

Commercial Circular No. 143(G)/2019

Sub: Levy of GST on service of transportation of Goods in containers by rail

Ref: (i) Notification No.12/2017 Central Tax (Rate) dt 28.06.2017

(ii) Railway Board's Rates Circular No.19 of 2017 dt 30.06.2017

(iii) Railway Board's letter No.TCR/1078/2017/28 dt 29.09.2017

(iv) Railway Board's letter No.TCR/1078/2017/05 pt. dt 26.06.2018

(v) Railway Board's letter No.TCR/1078/2017/19 dt 22.03.2018

1. Notification No.12 of 2017- Central Tax (Rate) dated 28.06.2017 (refer i above), vide entry at Sl.No. 20 has stipulated 'Nil' GST rate on services by way of transportation by rail from one place in India to another of following goods.
 - a) Relief materials for victims of natural or manmade disasters, calamities, accidents, or mishap;
 - b) Defence or military equipments
 - c) Newspapers or magazines registered with registrar or newspapers;
 - d) Railway equipments or materials;
 - e) Agriculture produce;
 - f) Milk, Salt and food grain including flours, pulses and rice; and organic manure.
2. Railway Board, vide ref: iii above, have issued mapping of above exempted commodities vis a vis corresponding commodities contained in IRCA Goods Tariff.
3. The subject matter has been reviewed in consultation with Accounts directorate. It has been decided to extend the due GST exemption to certain commodities, as applicable (refer i above), for transportation by rail in containers also.
4. Container Train Operators (CTOs) shall mandatorily declare the name of commodities (as per Goods tariff), being carried in the container, in loading annexure. Terminal Management System (TMS) shall exempt due commodities from levy of GST, as per its mapped commodities, in accordance with Railway Board's letter dt 29.09.2017(refer iii above).
5. CTOs shall need to modify their Electronic Data Integration (EDI) modules for compatibility with TMS.
6. In case of containers loaded with mixed commodities (i.e GST applicable and GST-exempt commodities), GST at applicable rate shall be levied, which is 5% as per extant rules.
7. All commodities, other than those notified as exempted from levy of GST shall continue to be charged at applicable GST rates, i.e at 5% as per extant rules.

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8. GST on demurrage and wharfage in case of container traffic will be governed by Railway Board letter dt 26.06.2018 (refer iv above)
9. GST on other ancillary charges viz. Terminal Access, siding, shunting, stabling, Punitive charge for overloading etc. will continue to be levied on transportation of exempted commodities in containers by Rail as per Railway Board letter dated 22.03.2018 (refer v above)
10. CRIS shall make the necessary modifications in the software for implementation of above instructions. Railway receipt/annexure shall contain the commodity name.
11. These instructions shall come into force w.e.f 10.08.2019, and shall remain in force till further advice.
12. This issues with the concurrence of Finance Directorate & Accounts Directorate of Ministry of Railway.

All concerned to note and act accordingly.

Authority: Railway Board's letter No.TCR/1078/2017/16 dt 17.07.2019

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18/07/19
(H.L.Luwang)

Dy Chief Commercial Manager (FS)

No. CCM/87/containers/Pt-III

Dt.18.07.2019

All station Managers/Goods Supervisors/Commercial Supervisors/Siding Clerks/Booking Clerk in Charges/Weigh Bridge Clerks/Clerk in Charges/Commercial Inspectors.

Copy for information and necessary action to the :-

COM/ECOR, CFTM/ECOR, SDGM/ECOR, Chairman/RCT/BBS, DyCVO(T)/ECOR, DyCOM(FOIS)/ECOR, PO/RCT/BBS, 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 CCO/ECOR, FA& CAO/ECOR/BBS, FA&CAO(T)/ECOR, Traffic Manager: Visakhapatnam port Trust, Paradeep Port/Paradeep

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Dy Chief Commercial Manager (FS)

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