

EAST COAST RAILWAY

Commercial Circular No.108(G)/2012

Office of the
Chief Commercial Manager
Bhubaneswar
Date: 15.10.2012

Sub: Levy of Service tax on transportation of commodities by rail in containers.

CONCOR vide letter No.CON/IM/217 (I)/10 dt. 01.10.2012 had requested Board for modification in TMS so that no service tax is levied on exempted commodities. While issuing necessary clarification, Railway Board vide letter No. 2009/TC (CR)/305/6 Pt.A dtd. 10.10.2012 has issued instructions which are reproduced below for guidance & strict implementation:


"The matter has been examined. In respect of container traffic, there are two methods of levying freight namely:

- Haulage Rate, which is levied for movement of containers irrespective of what commodity is carried therein. In other words, Haulage Rates are 'container' specific and rail-borne containers, as a traffic segment on Indian Railways, are not exempt from the purview of Service tax.
- Container Class Rate for notified commodities: None of the notified commodities are exempt from the purview of Service tax.

In the light of the above, there appears to be no need for effecting any modification in the TMS".

All concerned to note and act accordingly.

Authority: Railway Board's letter No. 2009/TC (CR)/305/6 Pt. A dtd. 10.10.2012.


(P.C.Sahu)

Dy. Chief Commercial Manager (FS)

No. CCM/481/Container/Pt.-I

Date:15.10.2012

Copy forwarded to:

All Station Managers/ Goods Supervisors/Commercial Supervisors /Siding Clerks / Booking Clerk in Charges / Weigh Bridge Clerks / Clerk in Charges / City Booking Agencies / Out Agencies.

Copy for information and necessary action to the:-

COM: ECoR, SDGM/ECoR/BBS, Chairman/RCT/BBS, Dy.CVO(T)/ECoR/BBS, PO/RCT/BBS Dy.COM(FOIS)/ECoR/BBS, Audit officer/BBS. Rates Section/CCM/ECoR/BBS -10 sets, DRM: KUR,WAT,SBP/ECoR, Sr.DOM-KUR,WAT,SBP/ECoR, Sr.DCM: KUR,WAT/SBP/ECoR. Dy.CCO/E.Co.Rly. FA & CAO: E.Co.Rly, FA&CAO(T)/ECoR/BBS, Traffic Manager: VZP, Paradeep PortTrust / Paradeep.


(P.C.Sahu)

Dy. Chief Commercial Manager (FS)