

Saswat Mishra (IAS)
Commissioner of Commercial Taxes
Odisha



Banijyakar Bhawan
Old Secretariat Compound
Cuttack - 753001

No.III-27/7/2015-Policy 16099 /CT.,

Dated. 02.11.2017

To

The Commissioner-cum-Secretary
Food Supplies and Consumer Welfare Department
Government of Odisha
Bhubaneswar

Sub: Levy of GST on the charges payable to Rice Millers for custom milling of rice

Sir,

It has come to our notice that Rice Millers of Odisha undertaking custom milling of rice for Odisha State Civil Supplies Corporation are not clear about levy and rate of GST on their custom milling service. It is hereby clarified that custom milling service is a job work service classifiable under the Service Accounting Code (SAC) 9988. The milling charge payable to the rice millers for custom milling undertaken on or after 01.07.2017 is chargeable to GST @18% (9%CGST +9%OGST) for the period from 01.07.2017 to 12.10.2017 as per Entry SI No. 26 (ii) of Government of Odisha Notification dated 29.06.2017 issued bearing SRO No.305/2017 and corresponding Government of India Notification No. 11/2017-Central Tax (Rate) dated the 28th June, 2017. The said rate of tax has been reduced to 5% w.e.f. 13.10.2017 vide GOI Notification No. 31/2017-Central Tax (Rate) dated the 13th October, 2017 and corresponding notification issued by Government of Odisha on 13.10.2017.

Therefore, the Rice Millers providing the job work service to OSCSC by way of custom milling of rice are required to pay GST at the aforesaid rate i.e. @ 18% (9% CGST+ 9% SGST) for the period from 01.07.2017 to 12.10.2017 and @ 5% (2.5% CGST + 2.5% SGST) from 13.10.2017 and raise commercial bills on account of custom milling charge by charging GST at the aforesaid rates.

This is for favour of kind information and necessary action.

Yours faithfully

Commissioner of Commercial Taxes

Memo No. 16100 /CT.,

Dated. 02.11.17

Copy to Managing Director of Odisha State Civil Supplies Corporation, Bhubaneswar
for information and necessary action.



Commissioner of Commercial Taxes

Memo No. 16107 /CT.,

Dated. 02.11.17

Copy to all JCCTs (Territorial Ranges) and DCCTs/ACCTs (in charge of Circles) for
information and necessary action.



Commissioner of Commercial Taxes