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**FOOD CORPORATION OF INDIA
REGIONAL OFFICE PUNJAB, CHANDIGARH
BAYS NO 34-38, SECTOR - 31A, CHANDIGARH**

F.11(Service Tax)/2013-14/PEG

Dated: 14.11.2013

21702

Area Manager,
Food Corporation of India,
All District offices,
Punjab Region

Subject - Clarification on Service Tax applicability under PEG Scheme.

Sir,

With reference above, please find herewith the Clarification on Service Tax applicability under PEG Scheme for strict Compliance.

SNO	Particulars	Type of services	Taxable/Non Taxable	Type of commodity	Reference Circular
1	Rent of covered Godown(bare rent)	Renting of Immovable Property	Taxable	Wheat, Paddy, Rice.	Circular no 05/2013 dt- 30.08.2013
2	Preservation, maintenance and security	Storage & Warehousing Services.	Non taxable	Agriculture Produce**	Circular No1/2012 dt- 10.04.2012 & as per Negative list Point No d(v)
3	Letting out of Godown with services				
	a) If Services* are done by Godown owner	a)Storage & Warehousing Services.	i)Non Taxable	i) Agriculture Produce**	Circular No1/2012 dt-10.04.2012 & as per Negative list Point No d(v)
	b) If Services* are done by nodal Agency i.e where Godown owner will provide the Godown on rent to nodal Agency and nodal Agency will provide the services*	b) i) Renting of Immovable Property ii) Storage & Warehousing Services	i) Taxable (for rent portion) ii) Non Taxable (for services portion)	i)Wheat, Paddy, Rice. ii)Agriculture Produce**	Circular No 05/2013 Dt- 30.08.2013

*services include preservation, maintenance, security etc

** Agriculture produce cover wheat & Paddy. However for **Rice**, matter has already been referred to Ministry as per Hqr letter No Fin19/T-99/2013 Dated -23.04.2013 and as soon as clarification received from Hqr, same will be informed to District offices.

***Reimbursement/ Payment should be made on the basis of Taxability only.

This issue with the confirmation of Headquarter conveyed vide letter No Fin-19/T-99/2013 Dated 05/07.11.2013.

Yours faithfully,


 Dy Genl Manager (F & A)
 for Genl Manager (R)

Pl. recheck the content.
 S.A. 25/11
 ACM(Fin)

G.M (Fin)
 Pl. check with clerical
 M(Fin) 25/11
 M(Fin) 26/11