

**Commissionerate of CT and GST, Odisha, (At-Cuttack)**  
**(Finance Department, Government of Odisha)**

No. 10187 /CT., Dated 9/7 /2018

To

*pol-56/3/2017-Policy*  
Managing Director  
Odisha State Civil Supplies Corporation Ltd  
C/2 Nayapalli, Bhubaneswar-12

Sub: GST on custom milling charges

Ref: Your letter No.10035 dated 12.06.2018

Sir,

As per GST law, the rice millers undertaking custom milling of paddy for OSCSC are liable to pay GST on such custom milling charge, on the due date of filing of tax return. For delayed payment of tax, there is provision for automatic levy of interest which will be imposed on the rice millers in any case. Discharging one's tax liability is never linked to receipt of payment from the service recipient. In this case OSCSC, being the recipient of the custom milling service, should sort out the issue with the rice millers. As per the GST law, the rice millers have to discharge their tax liability, with interest for delayed payment, failing which they will face penal action as provided in GST law. Such penal action, being statutory in nature, cannot be wished away or exempted. Hence, whatever be the situation, the rice millers must be advised to pay their arrear GST liability at the earliest (and should continue to pay their current liability on a monthly basis within the due date) to avoid penal action.

This is for kind information and necessary action. This is issued with the approval of the Commissioner of CT & GST, Odisha.

Yours faithfully,

*[Signature]*  
*9.07.18*

Addl. Commissioner CT & GST  
(Policy)

*OK*