

भारत सरकार Government of India
रेल मंत्रालय Ministry of Railways
रेलवे बोर्ड (Railway Board)

RBA No. 19/2024
GST Circular No.04/2024

No. 2017/AC-II/1/6/GST Main/Vol. IV

New Delhi, dated 13.06.2024

General Managers,
All Zonal Railway/Production Units

Sub: Review of Input Tax Credit (ITC)

Ref:- Board's letter no. 2018/AC-II/1/14 dated 26.03.2018 (RBA No. 27/2018)

Please refer to the Board's letter mentioned above (copy enclosed). Items 3, 7, and 9 of the referenced letter are being substituted as per the Annexure below, and compliance with these changes is advised.

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TRIPATHI VIPUL TRIPATHI
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(Vipul Tripathi)
Director/Accounts
Railway Board
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Copy to:

1. PFAs All Zonal Railways/Production Units
2. All EDs, ED level empowered Committee in Railway Board
3. All Directors of GST Cell, Railway Board
4. MD, CRIS, Chanakyapuri New Delhi
5. Director/Finance, Director/PS, Director/Operations, CRIS, Chanakyapuri, New Delhi
6. GM/Finance and GSTM, GM/FOIS, GM/PRS, GM/EPS, GM/UTS, GM/Parcel, CRIS, NDLS

Annexure

Sl No.	Nature of goods / services	Recipient	ITC Flagging	Availment ITC (Y/N)	Utilization ITC (Y/N)	Remarks
3	Goods procured for use in repairing wagons, coaches, and locomotives etc. which will be used for supply of transportation of goods or passenger.	Respective Repair Workshop	T3 - No credit	N	N	--
7	Procurement of goods for construction of Plant & Machinery (P&M), such as railway tracks, signaling and telecommunication equipment, concrete, wooden, and iron & steel sleepers, lathe machines, cranes etc., where such P&M will be used for supply of transportation of goods or passenger.	Respective GSTIN	T3 - No credit	N	N	--
9	GTA (Goods Transport Agency) services received by IR for transporting goods (inward or outward) used in the workshop.	Respective GSTIN	C2 – Partial Credit or T3 – No credit	Y/N	Y/N	Irrespective of the fact that GTA services received are under forward charge or reverse charge IR can avail ITC and shall be flagged as 'C2' however, if the ITC is restricted u/s 17(5) then 'T3'.

Note: As mentioned in the RBA 27/2018, this checklist is only illustrative for the specific transactions covered here. Flagging and availment may vary depending on the facts and circumstances of each transaction.



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

GST Circular No. 11/2018
RBA No. 27/2018

No. 2018/AC-II/1/14

26th March, 2018

General Managers
All Zonal Railways/Production Units

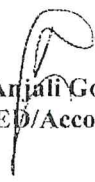
Sub :- Review of Input Tax Credit (ITC).

In order to determine the extent of availment of ITC, a field was provided in the IPAS and standalone software in Production Units to capture the credit viz., T4 (Full credit), C2 (Partial credit), T3 (Credit Restrictions) T1 and T2 (No credit) for services rendered towards exempted output services and credit restrictions respectively. A test check of the flagging done by Zonal Railways and Production Units was carried out by a working group comprising of GST Consultants and Northern Railway officials, using the January 2018 expenditure data, pertaining to both Zonal Railways and Production Units. Based upon the review, a check list has been prepared and is enclosed (Annexure-A) for information and compliance of all the Zonal Railways and Production Units. It may be noted that the above said checklist is only illustrative and not exhaustive. If the respective user department come across any other missing scenarios / transactions not covered in the above-mentioned checklist, they can include the same and inform Railway Board so that the checklist can be updated periodically in the system itself.

2. While reviewing the expenditure data for January 2018, it is seen that some of the Zonal Railways/Production units have left the field of HSN/SAC Code blank. Moreover the "description of services/goods" procured is also not very clear. Therefore relying upon the allocation code of the expenditure, a tentative flagging has been done by the aforesaid working group in the month of Jan'2018. CRIS is being requested to simulate a similar exercise in respect of all the months starting from Feb'2018 backwards and also for March 2018 (as and when data for March 2018 is made available). Zonal Railway/Production unit data will be placed in the manual utility portal for each of the unit, by 27th March, 2018 (evening). One blank column will be provided alongside the suggested flagging done by the working group. Zonal Railway/Principal Office-wise data can be downloaded by each Zonal Railway from the GST manual utility portal hosted in CRIS's web-site, by using the supervisory login/password issued by CRIS. AGMs/CMEs of the Zonal Railways and Production Units may kindly direct all the nodal officers in the GST Cell to undertake a quick exercise to complete the revised flagging on the basis of the check list provided in consultation with the local GST Consultants engaged by them. Since the check list is only illustrative and not exhaustive and prepared in the absence of actual copy of the tax invoice in hand and merely based on limited description of the services/supplies available in the expenditure data, the concerned Department is in a better condition to ascertain whether full/partial ITC or no ITC is available. A conscious decision must be undertaken to flag the availability of ITC correctly. It shall be the responsibility of all the Zonal Railways/Production Units to correctly complete the revised flagging to be done as per the GST Rules.

