



**M. P. MADHYA KSHETRA VIDYUT VITARAN CO.LIMITED**

(Government of M. P. Undertaking)

Nishtha Parisar, Bijalee Nagar, Govindpura, Bhopal – 462023

☎ 0755-2678280, 2678325; Fax: 2589821 Website: [www.mpcz.co.in](http://www.mpcz.co.in)

CIN: U40109MP2002SGC015119

No. MD/MK/CFO/Tax/

3662

Dated: 18/09/2014

20/09/14

**CIRCULAR**

**Sub: Change in the Service tax rates under reverse charge mechanism with effect from 01-Oct-2014.**

(a) Vide notification no. 10/2014 New Delhi, dated 11/07/2014 issued by the Department of Revenue, Government of India has made amendments in the original notification issued earlier vide No. 30/2012- service tax, dated 20<sup>th</sup> June, 2012.

The Amendment was made in respect of service provided or agreed to be provided by way of Renting of a Motor Vehicle designed to carry passengers on non-abated value to any person who is not engaged in the similar line of business.

The new rate of service tax liability for above services on recipient of the services will be applicable @ 50% from 01-Oct-2014.


(b) Vide notification no. 11/2014 New Delhi, dated 11/07/2014 issued by the Department of Revenue, Government of India has made amendments in the original notification issued earlier vide No. 24/2012- service tax, dated 06<sup>th</sup> June, 2012.

The Amendment was made in case of sub-clause (C) of clause (ii) of rule 2(A) w.r.t. "other works contracts, not covered under sub-clauses (A) and (B) of clause (ii) of rule 2(A), including maintenance, repair, completion and finishing services such as glazing, plastering, floor and wall tiling, installation of electrical fittings of an immovable property, service tax shall be payable on sixty per cent of the total amount charged for the works contract".

The new rate of service tax liability for above services on the recipient of the services shall be applicable @ "35%" from 01-Oct-2014 (sub clause (C) of clause (ii) rule 2(A) is merge with sub clause (B)).

Effect as provided in A & B above shall be treated in circular issued vide no. MD/MK/Tax/3310 dated 21/11/12. Followings points will not applicable from 01-Oct-2014 are:

1. Point no. 3- Hiring of Motor Vehicle- rate @ 50% shall be considered in place of 40%.
2. Point no. 5(iii)- Residuary works contract- rate @ 35% shall be considered in place of 30%.

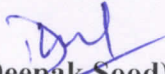
  
(Sanjay Shrivastava)  
Chief Financial Officer

No. MD/MK/CFO/Tax/ 3663

Dated: 18/09/2014

20/09/14

1. The Chief General Manager (HR&A)/(W&P)/(Proc)/(UP)/(RP)/(SM&O)/ (M&BM)/ (IT), O/o MD, MPMKVVCL, Bhopal.
2. The Chief General Manager, (BR)/(GR) MPMKVVCL, Bhopal/Gwalior.
3. The Additional Director (Finance), O/o MD, MPMKVVCL, Bhopal.
4. The Joint Director (Finance), O/o MD, MPMKVVCL, Bhopal.
5. The General Manager (O&M) / (City Circle) / AUCGM (BR/GR), MPMKVVCL, Bhopal/ Sehore/ Vidisha/ Rajgarh/ Hoshangabad / Betul/ Gwalior/ Guna/ Shivpuri/ Morena/ Bhind/Sheopur.
6. The General Manager Stores, Bhopal/ Guna/ Gwalior.
7. The Dy. Director (Bills), O/o MD, MPMKVVCL, Bhopal.
8. The Dy. General Manager (Revenue)/ (Exp. Mgt.)/ (B&A), O/o MD, MPMKVVCL, Bhopal.
9. The Regional Accounts Officer/ Accounts Manager/HR Managers, (Exp. Mgt.)/ (O&M)/ (City Circle)/ HOAU/ AU CGM (BR)/ (GR), MPMKVVCL, Bhopal/ Sehore/ Vidisha/ Rajgarh/ Hoshangabad/ Betul/ Gwalior/ Guna/ Shivpuri/ Morena/ Bhind/Sheopur.

  
(Deepak Sood)  
Dy. General Manager (FR&TM)