



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

RBA No. 45 /2019

GST Circular No. 17/2019

No. 2017/AC-II/1/11/GST References

30th May, 2019

General Managers,
All Zonal Railways/Production Units.

Sub :- Statutory provisions relating to Kerala Flood Cess (KFC).

Railway Board's letter of even No. dated 29th May, 2019 may be perused, wherein detailed notification regarding Statutory provisions relating to KFC were notified. This will be effective for a period of two years w.e.f. 1.6.2019. In this regard, following clarifications are also issued:-

- a) KFC shall be levied on **intra-state supplies of goods or services or both** by Zonal Railways/Production Units situated in the State of Kerala, **to an unregistered person** in respect of supplies specified below (sub-clause (2) of clause 14 of the Kerala Finance Bill, 2019.

S.No	Category of Supply of Goods/Services	Rate of Kerala Flood Cess on Value of Supply
a)	Goods taxable @ 1.5% SGST	0.25%
b)	Goods taxable @ 6% SGST	1%
c)	Goods taxable @ 9% SGST	1%
d)	Goods taxable @ 14% SGST	1%
e)	All Services under SGST	1%

- b) Zonal Railways situated in the State of Kerala providing supply of Goods and Services Intra-State to unregistered persons shall accordingly levy the KFC and have to remit this amount to the State of Kerala as mentioned in the notification. In order to capture the amount collected as KFC, the concerned Zonal Railway shall operate the Accounting Head 'Deposit Miscellaneous (KFC) and credit this accounting head. **CRIS will provide requisite MIS Report to capture this output liability on account of KFC collected from Railway Customer.**
- c) Principal Railway for the Kerala State viz., Southern Railway shall ensure filing of monthly return in Form No. KFC-A on or before the due date for filing of GSTR-3B Return, in consultation with the GST Consultants. In order to e-file cess return and payment of cess, one time 'user ID and

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Password' shall be generated from the portal 'www.keralataxes.gov.in'. Payment shall be made by clearing the amount lying as Credit in Deposit Miscellaneous (KFC).

- d) There shall be no refund of KFC paid along with the returns. In other words, refund of KFC shall be allowed in the system within the same month. If KFC has been remitted to Government and return is filed, then there will be no refund of KFC to customer.
- e) The manner of calculation of GST and KFC is illustrated below:

Figures in Rs.

Basic Value	KFC	Taxable Value for GST under Section 15(2) of the CGST Act, 2017	CGST+SGST	Total Invoice Value
1000	10 (1% of 1000)	1,010 (Basic Value + KFC)	50.50 (2.5% + 2.5%)	1,060.50

- f) Necessary changes in the software viz., PRS, UTS, PMS, etc shall be carried out by CRIS in consultation with Traffic Commercial Dte. Southern Railway may ensure compliance of above instructions.

(V.Prakash)
Joint Director /Accounts
Railway Board

Copy to :-

1. PFAs All Zonal Railways/PU
2. All EDs of ED level Empowered Committee in Railway Board
3. All Directors of GST Cell, Railway Board
4. MD, CRIS, Chanakyapuri, New Delhi.
5. GM/Finance and GSTM, CRIS, NDLS