



CENTRAL WAREHOUSING CORPORATION
(A GOVT. OF INDIA UNDERTAKING)



By Speed Post / Email

No. CWC/FD-Taxation/ST (Gen)/12-13

11th November, 2013

Service Tax Circular # 73

1. All the Regional Managers of CWC.
2. All the Executive Engineers in-charge of Construction Cells of CWC.
3. All the AGMs/Managers/(Sr.) Asstt. Managers (Accts.) in-charge of Finance & Accounts Wings of all Regional Office & Construction Cells of CWC.

Subject = Clarifications with regard to applicability of Service Tax on Storage & Handling of Seeds.

This is with reference to query raised by one Regional Office regarding applicability of service tax on Storage & Handling of Seeds.

As per Section 66D Storage or warehousing of Agriculture produce is not chargeable to Service Tax. Agricultural Produce as defined in Section 65B means any produce of agriculture on which either no further processing is done or such processing is done as is usually done by a cultivator or producer which does not alter its essential characteristics but makes it marketable for primary market.

As per the definition of Agriculture Produce, only such processing should be carried out as is usually done by cultivator producers which does not alter its essential characteristics but makes it marketable for primary market, whereas the process of making Seeds from grains is usually not done by cultivator or producer but is carried out in the factories of making seeds. **Therefore, service tax is chargeable on Storage & handling of Seeds.**

Receipt of this Circular may be acknowledged and its Contents brought to the notice of all concerned for scrupulous compliance.

This issues with the approval of the Competent Authority.


(A.S. Gopalan)

Dy. Gen. Manager (F&A)