



PUNJAB STATE TRANSMISSION CORPORATION LIMITED

(Regd. Office: PSEB Head Office, The Mall, Patiala-147001)

Corporate Identity Number: U40109PB2010SGC033814

O/o Chief Financial Officer (Taxation Section), Shakti Sadan, Patiala

www.pstcl.org e-mail: ao-taxation@pstcl.org

GST Circular 01/2025

To

All Addl. SEs/Sr. Xens/AOs (DDOs)
Under PSTCL

Memo No: 1-43/CFO/ Taxation-38/Vol-II

Dated: 07-01-2025

Subject: GST exemption on incidental or ancillary services to transmission or distribution of electricity.

Regarding applicability of GST on Deposit and Contribution works GST Circular No, 09/2018 dated 12-09-2018 was issued. As per this circular GST @ 18% (i.e. CGST9%+SGST9% or IGST18%) is being charged on Deposit and Contribution works.

Now, Govt. of India, Ministry of Finance (Deptt. Of Revenue) vide Notification No. 08/2024 Central Tax (Rate) dated 08-10-2024 has amended the notification number 12/2017-Central Tax (Rate), dated the 28th June, 2017 (Exempted Services) by inserting after serial number 25 and the entries relating thereto, the following serial number and entries relating thereto in columns (2), (3), (4) and (5), namely: -

(1)	(2)	(3)	(4)	(5)
"25A	Heading 9969 or Heading 9986	Supply of services by way of providing metering equipment on rent, testing for meters/transformers /capacitors etc., releasing electricity connection, shifting of meters/ service lines, issuing duplicate bills etc., which are incidental or ancillary to the supply of transmission and distribution of electricity provided by electricity transmission and distribution utilities to their consumers.	Nil	Nil"

Further, Govt. of India has issued clarifications vide Circular No. 234/28/2024-GST dated 11-10-2024, and has regularized the payment of GST on services provided by an electricity transmission or distribution utility which are incidental or ancillary to the supply of transmission and distribution of electricity by such utility, such as those listed in Notification No. 08/2024 Central Tax (Rate) dated 08-10-2024 above, on 'as is where is' basis from 01.07.2017 to 09.10.2024.

An expert opinion with regard to applicability of exemption of the above said works as per Notification No. 08/2024 Central Tax (Rate) dated 08-10-2024 was obtained, GST applicable on works will be as per the following:

Sr. No.	Description of Works	Applicability of GST
1	Construction of sub-stations and transmission lines above 66KV on behalf of PSPCL (including for consumers of PSPCL).	If the work is in the nature of Contribution works , then it is exempted from GST as per Sr. No. 25A of Notification No. 08/2024.
2	Construction of switching sub-station undertaken for consumers.	But if the work is in the nature of Deposit work, then GST will continue to be levied

3	Construction of 66/132/220 KV bays for consumers at 132/220KV substations.	on previous pattern i.e. @18% (CGST 9%+SGST 9%) under HSN Code 995461.
4	Maintenance of bays on behalf of various agencies like PGCIL etc. & consumers of PSPCL.	The said services would be classified as 'Support Services to Electricity' under heading 998631. GST will continue to be levied on previous pattern i.e. @18% (CGST 9%+SGST 9%) under HSN Code 998631.
5	Shifting of Transmission lines above 66KV for intending agencies like NHAI, Northern Railways and other private entities.	
6	Transformer Oil Testing on behalf of PSPCL (including for consumers of PSPCL) & others.	
7	Testing of various electrical equipments on behalf of consumers of PSPCL & others.	The services supplied to such consumers are in the nature of deposit works, which will fall under the purview of works contract service and would be classified under the Heading 995461. GST will continue to be levied on previous pattern i.e. @18% (CGST 9%+SGST 9%) under HSN Code 995461.
8	NOC charges for issuing Non-Objection-Certificates (NOC) to consumers intending to avail the "open access" to electricity?	It is exempted from GST as per Sr. No. 25A of Notification No. 08/2024.

GST on Deposit works (47.305- which remains the property of other person) will continue to be levied as per the prevailing instructions.

In view of the ibid notification, all the DDOs are requested to comply with the above instructions meticulously and must ensure that HSN code for the taxable service as per table above is appearing in the Taxable Invoice/Advance Receipt Voucher/Credit/Debit Note etc. issued by their office.

This issues with the approval of competent authority.

Harminder Singh

Accounts Officer/Taxation,
PSTCL, Patiala.

Endst No: 44-84/CFO/ Taxation-38/Vol-II

Dated: 07-01-2025

Copy of the above is forwarded to the following for information and further necessary action please.

1. All EICs/Chief Engineers under PSTCL.
2. CAO/F&A, PSTCL Patiala.
3. Company Secretary, PSTCL, Patiala.
4. All Dy.CEs/SEs under PSTCL.
5. All Dy. CAOs/Dy. CAs under PSTCL.
6. All AOs under PSTCL (except DDOs).

Harminder Singh

Accounts Officer/Taxation,
PSTCL, Patiala.