General Managers
All Zonal Railways/Production Units

Sub: Exemption of GST TDS on supplies made by Government Departments and PSUs to other Government Departments and vice-versa

Railway Board vide letter No. even dated 14th September, 2018 (RBA No. 97/2018) had forwarded Central Board of Indirect Taxes and Customs(CBIC) Notification No. 50/2018-Central Tax dated 13th September, 2018. Further vide RBA No. 111/2018 and RBA No. 112/2018 issued on 12th October, 2018, detailed guidelines for account of GST-TDS were issued for Zonal Railways & Production Units.


3. By virtue of this amendment, the supplies which takes place between one person to another person specified below shall not be liable to GST TDS-

(a) A department or establishment of the Central Government or State Government;
(b) Local authority;
(c) Governmental agencies;
(d) An authority or a board or any other body, -
   (i) set up by an Act of Parliament or a State Legislature; or
   (ii) established by any Government, with fifty-one per cent. or more participation by way of equity or control, to carry out any function;
(e) Society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860 (21 of 1860);
(f) Public sector undertakings.
4. It is desired that Nodal Officers of all Zonal Railways and Production Units shall bring this to the notice of all the Departments/Divisions/Extra-Divisional Units to ensure GST compliance.

Encl:- As above.

Copy to:-

1. PFAs all Zonal Railways and Production Units;
2. All EDs of the ED level Empowered Committee in Railway Board;
3. All Directors of GST Cell, Railway Board.
[To be published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i)]

Government of India
Ministry of Finance
(Department of Revenue)
Central Board of Indirect Taxes and Customs
Notification No.73/2018 – Central Tax

New Delhi, the 31st December, 2018

G.S.R. .....(E).— In exercise of the powers conferred by sub-section (3) of section 1 read with section 51 of the Central Goods and Services Tax Act, 2017 (12 of 2017), hereafter in this notification referred to as the said Act, the Central Government, on the recommendations of the Council, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance, Department of Revenue No. 50/2018-Central Tax dated the 13th September, 2018 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R 868 (E) dated the 13th September, 2018, namely:

In the said notification, after the second proviso, the following proviso shall be inserted, namely:

"Provided also that nothing in this notification shall apply to the supply of goods or services or both which takes place between one person to another person specified under clauses (a), (b), (c) and (d) of sub-section (1) of section 51 of the said Act."

[F.No.20/06/16/2018-GST]

(Dr. Sreeparvathy S. L.)
Under Secretary to the Government of India

Note:- The principal notification No. 50/2018- Central Tax, dated the 13th September, 2018 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R 868 (E), dated the 13th September, 2018 and last amended vide notification No. 61/2018-Central Tax, dated the 05th November, 2018, published vide number G.S.R 1084(E), dated the 05th November, 2018.