

COMMERCIAL CIRCULAR LETTER NO. 252 of 2018
DRAFT NOTIFICATION FOR TRC NO. 11 of 2018
(GOODS)

Sub: Applicability of GST on ancillary charges levied on transportation of goods by rail.

- Ref:** 1) Railway Board's Rates Circular No.19 of 2017 dated 30.06.2017.
2) Railway Board's letter No.TCR/1078/2017/22 dated 20.09.2017.
3) Railway Board's letter No.TCR/1078/2017/19 dated 22.03.2018.
4) Railway Board's letter No.TCR/1078/1017/05 Pt. dated 26.06.2018.

1. Railway Board, vide Rates circular No.19 of 2017 dated 30.06.2017 issued guidelines on levy of Goods and Services Tax (GST) on transportation of goods by Rail and this was implemented w.e.f. 01.07.2017.
2. Subsequently, Railway Board, vide above referred letters issued guidelines on applicability of GST on ancillary charges levied on transportation of goods by rail. All these instructions are reiterated again for the guidance of the staff as a ready reckoner.
 - 2.1 GST @ 5% is applicable to all ancillary charges levied on transportation of goods traffic viz. Demurrage, Wharfage, Terminal Access, Sidings, Shunting, Stabling, Haulage, Detention, Punitive charges for overloading, charges for unloading, charges for dummy wagons, Hire/Haulage of crane, Haulage charges for empty wagons on private account, Engine Haulage charges, Re-weighment of wagon, Special Train charges, Hire charges for Test wagon, Hire charges for wagon interchange, Infringement charges etc. (except Wagon Registration Fee).
 - 2.2 In case of exempted commodities, no GST is charged on the associated demurrage/Wharfage charges so long as the entire rake contains GST exempted commodity/commodities. This shall apply to all commodities exempted from levy of GST as per Para 2.0 of Rates Circular No.19 of 2017 dated 30.06.2017.
 - 2.3 However, except on demurrage/Wharfage charges, GST should be levied on all other ancillary charges associated with transportation of exempted commodities by goods train.
 - 2.4 In case of mixed wagon/rake, i.e. wagon/rake loaded with GST exempt and non-exempt commodity/commodities, GST should be levied on demurrage/Wharfage charges also in case of transport of GST exempt goods, with effect from 29.06.2018.

"Staff in the field units should read the instructions carefully and understand the same, thoroughly. Thereafter, the instructions should be implemented. In case of any doubts, letters may be addressed to the respective Sr.DCMs with copy to PCCM's Office"

Previous Commercial.Circular No. 251 of 2018
Sub: Tax deducted at source on GST transactions


(K.Phani Raj) 12-11-18
ACM/M&D

for Principal Chief Commercial Manager

SOUTH CENTRAL RAILWAY

Headquarters Office
Commercial Branch
Date: 12.11.2018

No C.268/P/Goods/GST Vol.IV

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(K.Phani Raj) 12-11-18
ACM/M&D

for Principal Chief Commercial Manager