EAST COAST RAILWAY

Office of the
Principal Chief Commercial Manager
1st Floor, Rail Sadan
C.S.Pur, Bhubaneswar-17

Commercial Circular No.183(GC)/2018 Date: 27.09.2018

Sub: GST –TDS Notification-Transportation of commodities by goods train.

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A copy of Railway Board's letter No.TCR/1078/2018/13 dated 25.09.2018 regarding " **GST –TDS Notification-Transportation of commodities by goods train" and GST Circular No.33 of 2018 dated14.09.2018(RBA No. 97/2018)** is enclosed herewith for information and necessary action.

All concerned to note and act accordingly.

Authority: Railway Board's letter No. TCR/1078/2018/13 dated 25.09.2018.

Encl: As above (05 pages).

27/09/18
(H.L.Luwang)
Dy.Chief Commercial Manager(FS)

No. CCM/443/GST/Policy/Pt.I Date 27.09.2018

All Station Managers/ Goods Supervisors/Commercial Supervisors /Siding Clerks / Booking Clerk in Charges / Weigh Bridge Clerks / Clerk in Charges / City Booking Agencies / Out Agencies.

Copy for information and necessary action to the:-

COM: ECoR/SER/SECR/NR/NFR/ER/SR/SCR/WR/NER/CR/SWR/NCR/NWR/WCR/ECR/KRly..**SDGM**/ECoR/BBS, **Chairman**/RCT/BBS,**Dy.CVO**/ECoR/BBS, **Dy.COM(FOIS)**/ECoR/BBS, **PO/RCT**/BBS , **CAO(FOIS)**/NDLS,**Audit officer**/BBS. Rates Section /CCM/ECoR/BBS –10 sets **DRM**: KUR,WAT,SBP/ECoR, **Sr.DOM**- KUR,WAT,SBP/ECoR, **CAO(FOIS),** CRIS/NDLS**Sr.DCM** :KUR,WAT/SBP/ECoR. **Dy.CCM(Claims)**/E.Co.Rly, **FA & CAO**:E.Co.Rly, **FA & CAO(T)**/ECoR/BBS **Traffic Manager**: VZP, Paradeep Port Trust / Paradeep.

27/09/18
(H.L.Luwang)
Dy.Chief Commercial Manager(FS)

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भारत सरकार (GOVERNMENT OF INDIA)
रेल मंत्रालय (MINISTRY OF RAILWAYS)
रेलवे बोर्ड (RAILWAY BOARD)

No.TCR/1078/2018/13 New Delhi, dated 25.09.2018

Principal Chief Commercial Manager,
All Indian Railways.

Sub: GST-TDS Notification- Transportation of commodities by goods train.

1. Please find enclosed a copy of Board's Accounts Directorate's GST Circular No. 33 of 2018 dated 14.09.2018 (RBA No.97/2018) on the above cited subject.

2. It is advised that Central Board of Indirect Taxes and Customs, Department of Revenue vide Notification No. 50/2018-Central Tax dated 13.09.2018 (copy enclosed) has notified the provisions of Section 51 of the CGST Act, (12 of 2017) which relates to Tax Deduction at Source and shall come into force w.e.f. 01.10.2018.

3. By virtue of above notifications the following assessee shall; be liable to deduct TDS @ 1% on taxable value as Central GST and 1% on Taxable value as State/UT GST:

a) A department or establishment of the Central Government or State Government;
b) Local authority;
c) Governmental agencies; and
d) Following persons or category of persons notified by Government, namely:
   (i) An authority or a Board or any other body, set up by an Act of Parliament or a State Legislature; or established by any Government, with 51% or more participation by way of equity or control, to carry out any function;
   (ii) Society established by the Central Government or the State Government or a Local Authority under the Societies Regulation Act, 1860;
   (iii) Public sector undertakings.

4. Such Railway Customers will have to deduct GST from the payment being made to Indian Railways, which exceeds Rs.2.5 Lakh or in case of supplies less than Rs.2.5 Lakhs, when the contract value is above Rs. 2.5 Lakhs. At present the above notification is effective for CGST/SGST/UTGST transaction only.

A. *Illustration:*

Haulage/ Freight charges	=	Say Rs. 100.00	
GST	=	Rs. 5.00	***(CGST=Rs.2.5/- & SGST=Rs.2.5/-)***
Total RR Value	=	Rs. 105.00	

In this case, the entity will pay Rs.103.00 to Railways and will deposit Rs.2.00 directly to GSTN account as TDS on behalf of Railways and give a certificate to Railways. Indian Railways will have to report transactions at 'A' above to GSTN authorities by uploading the corresponding RR data as is being done now.

GST

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However, the TDS of Rs 2/- will automatically get populated in GSTN portal by virtue of Indian Railway's customer filing his GST return, and gets adjusted/ reduced against the Output Tax liability of Indian Railway.

5. Effectively, the money being received from Indian Railway's customers will get reduced to the extent of TDS by customer @1% for CGST & 1% for SGST levied on taxable value.

