

GIB/MP/Kalyan Toll /25.09.2019/AAR-255

Advance Ruling Category : Classification

State : Madhya Pradesh

Order No.: GIB/MP/Kalyan Toll /25.09.2019/AAR-255

Name of Entry :

Kalyan Toll Infrastructure Ltd.

Date : 25-09-2019

Breif Issue :

Facts & Issue Of The Case :

The applicant is a company registered under The Companies Act, taken work under E- Tender Process by MP Power Generating Company Ltd. The company is undertaking all the structural and architectural work of O& M service building. The applicant has raised the issue that what is the effective rate of tax in the given Facts ? and whether the work constitutes composite contract or it is a separate contract for each work undertaken?

The applicant has stated that the supply is the composite supply which is being supply to a Government Entity. In terms of serial No. 3 of notification No. 11/2017-Central Tax –(rate) , the service should entitle for a concessional rate of GST @12% (CGST 6% + SGST 6%). Through a single document a number of tasks has been assigned to the applicant which would not entitled to be in a category of “composite Supply” in terms of Section 2(30) of the CGST Act,2017.

There is not any doubt that MPPGCL is a Govt. entity for the purpose of provisions of CGST Act 2017 and MPGST Act 2017 and it has been a 100% shareholding company. As per the findings the relevant tender document is consolidated contract entrusted to the applicant and it comprises of all details of work to be executed under such contract and the document shall mention specific remuneration for each such work.

Decision of Advance Ruling Authority :

Decision :

Each supply under the contract shall be chargeable to tax individually, depending upon the individual classification of such supplies and rate of tax applicable at the time of supply.

This ruling is valid subject to the provisions under section 103(2) until and unless declared void under section 104(1) of the GST Act.