



NORTH BIHAR POWER DISTRIBUTION COMPANY LIMITED, PATNA

(Registered Office: 3rd Floor, Vidyut Bhawan, Bailey Road, Patna- 800 021)
CIN U40109BR2012SGC018920

CIRCULAR

Circular No. 440

Date: 04-09-2017

Sub: Clarification on transitional issues due to GST Implementation

Goods and Service Taxes (GST) has been implemented w.e.f. 1st July, 2017 across the country and most of the Central and State indirect taxes are subsumed to create a common market with a seamless indirect tax regime with increased credit flow. This has resulted in affecting most of the transactions and its incidence of tax thereon, particularly relating to pricing of supply of goods as well as services. Whereas, the impact of GST on affected transactions under a contract is under deliberation (including consultations with vendors and contractors) and prices shall be equitably adjusted, for the purpose of smooth running of on-going contracts/orders and to facilitate the dispatches, raising of invoices and GST related compliances, following operating procedure, as discussed with most of the contractors, shall be adopted for supply of goods or services (on or after 01.07.2017) in the intervening period as an interim measure only for GSTR compliances.

The following pricing method has been agreed to and accordingly adopted for raising GSTN invoices:

Sl. No.	Type of pre-GST Transaction as identified in the contract	Post-GST price expressed as percentage of pre-GST price for items attracting GST 18%	Post-GST price expressed as percentage of pre-GST price for items attracting GST 28%
1	Direct Transaction	97.25%	89.65%
2	Bought-out Transaction	84.75%	78.13%
3	Installation including Civil works (if prices are inclusive of taxes)	84.75%	78.13%

The prices derived as above are excluding incidence of GST thereon. In addition, GST is applicable/reimbursable based on GST invoices raised by the vendors/contractors.

