



केन्द्रीय उत्पाद शुल्क एवं सेवा कर आयुक्त का कार्यालय नं.1, विल्लियम्स रोड, कन्टोनमेंट,  
तिरुच्चिरापल्ली - 620 001.

**OFFICE OF THE COMMISSIONER OF CENTRAL EXCISE AND  
SERVICE TAX  
NO.1 WILLIAMS ROAD, CANTONMENT, TIRUCHIRAPPALLI - 1**

Trade Notice No.1/2011 - S.Tax

Date: 28/01/2011

Subject: Service Tax – Communication of Circular No. 131/13/2010-  
Service Tax dated 07.12.2010, Circular No.132/1/2011-Service  
Tax dated 12.01.2011 and Circular No.133/2/2011-Service Tax  
dated 18.01.2011 – Regarding.

\*\*\*

Ministry's Service Tax Circular No. 131/13/2010-Service Tax  
dated 07.12.2010, Circular No.132/1/2011-Service Tax dated 12.01.2011 and  
Circular No.133/2/2011-Service Tax dated 18.01.2011 is enclosed herewith for  
information and necessary action please.

The contents of this Trade Notice may be brought to the  
knowledge of all the constituent members of the Trade Associations and Chamber  
of Commerce.

(Issued from file C.No.IV/16/943/2011-STC)

Encl.As above.

*O/c*

*[Signature]*  
28.01.11

(P.DEVARAJ)  
JOINT COMMISSIONER

To  
The Mailing List 2/12/11

प्रेषित DESPATCHED  
दिनांक DATED.....

*[Signature]*  
01/2

Circular No. 131/ 13/ 2010 – ST

F.No.356/13/2010-TRU  
Government of India  
Ministry of Finance  
Department of Revenue  
Tax Research Unit

North Block, New Delhi  
7<sup>th</sup> December 2010

To

Chief Commissioners of Central Excise and Service Tax (All),  
Director General (Service Tax),  
Director General (Central Excise Intelligence),  
Director General (Audit),  
Commissioners of Service Tax (All),  
Commissioners of Central Excise and Service Tax (All).

Madam/Sir,

**Subject: - Electricity meter installed in consumers' premises and hire charges collected – whether covered under exemption for transmission and distribution of electricity – reg.**

A doubt has been raised whether renting of electricity meter by a service provider rendering the service of transmission or distribution of electricity, is covered by the exemption available under Notification No. 11/2010-ST dated 27.02.2010 and/ or 32/2010-ST dated 22.06.2010.

2. The matter has been examined. It is a general practice among electricity transmission (TRANSCO) / distribution companies (DISCOM) to install electricity meters at the premises of the consumers, to measure the amount of electricity consumed by them and 'hire charges' are collected periodically. Supply of electricity meters for hire to the consumers being an essential activity having direct and close nexus with transmission and distribution of electricity, the same is covered by the exemption for transmission and distribution of electricity, extended under the relevant notifications.
3. Trade Notice/Public Notice may be issued to the field formations accordingly.
4. Please acknowledge the receipt of this circular.

(J. M. Kennedy)  
Director, TRU  
Tel:  
011-23092634

F.No.354/69/2010-TRU  
Government of India  
Ministry of Finance  
Department of Revenue  
Tax Research Unit

North Block, New Delhi  
January 12<sup>th</sup>, 2011

To

Chief Commissioners of Central Excise and Service Tax (All),  
Director General (Service Tax),  
Director General (Central Excise Intelligence),  
Director General (Audit),  
Commissioners of Service Tax (All),  
Commissioners of Central Excise and Service Tax (All).

Madam/Sir,

**Subject: - Fumigation of export cargo in compliance of export obligation – whether taxable under 'cleaning services' – clarification reg.**

Representations have been received from the trade seeking clarification as to whether the activity of fumigation of export cargo including agricultural/horticultural produce, whether loaded into containers or otherwise is a taxable service falling under 'cleaning services' or not.

2.(a) The issue has been examined. Fumigation, per se, is a cleaning activity. However, the definition under section 65(24b) of the Finance Act, 1994, as amended, taxes cleaning of 'objects or premises' of (i) commercial or industrial buildings and premises thereof; or (ii) factory, plant or machinery, tank or reservoir of such commercial or industrial building and premises thereof. Fumigation of export cargo including agricultural/horticultural produce, whether loaded into containers or otherwise, does not satisfy the statutory definition of 'cleaning activity' under Section 65(24b) of the Finance Act, 1994.

(b) As a matter of abundant precaution, Government had also issued Notification No. 41/2007-ST dated 6.10.2007, as amended by Notification No. 42/2007-ST dated 29.11.2007 to exempt specialised cleaning services of containers used for export goods. This was in line with the international practice of making the export consignments free from taxation in the country of its origin. However, the wordings of this circular cannot be used to interpret the scope of service defined under Section 65 (105) (zzzd) of the Finance Act, 1994.

3. The pending disputes/cases may be decided based on the clarification contained in this circular.

4. Trade Notice/ Public Notice may be issued to the field formations accordingly.

5. Please acknowledge the receipt of this circular.

(VIKAS)

Under Secretary to the Government of India

**Circular No. 133 / 2 / 2011 – ST**

F.No.332/36/2010-TRU  
Government of India  
Ministry of Finance  
Department of Revenue  
Tax Research Unit

North Block, New Delhi  
18<sup>th</sup> January 2011

To

Chief Commissioners of Central Excise and Service Tax (All),  
Director General (Service Tax),  
Director General (Central Excise Intelligence),  
Director General (Audit),  
Commissioners of Service Tax (All),  
Commissioners of Central Excise and Service Tax (All).

Madam/Sir,

**Subject: - Service tax exemption for Janata Personal Accident Policy – reg.**

A clarification has been sought as to the scope and meaning of the description namely 'Janata Personal Accident Policy (JPAP)' appearing in the Notification No. 3/1994-ST dated 30.06.1994.

2. The issue has been examined. The representation seeking clarification arises in the context of customized group insurance policy schemes known as JPAP, floated by various insurance companies as specified by state governments, to extend risk cover to certain specified target populations, under varying terms of insurance. Generally, a standard JPAP is an individual oriented policy with a fixed 'sum assured'. The sum assured in these JPAP policies is often as low as Rs. 25, 000/- , so that even people without regular income can afford to purchase a risk cover for themselves. For the insurers, JPAP offers a vehicle to fulfill the 'rural or social sector' obligation prescribed by the Insurance Regulatory Development Authority (IRDA). Since a description of JPAP Policy is not available in the relevant notification, it is clarified that customized group JPAP insurance schemes floated by various insurance companies as per the specifications of state governments concerned, to extend risk cover to target populations, and to fulfill the prescribed 'rural or social sector' obligation, are covered by the subject service tax exemption.

3. Trade Notice/Public Notice may be issued to the field formations accordingly.

4. Please acknowledge the receipt of this circular. .

(J. M. Kennedy)  
Director, TRU  
Tel:  
011-23092634