



**CENTRAL WAREHOUSING CORPORATION  
(GOVT. OF INDIA UNDERTAKING)**

**By Speed Post / Email**

No. CWC/FD-Taxation/CO(ST)/14-15

31<sup>st</sup> March, 2015

**Service Tax Circular # 85**

**Subject : Chargeability of Service Tax on Charges for  
Container Rail Operations**

- 1.0 This is with reference to Corporate Office Service Tax Circular # 84 dated 9<sup>th</sup> March, 2015.
- 2.0 As already informed that as per Abatement Notification No.26/2012-ST (w.e.f. 1.4.2015), the following changes have been made w.r.t. transportation of goods / passengers by rail:

“Hitherto, service tax was payable on 30% of the value of services of rail transport of goods and passengers (with or without accompanied belongings) without any condition. Now the abatement shall be available subject to the condition that Cenvat credit on inputs, capital goods and input services, used for providing the taxable services has not been taken under CCR, 2004.”

- 3.0 We have been charging service tax on transportation of goods by rail under abatement. It has now been decided that for these operations w.e.f. 1.4.2015, Corporation shall not be charging service tax to the customers under abatement and shall charge full service tax @ 12.36% on the value of services provided. Accordingly, Corporation shall avail Cenvat Credit in full of the service tax paid on exclusive input services e.g. haulage charges paid to Indian Railways and for any other exclusive input services. The Credit for the common input service shall be availed proportionately.

This is applicable w.e.f. 1.4.2015. Please ensure compliance.

These issues with the approval of Competent Authority.

**(AMIT PURI)  
Dy. GM (TAX)**

**Distribution to:**

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

**Corporate Office: Warehousing Bhawan, 4/1, Siri Institutional Area, August  
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**Copies for information to:**

1. All HODs at CWC, Corporate Office, New Delhi.
2. All DGM/AGMs/Managers/ (Sr.) Asstt. Managers/Accountants in Finance, Accounts & Internal Audit Cadre at CWC, Corporate Office, New Delhi.
3. PS to Managing Director, CWC, CO, New Delhi.
4. PS to Director (Pers)/Director (MCP)/Director (Fin), CWC, CO, New Delhi.
5. PS to GM (F&A), CWC, Corp. Office, New Delhi.
- ✓ 6. PS to GM (Systems), CWC, CO, New Delhi with a request to place this Circular on CWC's Website.
7. Manager (Rajbhasha), CWC, CO, New Delhi with a request to arrange Hindi Version of this Circular.