

No. CWC/FD-Taxation/GST/2022-23

Dated: 04-11-2022

**GST CIRCULAR NO. 51**

**Sub: FAQ on applicability of GST on various commodities**

Regional Offices have raised various queries on applicability of GST on various commodities. In this regard following clarifications are issued-

Sr. No.	FAQ	Clarification
1.	<b>GST on storage and warehousing of Milling Copra for the period Apr-2022 to 17th July 2022.</b>	<p>A query has been received from RO-Kochi regarding applicability of GST on storage charges on “Milling Copra” for the period 11.04.2022 to 17.07.2022.</p> <p>In this regard, it is clarified as under-</p> <ol style="list-style-type: none"> <li>Storage and warehousing of Copra has been made taxable under GST w.e.f. 18.07.2022.</li> <li>Prior to 18.07.2022, in terms of GST Notification No. 21/2019-Central Tax (Rate) dated 30.09.2019 and CWC’s GST circular no. 16 dated 01.10.2019, storage and warehousing services provided in respect of Copra were exempt from GST.</li> <li>Accordingly, in case tax invoices have been issued w.r.t. storage of Copra for the period April-2022 to 17.07.2022, it is advised to issue credit notes against these invoices and then bill of supply be issued for the said period w.r.t. storage and warehousing of Copra.</li> </ol>
2.	<b>GST on storage of groundnuts (kernels) and groundnut pods (groundnut with shell)</b>	<p>A query has been received from RO-Jaipur regarding applicability of GST on storage and warehousing of Groundnut (kernels) and Groundnut pods (groundnut with shell).</p> <p>In this regard, it is clarified as under-</p> <ol style="list-style-type: none"> <li>By way of entry no. 54 (e) of Notification no. 12/2017-CT (Rate), exemption has been provided w.r.t. loading, unloading, packing, storage or warehousing of agricultural produce.</li> <li>“Agricultural produce” means any produce out of cultivation of plants and rearing of all life forms of animals, except the rearing of horses, for food, fibre, fuel, raw material or other similar products, on which either no further processing is done or such processing is</li> </ol>

		<p>done as is usually done by a cultivator or producer which does not alter its essential characteristics but makes it marketable for primary market. Accordingly, the products on which no further processing is done to alter its essential characteristics shall be considered as an agriculture produce and its storage and warehousing services shall be exempt.</p> <p>c. Shelled groundnuts (kernels) do not fall under the definition of agriculture produce as defined under – Notification no. 11/2017-Central Tax (Rate). However groundnut pods (groundnuts with shell) on which 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 falls under the definition of agricultural produce.</p> <p>d. Accordingly it is clarified as under-</p> <ul style="list-style-type: none"> <li>- GST is applicable on loading, unloading, packing, storage or warehousing of shelled groundnuts (kernels).</li> <li>- GST is not applicable on loading, unloading, packing, storage or warehousing of groundnut pods (groundnuts with shell)</li> </ul>
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2. Above clarifications should be widely circulated to all warehouse managers and the officials of regional offices should monitor strict compliance.

**(RR Aggarwal)**  
**GGM (F&A)**

**Distribution to:**

1. All HoDs, CWC CO, New Delhi
2. All Regional Managers of CWC
3. All DGMs/AGMs/Managers/ (Sr.) Asstt. Managers /Accountants in Finance, Accounts & Internal Audit Wings of all ROs/COs.

**Copy for information to:**

1. GM(F&A), CWC, Corporate Office, New Delhi
2. Director (Finance), CWC, CO, New Delhi
3. MD, CWC, CO, New Delhi
4. PPS to GGM (systems), CWC, CO, New Delhi with the request to place this Circular on CWC's website under GST circulars