

(भारत सरकार) GOVERNMENT OF INDIA)

(रेल मंत्रालय) MINISTRY OF RAILWAYS)

(रेलवे बोर्ड RAILWAY BOARD)

Freight Marketing Circular No. 15 of 2017

No.TC-II/2046/2017/GST/Parcel

New Delhi, dated 14.11.2017

The General Managers,
All Zonal Railways.

GM/PMS,
CRIS, Chanakyapuri,
New Delhi - 110021

SUB: Clarification regarding imposition of GST on transportation of certain commodities by Rail.

- RHF: (i) Board's letter No. TC-II/2910/2017/GST/2 dated 09.06.2017 containing detailed approach papers for implementation of GST.
(ii) Board's FM Circulars No. 08 dated 29.06.2017 and No. 08-A of 2017 dated 31.07.2017 and No. 08-B of 2017 dated 05.09.2017.
(iii) SER's letter No. C375/Dev-Parcel/GST dated 19.09.2017.

South Eastern Railway vide their letter under reference (iii) above have sought clarification regarding levy of GST on certain description of Goods such as (i) live trees and other plants: bulbs, roots and the like; cut flowers and ornamental foliage (ii) Lac and Shellac and (iii) betel leaves in view of Ministry of Finance (Department of Revenue)'s Notification No. 2/2017-Central Tax (Rate) dated 28.06.2017 notifying the decision of the Central Government to exempt intra-state supplies of goods, the description of which is specified in column (3) of the Schedule appended to the above notification.

2. The matter has been examined. As per the Ministry of Finance (Department of Revenue)'s Notification No. 12/2017-Central Tax(Rate) dated 28.06.2017, "agricultural produce" means any produce out of cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products, on which either no further processing is done or such processing is done as is usually done by a cultivator or producer which does not alter its essential characteristics but makes it marketable. Accordingly, all such commodities which fall under the definition of "agricultural produce" shall be exempted from GST. Further, all the exemptions notified separately by the Ministry of Finance may be followed.

3. Zonal Railways may seek the opinion of GST Consultant engaged by them on any issue involving levy of GST on transportation of any particular commodity by Rail, if required.

4. Necessary instructions may be issued to all concerned immediately.



(S.M. Andaleeb Razi)
Director Freight Marketing,
Railway Board

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Copy forwarded for information & necessary action to:

1. PCCMs, All Indian Railways.
2. PFAs, All Indian Railways
3. CCM (FM)s, All Indian Railways.
4. PCOM. all zonal Railways.
5. CRB, MT, FC, Secretary, DG/RIIS, Railway Board.
6. AM(B), PED (Finance), AM(IT), AM(C), PED (Vig), ED(Rates), PED(A), EDF(C), ED(X)-I, ED(C&IS), EDV(T), ED/Safety, ED(H), ADG/PR, DFC, DTC(G), JDA and TC(CR), V(SS), PR. TG-I, TG-II, TG-IV, TG-V & F(C) Branches, Railway Board.
7. MD, Centre for Railway Information System (CRIS), Chanakyapuri, Near National Rail Muscum, New Delhi, for making necessary changes in the PMS software.
8. MD, IRCTC, 9th Floor, Bank of Baroda Building, 16, Sansad Marg, N.Delhi for necessary action.
9. Director General, Railway Staff College, Vadodara.
10. Managing Director, Konkan Railway Corporation Ltd., Belapur Bhavan, Plot No. 6, Sector-11, CBD Belapur, Navi Mumbai – 400 014.
11. General Manager, Metro Railway, 33/1, J.L. Nehru Road, Kolkata.
12. Chief Commissioner of Railway Safety, Lucknow.
13. General Secretary, IRCA, Chelmsford Road, New Delhi for issue of necessary correction slip
14. Director, Institute of Rail transport Management (IRTEM), Manaknagar, Lucknow.


(S.M. Andaleeb Razi)
Director Freight Marketing,
Railway Board