

Dr. M. SAI KUMAR, I.A.S.,

Principal Secretary /
Chairman & Managing Director /
TANGEDCO & TNEB Ltd., and
Chairman / TANTRANSCO



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D.O.Lr.No.CFC/GL/FC/ACC/DFC/AO/Tax/F.GST - 5/D.No. 61/2017/dt.14.07.2017

Dear Thiru Vikram Kapur,

Sub: GST rolled out from 1st July 2017 - Decentralised registration requested for TANGEDCO & TANTRANSCO under GST - reg.

Ref: 1. CFC/GL/FC/P/DFC/W/AO/W/D.No.35/PR.NO.60/2017 dt 17.3.17
2. Letter No.CC4/1165/2014 dated 6th April 2017
3. Provisional GST Regn No. 33AADCT4784E1ZC dt 15.06.2017

You may be aware that as per section 22(2) of the CGST Act, 2017, every person who on the day immediately preceding the appointed day is registered or holds a license under existing law shall be liable to be registered under the Act. Since, TANGEDCO is registered under TNVAT Act, CST Act and Service Tax, TANGEDCO vide letter first cited above, have requested the Commercial Tax Department to clarify whether decentralised registration is feasible under GST.

2. The Commercial tax department vide letter 6th April 2017 had informed TANGEDCO to get **single registration** within the state of Tamil Nadu. The Commercial Tax Department had also informed that TANGEDCO may prove that generation and distribution are two different business verticals and then can seek for separate registration viz. one for power generation and another for power distribution as a whole. Further, they have informed that decentralised registration is not allowed in GST.

3. In view of the above, the corporation has migrated to GST and obtained single registration. As per GST Act, various input components in the Generation, Transmission and Distribution of power will witness changes in the rates, which have impact in the cost of supply.

4. Since TANGEDCO had to get only centralised registration, as per the provisions of GST Act, there are lot of issues to be complied with in a time bound manner. This will be a mammoth task, since there are more than eighty different circles functioning in various parts of Tamil Nadu under the control of TANGEDCO & TANTRANSCO.

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5. Similarly, the powers for purchase of various goods/materials/execution based on the field requirement to transmit/distribute electricity and disposal of scrap materials has been delegated to the Superintending Engineers concerned, and in such circumstances, the collection of the purchase/sales details every month and filing of monthly returns at the headquarters in Chennai is a cumbersome task, involving administrative and accounting difficulties. The penal provisions in GST for non-compliance or delayed compliance are very stringent and as such, GST council may be addressed for de-centralised registration facility to these utilities, which are functioning in a decentralised system.

6. As per section 148 of the CGST Act, 2017 GST council is empowered to recommend to the Central Govt to notify certain classes of registered persons and the special procedures to be followed by such persons including those with regard to registration, furnishing of return, payment of tax and administration of such person. In such circumstances it is requested to take up the issues with the GST council for permitting for de-centralised registration, to facilitate smoother transition into the GST regime by TANGEDCO & TANTRANSCO.

Yours sincerely,

regards.

(M. SAI KUMAR)

12/7/14

To

Thiru VIKRAM KAPUR, I.A.S.,
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