

EAST COAST RAILWAY

Office of the
Principal Chief Commercial Manager
Bhubaneswar
Date. 27.04.2018

Commercial Circular No. 87(GC)/2018

Sub: Transportation of Commodity by goods train meant for Nepal & Bhutan Levy of GST.

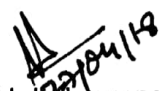
Ref: Notification No. 30 of 2017 Central Tax (Rate) dated 29.09.2017 and No. 42 of 2017 Integrated Tax (Rate) dated 27.10.2017.

Please find enclosed herewith Railway Board's letter No. TCR/1078/2017/19 dtd.27.04.2018 regarding "Transportation of Commodity by goods train meant for Nepal & Bhutan Levy of GST." which is self explanatory for information and necessary action.

All concerned to note and act accordingly.

Authority: Railway Board's letter no. TCR/1078/2017/19 dtd.27.04.2018

Encl: As above (03 page)


(H. L. Luwang)
Dy. Chief Commercial Manager (FS)

No.CCM/ PFT/375/ Pt.I

Date: 27.04.2018.

Copy forwarded to:

All Station Managers/ Goods Supervisors/ Parcel Supervisors/ Commercial Supervisors/ Siding Clerks/ Booking Clerks in-charges/ Weigh Bridge Clerks/ Clerk in Charges / City Booking Agencies / Out Agencies over ECoR.

Copy for information and necessary action to the:-

PCOM/ECOR/BBS, SDGM/ECOR/BBS, Chairman/RCT/BBS, Dy.CVO(T)/ECOR/BBS, PO/RCT/BBS, Dy.COM(FOIS)/ECOR/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, **Sr.DCM:** KUR, WAT, SBP/ECOR. **Dy.CCM(Claims)/E.Co.Rly.** **PFA:** E.Co.Rly, **FA&CAO (T)/ECOR/BBS, Traffic Manager:** VZP, Paradeep Port Trust/ Paradeep.


(H. L. Luwang)
Dy. Chief Commercial Manager (FS)

SL.no. 87(GC)

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

No.TCR/1078/2017/19

New Delhi, dated: 27.04.2018

General Managers
All Indian Railways

Sub: Transportation of commodity by goods train meant for Nepal & Bhutan Levy of GST.

Ref: Notification no. 30 and 42 of 2017 Central Tax (Rate) dated 29.09.2017 and 27.10.2017

- 1.0 The matter regarding applicability of GST on goods transportation services supplies to/from Nepal/Bhutan has been examined and it is clarified that services associated with transit cargo to Nepal and Bhutan have been exempted from the levy of CGST by notification no. 30/2017 Central Tax (Rate) dated 29.09.2017. Similarly, supply of services where place of supply is in Nepal or Bhutan has been exempted under notification no. 42/2017 Integrated Tax (Rate) dated 27.10.2017
- 2.0 The 'Treaty of Transit between India and Nepal' provides customs exemption and exemption from all transit duties or other charges, (except reasonable charges for transportation and such other charges, as are commensurate with the costs of services rendered) in respect of goods which are transited through India with port of discharge but the cargo is destined to land locked country of Nepal without any sea port. Similarly as per the 'Agreement on Trade, Commerce and Transit between India and Bhutan' all exports and imports of Bhutan to and from countries other than India will be free from and not subject to customs duties and trade restrictions of the Government of the Republic of India.
- 3.0 Therefore, for goods originating in country other than India and destined to Nepal/Bhutan, transportation service provided by Indian Railways (IR) is a "service associated with transit cargo" and therefore exempt from GST. Similarly, for goods originating in Nepal/Bhutan and destined to country other than India, transportation service provided by IR is a "service associated with transit cargo" and therefore exempt from GST.

Zonal Railway must Identify services associated with transit cargo to Nepal & Bhutan provided by them and take note of the exemption from GST to such services.

This issues in consultation with Accounts Directorate of Ministry of Railways.

Shilpi Bishnoi
27.04.18

(Shilpi Bishnoi)
Director, Traffic Commercial (Rates)
Railway Board.

SL.no. 87 (GC)

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[TO BE PUBLISHED IN THE GAZZETE OF INDIA, EXTRAORDINARY, PART II,
SECTION 3, SUB-SECTION (i)]

Government of India
Ministry of Finance
(Department of Revenue)

Notification No. 42/2017-Integrated Tax (Rate)

New Delhi, the 27th October, 2017

G.S.R.....(E).- In exercise of the powers conferred by sub-section (1) of section 6 of the Integrated Goods and Services Tax Act, 2017 (13 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue) No.9/2017- Integrated Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R. 684(E), dated the 28th June, 2017, namely:-

In the said notification, in the TABLE, after serial number 10C and the entries relating thereto, the following shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)
"10D	Chapter 99	Supply of services having place of supply in Nepal or Bhutan, against payment in Indian Rupees	Nil	Nil".

[F. No.354/221/2017 -TRU]

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

Note:-The principal notification was published in the Gazette of India, Extraordinary, *vide* notification No. 9/2017- Integrated Tax (Rate), dated the 28th June, 2017, *vide* number G.S.R. 684 (E), dated the 28th June, 2017 and was last amended by notification No. 33/2017 - Integrated Tax (Rate), dated the 13th October, 2017 *vide* number G.S.R.1276 (E), dated the 13th October, 2017.

SL.No:- 87 (GIC)
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[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II,
SECTION 3, SUB-SECTION (i)]

Government of India
Ministry of Finance
(Department of Revenue)

Notification No. 30/2017- Central Tax (Rate)

New Delhi, the 29th September, 2017

G.S.R.....(E).- In exercise of the powers conferred by sub-section (1) of section 11 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue) No.12/2017- Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 691(E), dated the 28th June, 2017, namely:-

In the said notification, in the Table, after serial number 9A and the entries relating thereto, the following shall be inserted, namely: -

(1)	(2)	(3)	(4)	(5)
"9B	Chapter 99	Supply of services associated with transit cargo to Nepal and Bhutan (landlocked countries).	Nil	Nil".

[F. No.354/221/2017 -TRU]

(Ruchi Bisht)

Under Secretary to the Government of India

Note: - The principal notification was published in the Gazette of India, Extraordinary, vide notification No. 12/2017 - Central Tax (Rate), dated the 28th June, 2017, vide number G.S.R. 691 (E), dated the 28th June, 2017 and was last amended by notification No. 25/2017 - Central Tax (Rate), dated the 21st September, 2017 vide number G.S.R. 1180 (E), dated the 21st September, 2017.

SL. NO. 87 (GC)

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