

Office of the  
Commissioner of State Tax  
(GST), 8th floor, New Building,  
GST Bhavan, Mazgaon,  
Mumbai-400010.

**TRADE CIRCULAR**

To,

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No. JC (HQ)-1/GST/2019/CBIC Circular(s)/ADM-8 Mumbai, dated 17.05.2019

Trade Circular (GST) No. 28T of 2019.

**Sub. : Nature of Supply of Priority Sector Lending Certificates (PSLC) – regarding**

**Ref. : CBIC Circular No. 93/12/2019-GST dated 8th March 2019.**

Sir/Gentlemen/Madam,

1. Representations have been received requesting to clarify whether IGST or CGST/ SGST is payable for trading of PSLC by the banks on e-Kuber portal of RBI.
2. In this regard, it is stated that Circular No. 22T of 2019 dated 17<sup>th</sup> May 2019 was issued clarifying that GST on PSLCs for the period 1.7.2017 to 27.05.2018 will be paid by the seller bank on forward charge basis and GST rate of 12% will be applicable on the supply. Further, Notification No. 11/2018-State Tax (Rate) dated 29.05.2018 was issued levying GST on PSLC trading on reverse charge basis from 28.05.2018 onwards to be paid by the buyer bank.
3. It is further clarified that nature of supply of PSLC between banks may be treated as a supply of goods in the course of inter-State trade or commerce. Accordingly, IGST shall be payable on the supply of PSLC traded over e-Kuber portal of RBI for both periods i.e 01.07.2017 to 27.05.2018 and from 28.05.2018 onwards. However, where the bank liable to pay GST has

already paid CGST/SGST or CGST/UTGST as the case may be, such banks for payment already made, shall not be required to pay IGST towards such supply.

4. This Circular is clarificatory in nature and hence cannot be made use of interpretation of provisions of the law. Difficulty if any, in this implementation of this Circular may be brought to the notice of the Office of the Commissioner of State Tax, Maharashtra State.

Yours faithfully,



**(Rajiv Jalota)**

Commissioner of State Tax,  
Maharashtra State, Mumbai.

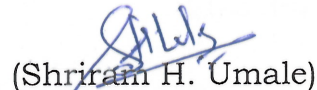
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Trade Circular (GST) No. 28 T of 2019.

Copy forwarded to the Joint Commissioner of State Tax, (MAHAVIKAS) with a request to upload this Trade circular on MGSTD web-site.

Copy submitted with compliments to,-

- (1) The Deputy Secretary, Finance Department, Mantralaya, Mumbai-21 for information.
- (2) Accounts Officer, Sales Tax Revenue Audit, Mumbai and Nagpur.



(Shriram H. Umale)

Joint Commissioner of State Tax, (HQ) 1,  
Maharashtra State, Mumbai.