

तार : 'फूडकोर्प'
Gram : 'FOODCORP'
फैक्स नं. : एचएफसीआई एनडी
००६९९९२३४९३२४९
००६९९९२३४९३९६२

भारतीय
खाद्य
निगम



FOOD
CORPORATION
OF INDIA

मुख्यालय
नई दिल्ली
Headquarters
New Delhi

FAX NO. : HFCI ND

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१६-२०, बाराखम्बा लेन, नई दिल्ली-११०००१, दूरभाष-४३५२७६६७, ४३५२७६६८
16-20, BARAKHAMBA LANE, NEW DELHI-110001, PHONE : 43527697, 43527698

E-4(381)/PEG Scheme/Uttar Pradesh/2015/Pt. file

Dated: 26.07.2018

Executive Director (Zone)
Food Corporation of India
Zonal Office (North/West/East/South/NE)
Noida/Mumbai/Kolkata/Chennai/ Guwahati)

General Manager (Region),
Food Corporation of India,
Regional-Office,
(Jaipur/ Panchkula/ Chandigarh/ Lucknow/
Dehradun/ Shimla/ Delhi/ Jammu/ Hyderabad/
Bengaluru/ Tiruvananthpuram/ Chennai/
Mumbai/ Ahmedabad/ Raipur/ Bhopal/ Patna/
Bhubneshwar/ Kolkata/ Ranchi/ Guwahati/
NEF(Shillong)/ N&M(Dimapur)/ Manipur/
Itanagar)

Sub: Clarification on the payment of GST on Lease/ Rent of PEG godowns-reg.

Sir,

Various references have been received from field offices for clarification on reimbursement of Service Tax/GST in PEG godowns hired on lease only basis by State Nodal Agency on behalf of FCI.

In this regard, matter was taken up with Tax Consultant, whose opinion are as under:

1. Service tax is applicable on service provided by private investors to nodal agency for godowns under "lease only" basis.
2. Service tax is not applicable on service provided by private investors to nodal agency for godowns under "lease with services" basis.

Further, Finance Division has observed that Tax under GST Act (introduced w.e.f. 01.07.2017) is same as it was under the Service Tax Act which means GST is applicable, when a godown is hired only on rent basis and GST is not applicable when a PEG godown is hired on rent+Service (warehousing) basis.

The Agreements between FCI and State Agencies clearly stipulate reimbursement of Service Tax (Now GST) applicable on PEG godown, taken only on rent basis. Therefore, there is no confusion on reimbursement of GST in PEG Godown, hired on "Only rent basis" through State Agencies, which is rightly covered in the contract between FCI and State Agencies. This is also applicable to all State Govt. Nodal Agencies operating as canalizing agency under PEG Scheme, on behalf of FCI/ GoI.

Competent Authority has agreed with the views of Finance Division and approved the same and has given directions to all ED(Zones)/ GM(Regions) to strictly follow

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the contract signed between FCI & Nodal agency and ensure that Service Tax/ GST is reimbursed, after verifying all required documents throughly.

You are requested to act accordingly

(K.S.Meena)

Deputy Genl. Manager (S&C)

Copy to:

- (i) Shri Madan Mohan Mourya, Under Secretary to the Govt. of India.....in reference to your office letter no. F.NO 16-8/2018-Stg. III dated 18.06.2018
- (ii) GM(Finance/ Legal), FCI, Hqrs, New Delhi..... For information please.

Deputy Genl. Manager (S&C)