6. Zonal Railways/FOIS/CRIS, shall review transactions falling under the notification whereby Railways invoices would need to capture TDS deducted by Railway's customers. Corresponding changes shall be made in IT platforms where these transactions are captured.

7. FOIS shall carry out necessary IT system augmentation for carrying out taxable transactions of Indian Railways regarding transportation of commodities by Good Train and shall capture the registration number of Railway's customers provided by the Central Government for TDS deductions.

8. The Railway Receipts shall indicate the TDS amount and name of the customers making the transactions

9. The MIS system shall monitor the receipt of TDS Certificate, so that Indian Railway can take the credit.

10. Necessary action may please be taken accordingly. This exercise may be completed urgently.

11. Procedure order is enclosed.

12. This shall come into force w.e.f. 01.10.2018 or as notified by Ministry of Finance.

13. This issues with the concurrence of Accounts Directorate of Ministry of Railways.

DA/As above:

25.9.18

(Barjesh Dharmani)
Exe. Director Traffic Commercial (Rates)
Railway Board

Copy for information and necessary action please:

i. Managing Director, CRIS Complex, Chankyapuri, New Delhi.
ii. Chief Administrative Officer, FOIS, Chankyapuri, New Delhi.

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No.TCR/1078/2018/13

Annexure

Procedure order for GST-TDS

1. There will be a POP-UP or OPTION for Goods Clerk in TMS portal. regarding TDS to be reduced from the total value of RR. TDS will be reduced @ 1% for as CGST and 1% as UT/S GST i.e. total 2% while generating Invoices/ Railway Receipt.
2. Goods Clerk will ask for a declaration from Customer for reducing the Total value of RR by TDS amount of 2%.
3. Declaration will be signed by the authorized signatory of the customer indicating their TDS number;
4. For the purpose of determination of transaction value of Rs. 2.50 lakh. and above, which is the threshold limit for TDS reduction, each RR value will have to be more than Rs. 2.50 lakh. In other words, if the RR value is less than Rs. 2.50 lakh, then no TDS will be reduced
5. In case multi RR issued, aggregate shall be taken into account for arriving at whether payment exceeds the limit of Rs.2.50 lakh or otherwise.
6. In case of Supersessional RR & Re-booking, the criteria taken into account while issuing Principal RR shall be followed.
7. In case of other charges, GST shall be collected as per the declaration given by the consignor.

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(भारत सरकार) GOVERNMENT OF INDIA
(रेल मंत्रालय) MINISTRY OF RAILWAYS
(रेलवे बोर्ड) RAILWAY BOARD

GST Matter
For immediate attention

RBA No. 97/2018
GST Circular No 33 /2018

No. 2018/AC-II/1/46 New Delhi, the 14th September, 2018

General Managers,
All Zonal Railways and Production Units

Sub :- GST-TDS Notification Reg.

Central Board of Indirect Taxes and Customs, Department of Revenue vide Notification No. 50/2018-Central Tax dated 13th September, 2018 (Copy attached) has notified that the provisions of section 51 of the CGST Act, 2017 (12 of 2017) which relates to Tax deduction at source shall come into force on 1st October, 2018. It is desired that nodal Officers of all the Zonal Railways and Production Units shall bring this to the notice of all the Departments/Divisions/Extra-Divisional Units to ensure GST compliance.

DA:- As above.

(Anjali Goyal)
Adviser/Accounts

Copy to:-
1. PSOs of all Board Members and DGs
2. All the EDs of the ED level Empowered Committee of GST;
3. All the Directors of the GST Cell of Railway Board;
4. PFAs all Zonal Railways/Production Units;
5. Managing Director, Centre for Railway Information System, Chanakyapuri, New Delhi;

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[To be published in the Gazette of India, Extraordinary, Part II, Section 3, Subsection (i)]

Government of India
Ministry of Finance
(Department of Revenue)
Central Board of Indirect Taxes and Customs
Notification No. 50/2018 – Central Tax

New Delhi, the 13th September, 2018

G.S.R. .....(E).— In exercise of the powers conferred by sub-section (3) of section 1 of the Central Goods and Services Tax Act, 2017 (12 of 2017) and in supercession of the notification of the Government of India in the Ministry of Finance, Department of Revenue No. 33/2017-Central Tax, dated the 15th September, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 1163 (E), dated the 15th September, 2017, except as respects things done or omitted to be done before such supersession, the Central Government hereby appoints the 1st day of October, 2018, as the date on which the provisions of section 51 of the said Act shall come into force with respect to persons specified under clauses (a), (b) and (c) of sub-section (1) of section 51 of the said Act and the persons specified below under clause (d) of sub-section (1) of section 51 of the said Act, namely:-

(a) an authority or a board or any other body, -

(i) set up by an Act of Parliament or a State Legislature; or
(ii) established by any Government,

with fifty-one per cent. or more participation by way of equity or control, to carry out any function;

(b) Society established by the Central Government or the State Government or a Local Authority under the Societies Registration Act, 1860 (21 of 1860);

(c) public sector undertakings.

[F. No. 349/58/2017-GST(Pt.)]

(Gunjan Kumar Verma)
Under Secretary to the Government of India

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