

EAST COAST RAILWAY

Office of the
Chief Commercial Manager
1st Floor, Rail Sadan
C.S.Pur, Bhubaneswar-17

Commercial Circular No.151(G)/2016

Date: 15.12.2016

Sub: Service Tax on Demurrage/Wharfage Charge.

Ref: Board's letter No.TCR/1078/2011/2 dated 28.09.2012 (Rates Circular No.29 of 2012 circulated vide CCM/ECOR's Commercial Circular No.100(G)/2012 dated 29.09.2012.

Please refer to Para 4(ix) of Rates Circular under reference regarding levy of Service Tax on Demurrage and Wharfage Charges.

The matter has been examined. In supersession of Para 4 (ix) of Rates Circular No.29 of 2012, it is advised that there is no liability on the part of Railways to collect Service Tax on Demurrage and Wharfage Charges. Demand Note/Receipt etc. for collection of Demurrage/Wharfage Charge shall, however, clearly specify that "Customer shall solely be liable for paying applicable Service Tax directly, under Reverse Charge Mechanism".

This issues with the concurrence of Accounts and Finance Directorates of Ministry of Railways.

All concerned to note and act accordingly.

Authority: Railway Board's letter No. TC-I/2012/214/2Pt.I dated 15.12.2016 (Corrigendum No.07 to Rates Circular No.29 of 2012).


(P.K.Samal)

Dy. Chief Commercial Manager (FS)

No. CCM/443/Service Tax/Pt.I

Date:15.12.2016

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/SER/SECR/NR/NFR/ER/SR/SCR/WR/NER/CR/SWR/NCR/NWR/WCR/ECR/KRly.. SDGM/ECoR/BBS, Chairman/RCT/BBS, Dy.CVO/ECoR/BBS, Dy.COM(FOIS)/ECoR/BBS, PO/RCT/BBS, CAO(FOIS)/NDLS, Audit officer/BBS. Rates Section /CCM/ECoR/BBS -10 sets DRM: KUR,WAT,SBP/ECoR, Sr.DOM- KUR,WAT,SBP/ECoR, CAO(FOIS), CRIS/NDLSSr.DCM :KUR,WAT/SBP/ECoR. Dy.CCM(Claims)/E.Co.Rly, FA & CAO:E.Co.Rly, FA & CAO(T)/ECoR/BBS Traffic Manager: VZP, Paradeep Port Trust / Paradeep.

SL NO. 151 (G) 16

one pager


(P.K.Samal)

Dy. Chief Commercial Manager (FS)