3. This exercise may be completed by 31.3.2018 and the consolidated data of each Zonal Railway may be re-submitted to CRIS. Journal entry must be passed accordingly, after checking the data as per revised flagging done by each of the Railways and Production Units so that Misc. Advance can be cleared and proper accounting has been completed under the the Misc. Advance [Capital or Revenue] (Full/Partial GST credit) and final expenditure head.

Encl:- As above


(Anjali Goyal)
PEO/Accounts

Copy to:-

1. EDs of Empowered Committee;
2. Directors of GST Cell;
3. PFAs all Zonal Railways and Production Units
4. Managing Director, CRIS, Chanakyapuri (for taking necessary action as mentioned above)

Input Tax Credit

Indian Railways receives various goods and services at different location for further use in its business of both passenger and goods transportation services in general and for further use in the manufacture of finished goods like coaches, wagons, locomotives, etc., by various production units (Pus) located in different States. The nature of goods and services received and used by IR at various locations along with the corresponding status of eligibility of Input Tax Credit (ITC) for the purpose of avallment and utilization of ITC are tabulated as under:

Sl.No.	Nature of goods / services	Recipient	ITC Flagging	Avallment ITC (Y / N)	Utilization ITC (Y/N)	Remarks
1.	Goods procured for capital works such as manufacturing of coaches, wagons, locomotives for sale to IRFC	Respective production units viz., RCF, Kapurthala; CLW, West Bengal DLW, Benares, UP ICF, Chennai, TN RCF, Rai Bareilly	T4 – full Credit	Y	Y	To be utilized only for discharging GST liability on outward supply of finished goods to IRFC on payment of 5% GST and not to be utilised for discharging GST liability on Goods and Passenger transportation services by respective GSTIN.
2.	Services provided by various contractors for capital works such as manufacturing of coaches, wagons, locomotives for sale to IRFC	Respective production units viz., RCF, Kapurthala; CLW, West Bengal DLW, Benares, UP ICF, Chennai, TN RCF, Rai Bareilly	T4 – full Credit	Y	Y	No restriction. Note: If some of the finished goods manufactured at these locations are supplied to Indian Railways then all eligible line items pertaining to both goods and services must be flagged as C2.
3.	Goods procured for use in repairing wagons, coaches, locomotives etc.,	Respective Repair Workshop	C2 – Partial Credit	Y	N	ITC pertains to these purchases to be accumulated in respective GSTIN and not to be utilised for discharging GST liability on Goods and Passenger transportation services by respective GSTIN.
4.	Services received at workshop in relation to procurement of goods	Respective Repair Workshop	C2 – Partial Credit	Y	Y	No restriction

Sl.No.	Nature of goods / services	Recipient	ITC Flagging	Availment ITC (Y / N)	Utilization ITC (Y/N)	Remarks
	for repair of coaches, wagons, locomotives, etc.,					
5.	Services provided by various contractors in relation to repair of wagons, coaches, locomotives, etc.	Respective workshop	Repair C2 – Partial Credit	Y	Y	No restriction
6.	Procurement of goods and services for creation of new assets which are in the nature of Immovable Property (other than plant and machinery) like Bridges, Tunnels, Roads, Buildings etc.	Respective GSTIN	T3- No Credit	N	N	Not to be availed. Respective accounting codes can be mapped as T3 – No credit in order to avoid wrong availment of credit on these line items.
7.	Procurement of goods relating to Plant and Machinery like Railway track, Signalling and Telecommunication equipments, sleepers made of concrete, wooden and iron & steel, lathe machines, cranes.	Respective GSTIN	C2 – Partial Credit	Y	N	To be accumulated in credit account and not be utilized for discharging GST liability on Goods and Passenger transportation services by respective GSTIN
8.	Procurement of services relating to Plant and Machinery like Railway track, Signalling and Telecommunication equipments, sleepers made of concrete, wooden and iron & steel, lathe	Respective GSTIN	C2- Partial Credit	Y	Y	Can be utilized for discharging GST liability on Goods and Passenger transportation services by respective GSTIN

Sl.No.	Nature of goods / services	Recipient	ITC Flagging	Availment ITC (Y / N)	Utilization ITC (Y/N)	Remarks
	machines, cranes.					
9.	GTA services received for both inward and outward transportation of goods used in workshop.	Respective GSTIN	C2- Partial Credit	Y	Y	In this case both the consignor and consignee being Indian Railways, GST on GTA services to be discharged by Consignor IR. If the GTA service provider discharges GST under forward charge (12%), then IR is not liable to pay GST but in any case, tax paid can be availed as credit.
10.	Inter-State movement of own goods by IR. For e.g. Stock items moved from Stores Depot at Jagadhari (Haryana) to Repair workshop at Bhopal (MP)	Respective GSTIN	Movements of goods between two GSTIN of IR is considered as Exempt supply as supply (Ref. RBI No.97, GST Circular No.40 dated 11.07.2017). Therefore, in the said example Haryana GSTIN must raise a Bill of Supply as per the GST Rules. Further IR must identify transaction of this nature on India basis and reckon these types of supplies as exempted turnover, which will have an impact on computation of ration of exempted verses taxable turnover.			
11.	Taxi hire by IR at different locations by the staff / officers for any use.	Respective GSTIN	T3 – No Credit	N	N	ITC on Rent-a-cab service is covered under the negative list as per Section 17(5) of CGST Act, 2017 and hence no credit is available on this service. Respective accounting codes can be mapped as T3 – No credit in order to avoid wrong availment of credit on these line items.

