

Circular No. 10/2021-GST

No. Tax/4(53)/GST-NOTN/2016
GOVERNMENT OF MANIPUR
DEPARTMENT OF TAXES

Imphal, dated the 17th June, 2021

Circular No. 10/2021 – GST


To

The Additional Commissioner of Taxes/Joint Commissioner of Taxes (All)/Deputy Commissioner of Taxes/Assistant Commissioners of Taxes (All)/Superintendent of Taxes (All)/ Inspector of Taxes (All)

Subject: GST on service supplied by State Government 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 Government 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- State Tax (Rate) dated 28.06.2017 exempts "*Services supplied by Central Government, State Government 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 Commissioner.


17/06/2021

(Ng. Roben Singh)
Commissioner of Taxes,
Manipur