

MUMBAI PORT TRUST
TRAFFIC DEPARTMENT

No.TM/B/6-2/12

of 2001-02

Date : 20.06.2016

CIRCULAR

The Secretary, Mumbai & Nhava-Sheva Ship-Agents' Association
The Secretary, The Brihanmumbai Custom House Agents' Association
The Secretary, Indian Merchants' Chambers
The Secretary, Bombay Chambers of Commerce & Industry
The Secretary, Oil Co-ordination Committee
The Secretary, Passenger Launch Operators Association
The Secretary, Indian Barge Owners' Association
The Secretary, Karanja Machhimar V.K.S. Society Ltd.
The Secretary, Federation of All India Sailing Vessels Industry Association
The Secretary, Maharashtra Sagari Matsyavyavasaik Sangh
The Secretary, Gateway Jalavahatuk Sahakari Maryadit Sanstha,
Commandant, Embarkation, H.Q.,
All India Liquid Bulk Importers Exporters Association
Indian Chemical Manufacturers Association
Aegis Logistics Ltd.
Chemical Terminal Trombay Ltd.
Bharat Petroleum Corporation
Hindustan Petroleum Corporation
Indian Oil Corporation

Dear Sirs,

Sub : Implementation of Krishi Kalyan Cess.

The Union Budget, 2016 has introduced in Finance Bill, 2016 Chapter VI, Clause 158, a New Cess, called the Krishi Kalyan Cess, @0.5% on the taxable value, proceeds of which would be exclusively used for financing initiatives relating to improvement of agriculture and welfare of farmers. The Cess will come into force with effect from 1st June 2016. Input Tax credit of this cess will be available for payment of this cess.

2. The effective date for KKC is 01.06.2016, i.e. based on point of taxation, KKC shall be charged on all services provided on or after 1st June 2016.

3. With effect from 01.06.2016, the date from which KKC shall be made applicable, Service Tax shall be leviable as follows :

Tax / Cess	Rate (%)	Cenvat
Service Tax	14.00	Yes
Swachh Bharat Cess	0.50	No
Krishi Kalyan Cess	0.50	Yes
Total	15.00	

4. You are requested to inform your members accordingly.

Yours faithfully,

Sd/-

(N.W. GAWANDE)
DY. TRAFFIC MANAGER (GEN.)