

NO.F.1-11(8)-TAX/GST/2021/20212-671
GOVERNMENT OF TRIPURA
OFFICE OF THE CHIEF COMMISSIONER OF STATE TAX
PANDIT NEHRU COMPLEX, GURKHABASTI
AGARTALA, TRIPURA WEST, PIN-799006.

Dated, Agartala, the 28th June, 2021.

Circular No. 10/2021 – GST (State)

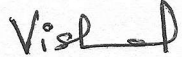
To
The Additional Commissioner of State Tax/
Deputy Commissioner of State Tax/
Assistant Commissioner of State Tax (CDC)-I / II/
Superintendent of State Tax (All)/
Inspector of State Tax (All)

Subject: GST on service supplied by State Govt. to their undertakings or PSUs by way of guaranteeing loans taken by them –reg.

The Government of India, Ministry of Finance, Department of Revenue vide Circular No. 154/10/2021–GST dated 17th June, 2021 has issued a clarification regarding GST on service supplied by State Govt. to their undertakings or PSUs by way of guaranteeing loans taken by them, in order to ensure uniformity in the implementation of the provisions of law across the field formations, which is annexed herewith.


In exercise of powers conferred by section 168 of the Tripura State Goods and Services Tax Act, 2017 (Tripura Act No. 9 of 2017) for the purpose of uniformity in the implementation of the Act it is instructed to follow the clarification issued vide Circular No. 154/10/2021–GST dated 17th June, 2021 by the Government of India, Ministry of Finance, Department of Revenue.

Encl.: Circular No. 154/10/2021–GST.


(Dr. Vishal Kumar, IAS)
Chief Commissioner of State Tax
Government of Tripura

Copy to:

1. The P.S. to the Principal Secretary, Finance, Government of Tripura for favour of kind information to the Principal Secretary, Finance.
2. The P.S. to the Secretary, Finance, Government of Tripura for favour of kind information to the Secretary, Finance.
3. The Assistant Statistical Officer, Statistical Section, O/o the Commissioner of Taxes & Excise, Agartala with request to upload the Circular in the Official website www.tripurataxes.nic.in.
4. Guard File.


(Dr. Vishal Kumar, IAS)
Chief Commissioner of State Tax
Government of Tripura

**CBIC-190354/36/2021-TRU Section-CBEC
Government of India
Ministry of Finance
Department of Revenue**

**North Block, New Delhi,
Dated the 17th June, 2021**

To,

**The Principal Chief Commissioners/ Chief Commissioners/ Principal
Commissioners/ Commissioner of Central Tax (All) /
The Principal Director Generals/ Director Generals (All)**

Madam/Sir,

**Sub: GST on service supplied by State Govt. to their undertakings or PSUs
by way of guaranteeing loans taken by them –reg.**

Certain representations have been received requesting for clarification regarding applicability of GST on supply of service by State Govt. to their undertakings or PSUs by way of guaranteeing loans. The issue was examined by GST Council in its 43rd meeting held on 28th May, 2021.

2. Entry No. 34A of Notification no. 12/2017-Central Tax (Rate) dated 28.06.2017 exempts *“Services supplied by Central Government, State Government, Union territory to their undertakings or Public Sector Undertakings (PSUs) by way of guaranteeing the loans taken by such undertakings or PSUs from the banking companies and financial institutions.”*

3. Accordingly, as recommended by the Council, it is re-iterated that guaranteeing of loans by Central or State Government for their undertaking or PSU is specifically exempt under said entry No. 34A.

4. Difficulty, if any, in the implementation of this circular may be brought to the notice of the Board.

Yours faithfully,

Shashikant Mehta
Technical Officer (TRU)
Email: shashikant.mehta@gov.in