



OFFICE OF THE PRINCIPAL COMMISSIONER OF CGST AND CENTRAL EXCISE,
CHENNAI NORTH COMMISSIONERATE
26/1, MAHATMA GANDHI ROAD, CHENNAI- 600 034

TRADE NOTICE NO. 06/2018

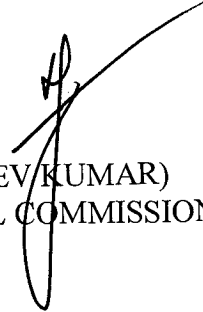
Dated: 29/01/2018

Subject: Clarification on supplies made to the Indian Railways classifiable under any chapter, other than Chapter 86 – reg.

1. Attention of Trade is invited to Board's Circular No. 30/4/2018-GST dated 25-01-2018, on clarification regarding supplies made to the Indian Railways classifiable under any chapter, other than Chapter 86 . Copy of the circular is communicated for information and necessary action.

2. Contents of this circular may be brought to notice of all concerned.

(Issued in File C.No. IV/16/03/2018 – GST Pol.)


(RAJEEV KUMAR)
ADDITIONAL COMMISSIONER

To

As per Mailing List.
Trade and Department
Superintendent, Computer Section - For uploading on the website
All Divisions, Chennai North

Circular No. 30/4/2018-GST

F.No.354/1/2018-TRU
Government of India
Ministry of Finance
Department of Revenue
(Tax Research Unit)

**North Block, New Delhi
Dated, 25 January, 2018**

To

Principal Chief Commissioners/Principal Directors General,
Chief Commissioners/Directors General,
Principal Commissioners/Commissioners,
All under CBEC.

Madam/Sir,

Subject: Clarification on supplies made to the Indian Railways classifiable under any chapter, other than Chapter 86 – regarding.

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Representations have been received that certain suppliers are making supplies to the railways of items classifiable under any chapter other than chapter 86, charging the GST rate of 5%.

2. The matter has been examined. Vide notification No. 1/2017 –Central Tax (Rate) dated 28th June, 2017, read with notification No. 5/2017-Central Tax (Rate) dated 28th June, 2017, goods classifiable under Chapter 86 are subjected to 5% GST rate with no refund of unutilised input tax credit (ITC). Goods classifiable in any other chapter attract the applicable GST, as specified under notification No. 1/2017 –Central Tax (Rate) dated 28th June, 2017 or notification No.2/2017-Central Tax (Rate) dated 28th June, 2017.

3. The GST Council during its 25th meeting held on 18th January, 2018, discussed this issue and recorded that a clarification regarding applicable GST rates on various supplies made to the Indian Railways may be issued.

4. Accordingly, it is hereby clarified that

- only the goods classified under Chapter 86, supplied to the railways attract 5% GST rate with no refund of unutilised input tax credit and
- other goods [falling in any other chapter], would attract the general applicable GST rates to such goods, under the aforesaid notifications, even if supplied to the railways.

Yours faithfully,

-sd-

(Mahipal Singh)

Technical Officer (TRU)

Email: mahipal.singh1980@gov.in