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

आरबीए सं. 19/2024

जीएसटी परिपत्र सं. 04/2024

सं.2017/एसी-II/1/6/जीएसटी मेन/वॉल IV

नई दिल्ली, दिनांक 13.06.2024

महाप्रबंधक,

सभी क्षेत्रीय रेलें/उत्पादन इकाइयां

विषय:- इनपुट टैक्स क्रेडिट (आईटीसी) की समीक्षा

संदर्भ:- रेलवे बोर्ड का दिनांक 26.03.2018 का पत्र संख्या 2018/एसी-II/1/14 (आरबीए संख्या-27/2018)

कृपया बोर्ड के ऊपर उल्लिखित पत्र (प्रति संलग्न) का अवलोकन करें। संदर्भित पत्र की मद 3, 7 और 9 को नीचे दिए गए अनुलग्नक के अनुसार प्रतिस्थापित किया जा रहा है और इन परिवर्तनों का अनुपालन करने की सलाह दी जाती है।



(विपुल त्रिपाठी)

निदेशक/लेखा

रेलवे बोर्ड

ई-मेल आईडी: vipul.tripathi@gov.in

दूरभाष: 8920027770

प्रतिलिपि प्रेषित:-

1. सभी क्षेत्रीय रेलों/उत्पादन इकाइयों के प्रधान वित्त सलाहकार
2. सभी कार्यपालक निदेशक, कार्यपालक निदेशक स्तर की सशक्त समिति, रेलवे बोर्ड
3. जीएसटी सेल के सभी निदेशक, रेलवे बोर्ड
4. महानिदेशक, क्रिस, चाणक्यपुरी नई दिल्ली।
5. निदेशक/वित्त, निदेशक/पीएस, निदेशक/परिचालन, क्रिस, चाणक्यपुरी, नई दिल्ली।

6. महाप्रबंधक/वित्त और जीएसटीएम, महाप्रबंधक/एफओआईएस, महाप्रबंधक/पीआरएस, महाप्रबंधक/ईपीएस, महाप्रबंधक/यूटीएस, महाप्रबंधक/पार्सल, क्रिस, नई दिल्ली।

अनुलग्नक

क्र. सं.	माल/सेवाओं की प्रकृति	प्राप्तकर्ता	आईटीसी फ्लैगिंग	आईटीसी का लाभ उठाना (हाँ/नहीं)	आईटीसी की उपयोगिता (हाँ/नहीं)	टिप्पणी
3	मालडिब्बों, सवारी डिब्बों और रेलइंजनों की मरम्मत में उपयोग के लिए खरीदा गया माल जिनका उपयोग माल या यात्री परिवहन की आपूर्ति के लिए किया जाएगा।	संबंधित मरम्मत कारखाना	टी3- कोई क्रेडिट नहीं	नहीं	नहीं	--
7	संयंत्र और मशीनरी (पी एंड एम) के निर्माण के लिए माल की खरीद जैसे रेलवे ट्रैक, सिगनल व्यवस्था और दूरसंचार उपस्कर, कंक्रीट, लकड़ी और लौह एवं इस्पात के स्लीपर, लेथ मशीन, क्रेन आदि, जहां ऐसे संयंत्र और मशीनरी का उपयोग माल या यात्री परिवहन की आपूर्ति के लिए किया जाएगा।	संबंधित जीएसटीएन	टी3- कोई क्रेडिट नहीं	नहीं	नहीं	--
9	कारखाने में उपयोग किए जाने वाले	संबंधित जीएसटीएन	सी2- आंशिक क्रेडिट या	हाँ/नहीं	हाँ/नहीं	इस तथ्य के बावजूद कि

	माल (आवक या जावक) के परिवहन के लिए भारतीय रेल द्वारा प्राप्त जीटीए (माल परिवहन एजेंसी) सेवाएं।		टी3- कोई क्रेडिट नहीं,			जीटीए सेवाएं अग्रेषण प्रभार या प्रतिकूल प्रभार के अंतर्गत हैं, भारतीय रेल आईटीसी का लाभ उठा सकती है और इसे 'सी2' के रूप में चिह्नित किया जाएगा, बहरहाल, यदि आईटीसी की धारा 17(5) के अंतर्गत प्रतिबंधित है तो 'टी3' ।
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टिप्पणी: जैसाकि आरबीए 27/2018 में उल्लिखित है, यह चैक-लिस्ट यहां कवर किए गए विशिष्ट प्रत्येक संव्यवहार के लिए केवल उदाहरणात्मक है, प्रत्येक संव्यवहार के तथ्यों और परिस्थितियों के आधार पर फ्लैगिंग और लाभ भिन्न हो सकता है।