

GIB/WB/SIEMENS LTD./16.12.2019/AAAR-250

Appellate Advance Ruling Category : Time of Supply

State : West Bengal

Order No.: GIB/WB/SIEMENS LTD./16.12.2019/AAAR-250

Name of Entry :
Siemens Ltd

Date : 16-12-2019

Breif Issue :

Facts & Issue of the Ruling

“M/s Siemens Ltd” has filed an appeal under Section 100(1) of GST Act, 2017 against the Ruling passed by the West Bengal Advance Ruling Authority vide Order No.18/WBAAR/2019-20 dated 19.08.2019. The Advance Ruling can be found on following link

[**GIB/WB/Siemens Ltd/19.08.2019/AAR-245**](#)

The appellant is registered under GST and had entered into a contract with M/s. Kolkata Metro Rail Corporation Limited before inception of the West Bengal GST Act, 2017/ the CGST Act, 2017, for 'design, supply, installation, testing and commissioning" of the power supply and distribution system, third rail system and SCADA system for the entire line and depot of the Kolkata East-West Metro Rail Project.

The Appellant sought an advance ruling under section 97 of the WBGST Act, 2017/ the CGST Act, 2017, on whether GST shall be charged on the gross amount of the invoice raised under GST regime or net amount of invoice after adjustment of lump-sum amount outstanding as on 30.06.2017.

The WBAAR passed an advance ruling by an order dated 19.08.2019, wherein it pronounced inter alia, that the appellant is deemed to have supplied works contract service to KMRCL on 01.07.2017 to the extent covered by the lump-sum that stood credited to its account on that date as mobilisation advance and GST is leviable thereon accordingly. The value of the supply of works contract service in the subsequent invoices as and when raised should, therefore, be reduced to the extent of the advance adjusted in such invoices. To avoid double taxation, the GST should, therefore be charged on the net amount that remains after such adjustment.

Now, the appellant, has filed the instant Appeal against the above Advance Ruling with the prayer to set aside/modify the impugned Advance Ruling passed by the WBAAR or pass any such further or other orders as it may deem fit and proper in the facts and circumstances of the case. **The appellant contended and argued upon various aspects again and cited in its favour the decisions of the Customs Excise Service Tax Appellate Tribunals in the cases of Thermax Instrumentation Ltd. vs. Commissioner of C. Ex. and GB Engineering Enterprises Pvt. Ltd. Vs. C.C.E., Tiruchirapalli**

[2017(52)S.T.R. 313(Tri.-Chennai)]

Decision of Advance Ruling Authority :

Decision

The Appellate Authority failed and disposed of the appeal and gave the following ruling- In respect of the goods and services provided by the appellant to KMRCL post introduction of GST, the amount of Rs.13,80,74,549/- can only be considered as advance paid as on 01.07.2017, and in the absence of any exemption of mobilization advance from tax under GST regime, the entire amount of Rs.13,80,74,549/- becomes taxable on the said date. In view of above discussion the appellate authority found no infirmity in the ruling pronounced by the WBAAR.