



राष्ट्रीय ग्रामीण विकास एवं पंचायती राज संस्थान

(ग्रामीण विकास मंत्रालय, भारत सरकार)
राजेन्द्रनगर, हैदराबाद - 500 030 (भारत)

NATIONAL INSTITUTE OF RURAL DEVELOPMENT & PANCHAYATI RAJ

(Ministry of Rural Development, Government of India)

Rajendranagar, Hyderabad - 500 030 (India)

O N BANSAL

PD, RSETI

(Empowerment rural entrepreneurship)

NIRD/RSETI/MoRD

Date: 25.9.2017

Sub: Clarification on payment of GST on contractors bills for RSETI buildings.

After the introduction of GST some of the contractors have started submitting the bills levying GST @ 18%. As the cost of construction of the new RSETI buildings comes around 2 crores, GST @ 18% itself comes around Rs.36 lakhs. In view of this many of the RSETIs/Banks are seeking clarification/advise that whether GST is payable to contractor or not?, In view of RSETIs being social welfare institutions established for the benefit of rural unemployed youth and are running under the supervision & support from Ministry of Rural Development (MoRD) & Ministry of Skill Development & Entrepreneurship (MoSD&E).

It is pertinent to mention here that:

- i. As per GST Schedule of exempted category point no.13, it is mentioned that "Services by an entity registered under section 12AA of IT Act, 1964 (43 of 1961) by way of charitable activities."
RSETIs are registered under section.12AA of IT act for getting the exemption of tax under 80G.
- ii. As per GST Schedule of exempted category point no.62, it is mentioned that "Any services provide by,
 - i. The National Skill Development Corporation set up by Government of India,
 - ii. A Sector Skill Council approved by the National Skill Development Corporation,
 - iii. An assessment agency approved by the Sector Skill Council or National Skill Development Corporation,
 - iv. A training partner approved by the National Skill Development Corporation or the Sector Skill CouncilIn relation to
 - a. The National Skill Development Programme implemented by National Skill Development Corporation; or
 - b. A vocational skill development course under the National Skill Certification and Monetary Reward Scheme; or
 - c. Any other scheme implemented by the National Skill Development Corporation."

Please find attached

- 1) Schedule of GST Rates for services as approved by GST council,
- 2) Service Tax Exemptions to be continued in GST as decided by GST Council.


Recently RSETIs are brought under National Skill Development Framework (NSQF) guidelines of MoSD&E.

In view of the above, clarification is required whether RSETIs comes under exempted category for payment of GST, so as to advise RSETIs/Banks suitably in the matter.

TO:

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Your's faithfully


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