

S.N. 9

**GOVERNMENT OF INDIA  
MINISTRY OF RAILWAYS  
(RAILWAY BOARD)**

No. 2014/TG-I/23/PRS Terminal/Pt.2

New Delhi, Dated: 16.01.2018

Principal Chief Commercial Managers,  
All Zonal Railways.

**(Commercial Circular no. 05 of 2018)**

**Sub: Implementation of Goods and Services Tax (GST) on Yatri Ticket  
Suvidha Kendra (YTSK).**

Instructions stipulating the methodology for issuance of tickets through YTSK under the current GST regime were issued vide this office letter of even number dated 29.06.2017 (Commercial Circular no. 45 of 2017).

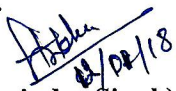


1.1 To further clarify this matter, collection of service charges, payment of tax and issuing of tax invoice under the GST structure have been examined in consultation with Accounts Directorate of the Ministry of Railways. The clarification in this regard is as follows:-

- i. *As per Section 31(2) of the Central Goods and Service Tax Act, 2017 ("The CGST Act") read with Rule 54(4) of the CGST Rules, 2017, tax invoice includes a ticket issued by a supplier of passenger transportation service containing all the details (except the address of the recipient) as required under Rule 46. This implies that "Ticket" issued by Indian Railways through the YTSK Licensee, bearing the GST Identification Number (GSTIN) of IR along with other required details, can be construed as tax invoice of IR.*
- ii. *The service charges collected for booking a ticket through the YTSK licensee form an integral part of the value of the transportation service provided by IR to the passengers. The service charge will be subjected to the same tax treatment as applicable to the underlying transportation service for which the ticket is issued.*
- iii. *In case of tickets for non-AC classes, no GST is imposed, however, YTKSs are authorised to collect prescribed service charges on non-AC class tickets also. Hence in this case since service charges will become part of the fare, GST shall not be imposed on the service charge component of non-AC class tickets also.*
- iv. *IR shares 25% of the service charges collected from both issuance and cancellation of reserved tickets with the YTSK licensee. 100% share of the service charges collected from issuance of unreserved tickets is retained by the licensee. The said share is the consideration for the services provided by the YTSK licensee to IR.*

- v. *Those YTSK licensees who are registered with GST, have to issue a GST tax compliant invoice on IR for the service charges due to him/her (75% or 100% as the case may be) out of the service charges collected from the passengers along with applicable GST, which at present is @ 18%. The said GST will be collected and paid to the credit of the Government by the YTSK licensee himself. In case YTSK agent is not registered with GST then no GST shall be charged by him.*
- vi. *At present, service charges due to YTSKs collected by the Railways are adjusted in the payments to be made by them. Similarly in case of GST also adjustments can be made. However, a statement on this account shall be issued to YTSK so as to make him aware of the amount of GST to be deposited by him.*
- vii. *IR would be eligible to take and utilize the input tax credit (ITC) of such GST paid to the YTSK licensee.*

2. Necessary instructions may be issued to all concerned accordingly.

3. This issues with the concurrence of Accounts Directorate of the Ministry of Railways.

 <b>(Harvinder Singh)</b> <b>Jt. Director Traffic Commercial (G)</b> <b>Railway Board</b>	 <b>(V Prakash)</b> <b>Joint Director(Accounts)</b> <b>Railway Board</b>	 <b>(Pallavi Joshi)</b> <b>Director Finance(Commercial)</b> <b>Railway Board</b>
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1. CCM/PMs and CCM/PSs, all Zonal Railways.
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4. Managing Director, CRIS, Chanakyapuri, New Delhi.
5. Director General, Professor/Training & Professor/Commercial Railway Staff College, Vadodara.
6. The Principals, Zonal Railway Training Institutes, Central Railway/Bhusawal, Eastern Railway/Bhuli-Dhanbad, Northern Railway/Chandausi, East Central railway/Muzaffarpur, NF Railway/Alipurduar, Southern Railway/Trichy, South Central Railway/Moula Ali, SE Railway/Sini, North Western Railway/Udaipur.
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