



वैज्ञानिक तथा औद्योगिक अनुसंधान परिषद्  
Council of Scientific & Industrial Research  
अनुसंधान भवन 2 रफी मार्ग नई दिल्ली 110001  
Anusandhan Bhawan, 2 Rafi Marg, New Delhi-110001



क्रमांक /No. SP-13023/1/2023-S and P-CSIR HQ (E 9593) दिनांक/Date: 31/05/2023

Through CSIR Website

सेवा में / To,

सी.एस.आई.आर. की सभी राष्ट्रीय प्रयोगशालाओं/संस्थानों/मुख्यालय/एकको के निदेशक/प्रमुख

**The Directors/ Heads of all CSIR Laboratories/Insttts./Units**

विषय/Sub: **Withdrawal of GST Concession/Exemption to CSIR-  
Implication on concluded contracts.**

महोदया/महोदय /Madam/Sir,

CSIR has been receiving references on the subject cited matter. Labs/Insttts are finding it difficult to deal with the situations emerging out of the above policy change. In this regard, I am directed to issue the following clarification to enable the Labs/Insttts/Units to deal with the cases appropriately

- I. The Government of India has withdrawn the Concessional GST privilege to R&D organizations like CSIR w.e.f. 18/07/2022. Therefore, CSIR labs cannot use DSIR Registration Certificates anymore for this purpose nor can avail such concessions.
- II. The implication of such policy change on existing contracts will depend on the facts and circumstances of each contract,

especially the way the GST aspect has been spelled out in the contract. There could be following illustrative situations:

- a. Fixed GST Contract/Inclusive of GST with or without concessional Certificate.
- b. Variable GST Contract with or without concessional Certificate and/or due to statutory variation in rates.

III. It is therefore necessary to examine each Contract independently in the light of Section 6.8 of MPG 2019/GoI instructions and in accordance with the GST Act regarding procurement. Normally, in the case of Contract of II (a) type, there would be no change in GST liability. However, in the II (b) type, the changed rate would be applicable.

IV. The cases of extension of delivery/re-fixed delivery period will have additional complexity in determining GST implications. Besides the original condition pertaining to GST/Tax stipulated in the original Contract/Purchase Order, either as fixed or variable type, as enunciated in Para II above, the exact Terms & Condition of extension of delivery, with or without LD and with or without Denial Clause and even the specific language of LD/Denial clause will determine the obligations of the parties to the Contract.

V. In case of Import, decision should be taken on the basis of Incoterms and upon the way the Lab/Instt has spelled out the clause with regard to exemption/concession of IGST against DSIR registration certificate besides the principles stipulated above."

The above clarification is issued with the concurrence of FA CSIR and the approval of DG CSIR.

भवदीय/ Yours faithfully,



(श्रीदेब नन्दा /Srideb Nanda)

भंडार एवं क्रय नियंत्रक

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Encls: As above

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