Government Of India
Ministry Of Railways
(Railway Board)

New Delhi, Dated 12.09.2014

The General Managers,
All Indian Railways & Production Units.

Sub : Recovery of various taxes/cess from contractors bills in works contracts.

It has been observed that there are varying practices on the Zonal Railways etc. in respect of recoveries being made for various taxes / cess from the contractor’s bills in works contracts.

Please arrange to send a list of all types of recoveries being effected in contractors bills, e.g. Construction Workers Welfare Cess, Income Tax, Service Tax, other taxes etc. The rates of such recoveries/taxes applicable and the authority (Board’s circulars etc.) for each item may also be indicated, so that the issue may be examined in Board and comprehensive guidelines on the subject may be issued.

The matter is MOST URGENT and information may be sent latest by 30th September 2014.

Copy to The Principal Chief Engineers and Chief Administrative Officers (Con), all Indian Railways for information and timely action.