

FREIGHT MARKETING CIRCULAR NO. 28 OF 2020

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

No. 2019/TC(FM)/04/18-Part(1)

रेल भवन, नई दिल्ली - 110 001, तिथि
Rail Bhavan, New Delhi - 110 001, dated 18.12.2020

Principal Chief Commercial Managers,
All Indian Railways.


Revised JPO for General Purpose Wagon Investment Scheme (GPWIS)

Sub : JPO for General Purpose Wagon Investment Scheme (GPWIS) Scheme
Ref : (1) Freight Marketing Master Circular/GPWIS/2018/0 vide Letter No.
2018/TC(FM)/4/01 dt. 26.04.2018
(2) JPO issued vide FM Circular No. 10 of 2020 vide Letter of even No.
dt. 22.07.2020

JPO detailing the process of reimbursement of freight rebate to General Purpose Wagon Investors under GPWIS, issued vide letters under subject & reference has been reviewed. The revised JPO, superseding the JPO under reference (2) is enclosed herewith.

The receipt of this letter may please be acknowledge.

DA : As above.


18/12/2020
(Mudit Chandra)

Exe. Director Freight Marketing

No. 2019/TC(FM)/04/18-Part(1)

Rail Bhavan, New Delhi - 110 001, dated 18.12.2020

Copy forwarded to:

1. The Deputy Comptroller & Auditor General of India (Railways), Room No. 224, Rail Bhawan with 36 spares.
2. Principal Financial Advisor, All Indian Railways.


18/12/2020
for Member Finance/Railways

No. 2019/TC(FM)/04/18-Part(1)

Rail Bhavan, New Delhi - 110 001, dated 18.12.2020

1. The Principal Chief Operations Manager, All Indian Railways.
2. The Managing Director, Centre For Railway Information System (CRIS), Chanakyapuri, Near National Rail Museum, New Delhi.
3. CAO/System & GM/FOIS CRIS, Chanakyapuri, New Delhi.


18/12/2020
(Mudit Chandra)
Exe. Director Freight Marketing

Joint Procedure Order (JPO) regarding 'Reimbursement of Accrued Freight Rebate to GPWIS Investor'

No. 2019/TC(FM)/4/18-Part(1)

New Delhi, dated 18.12.2020

Railway Board vide FMC/GPWIS/2018/0 dated 26.04.2018 had issued guidelines for quarterly reconciliation of freight rebate by the concerned Zonal Railway, to the party with whom the Agreement has been signed as per para 1.1.2/ Chapter IV of GPWIS policy.

The process of disposal of freight rebate accumulated and its transfer to the GPW Investor every quarter requires co-ordination between Commercial and Accounts departments, as well as liaison with all the loading Zonal Railways. Accordingly, a JPO was issued vide this office letter of even No. dated 22.07.2020. However, the GST rates and method of rebate calculation has been reviewed. Hence, the JPO issued vide FM Circular No. 10/2020 dated 22.07.2020 stands revised, and following guidelines are laid down for collection and transfer of accumulated freight rebate in the investor's account:

1. At the time of preparation of Railway Receipt (RR), system will calculate the freight rebate to be granted (duly taking into account the Annual and/or Overall Cap on freight rebate). If the payment is being made by the owner of the rake (party), the rebate shall be granted upfront on the RR. Otherwise, the freight rebate will accrue to a Deposit Miscellaneous account of the party.
2. The balance in party's suspense account, if any, will be transferred to the Bank Account of the party — which will be inclusive of all taxes, as applicable — at the end of each quarter. For example, if ₹100/- have to be transferred then, assuming that this amount includes 12% GST, the break-up of the amount to be released shall be as under:

Basic Amount	Rs.	89.28
Add: GST @12%	Rs.	10.72
	Rs.	100.00

4. Commercial Department of Zonal Railway would prepare a party-wise quarterly statement of traffic performance (MIS of GPWIS freight rebate) after certification of FOIS Data (proforma enclosed).
5. After the end of each quarter, the party will raise a bill for the freight rebate to be reimbursed on account of RRs prepared for third party/Railway during the quarter. The bill should clearly indicate the break-up amount of GST, as applicable (@ 12%, at

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current rate). This bill shall be submitted to the Commercial Branch of concerned zonal railway, preferably by the 10th of the first month of the next quarter.

6. The bill would be verified from the MIS of GPWIS module in FOIS and certified by an officer of the Commercial department (not below the rank of Dy. CCM) of the Zonal Railway. The Commercial Department shall then forward the verified bill to Traffic Accounts Office within 10 days of the receipt of bill from the party for release of payment to them.
7. The amount of freight rebate accrued will be transferred by the Traffic Accounts Office of the Zonal Railway to the Bank Account of the party with whom the agreement has been signed — after retaining necessary statutory deductions, namely GST-TDS, IT-TDS, etc. Assuming ₹100/- have to be transferred, including 12% GST:

(1) Amount retained for GST-TDS @2% on Rs. 89.28	(-) Rs. 01.78
(2) Amount retained for Income Tax Deduction @2% assumed on Rs. 89.28	(-) Rs. 01.78
Net Amount Payable	Rs. 96.44

8. RTGS detail of every GPW Investor is mandatory for reimbursement of freight rebate.
9. Railway shall be eligible to avail the Input Tax Credit of the GST levied on the freight rebate transferred to the GPW Investor, under the ITC Flag C2 (Partial Credit). Since the freight rebate provided to GPW Investor pertain to both taxable as well as exempt transportation of goods, therefore, the proportionate amount of credit as attributable to exempt supply of goods transportation shall be reversed in pursuance of the Rule 42 of the CGST Rules.
10. Only the base amount so transferred to investor should be incorporated into the GPWIS module in FOIS for updation of 'freight rebate granted and balance amount', as per annual and/or overall cap.


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Annexure -I

Performa for party-wise quarterly statement of traffic performance
during the month of _____, Year

(MIS of GPWIS freight rebate)

Capital Cost to be registered	Rate Type	Rate ID	Circuits		Rate of interest	Capped amount of rebate to be granted for the rake	
			From	To		Annual	Overall

Rebate calculation table for (insert the quarter and year):

Leg wise RR No.	Leg wise Base freight	Total freight collected	leg wise 10% rebate on Base Freight	Balance amount to be reimbursed from the capped amount	Amount to be credited		Quarterly amount to be credited for loading done by Rly./Third party
					On RR as upfront rebate	To the Deposit Miscellaneous account of the party	
RR 1							
RR 2							

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