

नाम : 'फूडकोर्प'

Gram : 'FOODCORP'

फैक्स नं: एचएफसीआई एन डी

Fax No.: HFCI ND

भारतीय
खाद्य
निगम



FOOD
CORPORATION
OF INDIA

मुख्यालय
नई दिल्ली
Head Quarters
New Delhi

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सं. एफ-19/जीएसटी/2017-18/भाग- III /फिन/जीएसटी_56

दिनांक: - 27.04.2018

जीएसटी अनुभाग

Reference is drawn towards Circular no. F-19/GST/2017-18/Part-III/Fin/GST_41 dated 28.11.2017 vide which instruction regarding taxability of milling charges being paid by FCI to millers was issued.

In continuation of above circular, E&Y has submitted a report on "GST implications on By-products retained by miller" as per which:-

- Value of By-products (i.e. Excess Broken Rice, Husk, Bran and Nooks) retained by the miller after performing milling job work on paddy supplied by FCI, should be treated as sale turnover of FCI and will be treated as a supply from FCI to the miller as per GST provisions.
- Value of by-products retained by miller will also be included in the value of milling charges as non-monetary consideration against Job Work of Milling of FCI paddy.
- Accordingly, unit offices need to issue a sales invoice (tax invoice/bill of supply) with regard to the each by-product and report the same in GSTR-1. For sales invoice the rate of by-products shall be communicated by Procurement division.
- Accounts division of FCI, HQRs shall issue necessary instructions w.r.t. operation of Head of Accounts and booking of such transaction in FCI books of account.
- The applicable GST rates of By-Products as on date are as under:-

By-Products	GST Rate
Excess Broken Rice	Nil
Husk	Nil
Bran	5% (Other than de-oiled rice bran)
Nooks	Nil

- As per provisions of GST law, concerned unit office would be eligible to avail the input tax credit (ITC) attributable to input services (milling services) intended to be used exclusively for effecting taxable supplies. However, in the instant case, said service has been used for effecting taxable (Bran) and exempt supply (other by-products i.e. Excess Broken Rice, Husk and Nooks). Accordingly, ITC to the extent attributable to exempted supply is required to be reversed by concerned unit office in the ratio of exempted turnover to total turnover. The said reversal of ITC has to be made on a provisional basis for each of the month based on the ratio of exempted to total turnover for the said month.

This is for your information and necessary compliance.

अक्षय विशाल
(अक्षय विशाल)
महाप्रबंधक (वित्त)

वितरण:

1. ईडी(अधिप्राप्ति)...with request to issue necessary instruction to field offices regarding valuation of by-products and milling charges. Also carry out changes in the existing milling agreement.
2. सीजीएम (लेखा)...with request to issue necessary accounting instructions.
3. जीएम (एफएपी)...with request to take necessary action.
4. सभी ईडी (जोन) / जीएम (क्षेत्र), एफसीआई;
5. जीएम (एफ एंड ए) / डीजीएम (एफ एंड ए), जेडओ / आरओ, एफसीआई;
6. सभी क्षेत्रीय प्रबंधक, एफसीआई, डीओ;
7. निदेशक (आईएफएस), गुडगांव;
8. सभी ईडी, एफसीआई, मुख्यालय, नई दिल्ली;
9. पीएस से सीएमडी;
10. एजीएम (बिल), एफसीआई, मुख्यालय, नई दिल्ली;
11. जीएम (एफएपी), एफसीआई, मुख्यालय, नई दिल्ली;
12. जीएम (आईटी), एफसीआई, मुख्यालयएफसीआई वेबसाइट पर अपलोड करने के लिए;
13. जीएम(हिन्दी सेल), एफसीआई, मुख्यालय..... कंटेंट को हिंदी में परिवर्तित करने के लिए।

Note: Circular is based on instructions as on date. Latest instructions can be accessed at <http://www.cbec.gov.in/htdocs-cbec/gst/index>.