

PANJAB UNIVERSITY CHANDIGARH
OFFICE OF THE FINANCE AND DEVELOPMENT OFFICER

To

All the Chairpersons/
Coordinators of All Centres/
Heads of the Departments/Principle Investigators/
Directors of Regional Centres/A.R. (R &S)/ACLA
Panjab University, Chandigarh.

No. 815-1014/FDO/F-143

Dated: 30/3/22

Subject: Compliance of provisions of Reverse Charge Mechanism under GST Act.

This is in continuation to this office Circular No. 2250-2449/FDO dated 21.6.2021 regarding compliance of provisions of Reverse Charge Mechanism under GST Act.

It may be mentioned that as per GST Act, the liability of RCM has to be discharged **within the prescribed time limit (i.e. within 30 days for supply of goods and 60 days for supply of services) from the date of issue of invoice by the concerned vendor**. It has been observed that in some cases, the concerned departments/offices submit the contingent bill of RCM after the expiry of prescribed period. In such cases, the University may be held liable for payment of interest by the GST authorities.

In order to avoid possibility of levy of interest by GST authorities, all the Drawing Officers are hereby advised that the Contingent Bill for RCM (as explained in the aforesaid circular dated 21.6.2021) must be processed and paid as per the following timelines:

i)	In case of bill/invoice for supply of goods	within 25 days from the date of issue of bill by concerned vendor
ii)	In case of bill/invoice for supply of services	within 50 days from the date of issue of invoice

In case, it may not be feasible for the Drawing Officer to process and pay a bill within the prescribed timelines as above (either for discrepancy in any document, poor quality of goods/services or for any other reasons) then, it shall be the responsibility of the concerned Drawing Officer to get a revised bill with a fresh date from the concerned supplier/vendor.

In case of non-compliance of above instructions, the responsibility of payment of interest, if any, shall rest with the concerned Drawing Officer.


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