



The Kolkata Municipal Corporation
Municipal Commissioner's Office
Central Municipal Office Buildings
5, S.N. Banerjee Road
Kolkata – 700 013

Dated: 28/08/2017

Municipal Commissioner's Circular No. 37 of 2017-18

Sub: Clarification/Guidelines regarding issues pertaining to Contracts awarded by KMC due to the introduction of GST on and from 01/07/2017

With the advent of the GST, different functional departments had time and again sought clarifications on the modalities of treatment of the pending files of different contracts in the pre GST regime as well as for projects that have been approved prior/post to the introduction of GST with effect from 01/07/2017.

Now, clarification has been received from the Finance Department, Government of West Bengal, on many of the points raised by the functional departments vide notification number 5050-F(Y) dated 16/08/2017. The functional departments are directed to implement the notification *mutatis mutandis* with respect to the points clarified by the said notification.

The copy of the relevant notification is appended for information.

MUNICIPAL COMMISSIONER

Enclosure: 1) Notification No. 5050-F(Y) dated 16/08/2017

Distribution:

1. Joint Municipal Commissioner (R/S)
2. Joint Municipal Commissioner (G&D)
3. All Director Generals
4. CMF&A
5. DMC (F)
6. All Controlling Officers
7. All Head of Departments

[Signature]
Municipal Commissioner
The Kolkata Municipal Corporation

GOVERNMENT OF WEST BENGAL
Finance Department
Audit Branch

No. 5050-F(Y)

Dated 16.08.2017

NOTIFICATION

Subject: Clarification/Guidelines regarding issues pertaining to Contracts awarded by the State Government Departments/local authorities/statutory bodies/PSUs under Government of West Bengal due to the introduction of GST i.e. 1st July 2017.

With the introduction of GST, different Departments have sought clarifications on modalities of treatment of pending bills of different contracts in the pre-GST regime. Departments have also sought clarifications with regard to projects which have been approved prior/post to the introduction of GST on 1st July 2017.

2. Now, the following guidelines have to be followed by the Departments/local authorities/statutory bodies/PSUs under Government of West Bengal with respect to treatment of work contracts and supplies in the pre-GST and post-GST regime for:
1. Pre-GST contracts for supply of goods;
 2. Pre-GST contracts for supply services;
 3. Pre-GST works contracts;
 4. Post-GST contracts for supply of goods or services or both.

3. Pre-GST contracts:

- i. With regard to supply of only goods the following procedure is to be followed:

Sl.	Situation	Mode of Treatment
a.	Goods supplied before 1 st July 2017 and invoice/bill also raised before 1 st July 2017, but payment is made on or after 1 st July 2017	While making payment to the supplier on or after 1 st July 2017: <ul style="list-style-type: none">• VAT will be applicable and not GST• No TCS under WB VAT Act, 2003 is to be deducted
b.	Goods supplied before 1st July 2017 and invoice/bill raised on or after 1st July 2017	WBGST and CGST rates will be applicable.
c.	Goods supplied on or after 1st July 2017 and invoice/bill raised on or after 1st July 2017	WBGST and CGST rates will be applicable.

