(ii).



Hence, the CCW units should invariably send the details of all inward supply invoices alongwith the purpose for which expenditure is incurred in Remarks column. SNOs should ensure that details of all such invoices are received from CCW units regularly and he/she should consider the details of these invoices at the time of filing respective GST return(s).

29. After filing of monthly GST Returns, SNOs should send the details of invoices considered for the filing of GST returns to the concerned DDO units/ nodal offices from which data was received for verification that all data sent by that DDO unit/ nodal office have been considered. The concerned DDO should check and ensure himself / herself that the SNO has considered all details sent by him/her and there is no discrepancy. If any discrepancy is noticed then the same should be brought to the notice of the SNO.
30. The requisite records as mandated in Section 35 of CGST Act 2017 alongwith supporting documents must be maintained properly at each State Nodal Office level.

Both the Directorates are requested to circulate this circular to all the field units under their control and ensure that the instructions are followed scrupulously. A copy of this circular is also being uploaded on the website of Prasar Bharati.

This issues with the approval of Member (Finance), Prasar Bharati.



(C. K. Jain)
Dy. Director General (Fin)

DG:DD
DG:AIR

Copy for information & necessary action to:

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5. DDG(FIN), DG:DD/ DG:AIR.
6. DDG(Comm.), DG:DD/ DG:AIR.
7. All SNOs of DG:DD/ DG:AIR.
8. All DDO units of DG:DD/ DG:AIR/ PB Sectt.
9. ✓ DDG (Technical) for uploading on the website.

Copy for information to:

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