

NORTH EASTERN RAILWAY  
Rates Circular (Coaching) No. 30 of 2015  
(Case No. C/146/1/Pt. XXIV/RC)

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**Sub.** – Levy of service tax on Transportation of passengers by rail.

**Ref.** – This Railway's Rates Circular (Coaching) No. 48 of 2012, 49 of 2012, 51 of 2012 and 56 of 2012.

In terms of Board's letter of even no. dated 26.06.2012 service tax of 3.708% is levied on the total fare. As per General Budget 2015-16 announcement, the 'Education Cess' and 'Secondary & Higher Education Cess' shall be subsumed in the new service tax rate and service tax rate is proposed to be increased from 12% plus Education Cesses to 14%. Accordingly, it is proposed to modify para 3 of Board's letter of even no. dated 26.06.2012 as under :-

"Service tax of 14% will be charged on 30 % of passenger fare equivalent to 4.2% of the total fare in first Class and AC Classes.

2. The increase in Service Tax will be applicable w.e.f. 01.06.2015 on the tickets issued/bookings made on or after 01.06.2015. Service Tax increase is not leviable on tickets issued prior to 01.06.2015.

3. Besides this, there is also a proposal to levy Swach Bharat Cess on all or certain taxable services at a rate of 2% on the value of such taxable services. If Railways is also included in the list for Swach Bharat cess, the same will be notified later.

4. Other terms and conditions will remain the same as per various circulars/notifications issued on this subject. Necessary instructions may be issued to all concerned.

5. This issues with the concurrence of Finance Directorate of Ministry of railways.

All the circulars issued on & after 01.01.2014 are also available on this Railway website [www.ner.indianrailways.gov.in](http://www.ner.indianrailways.gov.in) and the same can also be downloaded.

DRMs to please ensure compliance by staff.

Staff concerned to note and act accordingly.

Authority - Railway Board's letter No. TCIL/2910/2012/Service Tax dated 26.05.2015  
Commercial Circular No. 32 of 2015.

sd.

(Dev Anand)  
ACM/FMSR

For General Manager/C

Dated 01.06.2015

No. - C/146/1/Pt. XXIV/RC

Copy forwarded for information and necessary action to:-

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| 1 All SS/SMs/NER  | 12 The GSM/RC/ New Delhi.   |
| 2 All DRMs/Sr.DCMs/DCMs/NER   | 13 Director, IRITM, Hardoi Bye Pass Road, Kanauj, Manaknagar, Lucknow                           |
| 3 CCM/CCM(PSM)/FM/ FA&CAO/NER/GKP                                   | 14 Secretary, Rly. Rates Tribunal, 5, P.V. Cherian Rd. Egmore, Chennai-600105                   |
| 4 All PHODs/NER/GKP   | 15 Principal / Director of Audit/NER/GKP.   |
| 5 CCM, All Indian Railways  | 16 Principal/ZTS/ECR./MFP.  |
| 6 Dy. CCM/PS, DY. CCM/UTS, PO/NER/GKP                               | 17 DY. CVO(T)/NER/GKP   |
| 7 Executive Director (Rate) Railway Board, New Delhi.               | 18 DY. COM/FOIS/DY. COM/COACHING, STM COACHING/NER/GKP  |
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| 9 CCM/KRC, CBD Belapur, New Mumbai-100146                           | 20 Area Manager/NERGKP/GD, Area Officer, NER/Chhapra  |
| 10 MD/CRIS, Chanakyapuri, New Delhi-23                              | 21 CPRO/N.E. Railway/GKP - For vide publicity through suitable notice in Print/Electronic Media |
| 11 CAO/FOIS Northern Rly. CRIS, Complex, Chanakyapuri, New Delhi-23 |   |